

# **Annual Report**

## **2011/2012**



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 60,281. 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 solar resource base, a vibrant community, its strategic location and vocation and tertiary education institutions.

Mildura also boasts the largest and busiest regional airport in Victoria with over 200,000 passenger movements each year to Melbourne and Adelaide.

**Length of local roads**

Sealed – 993 km

Unsealed – 4,135 km

Combined – 5,128 km

**Number of rated properties**

27,813 properties (Combined total rates capital improved value \$6,327,859,675)

**Average value of a residential property across Mildura Rural City Council**

\$192,000

**Total value of Mildura Rural City Council infrastructure**

Net assets (property and infrastructure) of more than \$491 million dollars

# Message from the Mayor and Chief Executive Officer

At the start of 2011/12, the Mildura community and all organisations involved in natural disasters were still deeply involved in flood recovery as a result of the devastating rainfall that hit the region early in February 2011. Council operations were beginning to return to normal but our Community Development Team were working hard to get people back into their homes and our engineering and works crews had a massive job ahead to repair around \$15M of roads.

The budget adopted by Council included the biggest capital program in the city's history as we progressed the Langtree Mall redevelopment, a new performing arts centre and a backlog of drainage works that had gone unfunded during a decade of drought. The mall was completed with the final addition of a fabulous shade structure following funding support through Regional Development Victoria (RDV). The arts centre redevelopment was the culmination of years of planning and was well advanced at year end. Major drainage works got underway to service the city's growth corridors and will continue to be funded in subsequent years as no external funding sources could be found.

Advocacy on the Murray Darling Basin Plan, in conjunction with the Murray River Group of Councils, continued throughout the year and collectively we had some influence to get more focus on economic and social impacts in balance with environmental outcomes. The advocacy continues as the process leaves the Murray Darling Basin Authority and moves towards the Federal Parliament.

Strategic land use planning was a feature of the year and many planning amendments were progressed to facilitate residential and retail development across the city. Council's aspiration for an amendment to support major land acquisition for recreation purposes was not successful and we continue to look for opportunities to secure land ahead of urban growth. Retail investment accelerated through the year and strengthened Mildura's position as a regional shopping destination across three states.

Mildura's long awaited opportunity to develop its riverfront took a huge leap forward with successful funding bids to state and federal governments and Places Victoria developing a business case for further funding of commercial and residential precincts. Funding was also secured through the state government for a major airport terminal redevelopment to service growing passenger numbers and expanded flight schedules that now connects Mildura to three capital cities.

Mildura Development Corporation continued its push for solar and the region's first solar project got underway at Carwarp through Solar Systems' concentrated Photovoltaics (PV) technology. While converting interest to an actual project has been difficult, Mildura's reputation as the place in Victoria to go solar is now well recognised. From a sleepy rail siding surrounded by dry land farming, Carwarp came to life with Olam International establishing a major almond processing plant and MRCC and RDV supporting road infrastructure for these and future projects.

The Council's overall financial position is sound but under increasing pressure with declining external operating revenues and continued expectations of service and facility expansion. The end of year underlying result was slightly better than budget but the consolidated income statement is difficult to interpret due to major flood recovery, Grants Commission and superannuation income and expenses being brought to account at year end. The consolidated \$22.7M surplus needs to be read with caution as it is largely tied revenue that will be expended in the following year.

The balance sheet remains stable with adequate working capital to support operations and staffing levels funded through rates have been contained for some years as the city continues to expand. Council staff have continued to provide a broad range of services to meet community expectations and deliver a large program of capital works to support the city's growth. Councillors have provided strong leadership and direction in line with the Council Plan and contributed to many allied organisations that enhance the work or directly deliver functions on behalf of the Council.

As the Mayor and CEO of a vibrant regional city spanning 10% of Victoria we are proud of the Council's achievements during a challenging year and commit to working in a team spirit to ensure residents, staff and councillors can all contribute and participate in the region's successful future.

**CR JOHN ARNOLD**  
**MAYOR**

**MARK HENDERSON**  
**CHIEF EXECUTIVE OFFICER**

# Our Purpose

Through our nine councillors and staff of just over 600, Council works to provide responsive customer service, high quality facilities and effective management of infrastructure to the following sectors of the community:

- Residents
- Ratepayers
- Visitors
- Councillors
- Council staff
- Indigenous, sporting and community groups.

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

## Council Vision

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

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

### **1. Liveable community**

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

### **2. Management of the environment**

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

### **3. Growth of the economy**

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

### **4. Active community**

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

### **5. Management of resources**

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

## Council Functions

Broadly, the functions of Council include:

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

## Council Values

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

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

### **Honesty**

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

### **Integrity**

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

### **Accountability**

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

### **Transparency**

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

### **Consultation**

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



# Our Councillors

*Current Councillors (2008 – 2012)*



**Cr John Arnold - Mayor**

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



**Cr Susan Nichols**

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



**Cr Nick Cavallo**

Term: 2008 – 2012



**Cr Mark Eckel**

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



**Cr Judi Harris**

Term: 2008 – 2012



**Cr Fiona Hilton-Wood**

Term: 2008 – 2012



**Cr Glenn Milne – Deputy Mayor**

Terms: 2005 – 2008, 2008 – 2012



**Cr Sharyon Peart**

Terms: 2005 – 2008, 2011 – 2012



**Cr Max Thorburn**

Term: 2008 - 2012

## Our Organisation

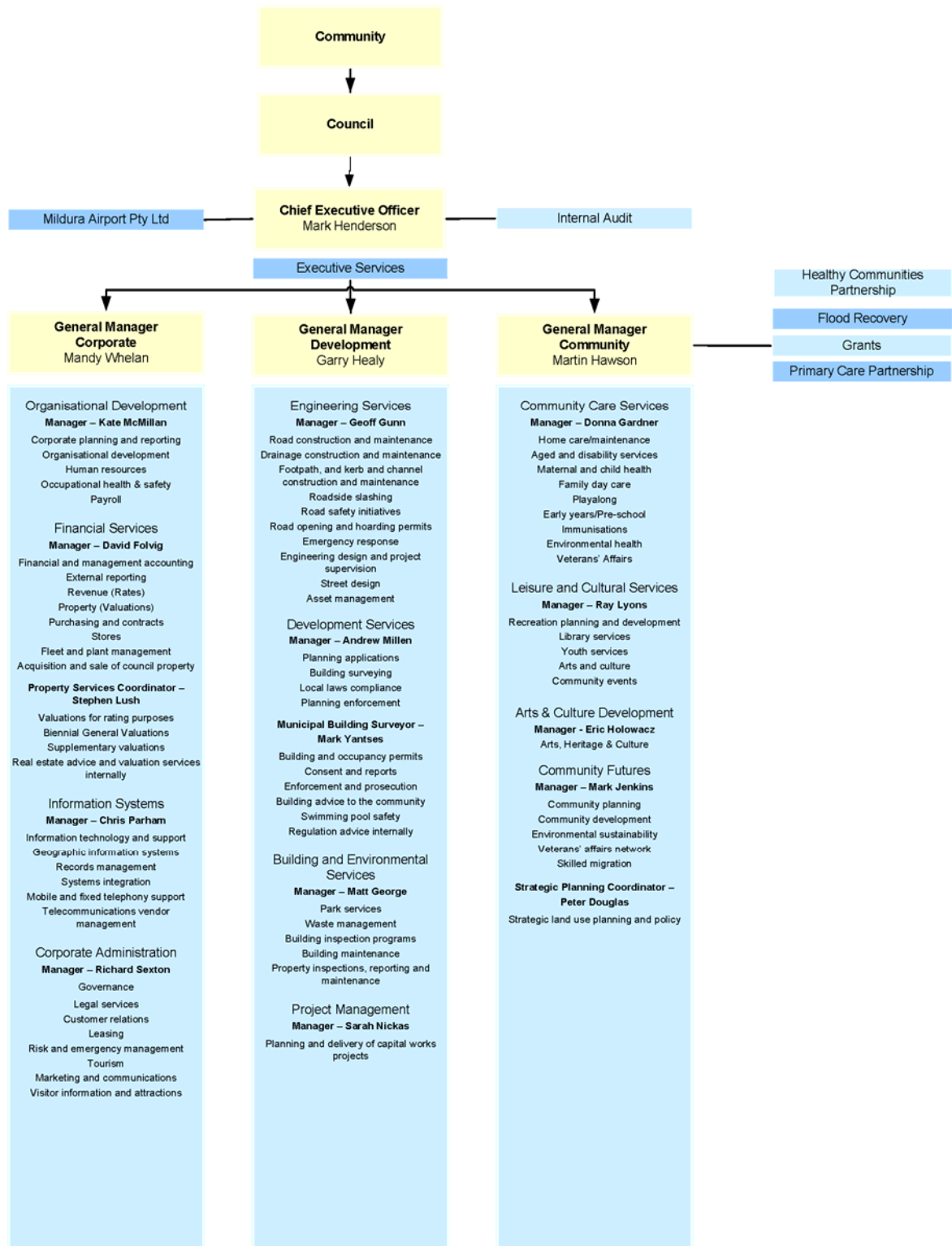
Mildura's councillors are elected as representatives of all residents and ratepayers within the municipality to provide a link between the community and Council. Collectively, they are responsible for a range of functions, duties and powers including setting the strategic direction for the municipality,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

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

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

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

# Organisational Structure



## Corporate Management Team



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

### **Chief Executive Officer – Mark Henderson**

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

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

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

#### **Responsibilities:**

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

### **General Manager Corporate – Mandy Whelan**

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

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

Responsibilities:

- Organisational development
- Human Resources
- Financial services
- Information systems
- Corporate administration
- Risk and Emergency Management
- Internal audit

### **General Manager Community – Martin Hawson**

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

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

Responsibilities:

- Leisure and cultural services
- Community care services
- Community development services
- Healthy Communities Partnership
- Community Engagement Framework
- Advancing Country Towns Project

### **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 32 years experience in local government, 24 years of which has been with Mildura Rural City Council in the development, planning and regulatory areas of Council operations.

Responsibilities:

- Engineering services

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



## Our People

### Staff Profile

Category	Numbers	Percentage
Total Employees	638	
Total equivalent full time employees	498.46	
Total full time employees	388	60.81
Male full time employees	222	34.79
Female full time employees	166	26.01
Total part time employees	204	31.97
Male part time employees	14	2.19
Female part time employees	190	29.78
Total casual employees	46	7.21
Male casual employees	8	1.25
Female casual employees	38	5.95

### 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 & Workplace Behaviours policy sets out the framework for the Equal Opportunity Committee and Equal Opportunity Contact Officers. Council has 10 contact officers in selected worksites across Council.

Equal Opportunity achievements in 2011/2012 include:

- All Equal Opportunity contact officers completed a 2 day contact officers' training course.
- All staff attended equal opportunity training

- A two-hour equal opportunity training course was developed and incorporated into induction for all new staff
- Equal Opportunity Committee meetings were conducted quarterly
- Introduction of quarterly reporting by equal opportunity contact officers on issues raised by staff
- Updated equal opportunity policies to reflect requirements of new legislation
- The implementation of an equal opportunity marketing and communication plan
- Equal opportunity policies communicated to all staff as part of Policy of the Month

The following actions have been planned for the 2012/2013 financial year:

- Continue to conduct two-hour equal opportunity training as part of the induction for all new staff
- Equal Opportunity Committee meetings to be held quarterly
- Communicate equal opportunity policies to all staff as part of Policy of the Month
- Refresher training for equal opportunity contact officers
- Review equal opportunity policies, and marketing and communication plan in consultation with management.

#### **Performance measurement**

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

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

#### **Employee Recognition Awards**

The Employee Recognition Awards Program continued during 2011/2012 acknowledging excellence in performance, commitment to ongoing improvement and provision of quality services that contributed to Council's vision of making Mildura the most liveable, people friendly community in Australia.

The Employee Recognition Awards have been presented since 2007. During this time, 24 teams have been recognised for their achievements. Staff are nominated as teams under one of eight categories aligned to the Business Excellence Framework. The winners in 2011 were as follows:

<b>Leadership</b>	<b>Community Development Team</b> The Community Development Team demonstrated outstanding leadership in response to the flood event of February 2011. This team led the set up and management of the flood recovery centres under very difficult circumstances. The team provided very clear direction to facilitate a well coordinated effort by other Mildura Rural City Council staff and community agencies.
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<b>Customers</b>	<p><b>Customer Service Team – Mildura and Ouyen</b></p> <p>During the February 2011 rain event, the customer service staff at both Mildura and Ouyen service centres rose to the challenge of being there for the community (through the night, on the weekend and during normal work hours). There were over 500 calls per day over the weekend of the floods and over the weeks that followed customer service staff dealt with people who were quite often in distress and angry, and did so with a high level of professionalism.</p>
<b>Systems Thinking</b>	<p><b>Kumatori Visit Coordination Team</b></p> <p>This team was responsible for managing the 2010 Kumatori visit from Japan to Mildura, which was particularly important as it celebrated the 25<sup>th</sup> anniversary of the formal sister-city relationship. The amount of logistical work required to coordinate this visit was extraordinary and, in addition, the key players were from different parts of the organisation, different organisations and different parts of the world.</p>
<b>People</b>	<p><b>Mobile Library Project Team</b></p> <p>The Mobile Library Project involved a great deal of work from a number of areas to bring this initiative to fruition including Library, Fleet, Information Systems, and Marketing and Communications. The team worked to obtain grant funding, tender for the trailer and the prime mover, design the trailer, prepare the artwork for the trailer and finally transfer and set up the equipment in the Mobile Library.</p>
<b>Continuous Improvement</b>	<p><b>Infrastructure Services Team</b></p> <p>The Infrastructure Services Team was at the coal face of responding to the devastating flood events of December 2010, and January and February 2011. The team worked extremely long hours for several weeks in very difficult conditions and never lost sight of the vision of what they were trying to achieve for Mildura Rural City Council and the community. They came up with many innovative solutions “on the run”, including pumping water uphill when they were told it wouldn’t work (and it did). The relationships and mutual respect that have been forged have improved attitudes, work performance and increased understanding between indoor and outdoor staff.</p>
<b>Information &amp; Knowledge</b>	<p><b>Statutory Planning Team</b></p> <p>The Statutory Planning Team has undertaken a number of initiatives to improve the processing time of applications. Outstanding applications have been significantly reduced from 278 in August 2010 to 126 by June 2011. The results have had a positive impact on the Team and have also been acknowledged by the customers of Statutory Planning.</p>
<b>Corporate &amp; Social Responsibility</b>	<p><b>Flood Recovery Team</b></p> <p>The flood event of 4 February 2011 resulted in one of the most significant natural disasters our region has experienced. A large group of Council staff worked on the social response/recovery effort from the very beginning, playing a variety of roles. The performance of the team provided an immediate, effective, caring response to our community well outside normal work</p>

	responsibilities and hours. Many of the issues had not been experienced before, so there was a strong culture of working through problems to find the best solution.
<b>Sustainable Results</b>	<p><b>Budget Preparation Team</b></p> <p>The preparation of a budget could be seen as “business as usual” for the Finance Team. However, the preparation of the 2011/2012 Budget was a challenging process for a number of reasons. Whilst the preparation of a budget is always an organisational effort, the Budget Preparation Team ran a process that was professional, collaborative and inclusive with excellent feedback from the councillors in how they had been engaged in the process. The effort, over more than six months, has brought the organisation back on track for realising long-term financial sustainability.</p>

### Years of Service Awards

In 2011, Mildura Rural City Council recognised 101 staff for service milestones of 10, 15, 20, 25, 30 and 35 years working in local government.

Staff reaching 10 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Anthony Keenan	Building & Environmental Services
Charmaine Calis	Corporate Administration
Cherie McIver	Community Care Services
Debbie Richardson	Community Care Services
Dianne Donaghy	Corporate Administration
Geoff Tarrant	Financial Services
Helen Gardam	Leisure & Cultural Services
Jean Reed	Community Care Services
Kay Pelos	Community Care Services
Larry Watt	Engineering Services
Linda Tyson	Community Care Services
Lindy Pain	Building & Environmental Services
Luke McCarthy	Information Systems
Malcolm Retallick	Engineering Services
Mark Newstead	Engineering Services
Mark Williams	Leisure & Cultural Services
Michael Hogan	Leisure & Cultural Services
Michelle Thompson	Community Care Services
Patrick Godwin	Building & Environmental Services
Raylene Pearce	Leisure & Cultural Services
Rosemary Jackson	Leisure & Cultural Services
Shirly Walsh	Community Care Services
Tina Baldwin	Building & Environmental Services

Staff reaching 15 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Allan Bergens	Engineering Services
Catherine Quin	Leisure & Cultural Services
Dianne McMahon	Community Care Services
Fred Stewart	Financial Services
Grant Standfield	Engineering Services
Hans Schulz	Engineering Services

Helen Zibell	Leisure & Cultural Services
Ian Langdon	Engineering Services
Janine Crane	Community Care Services
Jennifer Caldwell	Leisure & Cultural Services
John Kendrigan	Engineering Services
Kay Stewart	Community Care Services
Margaret Mason	Corporate Administration
Mervyn Goodall	Engineering Services
Pamela Gogler	Community Care Services
Rhonda Watts	Building & Environmental Services
Richard Rowe	Development Services
Robyn Harris	Development Services
Sandra Healy	Corporate Administration
Wendy Hopkinson	Community Care Services

Staff reaching 20 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Catherine Humphreys	Community Care Services
David Searle	Organisational Development
Jennifer Waller	Leisure & Cultural Services
Judith Douglas	Executive
Lynne Hickey	Community Care Services
Peter Chamberlain	Leisure & Cultural Services
Trevor Watts	Building & Environmental Services

Staff reaching 25 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Grant Follett	Building & Environmental Services
Norman Ferguson	Building & Environmental Services
Pamela Berton	Community Care Services
Raymond Currah	Engineering Services
Susan Lyons	Community Care Services
Terence Hunt	Engineering Services

Staff reaching 30 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Victor Scherger	Building & Environmental Services

Staff reaching 35 years of service in 2010 included:

<b>Name</b>	<b>Branch</b>
Charles Dowdy	Engineering Services
Robert Jensen	Engineering Services
William Clohesy	Engineering Services

Staff reaching 10 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
Brooke Keher	Community Care Services
Cameron Stewart	Building & Environmental Services
Gavin Peters	Engineering Services
Helen Simmons	Community Care Services
James Patterson	Engineering Services

Jody Jones	Community Futures
Julian Bowron	Leisure & Cultural Services
Julie Sylvester	Leisure & Cultural Services
Kaylene Seabrook	Community Care Services
Lisa Homfray	Community Care Services
Lorraine Jones	Community Care Services
Patrick Donaghy	Engineering Services
Phillip Button	Engineering Services
Raelene Winslow	Community Care Services
Raymond Martin	Building & Environmental Services
Thelma Jensen	Community Care Services

Staff reaching 15 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
Andrew Castle	Leisure & Cultural Services
Arnold Harmer	Building & Environmental Services
Darryl Greenwood	Engineering Services
Elizabeth Milligan	Community Care Services
Frank Dart	Development Services
Jennifer Stringer	Community Care Services
Jennifer Summerhayes	Corporate Administration
Jennifer Teasdale	Community Care Services
Joseph Wakeman	Engineering Services
Natasha Leslie	Community Care Services
Tim Rodger	Organisational Development
Tony McCarthy	Financial Services

Staff reaching 20 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
Allan Eastmond	Engineering Services
Glenn Gladman	Building & Environmental Services
Ian Roberts	Engineering Services

Staff reaching 25 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
Annette Darlow	Building & Environmental Services
Janice Garner	Community Care Services
Lesley Mayes	Community Care Services
Mary Hensgen	Community Care Services

Staff reaching 30 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
Karen Musgrove	Community Care Services
Mark Whitfield	Engineering Services
Peter Wade	Building & Environmental Services
Richard Sexton	Corporate Administration

Staff reaching 35 years of service in 2011 included:

<b>Name</b>	<b>Branch</b>
David Baird	Financial Services
Michael Hickey	Financial Services

## **Training and Development**

All new staff attend induction training programs, specifically designed for Mildura Rural City Council. These include:

- Corporate Induction
- Occupational Health & Safety
- Equal Opportunity Awareness
- Customer Service
- Records Management
- Disability Awareness
- Environmental Sustainability Awareness

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

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

- Executive Leadership Program
- Emerging Leaders Program
- Ignite Program

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

- Recruitment and Selection
- Fish! Program
- Business Excellence Awareness
- Continuous Improvement Awareness
- Business Writing
- Report Writing
- Time Management
- Day to Day Management and Supervision of Staff
- Difficult but Necessary Conversations
- Mediation Skills

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

- First Aid
- Traffic Controller, Roadworks Signing & Safety Training
- Emergency Warden Training
- Fire Extinguisher Training
- Dealing with Difficult People, Behaviours and Situations
- Manual Handling Training

- Chemical Users Certificate
- Health and Safety Representative Course

Council also provided numerous Health & Well-being sessions throughout the year. These included skin checks, worker health checks, vision testing, fruit week and a 10,000 steps challenge.

**Study Support**

Through our study support program in 2011/2012, 33 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

### Specific challenges over the past twelve months:

- Successfully managing a tight operational budget
- Restoration of the road network after the February 2011 flood event
- Delivery of a \$30M plus Capital Works Program including significant upgrades to drainage infrastructure and the construction of a new theatre
- Ongoing social and emotional support to the community in recovering from the flood event
- Securing Commonwealth funding for the Riverfront Redevelopment Project
- Slowing of growth
- Responding to the Murray Darling Basin Plan (joint advocacy as part of Murray River Group of Councils)

### Highlights and achievements over the past twelve months

#### ➤ Mildura Rural City Council

#### July 2011

- Council and the Mildura Aboriginal Corporation host a joint flag raising ceremony in front of Council's Madden Avenue Service Centre on Monday 4 July to mark the start of NAIDOC Week.
- Council adopts the 2011–2012 Budget.
- The Irymple Community Plan is endorsed by Council.
- Council adopts a Social Inclusion Policy.
- Tree planting of 2,000 plants is undertaken by 320 community members at 11 different sites across the municipality as part of National Tree Day 2011.



**July 2011:** The start of NAIDOC week is marked with a joint flag raising ceremony in front of Council's Madden Avenue Service Centre on 4 July 2011.

- The Mildura Eco Living Park Masterplan (MELP) is endorsed by Council, providing strategic direction for the development of the entire site and guidance for the eventual placement of the Mildura Eco Living Centre (MELC).
- The Educational Operational Group is created as part of the Community Engagement Framework, bringing together educational practitioners to provide a network for the development and implementation of strategies including the Unlocking Sunraysia's Potential Project.
- Work commences with kindergartens and long day care centres to update the progress towards Universal Access.
- Three significant development applications: 22 lot subdivision; Mildura Airport expansion (estimated \$6 million); a commercial development proposal (estimated \$750,000) are received.
- Major flood damage rectification works are completed on the second stage of Kulkynne Way, south of Lindeman's Winery.
- Major and minor drainage improvement works, following the February 2011 floods, progress with tendering of the Irymple drainage basin expansion works, the completion of Hood Court Rising Main and Indi Avenue basin fencing.
- The first complete month of kerbside recycling along the Mallee Track occurs, with a comparison of figures showing a substantial reduction (i.e. 14 tonnes to 6.5 tonnes) of rubbish per week going to the landfill.
- The Langtree Mall Redevelopment Project continues, with all underground infrastructure, kerbing and concrete foundations being completed at the Ninth Street end of the Mall in preparation for the paving.
- Council's application for \$5 million from the Regional Infrastructure Fund for the Mildura Riverfront (Eastern Precinct) is announced as successful, allowing detailed designs to progress.

### August 2011

- Council resolves to award a contract to the value of \$382,000 for the rehabilitation and/or establishment of play facilities for various ages throughout the Mildura region.
- Terms of Reference for the Aboriginal Action Committee, which aims to improve the wellbeing of the Aboriginal community in the Mildura municipality, are formally adopted by Council.
- Council reviews a series of proposed amendments to the Council Plan 2009-2013, and adopts a revised version of the Plan.
- Council adopts the Customer Complaints Policy, which provides guidelines to facilitate a fair, equitable and timely resolution of all Council customer complaints.
- Council resolves to request the Minister to appoint an independent panel to consider submissions received to Amendment C66 to the Mildura Planning Scheme.



**August 2011: Council resolves to award a contract for the rehabilitation and/or establishment of play facilities in throughout the Mildura region**

- Council resolves to refer all submissions received in relation to Amendment C63, C67, C68 to an independent Panel appointed by the Minister for Planning.
- As part of Council's \$8.5 million Stormwater Drainage Capital Works Program developed following the January and February 2011 flood events, Council resolves to enter into a contract for the expansion of the Karadoc Basin in Irymple.

### **September 2011**

- Renovations commenced at De Garis Kindergarten to assist the kindergarten to become ready for Universal Access.
- Redevelopment of Cardross Reserve Oval commences with the laser levelling and new irrigation works underway.
- Major flood damaged roads contract works commence, with steady progress being achieved for projects in the first contract package (Nangiloc area).
- Council's Road Surfacing Program commences, with major asphaltting works being undertaken in Linton's Lane (CBD) and Terry Street, Mildura South, together with a series of bitumen sealing projects in the Mildura irrigation area.
- Expressions of interest are called for from Cardross community members to participate in a Cardross Community Complex Reference Group, which will champion the community's needs and priorities during the planning, design and development phases of a new community complex at the town's recreation reserve.
- The Chaffey Trail Braille brochure, which includes information about the Old Mildura Homestead, Mildura Homestead Cemetery, Rio Vista Historic House, Lock 11 and Mildura Weir, Mildura Wharf and Port of Mildura, Mildura Grand Hotel, Psyche Bend Pump Station, Chateau Mildura and Merbein, is launched.

### **October 2011**

- The Buxton Park Redevelopment Project opens to the public with improved facilities including a full size basketball court, shelter, electric BBQ and new perimeter fencing to prevent vehicular access.
- Council, in conjunction with Mildura Development Corporation, Wentworth Shire Council and other local organisations, form a lobbying group in an effort to accelerate the roll out of the National Broadband Network throughout Sunraysia.
- The Mosquito Monitoring Program commences and includes an educational program within primary schools as a new component.
- Preliminary works commence on the second stage of major flood damaged roads, which include roads in the Red Cliffs area. Final tenders for contract packages for Stage 3 & 4, which include the Cardross, Koorlong and Mildura South areas are received.
- The first section of the Irymple drainage basin, and the installation of stormwater pipeline in Linden Close and Fourteenth Street to a newly constructed drainage basin, nears completion.
- Abilities access works are completed at the Walpeup Hall, enabling the community to use this site for important local functions.
- After a period of absence during drought affected years, Parks reintroduce the planting of annual flower displays at Henderson Park and the Mildura Arts Centre, creating visually appealing floral displays.

- Council commences the development of a Litter Strategy, which aims to guide the Mildura community towards the achievement of the Towards Zero Waste target for litter.
- Council approves the Community Plan Support Funding Grant Application for \$30,000 to the Nangiloc Hall Committee to provide a temporary functioning kitchen/supper room
- Grant applications totalling \$101,215 for funding under the Council's Community Project 2011 Grant Scheme are approved providing an opportunity for local not-for-profit community organisations and groups to obtain funding for innovative projects to enhance services, develop facilities or pay for one-off events or training.
- Council endorses Merbein Development Association Inc. to undertake the event management of the Great Australian Vanilla Slice Triumph.

#### **November 2011**

- Council adopts a new Community Environmental Project Grants Policy, which aims to provide clear principles and assessment criteria when offering grants to community organisations through the Community Environmental Project Grant scheme.
- The *Red Cliffs Residential Development Plan 2009* is adopted to ensure permitted development of the new residential areas of Red Cliffs in line with best practice town planning guidance.
- Council endorses the *Central Murray Regional Transport Study 2011* and supports its adoption as the regional transport plan for the Northern Loddon-Mallee.
- The proposed Merbein Library and Community Hub Master Plan is released for public comment for a period of 28 days.
- In response to increasing freight tasks associated with winery, fruit, grain and mineral sands transportation throughout the district, Council provides in principle support to the proposed trial of A-Double vehicles within the Mildura district.
- Council appoints the Municipal Association of Victoria to conduct the tender process for the provision of electoral services for the 2012 Municipal Election and resolves to undertake the election by postal ballot.
- The Aboriginal Action Committee, which will guide, support and make recommendations to Council on issues that affect local Aboriginal people, is officially launched on 10 November 2011.
- Works that began in September to upgrade the surface of the Cardross Recreation Reserve Oval, which had been unusable since the February floods, are completed.
- MRCC hosts a free physical activity 'come 'n' try' day for children to encourage greater levels of participation in such activities across the municipality

#### **December 2011**

- Cr John Arnold is elected Mayor and Cr Glenn Milne is elected Deputy Mayor at the Annual Council Meeting. Councillors are also allocated portfolios and appointed to regional boards and committees at this meeting.
- Council approves grants totalling \$10,000 to five community organisations through the Community Environmental Grants Program.
- Council approves the Rural Access Grants Policy and the Arts Development Grants Policy, which provide clear principles and assessment criteria when offering grants to community organisations through the Community Project and Community Partnership Grant Schemes and the Arts Development Grants Scheme, respectively.

- Funds of up to \$100,000 are committed from the 2012/13 Capital Works Program to support the extension of the Pasadena Kindergarten in line with the federal and state governments' Universal Access initiative.
- Council adopts the Hardship Policy, aimed at assisting customers experiencing difficulty to pay their accounts by the due date.
- Council agrees to investigate the resources required to establish a Motor Sports Industry Development Group in line with the North West Victorian Motor Sports Feasibility Study, which provides a blueprint for the future development of the industry in both the Mildura and Swan Hill municipalities.
- More than \$70,000 worth of new upgrades to the synthetic facilities at Mildura's Old Aerodrome Sporting Complex are officially opened on 18 December 2011.
- Local singing teacher Shirley Bowie is honoured for her contribution to the arts in the Mildura community as the recipient of the 2011 Mildura Rural City Council Arts & Culture Board's Elliott Award.

### January 2012

- Australia Day celebrations take place across the municipality with Len Krause, who has dedicated more than 60 years of his life to performing, leading, teaching and writing music, named Citizen of the Year and active young leader, Katerina Blekic, named Young Citizen of the Year. Thirteen people from nine countries also become Australian citizens as part of the celebrations.
- Minister, the Hon. Ryan Smith, announces funding of \$60,000 to help rebuild the Cardross community after the February 2011 floods.
- De Garis and Irymple kindergarten renovations are completed.
- Council adopts an independent planning panel report recommendation that the proposed planning amendment C56, to secure land in South Mildura for a major regional sporting facility, be abandoned.



**January 2012: Len Krause receives the citizen of the year award and Katerina Blekic the Young Citizen of the Year award as part of Australia Day Celebrations 2012**

- Council re-adopts the Risk Management Policy, which recognises the vital importance of risk management in maximising opportunities and achieving organisational objectives.
- Council approves payments totalling \$32,500 under the Kindergarten Grants Scheme 2011/12 to assist 13 kindergartens with improving the standard and quality of their kindergarten's programs and facilities.
- Council resolves to commit funding of \$7,405.50 in the 2012/13 Capital Works Program for the Mildura/Imperials Netball Court Lighting Project, subject to the Country Football Netball Program grant application being successful.

### February 2012

- Council endorses the Strengthening Victoria's Foodbowl report and addendum, and resolves to use these to inform a Mildura Rural City Council and regional response to the Murray Darling Basin Authority on the proposed Murray-Darling Basin Plan.

- Council endorses plans proposed for the re-establishment of the Cardross Recreation Reserve facilities that were significantly damaged as a result of extensive flooding to the region in February 2011.
- Council adopts the master plan for the Merbein Library and Community Hub.
- A grant of \$120,000 is secured to deliver the Lead On Framework Project, which will provide young people with opportunities to participate in activities that will build their skills, knowledge and pathways, and ultimately develop stronger connections with family and the community.
- Final work on the Stage 1 construction of the new drainage basin in Irymple is completed, along with major pipeline installation and basin construction at Linden Close and 14th Street.
- Negotiations with land owners for major drainage projects in the Mildura South and Plain Tree Drive are finalised, with construction works scheduled to commence in the third week of February 2012.
- Major road stabilisation works are completed in the Lindsay Point area, including sections of Lacey Avenue, Kempe Road and Papershell Avenue.
- Council's Bitumen Services crew commences Stage 1 of Flood Recovery sealing works at Boonoonar Road, Brownport Road and Ouyen/Patchewollock Road.
- Marking the one year anniversary of the 2011 Mildura floods, the Cloudburst art exhibition is launched on 4 February 2012, reflecting the local community's stories from the 2011 flash flooding event.
- Erection of the framework for the new foyer area of the Mildura Arts Centre theatre is completed, offering an insight into the scale and shape of the multimillion dollar performing arts venue.
- Online and interactive access to the 2012 Australian Breastfeeding Association's National Conference "Breastfeeding: Working it Out", is coordinated through Council's Best Start Program, providing Mallee health professionals with the latest research and information on breastfeeding.
- Council hosts a free tourism workshop in a bid to ensure Sunraysia's tourism operators, traders and accommodation providers are best equipped to capitalise on an anticipated influx of business-related visitors this year.
- Council appointed contractors complete the stabilisation and patching, and start resealing sections of Nineteenth Street, Deakin Avenue and Pawson Avenue; works that are part of a \$1.5 million project that will also see six other roads in the Mildura South are reinstated following damage caused by flash flooding in 2011.
- Council submits a \$4.8 million grant application to the federal government to redevelop and upgrade parklands, and existing facilities along Mildura's riverfront.

## **March 2012**

- Council resolves to adopt Amendment C66 to the Mildura Planning Scheme, relating to the Ontario-Flora Precinct Land Use Vision and Urban Design Framework.
- Council resolves to refer all submissions received in relation to Amendment C64 to the Mildura Planning Scheme to an independent panel appointed by the Minister for Planning.
- Council hosts a two-day visit from a delegation from its sister city in China, Dali.
- The Chaffey Trail Teachers' Resource is launched, providing an innovative, locally-based school history resource.

- In a major coup for the region, leading Australian children's book author and illustrator, Roland Harvey, visits 17 schools across the Mallee.
- Mildura Rural City Council embraces a new state-wide attack on obesity being driven by celebrity chef Jamie Oliver, with plans made for the municipality to be one of 14 across Victoria where Jamie's Ministry of Food health initiative will be rolled out.
- An independent planning panel report supports Amendment C68, which proposes to rezone land in Mildura, opposite Centro, for a Coles supermarket, but does not support Amendment C63, which proposes to rezone land in Irymple to build a Woolworths supermarket and establish a neighbourhood activity centre.
- Council promotes home energy efficiency, in particular water conservation in the home and garden, sustainable gardening, recycling and home composting at its stand at the Sustainable Sunraysia Festival.
- Award-winning children's author and illustrator Alison Lester offers an insight into the creative world of picture books and stories by spending time with local Mildura primary school students as part of local celebrations to mark the National Year of Reading.
- A \$4.65 million drainage upgrade project commences, which will see two 1500 mm diameter pipes laid along Mildura's Etiwanda Avenue from the Crescent to the Etiwanda Wetlands, essentially tripling the system's capacity for stormwater flows.

#### **April 2012**

- Council resolves to adopt Amendment C60 to the Mildura Planning Scheme, as exhibited, and forward the adopted amendment to the Minister for Planning for approval.
- Council exhibition at the Regional Victoria Living Exhibition 2012 in Melbourne showcases the Mildura region as an ideal place to live, work, invest and play, and wins the Minister's Award for Best Exhibit.
- The development of project briefs to engage consultants for the design phase of Stage 1 of the Riverfront Re-development Project commences.
- Council's Building Maintenance and Community Futures teams work closely to roll out various solar systems in a number of key facilities, including The Alfred Deakin Centre and Madden Avenue Service Centre.
- Council's Waste Management Team initiates research into the potential for a kerbside green and organics collection service for Mildura Rural City Council, and subsequent diversion from the landfill.
- Monash Wetland to Fifteenth Street drainage works commence.
- Stage 3 of the Rehabilitation of Footpaths, Bike Paths and Shared Paths Project at various locations across the municipality commences.
- The creative skills and artistic talents of more than 20 Sunraysia artists and craftspeople are showcased at Mildura's first ever After Dark Arts Market; an initiative developed through Council's LEAP Project.
- Council submits a formal response to the Draft Basin Plan, calling on the Murray Darling Basin Authority to address a range of areas where further work is required in order to fully understand what the Draft Plan proposes and the impacts it will have on the Mildura region, before any legislation on the issue is put to parliament.





**May 2012: Regional Express announces its intention to extend its flight services to include new direct interstate flights**



**May 2012: Langtree Mall Pavilion works are completed**

## May 2012

- Works on the Langtree Mall Pavilion are completed.
- Council welcomes news of Regional Express's intention to extend its flight services to include direct flights between Mildura and Adelaide, Sydney and Broken Hill, as well as new services connecting Broken Hill with Sydney, Adelaide and Melbourne.
- Council adopts Amendment C51, relating to the Heritage Overlay of the Mildura Planning Scheme and resolves to forward the adopted amendment to the Minister for Planning for approval.
- Council approves grant applications totalling \$4,679 for funding under the Mildura Rural City Council *Recreation Development Grant Scheme* Round 2 2011/2012 and grant applications totalling \$55,121.92 for funding under the Mildura Rural City Council *Recreation Facilities Upgrade Grant Scheme* Round 2 2011/2012.
- Council approves grant applications to the total value of \$3,500 to fund three projects through the 2012/2013 Arts Development Grants Scheme Council and four grant applications totalling \$10,000 to fund four projects under the Community Access Grants Scheme 2011-2012.
- Council adopts the final draft concept design for the redevelopment of Deakin Avenue from Seventh to Tenth Street.
- The Victorian Government makes \$200,000 available to enable the Mildura and Swan Hill rural city councils, over the next two years, to employ additional resources to assist with the implementation of recommendations stemming from the Victorian Bushfires Royal Commission.
- The Nangiloc Hall kitchen relocation and renovation is completed.
- Council invites people using mobility equipment and those considering it in the future to attend a free forum in Merbein covering everything people need to know about using scooters, gophers and motorised wheelchairs in the Mildura community.
- Council hosts an exciting and comprehensive 2012 Green Living Seminar, covering topics for eco-conscious residents ranging from clever home renovating, to sustainable transport and how community gardens work.
- Data collected from Council's annual mosquito monitoring program reveals a significant drop in the number of mosquitoes in the Mildura region over the last twelve months, with official figures indicating there were 36 times more mosquitoes during the 2010/11 season than in 2011/12.



- The Governor of Victoria, the Honourable Alex Chernov, AC, QC, and his wife meet with Council and representatives from other organisations and community groups during a short visit to Mildura.
- Council's LEAP program revamps, and extends to run throughout the term, a highly-popular school holiday visual arts program aimed at promoting creative growth and inspiring individual expression through art in children aged seven to 13.
- Members of Council's Arts and Culture Board, the theatre redevelopment Project Reference Group and Mildura Arts Centre staff have the privilege of standing centre stage during a site tour with contractors as the core structure of the new stage of Mildura's multi-million dollar new performing arts venue takes shape.
- The signing of a historic agreement formally recognising Sunraysia as home to the nation's first irrigation colony is re-enacted as part of a series of celebrations to mark the significant 125-year milestone now dubbed 'Mildura Day'.
- Council releases its Draft Budget for the 2012/13 financial year, featuring priorities such as proposed record investments in upgrading drainage infrastructure and continued delivery of 60-plus important programs, services and facilities to the local community.
- Work on a \$260,000 state-of-the-art skate park in Red Cliffs commences.

## **June 2012**

- Council supports and endorses the Mildura West Community Plan 2012-2017.
- Having considered the Independent Report of the Panel appointed to consider Amendments C63, C67 & C68, Council resolves to adopt these amendments subject to the adoption of certain conditions recommended by the Panel.
- Council approves and adopts the revised Council Plan 2009-2013 (2012 Update) and resolves to advise the Minister for Local Government of the adjustments made in accordance with section 125 (10) of the *Local Government Act 1989*.
- Council adopts the 2012/13 to 2015/16 Strategic Resource Plan and 2012/2013 Budget, including the User Fees and Charges.
- Council appoints the Victoria Electoral Commission as its service provider for the conduct of the 2012 Mildura Rural City Council Local Government Election.
- Council approves 37 Grant applications for one year funding totalling \$124,600 under the Events & Festivals Grants Scheme 2012.
- The Regional Skilled Migration Program achieves the agreed target of eight skilled migrant placements with local employers for Quarter 4 (April-June 2012).
- Council's Waste Management team is successful in sourcing contractors to remove and recycle tyres and mattresses that arrive at Mildura landfill.
- Representatives from the Loddon Mallee Department of Planning and Community Development update Councillors on the *Regional Growth Plan*.
- Merbein residents are urged to visit the Mobile Library while the Merbein Library closes and a brand new facility is constructed on the Main Avenue site.
- Council announces the award of grants totalling more than \$73,000 through its Recreation, Arts and Rural Access Grant programs, providing funds to enable local community groups and organisations to recognise goals and aspirations ranging from the purchase of new sporting equipment to significant improvements to sporting facilities and amenities.

➤ **Other entities funded by Mildura Rural City Council**

**Mildura Airport Pty Ltd**

*Terminal Redevelopment Project*

Planning and designing continued to be developed during the period for the major terminal redevelopment to ensure that the project could proceed as soon as funding was confirmed.

The Victorian Government committed \$3M to the project during the 2010-11 financial year, with additional funding to be sourced from the Federal Government. After Federal funding was unsuccessful, the Victorian Government, demonstrating its commitment to the project being completed, committed an additional \$2.2M in March 2012. Along with Mildura Rural City Council's and the Airport's contribution totalling \$1.2M has ensured this major redevelopment for our region could proceed.

Expressions of Interest were called for in April 2012 with invited contractors having until 6 July 2012 to submit their tenders, with the successful contractor being appointed by 31 July 2012.

Some preliminary works have already commenced with the successful contractor expected to become established on site in September 2012.

The redevelopment project has taken into consideration future expansion works with the construction allowing for the building to be augmented to meet future requirements.

*Change to Officeholders*

In February 2012, the inaugural Chairman, Mr Lloyd Thomson, resigned after serving four years as Director and Chair of Mildura Airport Pty Ltd. His contribution whilst serving on the Airport Board has been very valuable in the development of this critical community asset and greatly appreciated.

Mr Peter O'Donnell was appointed as Chairman and the vacancy on the board was filled by Mr Ross Lake.

*New Services*

In May 2012, Regional Express (Rex) announced it was significantly expanding its services into and out of Mildura by introducing new services to Adelaide, Sydney and Broken Hill in July 2012. The Airport Board and Management congratulates Rex on their commitment to regional areas, and specifically our region. We hope the community will support these new services to ensure they remain for the long-term and potentially become expanded on in the future.

*Expanded Security Screening*

The Federal Government mandated in December 2010 that from 1 July 2012 the legislated weight requirement for security screening from the departure port would reduce to 20,000 kg maximum take-off weight (MTOW). This requirement captures the Qantas Dash 8 400 series aircraft currently servicing the area, which significantly increases the Airport's security screening capability.

During the 2011-12 year, preparation for this increased requirement has been underway with an intense training program for additional staff being implemented and passenger security screening equipment being purchased to ensure the Airport was ready to comply with mandated requirements.

### *Regulatory Audits*

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

### *Other*

Expansion of the CCTV network was undertaken with a new server and cameras being installed, and a new software licensing system purchased. This will be reviewed and expanded with the terminal redevelopment project.

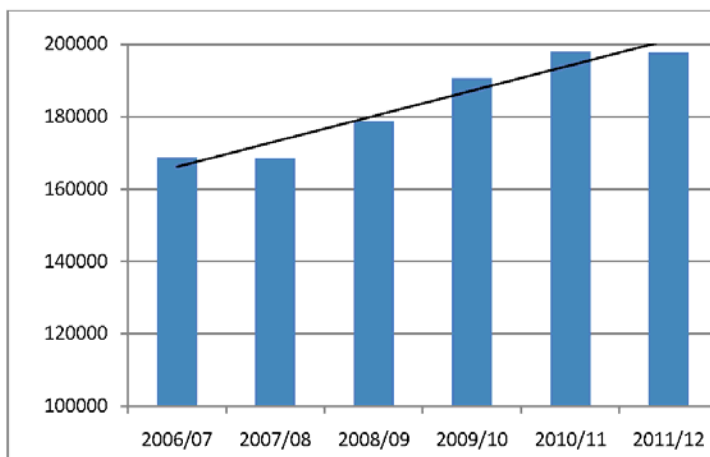
Consolidation of IT network continued during the period with further development of the central server/communications room pulling together the previously fragmented system.

A new and upgraded Flight Information Display System (FIDS) will be installed as part of the terminal redevelopment project replacing the existing outdated system.

Work continued during the period on expanding the airport's Water Harvesting Program with the aim to 'drought proof' the Airport for the future and save on water requirements through Lower Murray Water supply.

Work has been completed on the development of a landscaping strategy and concepts for the longer term. Upgrades to the fragmented irrigation system are being implemented on a staged basis.

**TOTAL PASSENGER MOVEMENTS 2007-2012**



### **Mildura Tourism Inc.**

#### *Stakeholder Engagement*

In conjunction with Tourism Victoria, Mildura Tourism assisted the roll out of an Environmental Opportunity Assessment Program for local nature-based tourism operators in September 2011.

A major stakeholder workshop, aimed at assisting Mungo National Park to achieve its full tourism potential, was also conducted in June 2012.

#### *Official Visitors' Guide*

In November 2011, Mildura Tourism produced the 2012 Official Visitors' Guide; the Mildura region's signature tourism piece of print marketing collateral. A raft of on-line and digital

marketing activities targeting key international audiences in Europe, Asia and New Zealand which, because of distance and resources, cannot be accessed personally, was also commenced.

#### *Tourism Research*

In December 2011, Mildura Tourism maintained extensive and quality tourism research, tracking multiple indicators of the region's tourism performance. For the year ended December 2011, domestic visitor numbers increased 7% and visitor nights grew by 17%. International visitors grew by 23%. (Figures for the year ended June 2012 were not available by 30 June 2012.)

In conjunction with the Murray Regional Tourism Board, Mildura Tourism also facilitated regional Gap Analysis research workshops in March 2012.

#### *Tourism Promotion*

March 2012 saw the phasing in of a new TV campaign to extensively promote Mildura throughout regional Victoria, regional NSW, Canberra, Adelaide and regional SA.

In May 2012, Mildura Tourism undertook Mildura's fourth consecutive 'Be a Tourist in Your Own Town' campaign; the most successful yet, with 85 operators and 6,000 local residents participating.

### **Mildura Development Corporation**

Mildura Development Corporation engaged in the following activities and assisted in the facilitation of the following highlights over the 2011-2012 financial year (as recorded in the Mildura Development Corporation Annual Report):

#### *Chinese delegations*

The Mildura Development Corporation hosted a number of delegations that visited Mildura and attended a number of meetings with Chinese companies and Government officials in China. Details of these visits are summarised below.

- Shanghai Dairy Group - Part of Bright Foods Group, visiting Mildura to investigate importing of food and wine products, as well as feed stock for dairy herds. Provided tour of the district to local wineries and food producers.
- Nanjing Delegation - Met with business representatives from the Nanjing region who have a distribution chain across the Jiangsu province
- Tianjin Delegation - Through contact with the Melbourne City Council, met with a number of business representatives from Tianjin who are looking at importing wine from the Mildura region.
- Dali Delegation - Through Mildura Rural City Council, met with government officials and representatives from Dali to promote the food and beverage opportunities of the Mildura region
- South Latitude Wines - Hosted Jack Ye and Season Zhang from South Latitude Wines and introduced them to local winemakers. Jack is establishing the Australian Wine Centre in Shanghai and is now purchasing from Mildura region wineries.
- China Trade Mission - Accompanied Melbourne City Council to Tianjin (Melbourne's sister city), Beijing and Guangzhou to meet with wine buyers and distributors. Also met with solar companies interested in investing in the Mildura region.
- Attended SIAL Shanghai, the largest food and beverage trade show in Eastern China. Promoted Mildura region wines and food products to importers, distributors and buyers.

#### *NBN4 Mildura-Wentworth*

Mildura Development Corporation worked with representatives from industry, health, education, community, Council and Government across the Mildura Wentworth region in devising the Draft Digital Community Strategy to advocate for the National Broadband Network.

#### *Wine, Beverage & Olive Industry Workforce Development Strategy (IWDS)*

Implementation of the IWDS continued, with the main focus being on developing a Skills Passport that employees can use to transition from one food processing sector to another. Assisted by funding provided by DEEWR and facilitated by MADEC, the Skills Passport has been developed and has been approved by both local industry participants and local training providers.

#### *Irrigation Modernisation*

Consultation was undertaken with growers, investors, food processors, commodity groups, Government, Mallee CMA and Lower Murray Water to provide further information on opportunities for irrigation modernisation of the pumped districts.

#### *Olam*

Mildura Development Corporation worked with Mildura Rural City Council and Regional Development Victoria in assisting Olam to establish an almond processing plant at Carwarp. This plant provide up to 90 jobs in peak periods.

#### *Solar Systems*

Mildura Development Corporation continued to meet with and work with Solar Systems to establish local provision of contractors and services, where possible, to assist with construction of 2MW solar power station at Carwarp.

#### *Mallee Solar Park*

Mildura Development Corporation continued to work with TRUenergy in supporting application to Solar Flagships for the establishment of 173MW solar power station at Yatpool. Unfortunately, this application was not awarded funding through the Solar Flagships process.

#### *Solar inquiries*

Work with a number of solar companies that are pursuing the establishment of small, medium and large scale solar developments for the Mildura region continued.

#### *Transcontinental Rail Link*

Mildura Development Corporation continued working with the Victorian Government and Mildura Rural City Council to advocate for funding for a full feasibility study on the rail link to the Transcontinental, including meeting with the Australian Rail Track Corporation.

#### *Mildura Riverfront*

Mildura Development Corporation's Chief Executive Officer is part of the Project Control Board set up by the Victorian Government to develop a pre-business case for funding to develop the Mildura riverfront.

#### *Solar Hubs*

In conjunction with Mildura Rural City Council, National Centre for Sustainability and Sustainable Sunraysia Network, the Mildura Development Corporation formed the Mildura Regional Solar Hubs Committee. PV rooftop solar community purchase scheme, utilising Mildura Solar as provider, was promoted, achieving close to 500kW of solar power.

#### *Networking Breakfasts*

Two business breakfasts were held; one featuring Dr Paul Budde on the NBN and the other economist Michael Fazzini, on the challenges of the global economy.

*Workshops for business*

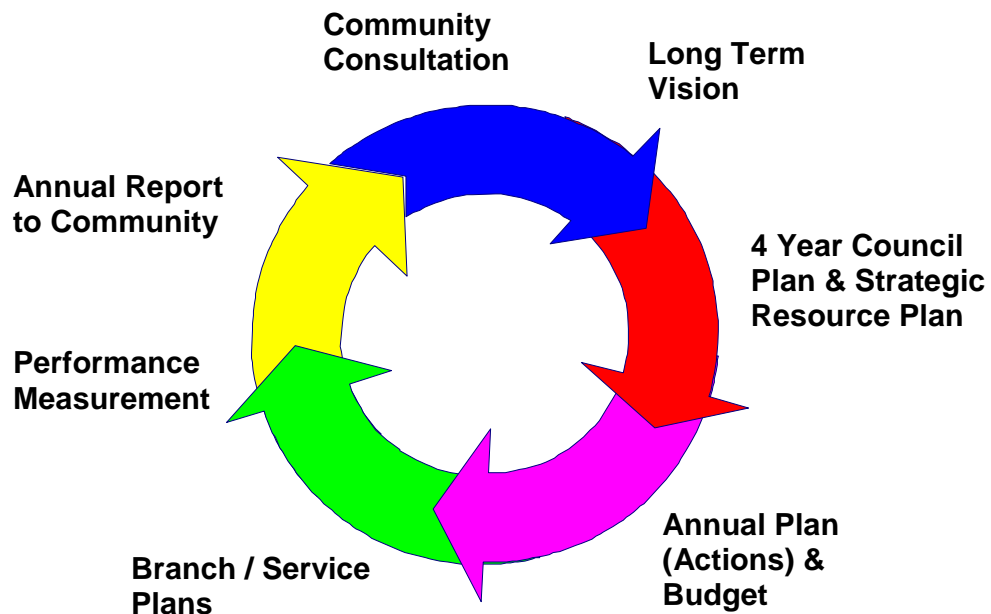
A series of workshops were held for business. These included:

- Efficiency Imperative site tour
- Resource efficiency workshop
- Marketing forum
- Packaging workshop
- Organics workshop
- Buying a Franchise
- Starting your business
- Business development
- Networking for business.

# Our Performance against the Council Plan

## Planning and Reporting our Performance

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



## Key Result Area 1.1: Community Safety

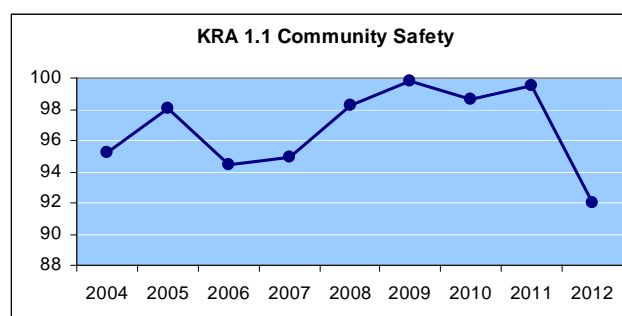
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Develop Risk Management Framework	100
Develop Risk Management Strategy	100
Implement Risk Management Strategy	25
Evaluate effectiveness of public asset inspection regime	0
Implement Road Safety Plan 2009 to 2013	100
Annual review of Pet Management Plan	100
Implement Pet Management Plan 2009 to 2013	100
Review community risk assessment report	100
Develop updated Emergency Management Plan	100
Implement emergency management plans	100
Develop Municipal Fire Management Plan	50
Implement Municipal Fire Management Plan	0
Implement Municipal Fire Prevention Plan 2009 to 2013	100

### Strategic Outcome Measures – Are we achieving the results

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



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



## Key Result Area 1.2: Community Development

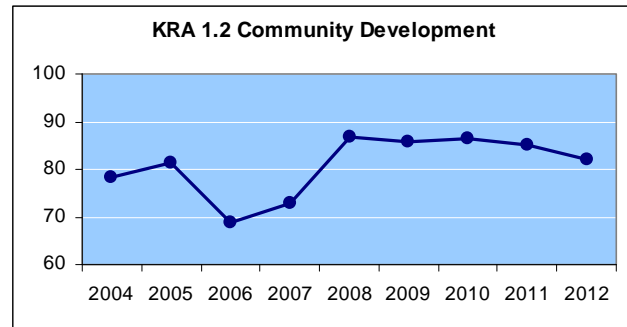
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Community Access and Inclusion Plan 2009 to 2013	94
Implement the Community Engagement Framework Operational Plans	100
Implement Youth Agenda 2009 to 2012	66
Develop Social Inclusion Plan 2011 to 2015	100
Implement Social Inclusion Plan 2011 to 2015	0
Develop Indigenous Action Plan	30
Implement Indigenous Action Plan	0
Implement Annual Community Development Grants Program	100
Review Council's community engagement methods	75
Develop Strategic Marketing Plan 2010 to 2014	75
Implement Strategic Marketing Plan 2010 to 2014	0
Implement a Memorandum of Understanding between Mildura Rural City Council and Sunraysia Mallee Ethnic Communities Council	100
Develop Nichols Point Community Plan	93
Develop South Mildura Community Plan	79
Develop West Mildura Community Plan	100
Support the implementation of the Nichols Point Community Plan	93
Support the implementation of the South Mildura Community Plan	78
Support the implementation of the West Mildura Community Plan	100
Support the implementation of the Red Cliffs Community Plan	92
Support the implementation of the Walpeup Community Plan	93
Support the implementation of the Underbool Community Plan	100
Support the implementation of the Murrayville Community Plan	90
Support the implementation of the Ouyen Community Plan	100
Support the implementation of the Cardross Community Plan	98
Support the implementation of Lake Cullulerraine/Meringur/Millewa Community Plan	63
Support the implementation of the East Mildura Community Plan	82
Support the implementation of the Irymple Community Plan	100
Support the implementation of the Merbein Community Plan	93

## Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 1.3: Community Health and Well-being

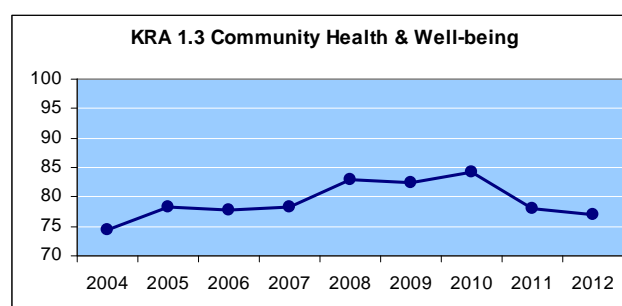
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Recreation Strategy 2008 to 2018	45
Implement Strategy for Older People 2009 to 2013	57
Implement Early Years Plan 2009 to 2013	84
Implement Youth Agenda 2009 to 2012	66
Implement Community Access and Inclusion Plan 2009 to 2013	94
Evaluate Community Access and Inclusion	100
Implement the Municipal Public Health and Well-being Plan 2009 to 2013	100
Implement the Community Engagement Framework Operational Plans	100
Implement the State Food Strategy	100

### Strategic Outcome Measures – Are we achieving the results

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



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

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

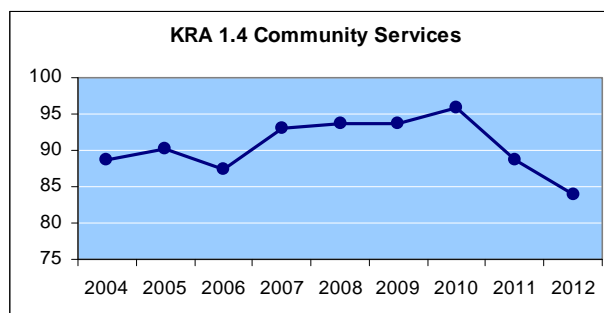
### Results to be achieved:

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

Key Actions in 2011/2012	Performance
Implement Strategic Marketing Plan 2010 to 2014	0%
Implement Youth Agenda 2009 to 2012	66%
Implement Early Years Plan 2009 to 2013	84%
Implement Community Access and Inclusion Plan 2009 to 2013	94%
Implement Strategy for Older People 2009 to 2013	57%
Support the implementation of the Primary Care Partnership's Health Promotion Strategy	88%
Support the implementation of the Primary Care Partnership's Service Coordination Strategy	100%
Implement Cultural Access Plan for Community Care Services	70%
Develop customer service measures for Aged Care and Early Years Services	81%

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 1.5: Planning and Development Standards

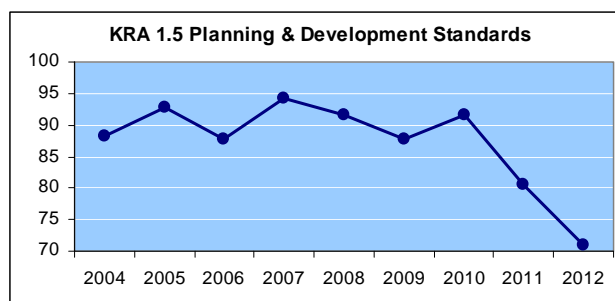
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement program of strategic land use projects	90
Implement the Mildura Riverfront Master Plan – Central Precincts	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct	100
Implement customer satisfaction survey for building/surveying services	100
Implement customer satisfaction survey for planning	100
Develop a proactive enforcement program for planning	100
Implement a proactive enforcement program for planning	100
Implement the Mildura CBD Plan	90
Implement the recommendations of the review of Mildura Planning Scheme Stage 1	90
Implement the recommendations of the review of Mildura Planning Scheme Stage 2	90
Undertake a benchmarking review of Planning Services	100
Implement Community Access and Inclusion Plan 2009 to 2013	94

### Strategic Outcome Measures – Are we achieving the results

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



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

<ul style="list-style-type: none"> <li>• Development Services Customer Planning Survey (Policy)</li> <li>• Community satisfaction with the riverfront development and accessibility</li> </ul>	
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## Key Result Area 2.1: Environmental Management

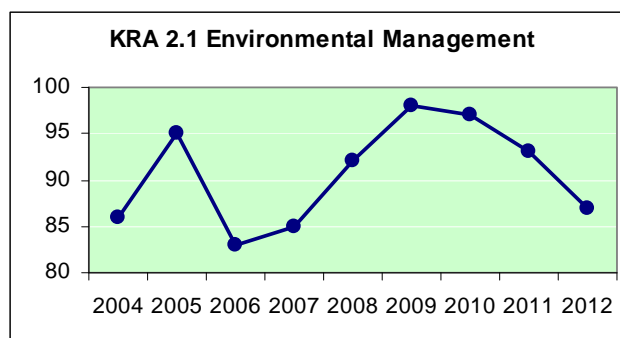
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Environmental Strategy 2010 to 2013	77
Implement Greenhouse Action Plan 2009 to 2012	68
Review Greenhouse Action Plan 2009 to 2012	100
Implement Stormwater Management Plan 2009 to 2014	78
Develop Energy Conservation Plan 2009 to 2030	95
Implement Environmental Awareness Strategy 2007 to 2012	88
Review Environmental Awareness Strategy 2007 to 2012	75
Review Sustainable Water Use Plan	95
Implement Sustainable Water Use Plan	100

### Strategic Outcome Measures – Are we achieving the results

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



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



## Key Result Area 2.2: Natural Resource Management

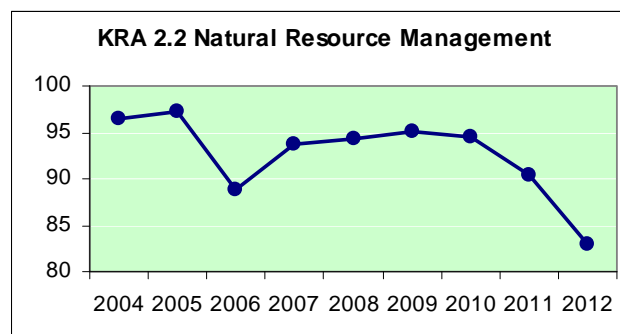
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Sunraysia Remnant Linkage Plan	52
Implement Municipal Fire Prevention Plan	100
Develop Municipal Fire Management Plan	50
Implement Municipal Fire Management Plan	0
Implement the Significant Linkages Strategy	90
Implement Vegetation Strategy 2010 to 2015	78
Implement Pest Plant and Animal Management Plan 2010 to 2015	0
Implement Pet Management Plan 2009 to 2013	100

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 2.3: Environmental Services

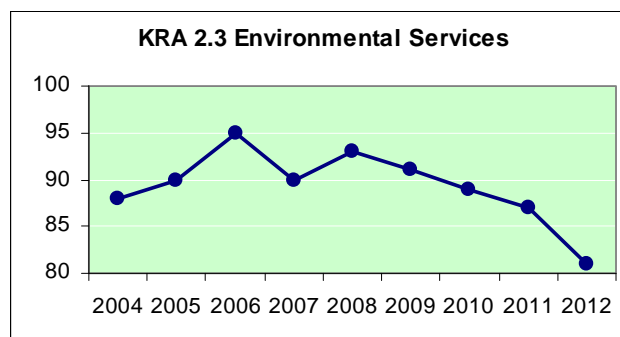
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Municipal Waste Management Plan 2009 to 2014	100
Implement Litter Strategy in conjunction with Mildura Regional Waste Management Group	75
Implement Deakin Avenue Master Plan	100
Implement Urban Tree Strategy 2010 to 2015	100
Implement Sustainable Landscape Strategy 2010 to 2015	100
Implement Mildura Major Sporting Reserves Master Plan 2009 to 2020	60
Implement Township Recreation Reserve Master Plans	94
Implement appropriate maintenance programs for parks, gardens and open spaces	100

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 2.4: Infrastructure, Assets and Facilities

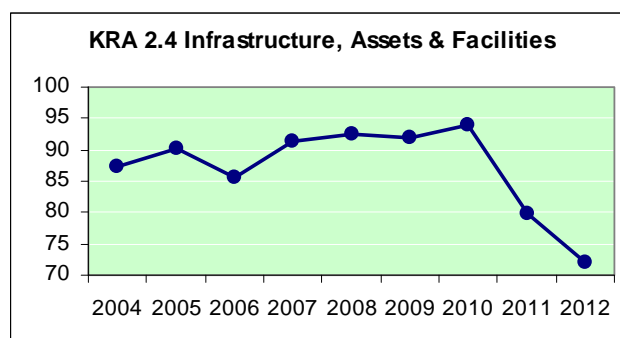
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Develop Preliminary Asset Management Plans for Roads	25
Implement Preliminary Asset Management Plans for Roads	0
Implement Preliminary Asset Management Plans for Swimming Pools	0
Review Road Management Plan	0
Implement Road Management Plan	100
Develop minimum sustainability standards to be incorporated into the development of Council projects and activities	0
Implement Sunraysia Drainage Strategy	75
Implement Council's signage/navigation policy	0
Implement Township Recreation Reserve Master Plans	94

### Strategic Outcome Measures – Are we achieving the results

- Community satisfaction with traffic management and parking facilities
- Community satisfaction with local roads and footpaths
- Community satisfaction with car parking availability
- Community satisfaction with drainage
- Community satisfaction with road maintenance
- Community satisfaction with maintenance of public toilets
- Community satisfaction with traffic control and signs
- Community satisfaction with footpaths
- Community satisfaction with public lighting
- Community satisfaction with public halls
- Community satisfaction with support to people with a disability
- Community satisfaction with recreational facilities
- Community satisfaction with bike trails and walking paths/trails
- Community satisfaction with beautification of streets
- Community satisfaction with maintenance of parks and gardens



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

<ul style="list-style-type: none"> <li>• Community satisfaction with maintenance of public places</li> <li>• Community satisfaction with public open space</li> <li>• Customer satisfaction with CBD traffic flow</li> <li>• Customer satisfaction with directional/informational signage</li> </ul>	
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## Key Result Area 3.1: Economic Development

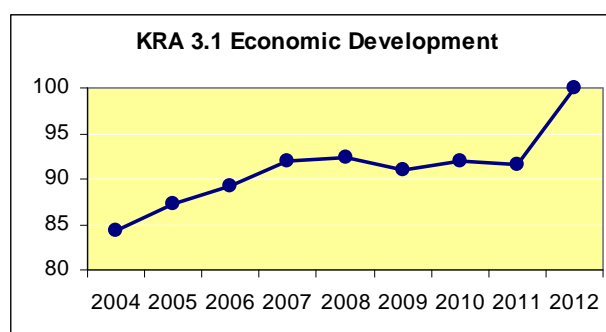
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement the Mildura Riverfront Master Plan – Central Precincts	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct	100
Implement Skilled Migration Program	100
Implement and evaluate Chaffey Trail Strategy	100
Implement Conferencing and Business Events Strategy	0
Review Conferencing and Business Events Strategy	100
Implement Environmental Strategy 2010 to 2013	77

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 3.2: Tourism and Events

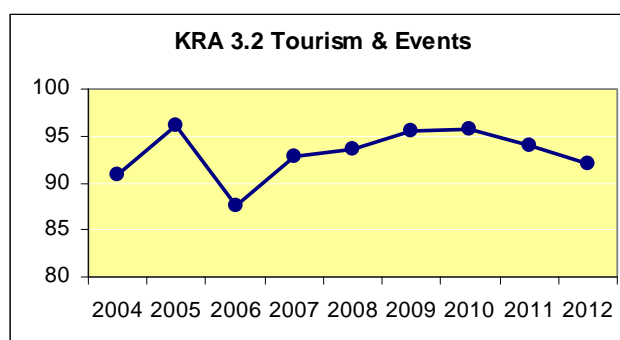
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Visitor Navigation (signage) Strategy	0
Implement the Mildura Riverfront Master Plan – Central Precincts	100
Implement the Mildura Riverfront Master Plan – Ornamental Lakes Precinct	100
Develop Visitor Information Strategy 2009 to 2013	10
Implement Visitor Information Strategy 2009 to 2013	0
Implement Conferencing and Business Events Strategy	0
Review Conferencing and Business Events Strategy	100
Implement and evaluate Chaffey Trail Strategy	100
Implement Arts, Cultural and Heritage Strategy 2009 to 2013	63
Review Arts, Cultural and Heritage Strategy	0
Develop Events Strategic Plan 2009 to 2013	0

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 4.1: Arts and Cultural Heritage

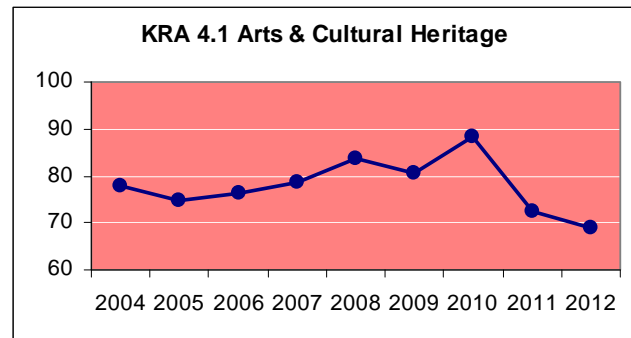
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Review Arts, Cultural and Heritage Strategy 2011 to 2013	0
Implement Arts, Cultural and Heritage Strategy 2011 to 2013	63
Implement integrated program and marketing strategy for Mildura Arts Centre Theatre	0
Implement integrated program and marketing strategy for Mildura Arts Centre Gallery	0
Implement annual Arts Marketing and Promotion Plan	0
Review Arts Marketing and Promotion Plan	100
Implement Art Collection Strategy	100
Develop integrated Municipal Heritage Strategy	20
Implement Rio Vista Restoration Conservation Management Plan	20
Implement Arts Outreach Program 2009 to 2013	100
Implement adopted Arts feasibility precinct recommendations	60
Establish partnerships with key stakeholders to foster arts and cultural heritage in education	60
Implement Library Marketing and Promotion Strategy	100
Review Library Marketing and Promotion Strategy	100
Implement Library Strategy	95
Work in partnership with key stakeholders to promote learning and access to information	100
Implement Online Library Access Strategy	48
Implement State-wide History Preservation Strategy	78

## Strategic Outcome Measures – Are we achieving the results

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



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



## Key Result Area 4.2: Recreation and Sport

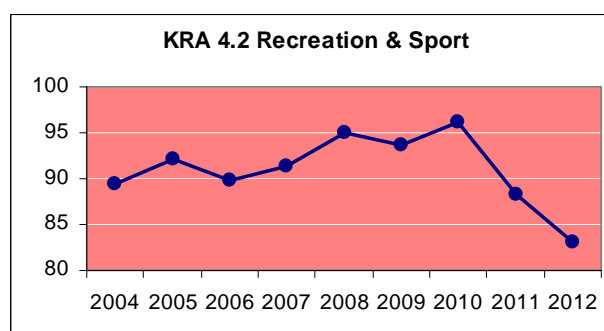
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Community Access and Inclusion Plan 2009 to 2013	94
Implement Strategy for Older People 2009 to 2013	57
Review Public Open Space Strategy 2010 to 2016	0
Implement Recreation Strategy 2008 to 2018	45
Review Bicycle Strategy	85
Implement Bicycle Strategy 2010 to 2025	0
Implement Mildura Major Sporting Reserves Master Plan 2009 to 2020	90
Implement Township Recreation Reserve Master Plans	94
Implement Recreation Grants Program	100
Develop Tracks and Trails Strategy	85
Develop program to include people from a culturally and linguistically diverse background in recreation	100
Implement Aquatic Facilities Re-development Strategy 2006 to 2011	100

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 5.1: Leadership and Representation

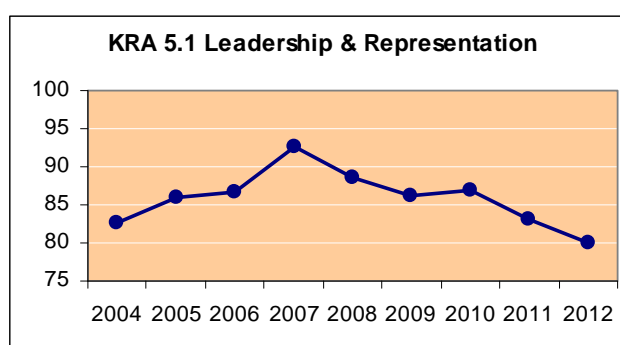
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Implement Councillors self-assessment process to monitor leadership performance	100
Implement Action Plan from Councillor self-assessment	0
Develop and implement annual Councillor Professional Development Program	50
Advocate on identified community issues	100
Develop and maintain constructive relationships with key stakeholders and government	88
Develop and maintain strong strategic alliances and partnerships	68
Develop Councillor annual visitation plan to communities across the municipality	50
Implement Councillor visitation plan to communities across the municipality	67
Monitor and report on the implementation of Council Plan actions	100

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 5.2: Communication and Consultation

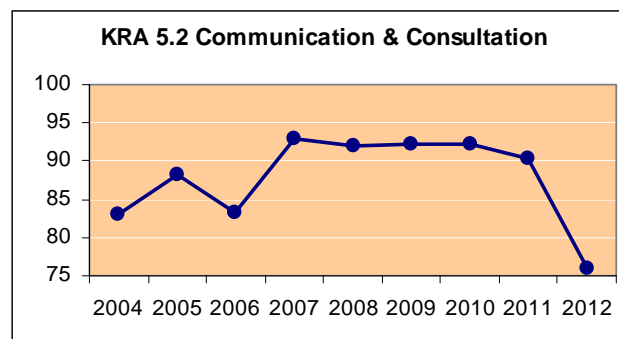
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Develop Strategic Marketing Plan 2010 to 2014	75
Implement Strategic Marketing Plan 2010 to 2014	0
Produce and disseminate community newsletter	100
Develop the MRCC Brand Style Guide	100
Implement the MRCC Brand Style Guide	50
Develop the 2013 to 2017 Council Plan in consultation with the community	50

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 5.3: Customer Service

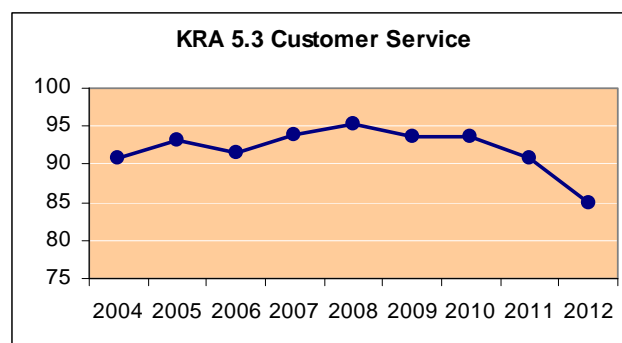
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Review Customer Service Strategy	75
Implement Customer Service Strategy	50
Implement Community Access and Inclusion Plan 2009 to 2013	90
Implement Strategic Marketing Plan 2010 to 2014	50

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 5.4: Financial Sustainability

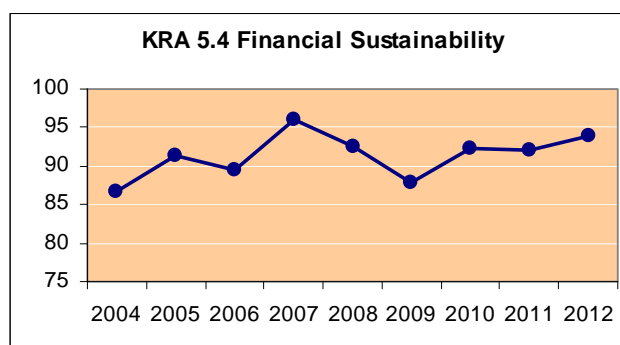
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Review Strategic Financial Plan annually	100
Develop the annual internal audit program	10
Complete the annual internal audit program	97
Implement all internal audit recommendations as appropriate	37
Implement appropriate policies and procedures to achieve an unqualified audit report	100
Increase revenue from sources other than rates	0
Review asset renewal gap on an annual basis	80

### Strategic Outcome Measures – Are we achieving the results

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



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

## Key Result Area 5.5: Organisational Management

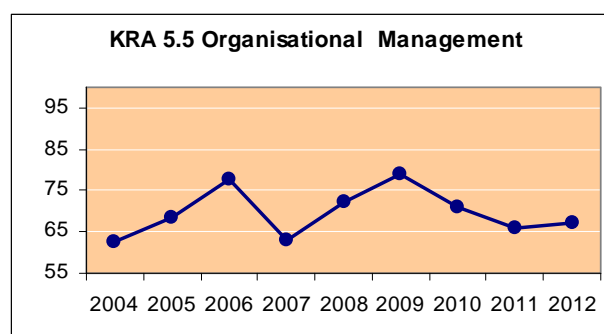
### Results to be achieved:

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

Key Actions in 2011/2012	Performance %
Develop Strategic Marketing Plan 2010 to 2014	75
Implement Strategic Marketing Plan 2010 to 2014	0
Implement the Organisational Development Strategy 2009 to 2013	67
Develop Knowledge Management Strategy	100
Develop Occupational Health and Safety Strategy 2009 to 2013	60
Implement Occupational Health and Safety Strategy 2009 to 2013	0
Implement Annual Health and Well-being Program	90
Complete implementation of annual professional development program	70
Implement Human Resource Management Strategy 2009 to 2013	68
Implement Risk Management Strategy 2009 to 2013	25
Implement Disaster Recovery/Business Continuity Plans Schedule	100
Review Information Services Strategy 2010 to 2013	90
Implement Information Services Strategy 2010 to 2013	100
Implement annual Corporate Training Plan	95
Develop organisational approach to benchmarking	80
Develop Integrated Strategic Planning process	100
Implement Integrated Strategic Planning process	100
Develop a Project Management Framework	100
Develop a Project Management Framework	25

### Strategic Outcome Measures – Are we achieving the results

- Staff satisfaction
- Staff turnover
- Level of sick leave
- Lost time due to injury
- Value of money – performance of Council compared to rates
- % staff recommending Mildura Rural City Council
- CMP risk rating
- JLT risk ranking
- Organisational external evaluation score



The above graph plots the combined outcome of the strategic measures to the left. These measures are

<ul style="list-style-type: none"> <li>• Staff satisfaction with personal and professional development</li> <li>• Level of loss in litigation cases</li> </ul>	indicators that tell us whether we are achieving the results the community wants to see in regard to Organisational Management (see green box above).
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# Local Government Information

## Victorian Local Government Indicators

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

Indicator	2010/11 Result	2011/12 Result
<b>Overall Performance</b> Community Satisfaction Rating for Overall Council Performance	Indexed Mean 63	Indexed Mean 57*
<b>Lobbying on behalf of the Community</b> Community Satisfaction Rating for Council's lobbying on behalf of the community	Indexed Mean 64	Indexed Mean 55*
<b>Community Consultation and Engagement</b> Community Satisfaction Rating for Council's consultation and engagement	Indexed Mean 62	Indexed Mean 57*
<b>All Rates</b> Average rates and charges per assessment	\$1,574	\$1,760
<b>Residential Rates</b> Average residential rates and charges per assessment	\$1,381	\$1,481
<b>Operating Costs</b> Average operating expenditure per assessment	\$2,963	\$3,223
<b>Capital Expenditure</b> Capital expenditure per assessment	\$765	\$1,059
<b>Infrastructure</b> Infrastructure renewal	74%	103%
<b>Infrastructure</b> Infrastructure renewal and maintenance	83%	115%
<b>Debts</b> Average liabilities per assessment	\$1,187	\$1,824
<b>Operating Results</b> Operating results per assessment	\$262	\$803

\* Note: Due to changes in survey methodology and content, this year's results for the community satisfaction survey measures are not directly comparable with previous year's results.



## 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 – 116 Madden Avenue, Mildura, during normal office hours from 8 am to 5 pm 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 2011/2012

Mildura Rural City Council remains committed to the National Competition Policy and competitive neutrality principles. Accordingly, Council can confirm that in 2011/12, it had no significant business activities, maintained appropriate complaints mechanisms and was fully compliant with all National Competition Policy requirements.

## Service Centres

### Mildura

#### **Madden Avenue Service Centre**

108 – 116 Madden Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

Email: [mrcc@mildura.vic.gov.au](mailto:mrcc@mildura.vic.gov.au)

#### **Deakin Avenue Service Centre**

76 – 84 Deakin Avenue, Mildura

Ph: (03) 5018 8100

Fax: (03) 5021 1899

Email: [mrcc@mildura.vic.gov.au](mailto:mrcc@mildura.vic.gov.au)

### Ouyen

#### **Ouyen Service Centre**

79 Oke Street, Ouyen

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

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

Fax: (03) 5092 1017

Email: [mrcc@mildura.vic.gov.au](mailto:mrcc@mildura.vic.gov.au)

### By Mail

Chief Executive Officer

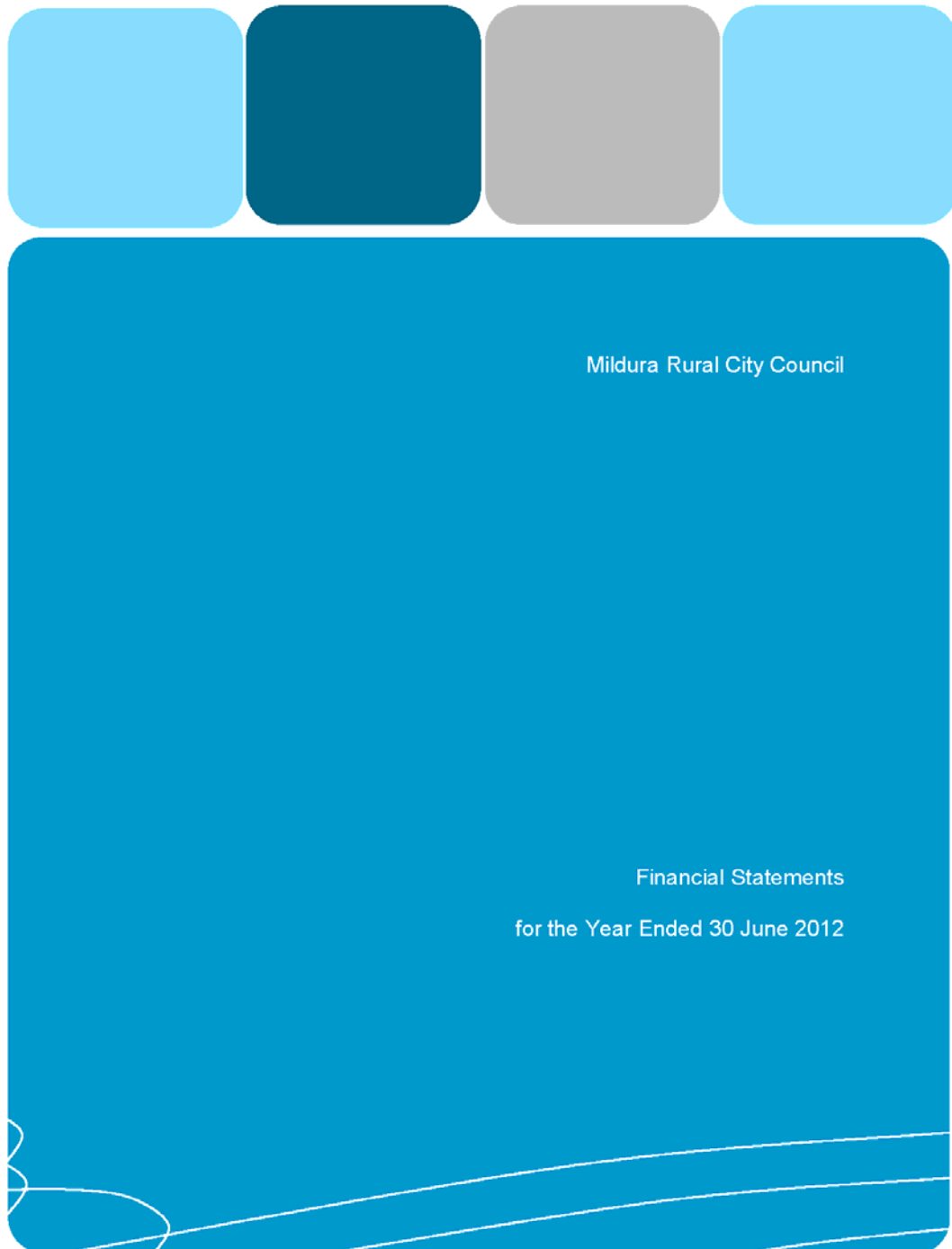
PO Box 105

Mildura, Victoria, 3502

### Website

[www.mildura.vic.gov.au](http://www.mildura.vic.gov.au)

## Financial and Standard statements



**Mildura Rural City Council**  
**Financial Report**  
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**MILDURA RURAL CITY COUNCIL  
STANDARD INCOME STATEMENT  
For the Year Ending June 2012**

	<b>Budget 2011/2012</b>	<b>Actuals 2011/2012</b>	<b>Variances</b>		
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>%</b>	<b>Ref</b>
<b>Revenue From Operating Activities</b>					
Rates	48,773	48,734	(39)	-	
Fees, Fines & User Charges	4,667	8,775	4,108	88	1
Contributions	125	517	392	314	2
Grants - operating	18,303	26,844	8,541	47	3
Reimbursements & subsidies	3,825	4,273	448	12	4
<b>Revenue From Non Operating Activities</b>					
Interest	1,910	1,745	(165)	(9)	
Other Revenue	3,087	449	(2,638)	(85)	5
<b>Total Revenues</b>	<b>80,690</b>	<b>91,337</b>	<b>10,647</b>		
<b>Expenses From Operating Activities</b>					
Auditors remuneration	181	219	38	21	6
Employee benefits	35,697	44,031	8,334	23	7
Contractors & materials	24,826	26,429	1,603	6	
Depreciation & amortisation	15,288	14,323	(965)	(6)	
Office operations	2,656	2,593	(63)	(2)	
Other expenses	823	936	113	14	8
Bad & doubtful debts	-	131	131	100	9
Finance costs	1,199	970	(229)	(19)	10
<b>Total Expenses</b>	<b>80,670</b>	<b>89,632</b>	<b>8,962</b>		
<b>Surplus(deficit) from Operations</b>	<b>20</b>	<b>1,705</b>	<b>1,685</b>		
<b>Capital Funding</b>					
Grants - capital	11,617	5,616	(6,001)	(52)	11
Net gain(loss) on disposal of assets	419	(252)	(671)	(160)	12
Contributed infrastructure	-	4,920	4,920	100	13
Developer contributions	700	613	(87)	(12)	14
Recognition of assets	-	9,725	9,725	100	15
<b>Surplus(deficit) for the period</b>	<b>12,756</b>	<b>22,327</b>	<b>9,571</b>		

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 2012**

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
1	<b>Fees, Fines &amp; User Charges</b>	Favourable variance as infrastructure services contract works budgeted under Other income has been reallocated to User, fees and charges (See also Note 5), higher than anticipated levels of local laws infringements issued and receipt of an unbudgeted insurance claim
2	<b>Contributions</b>	Favourable variance due to receipt of unbudgeted contributions towards the Red Cliffs skate park and Mildura Arts Centre redevelopment projects and the Railfreight development alliance.
3	<b>Grants</b>	Favourable variance due predominantly to the advanced receipt of 50% of Victorian Grants Commission funding for 2012/13.
4	<b>Reimbursements &amp; Subsidies</b>	This variance is due to receipt of a number of unbudgeted reimbursements including diesel fuel rebate, reimbursement of legal costs relating to rates debts (See also Note 8) and private reimbursements of road works costs.
5	<b>Other Revenue</b>	Unfavourable variance as infrastructure services contract works budgeted under Other income has been reallocated to User, fees and charges. (See also Note 1)
6	<b>Auditors Remuneration</b>	Unfavourable variance due to additional internal audit services provided.
7	<b>Employee Benefits</b>	This unfavourable variance is due primarily to recognition of the defined benefits superannuation liability due for payment in 2012/13.
8	<b>Other expenses</b>	This unfavourable variance is primarily due to an increase in debt collection costs relating to rates debts. This increase is offset by increased reimbursements. (See also Note 4)
9	<b>Bad &amp; doubtful debts</b>	A provision for receivables deemed doubtful has been recognised due to adverse economic conditions and financial hardship.
10	<b>Finance Costs</b>	Favourable variance due a delay in the timing of new loan borrowing drawdowns.
11	<b>Grants - capital</b>	Unfavourable variance due to the postponement of a funding agreement for the Mildura riverfront development project.
12	<b>Net gain(loss) on disposal of assets</b>	Unfavourable variance due to the disposal of a large amount of building and infrastructure assets as a result of the progress of several large scale major capital works projects.

**13 Contributed infrastructure**

Favourable result due to unbudgeted contributed infrastructure assets from developer subdivisions. Council does not attempt to budget for this item due to its volatile nature.

**14 Developer contributions**

Unfavourable variance due to unpredictable nature of receipts of this type.

**15 Recognition of assets**

Initial recognition of assets discovered as a result of a full audit and inspection of Council's drainage and footpath networks.

**MILDURA RURAL CITY COUNCIL**  
**STANDARD BALANCE SHEET**  
As at 30 June 2012

	Budget 2011/2012 \$'000	Actuals 2011/2012 \$'000	Variances		Ref
			\$'000	%	
<b>Current assets</b>					
Cash assets	6,424	7,131	707	11	1
Receivables	6,635	5,930	(705)	(11)	2
Other assets	9,342	24,055	14,713	157	3
<b>Total current assets</b>	<b>22,401</b>	<b>37,116</b>	<b>14,715</b>		
<b>Non-current assets</b>					
Receivables	2,585	2,500	(85)	(3)	
Property, infrastructure, plant and equipment	509,065	559,303	50,238	10	4
Intangible assets	3,621	3,384	(237)	(7)	5
Other financial assets	8,330	5,006	(3,324)	(40)	6
Investment in Subsidiary	30,000	23,539	(6,461)	(22)	7
<b>Total non-current assets</b>	<b>553,601</b>	<b>593,732</b>	<b>40,131</b>		
<b>Total assets</b>	<b>576,002</b>	<b>630,848</b>	<b>54,846</b>		
<b>Current liabilities</b>					
Payables	7,995	8,886	891	11	8
Interest bearing liabilities	1,512	1,646	134	9	
Provisions	8,330	16,376	8,046	97	9
<b>Total current liabilities</b>	<b>17,837</b>	<b>26,908</b>	<b>9,071</b>		
<b>Non-current liabilities</b>					
Interest bearing liabilities	17,943	17,970	27	-	
Provisions	5,204	5,857	653	13	9
<b>Total non-current liabilities</b>	<b>23,147</b>	<b>23,827</b>	<b>680</b>		
<b>Total liabilities</b>	<b>40,984</b>	<b>50,735</b>	<b>9,751</b>		
<b>Net assets</b>	<b>535,018</b>	<b>580,113</b>	<b>45,095</b>		
<b>Equity</b>					
Reserves	247,405	337,584	90,179	36	10
Accumulated Surplus	287,613	242,529	(45,084)	(16)	
<b>Total equity</b>	<b>535,018</b>	<b>580,113</b>	<b>45,095</b>		

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 2012**

<u>Ref</u>	<u>Item</u>	<u>Explanation</u>
1	Cash assets	This variance is the due to cash assets values being difficult to predict.
2	Receivables	As a result of improved debt management processes and procedures, receivables are at levels well below budget.
3	Other assets	Increase in term deposits due to increased cash balance and movement from non-current.
4	Property, infrastructure, plant and equipment	Variance due to a significant infrastructure asset revaluation increment.
5	Intangible assets	Variance due a decrease in the valuation of Council's water rights as a result of a downward movement in market prices.
6	Other financial assets	Reduction in non-current financial assets due to movement between current and non-current.
7	Investment in Subsidiary	Variance due to a budgeted increase in the value of Council's investment in subsidiary not occurring during the financial year as a result of a delay in the completion of building upgrades.
8	Payables	Variance due to significant accounts being processed in last few days of June or early July that were unpaid as at 30 June.
9	Provisions	Increase in provisions due to recognition of defined benefit superannuation call and revaluation of the Mildura landfill rehabilitation provision.
10	Reserves	Reserve movements are difficult to predict. The current budget amounts reflects the same levels as budgeted in the previous period.

MILDURA RURAL CITY COUNCIL  
STANDARD CASH FLOW STATEMENT  
For the Year Ending June 2012

	Budgeted 2011/2012 Inflows (Outflows) \$'000	Actuals 2011/2012 Inflows (Outflows) \$'000	Variances		Ref
			\$'000	%	
<b>Cash inflows / (outflows) from operating activities</b>					
<i>Receipts</i>					
Receipts from ratepayers	48,773	49,334	561	1	
Grants for operations	29,920	34,083	4,163	14	1
Interest received	1,910	1,745	(165)	(9)	
Other Income	3,423	3,955	532	16	2
User charges and reimbursements	12,404	14,237	1,833	15	3
	96,430	103,354	6,924		
<i>Payments</i>					
Payments to suppliers	(28,486)	(34,064)	(5,578)	20	4
Payments to employees	(35,697)	(35,211)	486	(1)	
	(64,183)	(69,275)	(5,092)		
<b>Net cash provided by operating activities</b>	<b>32,247</b>	<b>34,079</b>	<b>1,832</b>		
<b>Cash inflows / (outflows) from investing activities</b>					
Payments for non-current assets	(33,644)	(29,515)	4,129	(12)	5
Payments for other financial assets	-	(8,112)	(8,112)	100	6
Proceeds from sale of non-current assets	1,198	779	(419)	(35)	7
<b>Net cash used in investing activities</b>	<b>(32,446)</b>	<b>(36,848)</b>	<b>(4,402)</b>		
<b>Cash inflows / (outflows) from financing activities</b>					
Proceeds from borrowing	5,600	5,600	-		
Loan borrowing repayments	(1,512)	(1,270)	242	(16)	8
Finance Costs	(1,199)	(970)	229	(19)	9
Movement in trust funds	-	908	908	100	10
<b>Net cash used in / (provided by) financing activities</b>	<b>2,889</b>	<b>4,268</b>	<b>1,379</b>		
<b>Net increase / (decrease) in cash held for year</b>	<b>2,690</b>	<b>1,499</b>	<b>(1,191)</b>		
Cash at beginning of financial year	3,734	5,632	1,898		
<b>Cash at end of financial year</b>	<b>6,424</b>	<b>7,131</b>	<b>707</b>		

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 June 2012

<u>Ref</u>	<u>Item</u>	<u>Explanation</u>
1	Grants for operations	Favourable variance due predominantly to receipt of 50% of Victorian Grants Commission funding for 2012/13 in advance.
2	Other Income	Favourable variance as receipts of this nature are difficult to predict.
3	User charges and reimbursements	Favourable variance due to volume of contract work being higher than anticipated.
4	Payments to suppliers	Unfavourable variance due to increase in receipts resulting in increased expenditure
5	Payments for non-current assets	Unfavourable variance a result of budgeting for large scale major projects in 2011/12 where anticipated completion will be over several financial years
6	Payments for other financial assets	This amount represents the movement between Cash assets and Other financial assets as a result of day to day operational cash flow requirements. As the nature of this item is difficult to predict, an annual budget allocation is not warranted.
7	Proceeds from sale of non-current assets	Variance result as both the volume and disposal values for plant items are difficult to predict.
8	Loan borrowing repayments	Variance due to later than anticipated draw down of budgeted loan borrowings.
9	Finance Costs	Variance due to later than anticipated drawdown of budgeted loan borrowings.
10	Movement in trust funds	Variance due to council not budgeting for this item due to its unpredictability.

**MILDURA RURAL CITY COUNCIL**  
**STANDARD STATEMENT OF CAPITAL WORKS**  
For the Year Ending June 2012

Capital Works Area	Budget 2011/2012	Actuals 2011/2012	Variances		Ref
	\$'000	\$'000	\$'000	%	
Roads	5,513	10,511	4,998	91	1
Drainage	5,148	4,758	(390)	(8)	
Parks & Recreational Facilities	1,149	1,443	294	26	2
Airport Development Works	700	-	(700)	(100)	3
Other Outdoor Infrastructure	30	24	(6)	(20)	
Community Facilities	1,940	1,871	(69)	(4)	
Plant & Office Equipment	2,519	2,745	226	9	
Other Programs	287	269	(18)	(6)	
Waste Management	135	153	18	13	4
Non-drainage DCP projects	505	130	(375)	(74)	5
Major Projects	15,671	7,440	(8,231)	(53)	6
Sustainable initiatives	47	111	64	136	7
<b>Total Capital Works</b>	<b>33,644</b>	<b>29,455</b>	<b>(4,189)</b>		

*Represented by:*

Capital Renewal	15,288	14,546	(742)	(5)	
Capital Upgrade	3,822	6,943	3,121	82	8
Capital Expansion	14,534	7,966	(6,568)	(45)	9
<b>Total Capital Works</b>	<b>33,644</b>	<b>29,455</b>	<b>(4,189)</b>		

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	33,644	29,455	(4,189)	(12)	10
Contributed infrastructure	-	4,920	4,920	100	11
Asset recognition	-	-	-	100	12
Asset revaluation increments (decrements)	-	54,129	54,129	100	13
Depreciation and amortisation	(15,288)	(14,183)	1,105	(7)	
Gross W.D.V. of assets sold	(779)	(1,031)	(252)	32	14
Transfer from provision	-	2,296	2,296	100	15
<b>Net movement in property, plant and equipment, infrastructure</b>	<b>17,577</b>	<b>75,586</b>	<b>58,009</b>		

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 2012**

<u>Ref</u>	<u>Item</u>	<u>Explanation</u>
1	Roads	Unfavourable result primarily caused by expenditure against additional unbudgeted Natural Disaster funding received during the year.
2	Parks & Recreational Facilities	Unfavourable result primarily caused by expenditure against additional unbudgeted Natural Disaster funding received during the year.
3	Airport Development Works	This amount represents Councils contribution to Airport development works which is reflected in the consolidated financial position.
4	Waste Management	Unfavourable result primarily due to unbudgeted works required to meet safety standards.
5	Non-drainage DCP Projects	Result primarily due to project budgeted for in 2011/12, however, not started until late in the year.
6	Major Projects	This category relates to large scale expenditure on community use building and infrastructure assets which will be completed over several financial years. See also Notes 8 & 9
7	Sustainable initiatives	Unfavourable result due to finalisation of incomplete projects from prior year.
8	Capital Upgrade	favourable variance due to the unanticipated upgrade component of major flood rehabilitation on infrastructure.
9	Capital Expansion	Unfavourable variance due to the anticipated completion of major infrastructure projects over several financial years.
10	Total Capital Works	Unfavourable variance as a result of budgeting for large scale major projects in 2011/12 where anticipated completion will be over several financial years.
11	Contributed infrastructure	Favourable result due to unbudgeted contributed infrastructure assets from developer subdivisions. Council does not attempt to budget for this item due to its volatile nature.
12	Asset recognition	Initial recognition of assets discovered as a result of a full audit and inspection of Council's drainage and footpath networks.
13	Asset revaluation increments (decrements)	As the nature of this item is difficult to predict, it is not included as part of the budget process.
14	Gross W.D.V. of assets sold	This item is linked to the 2011/12 works program in that the works are to replace, upgrade and expand existing buildings and community infrastructure assets which requires writing off of the book value of the existing assets.
15	Transfer from provision	This is an unbudgeted item and relates to a revaluation of the Mildura landfill rehabilitation provision.



**MILDURA RURAL CITY COUNCIL  
STANDARD STATEMENTS  
For the Year Ending June 2012**

**INTRODUCTION**

**Note 1 Basis of preparation**

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

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

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

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

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

**GLOSSARY**

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

**MILDURA RURAL CITY COUNCIL  
STANDARD STATEMENTS  
For the Year Ending June 2012**

**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.

**Standard Balance Sheet**

The Standard Balance Sheet shows a snapshot of all the assets and liabilities as at 30 June 2012. 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 assets and liabilities are separated into current and non-current.

**MILDURA RURAL CITY COUNCIL  
STANDARD STATEMENTS  
For the Year Ending June 2012**

**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.

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 2012**

**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.

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### 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 : 24 September 2012  
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*.

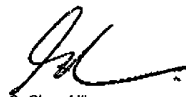
As at the date of signing, we are not aware of any circumstances which would render any particulars in the standard statements to be misleading or inaccurate.

We have been authorised by the Council on 19 September 2012 to certify the standard statements in their final form.



Cr John Arnold  
Councillor

Date : 24 September 2012  
Mildura



Cr Glenn Milne  
Councillor

Date : 24 September 2012  
Mildura



Mark Henderson  
Chief Executive Officer

Date : 24 September 2012  
Mildura

**Comprehensive Income Statement  
For the Year Ended 30 June 2012**

	Note	Consolidated		Council	
		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Income</b>					
Rates and charges	2	48,648	45,177	48,734	45,258
Statutory fees and fines	3	1,355	1,785	1,400	1,816
User fees	4	10,605	8,069	7,375	4,857
Contributions - cash	6	1,130	1,004	1,130	1,004
Contributions - non-monetary assets	6	4,920	2,400	4,920	2,400
Grants - recurrent	5	24,672	20,149	24,672	20,149
Grants - non-recurrent	5	7,963	8,331	7,788	8,331
Reimbursements	7	4,273	5,034	4,273	5,034
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(252)	(1,701)	(252)	(1,701)
Other income	8.1	2,067	1,860	2,194	1,994
Asset recognition	8.2	9,725	-	9,725	-
<b>Total income</b>		<b>115,106</b>	<b>92,108</b>	<b>111,959</b>	<b>89,142</b>
<b>Expenses</b>					
Employee benefits	9	(44,930)	(35,884)	(44,031)	(35,001)
Materials and services	10	(30,114)	(30,697)	(29,022)	(29,484)
Bad and doubtful debts	11	(131)	(151)	(131)	(151)
Depreciation and amortisation	12	(14,929)	(15,690)	(14,323)	(15,150)
Finance costs	13	(990)	(1,065)	(970)	(1,046)
Other expenses	14	(1,250)	(1,156)	(1,155)	(1,059)
Impairment of non financial asset		(6)	(7)	-	-
<b>Total expenses</b>		<b>(92,350)</b>	<b>(84,650)</b>	<b>(89,632)</b>	<b>(81,891)</b>
<b>Surplus/(deficit)</b>		<b>22,756</b>	<b>7,458</b>	<b>22,327</b>	<b>7,251</b>
<b>Other comprehensive income</b>					
Net financial asset revaluation increment/(decrement)	25	-	-	430	206
Net asset revaluation increment/(decrement)	25	53,871	(11,701)	53,871	(11,701)
<b>Comprehensive result</b>		<b>76,627</b>	<b>(4,243)</b>	<b>76,628</b>	<b>(4,244)</b>

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

**Balance Sheet**  
**As at 30 June 2012**

		Consolidated		Council	
Note		2012	2011	2012	2011
		\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	15	8,164	6,157	7,131	5,632
Trade and other receivables	16	6,301	6,259	5,930	5,870
Inventories	17	803	860	803	860
Other assets	18(a)	90	537	85	536
Other financial assets	18(b)	23,167	14,000	23,167	14,000
<b>Total current assets</b>		<b>38,525</b>	<b>27,813</b>	<b>37,116</b>	<b>26,898</b>
<b>Non-current assets</b>					
Trade and other receivables	16	-	-	2,500	2,500
Other financial assets	18(b)	5,006	6,059	28,545	29,169
Property, infrastructure, plant and equipment	19	584,441	499,163	559,303	473,992
Intangible assets	20	3,411	3,756	3,384	3,723
<b>Total non-current assets</b>		<b>592,858</b>	<b>508,978</b>	<b>593,732</b>	<b>509,384</b>
<b>Total assets</b>		<b>631,383</b>	<b>536,791</b>	<b>630,848</b>	<b>536,282</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	21	7,371	5,761	7,137	5,536
Trust funds and deposits	22	1,749	842	1,749	842
Provisions	23	16,448	7,518	16,376	7,452
Interest-bearing loans and borrowings	24	1,736	1,533	1,646	1,471
<b>Total current liabilities</b>		<b>27,304</b>	<b>15,654</b>	<b>26,908</b>	<b>15,301</b>
<b>Non-current liabilities</b>					
Provisions	23	5,857	3,681	5,857	3,681
Interest-bearing loans and borrowings	24	18,110	13,971	17,970	13,815
<b>Total non-current liabilities</b>		<b>23,967</b>	<b>17,652</b>	<b>23,827</b>	<b>17,496</b>
<b>Total liabilities</b>		<b>51,271</b>	<b>33,306</b>	<b>50,735</b>	<b>32,797</b>
<b>Net Assets</b>		<b>580,112</b>	<b>503,485</b>	<b>580,113</b>	<b>503,485</b>
<b>Equity</b>					
Accumulated surplus		248,658	228,238	242,529	222,538
Reserves	25	331,454	275,247	337,584	280,947
<b>Total Equity</b>		<b>580,112</b>	<b>503,485</b>	<b>580,113</b>	<b>503,485</b>

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



**Statement of Changes in Equity  
For the Year Ended 30 June 2012**

**Consolidated**

			Accumulated	Asset	Other
	Note	Total	Surplus	Revaluation	Reserves
		2012	2012	Reserve	2012
		\$'000	\$'000	2012	\$'000
<b>2012</b>					
Balance at beginning of the financial year		503,485	228,238	260,815	14,432
Comprehensive result		76,627	22,756	53,871	-
Transfers to other reserves	25	-	12,359	-	(12,359)
Transfers from other reserves	25	-	(14,695)	-	14,695
<b>Balance at end of the financial year</b>		<b>580,112</b>	<b>248,658</b>	<b>314,686</b>	<b>16,768</b>

			Accumulated	Asset	Other
	Note	Total	Surplus	Revaluation	Reserves
		2011	2011	Reserve	2011
		\$'000	\$'000	2011	\$'000
<b>2011</b>					
Balance at beginning of the financial year		507,728	221,328	272,516	13,884
Comprehensive result		(4,243)	7,458	(11,701)	-
Transfers to other reserves	25	-	13,940	-	(13,940)
Transfers from other reserves	25	-	(14,488)	-	14,488
<b>Balance at end of the financial year</b>		<b>503,485</b>	<b>228,238</b>	<b>260,815</b>	<b>14,432</b>

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 2012**

Council			Accumulated	Asset	
	Note	Total	Surplus	Revaluation	Other
		2012	2012	Reserve	Reserves
		\$'000	\$'000	2012	2012
				\$'000	\$'000
<b>2012</b>					
Balance at beginning of the financial year		503,485	222,538	266,515	14,432
Comprehensive result		76,628	22,327	54,301	-
Transfers to other reserves	25	-	12,359	-	(12,359)
Transfers from other reserves	25	-	(14,695)	-	14,695
<b>Balance at end of the financial year</b>		<b>580,113</b>	<b>242,529</b>	<b>320,816</b>	<b>16,768</b>

			Accumulated	Asset	
	Note	Total	Surplus	Revaluation	Other
		2011	2011	Reserve	Reserves
		\$'000	\$'000	2011	2011
				\$'000	\$'000
<b>2011</b>					
Balance at beginning of the financial year		507,729	215,835	278,010	13,884
Comprehensive result		(4,244)	7,251	(11,495)	-
Transfers to other reserves	25	-	13,940	-	(13,940)
Transfers from other reserves	25	-	(14,488)	-	14,488
<b>Balance at end of the financial year</b>		<b>503,485</b>	<b>222,538</b>	<b>266,515</b>	<b>14,432</b>

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

**Cash Flow Statement  
For the Year Ended 30 June 2012**

	Note	Consolidated		Council	
		2012	2011	2012	2011
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>					
Rates		49,334	45,046	49,334	45,046
User charges and other fines (inclusive of GST)		17,810	17,573	14,237	13,825
Grants (inclusive of GST)		34,276	28,480	34,083	28,480
Interest		1,610	1,472	1,745	1,619
Other income		3,794	(101)	3,955	-
Payments to suppliers (inclusive of GST)		(35,560)	(33,279)	(34,064)	(31,453)
Payments to employees (including redundancies)		(36,094)	(36,010)	(35,211)	(35,169)
<b>Net cash provided by/(used in) operating activities</b>	26	<b>35,170</b>	<b>23,181</b>	<b>34,079</b>	<b>22,348</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	19, 20	(30,089)	(21,871)	(29,515)	(21,130)
Proceeds from sale of property, infrastructure, plant and equipment		779	1,174	779	1,174
Payments for other financial assets		(8,112)	(3,999)	(8,112)	(3,999)
<b>Net cash provided by/(used in) investing activities</b>		<b>(37,422)</b>	<b>(24,696)</b>	<b>(36,848)</b>	<b>(23,955)</b>
<b>Cash flows from financing activities</b>					
Finance costs		(990)	(1,067)	(970)	(1,047)
Trust funds and deposits		908	(148)	908	(148)
Proceeds from interest bearing loans and borrowings		5,600	-	5,600	-
Repayment of interest bearing loans and borrowings		(1,259)	(1,452)	(1,270)	(1,429)
<b>Net cash provided by/(used in) financing activities</b>		<b>4,259</b>	<b>(2,667)</b>	<b>4,268</b>	<b>(2,624)</b>
Net increase/(decrease) in cash and cash equivalents		2,007	(4,182)	1,499	(4,231)
Cash and cash equivalents at the beginning of the financial year		6,157	10,339	5,632	9,863
<b>Cash and cash equivalents at the end of the financial year</b>	15	<b>8,164</b>	<b>6,157</b>	<b>7,131</b>	<b>5,632</b>

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

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

**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 - Deloitte Touche Tohmatsu

Solicitors - Martin Irwin Richards of Mildura, Maddocks of Melbourne, Harwood Andrews Lawyers of Melbourne and Russell Kennedy of Melbourne

Bankers - Commonwealth Bank of Australia Ltd; and

Council maintains the following website:

[www.mildura.vic.gov.au](http://www.mildura.vic.gov.au).

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

**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, Cash Flow Statement, 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 on the accrual and going concern bases.

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

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

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

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

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

**(b) Change in accounting policies**

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

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

**Note 1 Significant accounting policies (cont.)**

**(c) Revenue recognition**

*Rates, grants and contributions*

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

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

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

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

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

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

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

*User fees and fines*

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

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

*Sale of property, plant and equipment, infrastructure*

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

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

**Note 1 Significant accounting policies (cont.)**

**(c) Revenue recognition (cont.)**

*Rental*

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

*Interest*

Interest is recognised progressively 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 and other receivables*

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 2012**

**Note 1 Significant accounting policies (cont.)**

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

Buildings, land improvements, plant and equipment 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.

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:

	<b>2011/2012</b>
Airport runways	50 years
Bicycle paths	5 years
Buildings	60 years
Computer equipment	4 years
Drains	80 years
Footpaths	50 years
Heavy plant & equipment	5 -12 years
Grader	10 years
Loader	7 years
Mowers	5 years
Rollers	12 years
Sweepers	7 years
Tractors	5 years
Trucks	6 years
Irrigation	20 years
Kerb & channelling	50 years
Landfill	30 years
Library books	7 years
Light plant & equipment	4 years
Motor vehicle - commercial	4 years
Motor vehicle - passenger	3 years
Office furniture	10 years
Playground equipment	10 years
Roads -Surfacing	5-50 years
Roads - Pavement	50 years
Software	3-15 years



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

**Note 1 Significant accounting policies (cont.)**

**(f) Repairs and maintenance**

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

**(g) Borrowing costs**

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

Borrowing costs include interest on borrowings and finance lease charges.

**(h) Recognition and measurement of assets**

*Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

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

### Note 1 Significant accounting policies (cont.)

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

The following classes of assets have been recognised in note 19. 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 \$
Airport runways	For each complete asset
Land	5,000
Land Under Roads	1
Buildings	10,000
Roads	For each complete road asset
Drains	10,000
Plant & equipment (including motor vehicles)	5,000
Outdoor Infrastructure	5,000
Furniture, Fixtures & Office Equipment - excluding computers	5,000
Computer Equipment	5,000
Artwork & Collections (including books & museum)	500
Library Books	In aggregate

#### Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment (furniture and fitting, library books, capital works in progress and landfill) are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

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

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

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

**Note 1 Significant accounting policies (cont.)**

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

*Land under roads*

Land under roads acquired after 30 June 2008 is 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) 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 25 (c)).

**(k) Tender deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 22).

**(l) Employee benefits**

*Wages and salaries*

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

*Annual leave*

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

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

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

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

**Note 1 Significant accounting policies (cont.)**

**(l) Employee benefits (cont.)**

*Long service leave*

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

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

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

*Classification of employee benefits*

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

*Superannuation*

A liability is recognised in respect of Council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as the Council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date.

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees together with any movements (favourable/unfavourable) in the position of any defined benefits schemes. Details of these arrangements are recorded in note 30.

*Redundancy*

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

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

**Note 1 Significant accounting policies (cont.)**

**(m) Leases**

*Finance leases*

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

*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.

**(n) Allocation between current and non-current**

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

**(o) Agreements equally proportionately unperformed**

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

**(p) Web site costs**

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

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

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

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

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

**Note 1 Significant accounting policies (cont.)**

**(r) Impairment of assets**

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

**(s) Rounding**

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

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

### (t) 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.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Local Government financial statements
AASB 9: Financial Instruments and AASB 2010-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	<p>These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:</p> <ul style="list-style-type: none"> <li>* simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;</li> <li>* removing the tainting rules associated with held-to-maturity assets;</li> <li>* simplifying the requirements for embedded derivatives;</li> <li>* removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;</li> <li>* allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument and</li> <li>* reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on: <ul style="list-style-type: none"> <li>a. the objective of the entity's business model for managing the financial assets; and</li> <li>b. the characteristics of the contractual cash flows.</li> </ul> </li> </ul>	Applicable for annual reporting periods commencing on or after 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments

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

(t) Pending Accounting Standards (cont.)

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Local Government financial statements
AASB 2011-3 Amendments to Australian Accounting Standards - Orderly Adoption of Changes to the ABS GFS Manual and Related Amendments	These standards are aimed at limiting certain recognition and measurement options to align with GFS, and supplemented by additional disclosures.	Applicable for annual reporting periods commencing on or after 1 July 2011.	These amendments are not expected to impact Council
Key Characteristics of the Public Sector with Potential implications for Financial Reporting	These standards detail with numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council
Amendments to Australian Accounting Standards - Financial Instruments: Disclosures, Recognition and Measurement [AASB 7, 139]	These standards detail the proposed changes to be made to the recognition, disclosure and measurement of impairment of financial instruments.	Applicable for annual reporting periods commencing on or after 1 July 2011 but before 1 July 2012.	These amendments are not expected to impact Council
AASB 2010-9: Amendments to Australian Accounting Standards - Additional Exemptions for First-time Adopters [AASB 1]	These amendments specify requirements for entities using the full cost method in place of the retrospective application of Australian Accounting Standards for oil and gas assets, and exempt entities with existing leasing contracts from reassessing the classification of those contracts in accordance with Interpretation 4 when the application of their previous accounting policies would have given the same outcome.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council
AASB 2010-10: Amendments to Australian Accounting Standards - Classification of Rights Issues [AASB 132]	These amendments clarify that rights, options or warrants to acquire a fixed number of an entity's own equity instrument for a fixed amount in any currency are equity instruments if the entity offers the rights, options or warrants pro-rata to all existing owners of the same class of its own non derivative equity instruments.	Applicable for annual reporting periods commencing on or after 1 February 2011.	These amendments are not expected to impact Council



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

Consolidated		Council	
2012	2011	2012	2011
\$'000	\$'000	\$'000	\$'000

**Note 2 Rates and charges**

The valuation base used to calculate general rates for 2011/2012 was \$6.231 million (2010/2011 \$6.185 million). The 2011/2012 rate in the dollar was \$0.00599 (2010/2011 \$0.005652).

General rates	37,526	34,826	37,612	34,907
Cultural/Recreational Land	12	12	12	12
City Heart charge	477	462	477	462
Drainage maintenance & Infrastructure	2,937	2,707	2,937	2,707
Economic and Tourism Development charge	1,216	1,138	1,216	1,138
Garbage charges	6,480	6,032	6,480	6,032
<b>Total rates and charges</b>	<b>48,648</b>	<b>45,177</b>	<b>48,734</b>	<b>45,258</b>

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value (CIV) of a property is the sum which land, if it were held for an estate in fee simple unencumbered by any lease, mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on any reasonable terms and conditions which a genuine seller might in ordinary circumstances be expected to require.

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

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

**Note 3 Statutory fees and fines**

Statutory fees & fines	1,355	1,785	1,400	1,816
<b>Total statutory fees and fines</b>	<b>1,355</b>	<b>1,785</b>	<b>1,400</b>	<b>1,816</b>

**Note 4 User fees**

Rent/lease fees	691	669	461	442
User charges	5,949	5,524	2,949	2,539
Contract works	3,601	1,580	3,601	1,580
Entrance charges	188	152	188	152
Commission/Agency fees	176	144	176	144
<b>Total user fees</b>	<b>10,605</b>	<b>8,069</b>	<b>7,375</b>	<b>4,857</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 5 Grants</b>				
Grants were received in respect of the following :				
<b>Recurrent</b>				
Financial Management	15,093	11,633	15,093	11,633
Roads Construction & Maintenance	2,285	2,396	2,285	2,396
Community Care Services	3,974	3,775	3,974	3,775
Community Futures	334	615	334	615
Community GM	674	422	674	422
Development Services	87	83	87	83
Engineering Services	148	183	148	183
Leisure & Cultural Services	2,077	1,042	2,077	1,042
<b>Total recurrent</b>	<b>24,672</b>	<b>20,149</b>	<b>24,672</b>	<b>20,149</b>
<b>Non-recurrent</b>				
Building & Environmental Services	37	-	37	-
Community Care Services	18	23	18	23
Community Futures	813	336	813	336
Community GM	-	10	-	10
Corporate Administration	46	2	46	2
Corporate GM	3,316	5,020	3,316	5,020
Economic Development	175	-	-	-
Development Services	-	25	-	25
Engineering Services	243	701	243	701
Leisure & Cultural Services	2,815	1,357	2,815	1,357
Other	500	857	500	857
<b>Total non-recurrent</b>	<b>7,963</b>	<b>8,331</b>	<b>7,788</b>	<b>8,331</b>
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:				
Community Care Services	899	631	899	631
Community Futures	808	526	808	526
Community GM	240	36	240	36
Corporate GM	5,843	2,995	5,843	2,995
Development Services	5	20	5	20
Leisure & Cultural Services	2,381	541	2,381	541
Roads Construction & Maintenance	45	-	45	-
<b>Total</b>	<b>10,221</b>	<b>4,749</b>	<b>10,221</b>	<b>4,749</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 5 Grants (Cont.)</b>				
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:				
Building & Environmental	631	13	631	13
Community Care Services	526	501	526	501
Community Futures	36	195	36	195
Corporate GM	2,995	-	2,995	-
Development Services	20	120	20	120
Leisure & Cultural Services	541	441	541	441
<b>Total</b>	<b>4,749</b>	<b>1,270</b>	<b>4,749</b>	<b>1,270</b>
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:				
	<b>5,472</b>	<b>3,479</b>	<b>5,472</b>	<b>3,479</b>
<b>Note 6 Contributions</b>				
<b>(a) Cash</b>				
Community Services	323	340	323	340
Developer Contributions	613	448	613	448
Other	194	216	194	216
<b>Total</b>	<b>1,130</b>	<b>1,004</b>	<b>1,130</b>	<b>1,004</b>
<b>(b) Non-monetary assets</b>				
Gifted assets	4,920	2,400	4,920	2,400
<b>Total</b>	<b>4,920</b>	<b>2,400</b>	<b>4,920</b>	<b>2,400</b>
<b>Total contributions</b>	<b>6,050</b>	<b>3,404</b>	<b>6,050</b>	<b>3,404</b>
<b>Note 7 Reimbursements</b>				
Community Services	1,738	2,187	1,738	2,187
Roads/Transport	145	147	145	147
Finance and Administration	594	1,098	594	1,098
Waste management	133	274	133	274
Other	1,663	1,328	1,663	1,328
<b>Total reimbursements</b>	<b>4,273</b>	<b>5,034</b>	<b>4,273</b>	<b>5,034</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 8.1 Other income</b>				
Interest	1,104	981	1,240	1,128
Interest on rates	505	544	505	544
Sales	265	306	265	306
External plant hire	-	7	-	7
Other	193	22	184	9
<b>Total other income</b>	<b>2,067</b>	<b>1,860</b>	<b>2,194</b>	<b>1,994</b>
<b>Note 8.2 Asset recognition</b>				
During the year Council undertook an extensive survey of its footpaths and drainage networks. In doing so, it identified assets which had not previously been recorded in its assets registers.				
Asset Recognition	9,725	-	9,725	-
	<u>9,725</u>	<u>-</u>	<u>9,725</u>	<u>-</u>
<b>Note 9 Employee benefits</b>				
Wages and salaries	34,883	31,919	34,052	31,102
Superannuation additional call (Note 30)	7,269	1,385	7,269	1,385
Superannuation	2,778	2,580	2,710	2,514
<b>Total employee benefits</b>	<b>44,930</b>	<b>35,884</b>	<b>44,031</b>	<b>35,001</b>
<b>Note 10 Materials and services</b>				
Plant operating costs (maintenance)	2,375	2,245	2,124	1,991
Materials & supplies	4,356	2,820	4,314	2,774
Grants, contributions & donations	2,835	2,640	2,835	2,640
Utilities	3,138	3,175	2,985	3,029
Contract & consultancy payments	11,465	13,232	10,883	12,531
Office expenses	2,638	2,774	2,593	2,721
Other	3,307	3,811	3,288	3,798
<b>Total materials and services</b>	<b>30,114</b>	<b>30,697</b>	<b>29,022</b>	<b>29,484</b>
<b>Note 11 Bad and doubtful debts</b>				
Other debtors	131	151	131	151
<b>Total bad and doubtful debts</b>	<b>131</b>	<b>151</b>	<b>131</b>	<b>151</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 12 Depreciation and amortisation</b>				
<i><b>Property</b></i>				
Buildings	2,289	2,540	2,224	2,475
Plant and equipment	2,270	2,700	2,166	2,631
Plant and equipment (leased)	66	69	66	69
Furniture & fittings	269	349	269	349
Furniture & fittings (leased)	30	122	30	122
Library books	175	179	175	179
Roads	6,762	6,869	6,762	6,869
Drainage	710	692	710	692
Outdoor infrastructure	1,800	1,646	1,689	1,566
Landfill	92	125	92	125
Airport runways	326	326	-	-
<b>Total</b>	<b>14,789</b>	<b>15,617</b>	<b>14,183</b>	<b>15,077</b>
<i><b>Intangible assets</b></i>				
Software	140	73	140	73
<b>Total</b>	<b>140</b>	<b>73</b>	<b>140</b>	<b>73</b>
<b>Total depreciation and amortisation</b>	<b>14,929</b>	<b>15,690</b>	<b>14,323</b>	<b>15,150</b>
<b>Note 13 Finance costs</b>				
Interest - Borrowings	972	1,048	952	1,029
Interest - Finance leases	18	17	18	17
<b>Total finance costs</b>	<b>990</b>	<b>1,065</b>	<b>970</b>	<b>1,046</b>
<b>Note 14 Other expenses</b>				
Auditors' remuneration (Note 35)	232	209	219	192
Councillors' allowances	254	239	254	239
Directors' Fees	82	80	-	-
Refunds	49	39	49	39
Rentals - Operating leases	152	214	152	214
Other	481	375	481	375
<b>Total other expenses</b>	<b>1,250</b>	<b>1,156</b>	<b>1,155</b>	<b>1,059</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 15 Cash and cash equivalents</b>				
Cash on hand	20	16	10	11
Cash at bank	8,144	6,141	7,121	5,621
<b>Total cash and cash equivalents</b>	<b>8,164</b>	<b>6,157</b>	<b>7,131</b>	<b>5,632</b>
Users of the financial report should refer to note 29 for details of restrictions on cash assets and note 31 for details of existing Council commitments				
<b>Note 16 Trade and other receivables</b>				
<i><b>Current</b></i>				
Rates debtors	2,971	3,571	2,971	3,571
Infringement debtors	741	612	741	612
Provision for doubtful debts - Infringements	(585)	(455)	(585)	(455)
Other debtors	2,123	1,827	1,747	1,438
Provision for doubtful debts - other debtors	(26)	(92)	(21)	(92)
Accrued income	1,077	796	1,077	796
<b>Total</b>	<b>6,301</b>	<b>6,259</b>	<b>5,930</b>	<b>5,870</b>
<i><b>Non-current</b></i>				
Loan to Mildura Airport Pty Ltd	-	-	2,500	2,500
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,500</b>	<b>2,500</b>
<b>Total trade and other receivables</b>	<b>6,301</b>	<b>6,259</b>	<b>8,430</b>	<b>8,370</b>
<b>Note 17 Inventories</b>				
Inventories held for distribution	803	860	803	860
<b>Total inventories</b>	<b>803</b>	<b>860</b>	<b>803</b>	<b>860</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 18 Other assets</b>				
<b>(a) Prepayments</b>				
<i>Current</i>				
Prepayments	90	537	85	536
<b>Total prepayments</b>	<b>90</b>	<b>537</b>	<b>85</b>	<b>536</b>
<b>(b) Financial Assets</b>				
<i>Current</i>				
Term Deposits	20,623	14,000	20,623	14,000
Dollar Bonds	2,544	-	2,544	-
<b>Total</b>	<b>23,167</b>	<b>14,000</b>	<b>23,167</b>	<b>14,000</b>
<i>Non-current</i>				
Interest in Mildura Airport Pty Ltd	-	-	23,539	23,110
Dollar bonds	3,227	5,577	3,227	5,577
Floating notes	1,779	482	1,779	482
<b>Total</b>	<b>5,006</b>	<b>6,059</b>	<b>28,545</b>	<b>29,169</b>
<b>Total Financial Assets</b>	<b>28,173</b>	<b>20,059</b>	<b>51,712</b>	<b>43,169</b>
All financial assets are presented in Australian dollars.				
Users of the financial report should refer to note 29 for details of restrictions on cash assets and note 31 for details of existing Council commitments				
<b>Total other Assets</b>				
Current	23,257	14,537	23,252	14,536
Non-current	5,006	6,059	28,545	29,169
<b>Total other assets</b>	<b>28,263</b>	<b>20,596</b>	<b>51,797</b>	<b>43,705</b>

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

	Consolidated		Council	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Note 19 Property, infrastructure, plant and equipment</b>				
<b>Summary</b>				
at fair value	2,717	1,534	2,717	1,534
at cost	122,864	118,629	95,878	92,217
less: accumulated depreciation	(26,193)	(22,407)	(24,345)	(21,166)
<b>Total at cost</b>	<b>99,388</b>	<b>97,756</b>	<b>74,250</b>	<b>72,585</b>
leased	1,526	1,812	1,526	1,812
less: accumulated depreciation	(1,338)	(1,378)	(1,338)	(1,378)
<b>Total leased</b>	<b>188</b>	<b>434</b>	<b>188</b>	<b>434</b>
at valuation 31/12/02	-	30,804	-	30,804
less: accumulated depreciation	-	(12,316)	-	(12,316)
at valuation 30/06/04	13,610	13,610	13,610	13,610
less: accumulated depreciation	(10,401)	(9,818)	(10,401)	(9,818)
at valuation 30/06/09	188,089	188,089	188,089	188,089
less: accumulated depreciation	(77,154)	(75,941)	(77,154)	(75,941)
at valuation 30/06/11	27,379	453,355	27,379	453,355
less: accumulated depreciation	-	(186,810)	-	(186,810)
at valuation 30/06/12	573,657	-	573,657	-
less: accumulated depreciation	(230,315)	-	(230,315)	-
<b>Total at valuation</b>	<b>484,865</b>	<b>400,973</b>	<b>484,865</b>	<b>400,973</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>584,441</b>	<b>499,163</b>	<b>559,303</b>	<b>473,992</b>



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

	Consolidated		Council	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Note 19 Property, infrastructure, plant and equipment (cont.)</b>				
<b>Property</b>				
<b>Land</b>				
freehold				
land - at fair value	1,286	527	1,286	527
land - at valuation 30/06/09 (iii)	41,956	41,955	41,956	41,955
	<b>43,242</b>	<b>42,482</b>	<b>43,242</b>	<b>42,482</b>
other controlled				
land - at valuation 30/06/09 (iii)	627	627	627	627
	<b>627</b>	<b>627</b>	<b>627</b>	<b>627</b>
<b>Total land</b>	<b>43,869</b>	<b>43,109</b>	<b>43,869</b>	<b>43,109</b>
<b>Land under roads</b>				
land under roads - at fair value	1,431	380	1,431	380
land under roads - at valuation 30/06/09 (iii)	1,151	1,151	1,151	1,151
	<b>2,582</b>	<b>1,531</b>	<b>2,582</b>	<b>1,531</b>
<b>Buildings</b>				
freehold				
buildings - at cost	12,038	8,938	7,844	4,744
less: accumulated depreciation	(1,862)	(913)	(1,636)	(753)
	<b>10,176</b>	<b>8,025</b>	<b>6,208</b>	<b>3,991</b>
buildings - at valuation 30/06/09 (iii)	104,492	104,493	104,492	104,493
less: accumulated depreciation	(52,506)	(51,726)	(52,506)	(51,726)
	<b>51,986</b>	<b>52,767</b>	<b>51,986</b>	<b>52,767</b>
	<b>62,162</b>	<b>60,792</b>	<b>58,194</b>	<b>56,758</b>
other controlled				
buildings - at fair value	1,403	1,044	1,403	1,044
less: accumulated depreciation	(293)	(166)	(293)	(166)
	<b>1,110</b>	<b>878</b>	<b>1,110</b>	<b>878</b>
buildings - at valuation 30/06/09 (iii)	39,863	39,863	39,863	39,863
less: accumulated depreciation	(24,648)	(24,215)	(24,648)	(24,215)
	<b>15,215</b>	<b>15,648</b>	<b>15,215</b>	<b>15,648</b>
	<b>16,325</b>	<b>16,526</b>	<b>16,325</b>	<b>16,526</b>
<b>Total buildings</b>	<b>78,487</b>	<b>77,318</b>	<b>74,519</b>	<b>73,284</b>
<b>Total property</b>	<b>124,938</b>	<b>121,958</b>	<b>120,970</b>	<b>117,924</b>

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

	Consolidated		Council
<b>Note 19 Property, infrastructure, plant and equipment (cont.)</b>			
	<b>2012</b>	<b>2011</b>	<b>2012</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Plant and equipment</b>			
<b>Plant and equipment</b>			
plant and equipment - at cost	25,806	24,373	24,395
less: accumulated depreciation	(12,801)	(12,122)	(12,539)
	<b>13,005</b>	<b>12,251</b>	<b>11,856</b>
plant and equipment - leased	286	572	286
less: accumulated depreciation	(139)	(209)	(139)
	<b>147</b>	<b>363</b>	<b>147</b>
<b>Total plant and equipment</b>	<b>13,152</b>	<b>12,614</b>	<b>12,003</b>
<b>Furniture and fittings</b>			
furniture and fittings - at cost	3,025	3,020	3,025
less: accumulated depreciation	(2,392)	(2,123)	(2,392)
	<b>633</b>	<b>897</b>	<b>633</b>
furniture and fittings - leased	1,240	1,240	1,240
less: accumulated depreciation	(1,199)	(1,169)	(1,199)
	<b>41</b>	<b>71</b>	<b>41</b>
<b>Total furniture and fittings</b>	<b>674</b>	<b>968</b>	<b>674</b>
<b>Artworks</b>			
artworks - cost	59	50	59
artworks - at valuation 30/06/11 (ii)	27,379	27,379	27,379
<b>Total artwork</b>	<b>27,438</b>	<b>27,429</b>	<b>27,438</b>
<b>Library books</b>			
bookstock - at cost	2,620	2,403	2,620
less: accumulated depreciation	(1,632)	(1,457)	(1,632)
<b>Total library books</b>	<b>988</b>	<b>946</b>	<b>988</b>
<b>Total plant and equipment</b>	<b>42,252</b>	<b>41,957</b>	<b>41,103</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 19 Property, infrastructure, plant and equipment (cont.)</b>				
<b>Infrastructure</b>				
<b>Roads sealed</b>				
formation	32,377	-	32,377	-
roads - at valuation 30/06/12 (v)	-	31,338	-	31,338
roads - at valuation 30/06/11(iv)	-	-	-	-
less: accumulated depreciation	-	-	-	-
	<b>32,377</b>	<b>31,338</b>	<b>32,377</b>	<b>31,338</b>
pavement	94,736	-	94,736	-
roads - at valuation 30/06/12 (v)	-	91,432	-	91,432
roads - at valuation 30/06/11(iv)	(60,816)	(66,209)	(60,816)	(66,209)
less: accumulated depreciation	-	-	-	-
	<b>33,920</b>	<b>25,223</b>	<b>33,920</b>	<b>25,223</b>
surface	53,932	-	53,932	-
roads - at valuation 30/06/12 (v)	-	52,500	-	52,500
roads - at valuation 30/06/11(iv)	(35,596)	(36,763)	(35,596)	(36,763)
less: accumulated depreciation	-	-	-	-
	<b>18,336</b>	<b>15,737</b>	<b>18,336</b>	<b>15,737</b>
<b>Total roads sealed</b>	<b>84,633</b>	<b>72,298</b>	<b>84,633</b>	<b>72,298</b>
<b>roads - unsealed</b>				
formation	115,520	-	115,520	-
roads - at valuation 30/06/12 (v)	-	112,279	-	112,279
roads - at valuation 30/06/11(iv)	-	-	-	-
less: accumulated depreciation	-	-	-	-
	<b>115,520</b>	<b>112,279</b>	<b>115,520</b>	<b>112,279</b>
pavement	63,323	-	63,323	-
roads - at valuation 30/06/12 (v)	-	61,392	-	61,392
roads - at valuation 30/06/11(iv)	(38,142)	(36,680)	(38,142)	(36,680)
less: accumulated depreciation	-	-	-	-
	<b>25,181</b>	<b>24,712</b>	<b>25,181</b>	<b>24,712</b>
<b>Total roads - unsealed</b>	<b>140,701</b>	<b>136,991</b>	<b>140,701</b>	<b>136,991</b>
<b>kerb and channel</b>				
at valuation 30/06/12 (v)	52,239	-	52,239	-
at valuation 30/06/11(iv)	-	49,977	-	49,977
less: accumulated depreciation	(30,980)	(29,302)	(30,980)	(29,302)
<b>Total kerb and channel</b>	<b>21,259</b>	<b>20,675</b>	<b>21,259</b>	<b>20,675</b>

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

	Consolidated		Council	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Note 19 Property, infrastructure, plant and equipment (cont.)</b>				
<b>footpath</b>				
footpath - at valuation 30/06/12 (v)	52,435	-	52,435	-
footpath - at valuation 30/06/11(iv)	-	27,058	-	27,058
less: accumulated depreciation	(38,646)	(17,856)	(38,646)	(17,856)
<b>Total footpath</b>	<b>13,789</b>	<b>9,202</b>	<b>13,789</b>	<b>9,202</b>
<b>Total roads, kerb and channel and footpath</b>	<b>260,382</b>	<b>239,166</b>	<b>260,382</b>	<b>239,166</b>
<b>Other Infrastructure</b>				
<b>Drainage</b>				
drainage - at fair value	-	627	-	627
drainage - at cost	-	24,889	-	24,889
less: accumulated depreciation	-	(509)	-	(509)
	<b>-</b>	<b>25,007</b>	<b>-</b>	<b>25,007</b>
drainage - at valuation 31/12/02 (vi)	-	30,804	-	30,804
less: accumulated depreciation	-	(12,316)	-	(12,316)
	<b>-</b>	<b>18,488</b>	<b>-</b>	<b>18,488</b>
drainage - at valuation 30/06/12 (v)	109,095	-	109,095	-
less: accumulated depreciation	(26,135)	-	(26,135)	-
	<b>82,960</b>	<b>-</b>	<b>82,960</b>	<b>-</b>
<b>Total drainage</b>	<b>82,960</b>	<b>43,495</b>	<b>82,960</b>	<b>43,495</b>
<b>Landfill</b>				
landfill - at cost	2,304	2,304	2,304	2,304
transfer from provision	2,296	-	2,296	(125)
less: accumulated depreciation	(1,028)	(936)	(1,028)	(809)
<b>Total landfill</b>	<b>3,572</b>	<b>1,368</b>	<b>3,572</b>	<b>1,368</b>
<b>Airport runway</b>				
airport runway - at cost	17,786	17,786	-	-
less: accumulated depreciation	(1,065)	(740)	-	-
<b>Total airport runway</b>	<b>16,721</b>	<b>17,046</b>	<b>-</b>	<b>-</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 19 Property, infrastructure, plant and equipment (cont.)</b>				
<b>Infrastructure (cont.)</b>				
<b>Outdoor infrastructure</b>				
outdoor infrastructure - at cost	28,620	20,062	25,660	17,122
less: accumulated depreciation	(5,119)	(3,441)	(4,825)	(3,258)
	<b>23,501</b>	<b>16,621</b>	<b>20,835</b>	<b>13,864</b>
outdoor infrastructure - at valuation 30/06/04 (i)	13,610	13,610	13,610	13,610
less: accumulated depreciation	(10,401)	(9,818)	(10,401)	(9,818)
	<b>3,209</b>	<b>3,792</b>	<b>3,209</b>	<b>3,792</b>
<b>Total outdoor infrastructure</b>	<b>26,710</b>	<b>20,413</b>	<b>24,044</b>	<b>17,656</b>
<b>Total infrastructure</b>	<b>390,345</b>	<b>321,488</b>	<b>370,958</b>	<b>301,685</b>
<b>Capital works in progress - roads/outdoor infrastructure/furniture &amp; fittings/airport runways</b>				
<b>Works in progress</b>				
land	74	-	74	-
buildings	5,859	2,337	5,223	2,040
plant and equipment	(17)	211	(17)	211
furniture and fittings	694	694	694	694
roads	7,198	2,931	7,200	2,933
drainage	4,458	977	4,458	977
outdoor infrastructure	8,640	6,610	8,640	6,610
<b>Total capital works in progress</b>	<b>26,906</b>	<b>13,760</b>	<b>26,272</b>	<b>13,465</b>
<b>Total property, infrastructure, plant and equipment</b>	<b>584,441</b>	<b>499,163</b>	<b>559,303</b>	<b>473,992</b>

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

**Note 19 Property, infrastructure, plant and equipment (cont.)**

(i) Valuation of these assets were completed by Mr Wayne Eddy BEng, (Council Officer), (as at 30 June 2004).

Council's policy is that such infrastructure, whether acquired or constructed, are initially brought to account at cost and are periodically revalued to fair value. The basis of valuation is the estimated cost of construction or acquisition of replacement assets, less an allowance for accumulated depreciation, as at the date of valuation.

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

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

(iv) Valuation of these assets were completed by Mrs Kylie Sergi, B. Apps Sci (CS), (Council Officer), (as at 30 June 2011). Council's policy is that such infrastructure, whether acquired or constructed, are initially brought to account at cost and are periodically revalued to fair value. The basis of valuation is the estimated cost of construction or acquisition of replacement assets, less an allowance for accumulated depreciation, as at the date of valuation.

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

(vi) Valuation of these assets were completed by Mr Wayne Eddy BEng, (Council Officer), (as at 31 December 2002), in accordance with the method set out in point (iv).

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

Note 19 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 12)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>										
<b>Property</b>										
land - freehold	42,482	685	-	75	-	-	-	-	-	43,242
land - other controlled	627	-	-	-	-	-	-	-	-	627
land under roads	1,531	-	-	1,051	-	-	-	-	-	2,582
<b>Total land</b>	<b>44,640</b>	<b>685</b>	<b>-</b>	<b>1,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,451</b>
buildings - on freehold land	60,792	1,415	-	-	-	(1,729)	-	1,684	-	62,162
buildings - on other controlled land	16,526	278	-	-	-	(561)	-	82	-	16,325
<b>Total buildings</b>	<b>77,318</b>	<b>1,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,290)</b>	<b>-</b>	<b>1,766</b>	<b>-</b>	<b>78,487</b>
	<b>121,958</b>	<b>2,378</b>	<b>-</b>	<b>1,126</b>	<b>-</b>	<b>(2,290)</b>	<b>-</b>	<b>1,766</b>	<b>-</b>	<b>124,938</b>
<b>Plant and equipment</b>										
plant and equipment	12,251	3,019	-	-	-	(2,270)	(277)	282	-	13,005
plant and equipment (leased)	363	-	-	-	-	(66)	(150)	-	-	147
furniture and fittings	897	5	-	-	-	(269)	-	-	-	633
furniture and fittings (leased)	71	-	-	-	-	(30)	-	-	-	41
artwork	27,429	9	-	-	-	-	-	-	-	27,438
library books	946	217	-	-	-	(175)	-	-	-	988
<b>Total plant and equipment</b>	<b>41,957</b>	<b>3,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,810)</b>	<b>(427)</b>	<b>282</b>	<b>-</b>	<b>42,252</b>
<b>Infrastructure</b>										
<b>roads - sealed</b>										
formation	31,338	-	-	135	904	-	-	-	-	32,377
pavement	25,223	1,239	-	511	8,301	(1,622)	(31)	299	-	33,920
seal	15,737	1,980	-	834	1,476	(1,831)	(410)	550	-	18,336
<b>roads - unsealed</b>										
formation	112,279	-	-	-	3,241	-	-	-	-	115,520
pavement	24,712	1,213	-	-	1,041	(2,048)	(30)	293	-	25,181
<b>other infrastructure assets</b>										
kerb and channel	20,675	235	-	800	425	(847)	(122)	93	-	21,259
footpaths	9,202	207	1,146	700	2,926	(414)	-	22	-	13,789
drainage	43,495	341	8,579	804	35,815	(710)	(11)	(5,353)	-	82,960
landfill	1,368	-	-	-	-	(92)	-	-	2,296	3,572
airport runway	17,046	-	-	-	-	(325)	-	-	-	16,721
outdoor infrastructure	20,413	1,749	-	10	-	(1,800)	-	6,338	-	26,710
<b>Total infrastructure</b>	<b>321,488</b>	<b>6,964</b>	<b>9,725</b>	<b>3,794</b>	<b>54,129</b>	<b>(9,689)</b>	<b>(604)</b>	<b>2,242</b>	<b>2,296</b>	<b>390,345</b>
<b>Works in progress</b>										
land	-	74	-	-	-	-	-	-	-	74
buildings	2,335	5,292	-	-	-	-	-	(1,770)	-	5,857
plant and equipment	211	54	-	-	-	-	-	(282)	-	(17)
furniture and fittings	694	-	-	-	-	-	-	-	-	694
roads	2,933	5,523	-	-	-	-	-	(1,256)	-	7,200
drainage	977	3,589	-	-	-	-	-	(108)	-	4,458
outdoor infrastructure	6,610	2,904	-	-	-	-	-	(874)	-	8,640
<b>Total works in progress</b>	<b>13,760</b>	<b>17,436</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,290)</b>	<b>-</b>	<b>26,906</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>499,163</b>	<b>30,028</b>	<b>9,725</b>	<b>4,920</b>	<b>54,129</b>	<b>(14,789)</b>	<b>(1,031)</b>	<b>-</b>	<b>2,296</b>	<b>584,441</b>

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

Note 19 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 25)	Depreciation/ amortisation expense (Note 12)	Disposals	Transfer between class	Transfers from Provisions	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>										
<b>Property</b>										
land - freehold	42,482	685	-	75	-	-	-	-	-	43,242
land - other controlled	627	-	-	-	-	-	-	-	-	627
land under roads	1,531	-	-	1,051	-	-	-	-	-	2,582
<b>Total land</b>	<b>44,640</b>	<b>685</b>	<b>-</b>	<b>1,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46,451</b>
buildings - on freehold land	56,758	1,415	-	-	-	(1,663)	-	1,684	-	58,194
buildings - on other controlled land	16,526	278	-	-	-	(561)	-	82	-	16,325
<b>Total buildings</b>	<b>73,284</b>	<b>1,693</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,224)</b>	<b>-</b>	<b>1,766</b>	<b>-</b>	<b>74,519</b>
<b>Total property</b>	<b>117,924</b>	<b>2,378</b>	<b>-</b>	<b>1,126</b>	<b>-</b>	<b>(2,224)</b>	<b>-</b>	<b>1,766</b>	<b>-</b>	<b>120,970</b>
<b>Plant and equipment</b>										
plant and equipment	11,212	2,805	-	-	-	(2,166)	(277)	282	-	11,856
plant and equipment (leased)	363	-	-	-	-	(66)	(150)	-	-	147
furniture and fittings	897	5	-	-	-	(269)	-	-	-	633
furniture and fittings (leased)	71	-	-	-	-	(30)	-	-	-	41
artwork	27,429	9	-	-	-	-	-	-	-	27,438
library books	946	217	-	-	-	(175)	-	-	-	988
<b>Total plant and equipment</b>	<b>40,918</b>	<b>3,036</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,706)</b>	<b>(427)</b>	<b>282</b>	<b>-</b>	<b>41,103</b>
<b>Infrastructure</b>										
<b>roads - sealed</b>										
formation	31,338	-	-	135	904	-	-	-	-	32,377
pavement	25,223	1,239	-	511	8,301	(1,622)	(31)	299	-	33,920
seal	15,737	1,980	-	834	1,476	(1,831)	(410)	550	-	18,336
<b>roads - unsealed</b>										
formation	112,279	-	-	-	3,241	-	-	-	-	115,520
pavement	24,712	1,213	-	-	1,041	(2,048)	(30)	293	-	25,181
<b>other infrastructure assets</b>										
kerb and channel	20,675	235	-	800	425	(847)	(122)	93	-	21,259
footpaths	9,202	207	1,146	700	2,926	(414)	-	22	-	13,789
drainage	43,495	341	8,579	804	35,815	(710)	(11)	(5,353)	-	82,960
landfill	1,368	-	-	-	-	(92)	-	-	2,296	3,572
airport runway	-	-	-	-	-	-	-	-	-	-
outdoor infrastructure	17,656	1,732	-	10	-	(1,689)	-	6,335	-	24,044
<b>Total infrastructure</b>	<b>301,685</b>	<b>6,947</b>	<b>9,725</b>	<b>3,794</b>	<b>54,129</b>	<b>(9,253)</b>	<b>(604)</b>	<b>2,239</b>	<b>2,296</b>	<b>370,958</b>
<b>Works in progress</b>										
land	-	74	-	-	-	-	-	-	-	74
buildings	2,040	4,950	-	-	-	-	-	(1,767)	-	5,223
plant and equipment	211	54	-	-	-	-	-	(282)	-	(17)
furniture and fittings	694	-	-	-	-	-	-	-	-	694
roads	2,933	5,523	-	-	-	-	-	(1,256)	-	7,200
drainage	977	3,589	-	-	-	-	-	(108)	-	4,458
outdoor infrastructure	6,610	2,904	-	-	-	-	-	(874)	-	8,640
<b>Total works in progress</b>	<b>13,465</b>	<b>17,094</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,287)</b>	<b>-</b>	<b>26,272</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>473,992</b>	<b>29,455</b>	<b>9,725</b>	<b>4,920</b>	<b>54,129</b>	<b>(14,183)</b>	<b>(1,031)</b>	<b>-</b>	<b>2,296</b>	<b>559,303</b>



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

Note 19 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 25)	Depreciation/ amortisation expense (Note 12)	Disposals	Transfer between class	Transfers from provisions	Transfers to intangibles	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2011</b>											
<b>Property</b>											
land - freehold	41,955	104	-	187	-	-	-	236	-	-	42,482
land - other controlled	627	-	-	-	-	-	-	-	-	-	627
land under roads	1,151	-	-	380	-	-	-	-	-	-	1,531
<b>Total land</b>	<b>43,733</b>	<b>104</b>	<b>-</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>236</b>	<b>-</b>	<b>-</b>	<b>44,640</b>
buildings - on freehold land	61,782	1,681	-	-	-	(1,925)	(1,264)	518	-	-	60,792
buildings - on other controlled land	17,114	254	-	-	-	(615)	(331)	104	-	-	16,526
<b>Total buildings</b>	<b>78,896</b>	<b>1,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,540)</b>	<b>(1,595)</b>	<b>622</b>	<b>-</b>	<b>-</b>	<b>77,318</b>
<b>Total property</b>	<b>122,629</b>	<b>2,039</b>	<b>-</b>	<b>567</b>	<b>-</b>	<b>(2,540)</b>	<b>(1,595)</b>	<b>858</b>	<b>-</b>	<b>-</b>	<b>121,958</b>
<b>Plant and equipment</b>											
plant and equipment	12,300	3,317	-	-	-	(2,700)	(674)	8	-	-	12,251
plant and equipment (leased)	432	-	-	-	-	(69)	-	-	-	-	363
furniture and fittings	853	342	-	-	-	(349)	-	51	-	-	897
furniture and fittings (leased)	193	-	-	-	-	(122)	-	-	-	-	71
artwork	34,298	50	-	-	(6,919)	-	-	-	-	-	27,429
library books	894	231	-	-	-	(179)	-	-	-	-	946
<b>Total plant and equipment</b>	<b>48,970</b>	<b>3,940</b>	<b>-</b>	<b>-</b>	<b>(6,919)</b>	<b>(3,419)</b>	<b>(674)</b>	<b>59</b>	<b>-</b>	<b>-</b>	<b>41,957</b>
<b>Infrastructure</b>											
<b>roads - sealed</b>											
formation	29,644	-	-	121	1,573	-	-	-	-	-	31,338
pavement	33,576	1,258	-	460	(8,902)	(1,588)	(21)	440	-	-	25,223
seal	17,246	2,216	-	342	(1,726)	(2,059)	(407)	125	-	-	15,737
<b>roads - unsealed</b>											
formation	107,536	-	-	-	4,743	-	-	-	-	-	112,279
pavement	26,172	981	-	-	(778)	(1,990)	(16)	343	-	-	24,712
<b>other infrastructure assets</b>											
kerb and channel	20,212	68	-	162	1,069	(826)	(13)	3	-	-	20,675
footpaths	8,949	245	-	122	218	(406)	(6)	80	-	-	9,202
drainage	42,394	765	-	627	-	(692)	-	401	-	-	43,495
landfill	2,302	-	-	-	-	(125)	-	-	(809)	-	1,368
airport runway	17,372	-	-	-	-	(326)	-	-	-	-	17,046
outdoor infrastructure	19,199	1,427	-	-	-	(1,646)	-	1,433	-	-	20,413
<b>Total infrastructure</b>	<b>324,602</b>	<b>6,960</b>	<b>-</b>	<b>1,834</b>	<b>(3,803)</b>	<b>(9,658)</b>	<b>(463)</b>	<b>2,825</b>	<b>(809)</b>	<b>-</b>	<b>321,488</b>
<b>Works in progress</b>											
land	236	-	-	-	-	-	-	(236)	-	-	-
buildings	1,586	2,286	-	-	-	-	(2)	(1,535)	-	-	2,335
plant and equipment	2	209	-	-	-	-	-	-	-	-	211
furniture and fittings	654	91	-	-	-	-	-	(51)	-	-	694
roads	2,224	1,699	-	(1)	-	-	2	(991)	-	-	2,933
drainage	832	546	-	-	-	-	-	(401)	-	-	977
outdoor infrastructure	3,048	4,090	-	-	-	-	-	(528)	-	-	6,610
intangible assets - software	1,289	-	-	-	-	-	-	-	-	(1,289)	-
<b>Total works in progress</b>	<b>9,871</b>	<b>8,921</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,742)</b>	<b>-</b>	<b>(1,289)</b>	<b>13,760</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>506,072</b>	<b>21,860</b>	<b>-</b>	<b>2,400</b>	<b>(10,722)</b>	<b>(15,617)</b>	<b>(2,732)</b>	<b>-</b>	<b>(809)</b>	<b>(1,289)</b>	<b>499,163</b>

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

**Note 19 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 12)	Disposals	Transfer between class	Transfers from provisions	Transfers to intangibles	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2011</b>											
<b>Property</b>											
land - freehold	41,955	104	-	187	-	-	-	236	-	-	42,482
land - other controlled	627	-	-	-	-	-	-	-	-	-	627
land under roads	1,151	-	-	360	-	-	-	-	-	-	1,531
<b>Total land</b>	<b>43,733</b>	<b>104</b>	<b>-</b>	<b>567</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>236</b>	<b>-</b>	<b>-</b>	<b>44,640</b>
buildings - on freehold land	57,719	1,681	-	-	-	(1,860)	(1,264)	480	-	-	56,756
buildings - on other controlled land	17,116	254	-	-	-	(615)	(331)	104	-	-	16,528
<b>Total buildings</b>	<b>74,835</b>	<b>1,935</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,475)</b>	<b>(1,595)</b>	<b>584</b>	<b>-</b>	<b>-</b>	<b>73,284</b>
<b>Total property</b>	<b>118,568</b>	<b>2,039</b>	<b>-</b>	<b>567</b>	<b>-</b>	<b>(2,475)</b>	<b>(1,595)</b>	<b>820</b>	<b>-</b>	<b>-</b>	<b>117,924</b>
<b>Plant and equipment</b>											
plant and equipment	11,261	3,256	-	-	-	(2,631)	(674)	-	-	-	11,212
plant and equipment (leased)	432	-	-	-	-	(69)	-	-	-	-	363
furniture and fittings	853	342	-	-	-	(349)	-	51	-	-	897
furniture and fittings (leased)	193	-	-	-	-	(122)	-	-	-	-	71
artwork	34,298	50	-	-	(6,919)	-	-	-	-	-	27,429
library books	894	231	-	-	-	(179)	-	-	-	-	946
<b>Total plant and equipment</b>	<b>47,931</b>	<b>3,879</b>	<b>-</b>	<b>-</b>	<b>(6,919)</b>	<b>(3,350)</b>	<b>(674)</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>40,918</b>
<b>Infrastructure</b>											
<b>roads - sealed</b>											
formation	29,644	-	-	121	1,573	-	-	-	-	-	31,338
pavement	33,576	1,258	-	460	(8,902)	(1,599)	(21)	440	-	-	25,223
seal	17,246	2,216	-	342	(1,726)	(2,059)	(407)	125	-	-	15,737
<b>roads - unsealed</b>											
formation	107,536	-	-	-	4,743	-	-	-	-	-	112,279
pavement	26,172	981	-	-	(778)	(1,990)	(16)	343	-	-	24,712
<b>other infrastructure assets</b>											
kerb and channel	20,212	68	-	162	1,069	(626)	(13)	3	-	-	20,675
footpaths	8,949	245	-	122	218	(406)	(6)	80	-	-	9,202
drainage	42,394	765	-	627	-	(892)	-	401	-	-	43,495
landfill	2,302	-	-	-	-	(125)	-	-	(809)	-	1,368
airport runway	-	-	-	-	-	-	-	-	-	-	-
outdoor infrastructure	17,304	1,390	-	-	-	(1,566)	-	528	-	-	17,656
<b>Total infrastructure</b>	<b>305,335</b>	<b>6,923</b>	<b>-</b>	<b>1,834</b>	<b>(3,803)</b>	<b>(9,252)</b>	<b>(463)</b>	<b>1,920</b>	<b>(809)</b>	<b>-</b>	<b>301,685</b>
<b>Works in progress</b>											
land	236	-	-	-	-	-	-	(236)	-	-	-
buildings	981	1,643	-	-	-	-	-	(584)	-	-	2,040
plant and equipment	2	209	-	-	-	-	-	-	-	-	211
furniture and fittings	654	91	-	-	-	-	-	(51)	-	-	694
roads	2,224	1,699	-	(1)	-	-	2	(991)	-	-	2,933
drainage	832	546	-	-	-	-	-	(401)	-	-	977
outdoor infrastructure	3,048	4,090	-	-	-	-	-	(528)	-	-	6,610
intangible assets - software	1,289	-	-	-	-	-	-	-	-	(1,289)	-
<b>Total works in progress</b>	<b>9,266</b>	<b>8,278</b>	<b>-</b>	<b>(1)</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>(2,791)</b>	<b>-</b>	<b>(1,289)</b>	<b>13,465</b>
<b>Total property, plant and equipment, infrastructure</b>	<b>481,100</b>	<b>21,119</b>	<b>-</b>	<b>2,400</b>	<b>(10,722)</b>	<b>(15,077)</b>	<b>(2,730)</b>	<b>-</b>	<b>(809)</b>	<b>(1,289)</b>	<b>473,992</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 20 Intangible assets</b>				
Software	1,147	1,227	1,147	1,227
Water Rights - at valuation 30/06/11 (i)	-	2,529	-	2,496
Water rights - at valuation 30/06/12 (ii)	2,264	-	2,237	-
<b>Total intangible assets</b>	<b>3,411</b>	<b>3,756</b>	<b>3,384</b>	<b>3,723</b>
(i) Valuation of these assets were completed by Mr Con Demis AAPI, Certified Practicing Valuer, recognised valuer, (Council Officer), (as at 30 June 2011), using current market values.				
(ii) Valuation of these assets were completed by Mr Con Demis AAPI, Certified Practicing Valuer, recognised valuer, (Council Officer), (as at 30 June 2012), using current market values.				
<b>Gross carrying amount</b>				
Balance at 1 July 2010	-	3,661	-	3,621
Additions	-	1,300	-	1,300
Other	-	(1,132)	-	(1,125)
Balance at 1 July 2011	3,829	3,829	3,796	3,796
Additions	60	-	60	-
Revaluation increment/(decrement)	(264)	-	(258)	-
Balance at 30 June 2012	<b>3,625</b>	<b>3,829</b>	<b>3,598</b>	<b>3,796</b>
<b>Accumulated amortisation and impairment</b>				
Balance at 1 July 2010	-	-	-	-
Amortisation expense	-	73	-	73
Balance at 1 July 2011	73	73	73	73
Amortisation expense	141	-	141	-
Balance at 30 June 2012	<b>214</b>	<b>73</b>	<b>214</b>	<b>73</b>
Net book value at 30 June	<b>3,411</b>	<b>3,756</b>	<b>3,384</b>	<b>3,723</b>
<b>Note 21 Trade and other payables</b>				
Trade payables	6,127	4,272	5,910	4,100
Accrued expenses	1,244	1,489	1,227	1,436
<b>Total trade and other payables</b>	<b>7,371</b>	<b>5,761</b>	<b>7,137</b>	<b>5,536</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 22 Trust funds and deposits</b>				
Refundable contract deposits	105	209	105	209
Refundable civic facilities deposits	3	1	3	1
Retention amounts	984	151	984	151
Other refundable deposits	657	481	657	481
<b>Total trust funds and deposits</b>	<b>1,749</b>	<b>842</b>	<b>1,749</b>	<b>842</b>

**Nature and purpose of trusts and deposits**

**Name of trust or deposit**

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

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

Note 23 Provisions

Consolidated

	Annual leave	Long service leave	Other entitlements	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>								
Balance at beginning of the financial year	3,245	4,650	506	-	-	-	2,798	11,199
Additional provisions	2,879	1,309	1,018	151	103	7,269	2,296	15,025
Rehabilitation works	-	-	-	-	-	-	-	-
Amounts used	(2,506)	(479)	(918)	-	-	-	(16)	(3,919)
Balance at the end of the financial year	<b>3,618</b>	<b>5,480</b>	<b>606</b>	<b>151</b>	<b>103</b>	<b>7,269</b>	<b>5,078</b>	<b>22,305</b>

2011

Balance at beginning of the financial year	2,999	4,471	520	293	-	-	3,701	11,984
Additional provisions	2,612	804	1,020	-	-	-	-	4,436
Rehabilitation works	-	-	-	-	-	-	(94)	(94)
Amounts used	(2,366)	(625)	(1,034)	(293)	-	-	(809)	(5,127)
Balance at the end of the financial year	<b>3,245</b>	<b>4,650</b>	<b>506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,798</b>	<b>11,199</b>

Council

	Annual leave	Long service leave	Other entitlements	Redundancy	Workcover	Superannuation	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2012</b>								
Balance at beginning of the financial year	3,179	4,650	506	-	-	-	2,798	11,133
Additional provisions	2,873	1,309	1,018	151	103	7,269	2,296	15,019
Rehabilitation works	-	-	-	-	-	-	-	-
Amounts used	(2,506)	(479)	(918)	-	-	-	(16)	(3,919)
Balance at the end of the financial year	<b>3,546</b>	<b>5,480</b>	<b>606</b>	<b>151</b>	<b>103</b>	<b>7,269</b>	<b>5,078</b>	<b>22,233</b>

2011

Balance at beginning of the financial year	2,947	4,471	520	293	-	-	3,701	11,932
Additional provisions	2,598	804	1,020	-	-	-	-	4,422
Rehabilitation works	-	-	-	-	-	-	(94)	(94)
Amounts used	(2,366)	(625)	(1,034)	(293)	-	-	(809)	(5,127)
Balance at the end of the financial year	<b>3,179</b>	<b>4,650</b>	<b>506</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,798</b>	<b>11,133</b>

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

Note 23 Provisions (cont.)

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>(a) Employee benefits</b>				
<b>Current (i)</b>				
Annual leave	3,618	3,245	3,546	3,179
Long service leave	4,701	3,767	4,701	3,767
Redundancy	151	-	151	-
Superannuation	7,269	-	7,269	-
Workcover	103	-	103	-
Other	606	506	606	506
<b>Total</b>	<b>16,448</b>	<b>7,518</b>	<b>16,376</b>	<b>7,452</b>
<b>Non-current (ii)</b>				
Long service leave	779	883	779	883
<b>Total</b>	<b>779</b>	<b>883</b>	<b>779</b>	<b>883</b>
Aggregate carrying amount of employee benefits:				
Current	16,448	7,518	16,376	7,452
Non-current	779	883	779	883
<b>Total</b>	<b>17,227</b>	<b>8,401</b>	<b>17,155</b>	<b>8,335</b>
Weighted average increase in employee costs	4.31%	4.60%	4.31%	4.60%
Weighted average discount rates	3.06%	5.28%	3.06%	5.28%
Weighted average settlement period	12	12	12	12
<b>(i) Current</b>				
All annual leave and the long service leave entitlements representing 7 or more years of continuous service				
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	11,965	3,751	11,893	3,685
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value	4,483	3,767	4,483	3,767
	<b>16,448</b>	<b>7,518</b>	<b>16,376</b>	<b>7,452</b>
<b>(ii) Non-current</b>				
Long service leave representing less than 7 years of continuous service measured at present value	779	883	779	883
	<b>779</b>	<b>883</b>	<b>779</b>	<b>883</b>
<b>Total employee benefits</b>	<b>17,227</b>	<b>8,401</b>	<b>17,155</b>	<b>8,335</b>
<b>(b) Land fill restoration</b>				
Under the Environmental Protection Act Council is obligated to restore the Mildura Landfill site to a particular standard. Current projections indicate that the Mildura Landfill site will cease operation in 2054 and restoration work is expected to commence shortly thereafter. The forecast life of the Mildura Landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.				
<b>Non-current</b>				
Land fill restoration	5,078	2,798	5,078	2,798
<b>Total land fill restoration</b>	<b>5,078</b>	<b>2,798</b>	<b>5,078</b>	<b>2,798</b>
<b>Total provisions</b>				
Current	16,448	7,518	16,376	7,452
Non-current	5,857	3,681	5,857	3,681
<b>Total provisions</b>	<b>22,305</b>	<b>11,199</b>	<b>22,233</b>	<b>11,133</b>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 24 Interest-bearing loans and borrowings</b>				
<i>Current</i>				
Borrowings - secured	1,568	1,283	1,568	1,283
	<b>1,568</b>	<b>1,283</b>	<b>1,568</b>	<b>1,283</b>
<i>Non-current</i>				
Borrowings - secured	17,912	13,622	17,912	13,622
	<b>17,912</b>	<b>13,622</b>	<b>17,912</b>	<b>13,622</b>
<b>Total interest-bearing loans and borrowings</b>	<b>19,480</b>	<b>14,905</b>	<b>19,480</b>	<b>14,905</b>
The maturity profile for Council's borrowings is:				
<b>Loans - Security</b>				
Not later than one year	1,568	1,283	1,568	1,283
Later than one year and not later than five years	5,956	6,370	5,956	6,370
Later than five years	11,956	7,252	11,956	7,252
<b>Total</b>	<b>19,480</b>	<b>14,905</b>	<b>19,480</b>	<b>14,905</b>
<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	174	267	84	205
Later than one year and not later than five years	209	366	69	210
Later than five years	-	-	-	-
Minimum lease payments	383	633	153	415
Less: Future finance charges	17	34	17	34
<b>Total</b>	<b>366</b>	<b>599</b>	<b>136</b>	<b>381</b>
<i>Current</i>				
Leases	168	250	78	188
	<b>168</b>	<b>250</b>	<b>78</b>	<b>188</b>
<i>Non-current</i>				
Leases	198	349	58	193
	<b>198</b>	<b>349</b>	<b>58</b>	<b>193</b>
<b>Total finance leases</b>	<b>366</b>	<b>599</b>	<b>136</b>	<b>381</b>
Aggregate carrying amount of interest-bearing loans and borrowings:				
Current	1,736	1,533	1,646	1,471
Non-current	18,110	13,971	17,970	13,815
<b>Total interest-bearing loans and borrowings</b>	<b>19,846</b>	<b>15,504</b>	<b>19,616</b>	<b>15,286</b>

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

**Note 25 Reserves**

**Consolidated**

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
<b>(a) Asset revaluation reserve</b>				
<b>2012</b>				
<b>Property</b>				
Land	13,330	-	-	13,330
Buildings	45,072	-	-	45,072
	<b>58,402</b>	-	-	<b>58,402</b>
<b>Plant and Equipment</b>				
Artwork	14,567	-	-	14,567
	<b>14,567</b>	-	-	<b>14,567</b>
<b>Infrastructure</b>				
Roads	172,620	18,314	-	190,934
Drains	3,030	35,815	-	38,845
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
Water rights	530	-	(258)	272
	<b>187,846</b>	<b>54,129</b>	<b>(258)</b>	<b>241,717</b>
<b>Total asset revaluation reserve</b>	<b>260,815</b>	<b>54,129</b>	<b>(258)</b>	<b>314,686</b>
<b>2011</b>				
<b>Property</b>				
Land	13,330	-	-	13,330
Buildings	45,072	-	-	45,072
	<b>58,402</b>	-	-	<b>58,402</b>
<b>Plant and equipment</b>				
Artwork	21,486	-	(6,919)	14,567
	<b>21,486</b>	-	<b>(6,919)</b>	<b>14,567</b>
<b>Infrastructure</b>				
Roads	176,423	7,807	(11,610)	172,620
Drains	3,030	-	-	3,030
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
Water rights	1,509	-	(979)	530
	<b>192,628</b>	<b>7,807</b>	<b>(12,589)</b>	<b>187,846</b>
<b>Total asset revaluation reserve</b>	<b>272,516</b>	<b>7,807</b>	<b>(19,508)</b>	<b>260,815</b>



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

**Note 25 Reserves (cont.)**

**Consolidated**

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

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

**Note 25 Reserves (cont.)**

**Consolidated**

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves (cont.)	\$'000	\$'000	\$'000	\$'000
<b>2011</b>				
<b><i>Non discretionary reserves</i></b>				
Apex Park reserve	367	89	(7)	449
Car parking	30	1	-	31
Drainage	482	19	-	501
Resort/Recreation/Open Space	93	4	-	97
Naturestrips and trees	15	4	-	19
Developer Contribution reserve	1,332	428	(1,215)	545
<b>Total</b>	<b>2,319</b>	<b>545</b>	<b>(1,222)</b>	<b>1,642</b>
<b><i>Discretionary reserves</i></b>				
Asset renewal reserve	560	15	(184)	391
Drainage maintenance and infrastructure	2,997	2,870	(1,628)	4,239
Plant replacement reserve	558	3,194	(3,256)	496
Tip redevelopment	5,088	6,946	(6,208)	5,826
Street light poles	5	2	-	7
Artwork acquisition reserve	26	32	(15)	43
Primary Care Partnership reserve	443	532	(685)	290
Landfill rehabilitation reserve	623	193	(82)	734
Family Day Care reserve	414	-	(414)	-
Small Towns Development reserve	654	155	(68)	741
Risk management	197	4	(178)	23
<b>Total</b>	<b>11,565</b>	<b>13,943</b>	<b>(12,718)</b>	<b>12,790</b>
<b>Total other reserves</b>	<b>13,884</b>	<b>14,488</b>	<b>(13,940)</b>	<b>14,432</b>

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

**Note 25 Reserves (cont.)**

**Council**

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
<b>(a) Asset revaluation reserve</b>				
<b>2012</b>				
<b>Property</b>				
Land	13,330	-	-	13,330
Buildings	44,935	-	-	44,935
	<b>58,265</b>	-	-	<b>58,265</b>
<b>Plant and equipment</b>				
Artwork	14,567	-	-	14,567
	<b>14,567</b>	-	-	<b>14,567</b>
<b>Infrastructure</b>				
Roads	172,620	18,314	-	190,934
Drains	3,030	35,815	-	38,845
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
Water rights	530	-	(258)	272
	<b>187,846</b>	<b>54,129</b>	<b>(258)</b>	<b>241,717</b>
<b>Total asset revaluation reserve</b>	<b>260,678</b>	<b>54,129</b>	<b>(258)</b>	<b>314,549</b>
<b>2011</b>				
<b>Property</b>				
Land	13,330	-	-	13,330
Buildings	44,935	-	-	44,935
	<b>58,265</b>	-	-	<b>58,265</b>
<b>Plant and equipment</b>				
Artwork	21,486	-	(6,919)	14,567
	<b>21,486</b>	-	<b>(6,919)</b>	<b>14,567</b>
<b>Infrastructure</b>				
Roads	176,423	7,807	(11,610)	172,620
Drains	3,030	-	-	3,030
Outdoor infrastructure	2,072	-	-	2,072
Airport runway	9,594	-	-	9,594
Water rights	1,509	-	(979)	530
	<b>192,628</b>	<b>7,807</b>	<b>(12,589)</b>	<b>187,846</b>
<b>Total asset revaluation reserve</b>	<b>272,379</b>	<b>7,807</b>	<b>(19,508)</b>	<b>260,678</b>

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

Note 25 Reserves (cont.)

Council

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

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

Note 25 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
2011				
<b>Non discretionary reserves</b>				
Apex Park reserve	367	89	(7)	449
Car parking	30	1	-	31
Drainage	482	19	-	501
Resort/Recreation/Open Space	93	4	-	97
Naturestrips and trees	15	4	-	19
Developer Contribution reserve	1,332	428	(1,215)	545
<b>Total</b>	<b>2,319</b>	<b>545</b>	<b>(1,222)</b>	<b>1,642</b>
<b>Discretionary reserves</b>				
Asset renewal reserve	560	15	(184)	391
Drainage maintenance and infrastructure	2,997	2,870	(1,628)	4,239
Plant replacement reserve	558	3,194	(3,256)	496
Tip redevelopment	5,088	6,946	(6,208)	5,826
Street light pole	5	2	-	7
Artwork acquisition reserve	26	32	(15)	43
Primary Care Partnership reserve	443	532	(685)	290
Landfill rehabilitation reserve	623	193	(82)	734
Family Day Care reserve	414	-	(414)	-
Small Towns Development reserve	654	155	(68)	741
Risk management	197	4	(178)	23
<b>Total</b>	<b>11,565</b>	<b>13,943</b>	<b>(12,718)</b>	<b>12,790</b>
<b>Total other reserves</b>	<b>13,884</b>	<b>14,488</b>	<b>(13,940)</b>	<b>14,432</b>

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

### Note 25 Reserves (cont.)

Name of Reserve	Nature & Purpose
<b>Non discretionary reserves</b>	
Apex Park reserve	Set up under a Committee of Management agreement with N.R.E., where surplus funds are to be set aside for improvements to the park lands.
Car parking reserve	Statutory contributions under development plans to be used for the advancement of car parking facilities within the municipality.
Drainage reserve	Developer contributions and E.P.A. grant, to be used for drainage studies.
Resort/Recreation/Open Space reserve	Statutory developer contributions to be used for parks development.
Nature Strips and trees reserve	Statutory developer contributions to be spent on street beautification.
Developer Contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
<b>Discretionary reserves</b>	
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.
Tip 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.
Family Day Care reserve	A reserve held to record funds collected from the Family Day Care Levy. These funds are to be used for future training and promotion for Family Day Care.
Risk management reserve	A reserve held to fund any risk and occupational health & safety initiatives.
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.

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

**Note 25 Reserves (cont.)**

**Council**

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
<b>(c) Financial assets revaluation</b>				
<b>2012</b>				
Interest in Mildura Airport Pty Ltd	5,837	430	-	6,267
	<u>5,837</u>	<u>430</u>	<u>-</u>	<u>6,267</u>
<b>Total financial assets revaluation</b>	<u>5,837</u>	<u>430</u>	<u>-</u>	<u>6,267</u>
<b>2011</b>				
Interest in Mildura Airport Pty Ltd	5,631	206	-	5,837
	<u>5,631</u>	<u>206</u>	<u>-</u>	<u>5,837</u>
<b>Total financial assets revaluation</b>	<u>5,631</u>	<u>206</u>	<u>-</u>	<u>5,837</u>

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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 26 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>				
Surplus/(deficit)	22,756	7,458	22,327	7,251
Depreciation/amortisation	14,929	15,690	14,323	15,150
(Profit)/loss on disposal of property, plant and equipment, infrastructure	252	1,701	252	1,701
Net Gain/(Loss) on recognition of non current assets	(9,725)	-	(9,725)	-
Contributions - Non-monetary assets	(4,920)	(2,400)	(4,920)	(2,400)
Interest expense	990	1,065	970	1,047
Impairment of non financial asset	6	7	-	-
<i>Change in assets and liabilities:</i>				
(Increase)/decrease in trade and other receivables	(42)	637	(61)	524
(Increase)/decrease in financial assets	447	194	451	183
Increase/(decrease) in trade and other payables	1,610	(1,133)	1,601	(1,056)
(Increase)/decrease in inventories	57	(62)	57	(62)
Increase/(decrease) in provisions	8,810	24	8,804	10
<b>Net cash provided by/(used in) operating activities</b>	<b>35,170</b>	<b>23,181</b>	<b>34,079</b>	<b>22,348</b>
<b>Note 27 Reconciliation of cash and cash equivalents</b>				
Cash and cash equivalents (see note 15)	8,164	6,157	7,131	5,632
<b>Total reconciliation of cash and cash equivalents</b>	<b>8,164</b>	<b>6,157</b>	<b>7,131</b>	<b>5,632</b>



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

	Consolidated		Council	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 28 Financing arrangements</b>				
Bank overdraft	-	1,000	-	1,000
<b>Unused facilities</b>	<b>-</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>
<b>Note 29 Restricted assets</b>				
<b>(a) Statutory</b>				
Non discretionary reserve funds (note 25)	1,737	1,642	1,737	1,642
<b>Total</b>	<b>1,737</b>	<b>1,642</b>	<b>1,737</b>	<b>1,642</b>
<b>(b) Non-statutory</b>				
Discretionary reserve funds (note 25)	15,031	12,790	15,031	12,790
Trust funds (note 22)	1,749	842	1,749	842
Unexpended grants (note 5)	10,221	4,749	10,221	4,749
Unexpended capital works (note 31)	14,440	10,915	14,440	10,915
<b>Total</b>	<b>41,441</b>	<b>29,296</b>	<b>41,441</b>	<b>29,296</b>
<b>Total restricted assets</b>	<b>43,178</b>	<b>30,938</b>	<b>43,178</b>	<b>30,938</b>

Council has cash and cash equivalents (note 15) and other assets (note 18) that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to reserve funds (Recreational Lands Reserves).

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

**Note 30 Superannuation**

**Post-employment Benefit**

Council makes employer superannuation contributions in respect of its employees to their nominated Superannuation Fund (the Fund). Obligations for contributions are recognised as an expense in profit or loss when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Council contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

**Defined Benefit Plan**

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

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Council makes the following contributions:-

- 9.25% of members' salaries (same as previous year);
- the difference between resignation and retrenchment benefits paid to any retrenched employees, plus contribution tax (same as previous year);

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

**Note 30 Superannuation (cont.)**

	Consolidated		Council	
Council made contributions to the following funds:	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Defined benefits fund</b>				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	501	488	501	488
<b>Total</b>	<b>501</b>	<b>488</b>	<b>501</b>	<b>488</b>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	7,269	-	7,269	-
<b>Total</b>	<b>7,269</b>	<b>-</b>	<b>7,269</b>	<b>-</b>
<b>Accumulation funds (Vision Super)</b>				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,725	1,646	1,657	1,580
<b>Total</b>	<b>1,725</b>	<b>1,646</b>	<b>1,657</b>	<b>1,580</b>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	8	-	-	-
<b>Total</b>	<b>8</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accumulation funds (Other Funds)</b>				
Employer contributions to Other Superannuation Funds	552	446	552	446
<b>Total</b>	<b>552</b>	<b>446</b>	<b>552</b>	<b>446</b>
Employer contributions payable to Other Superannuation Funds at reporting date	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

**Note 31 Commitments**

The Council has entered into the following commitments

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

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

**Note 31 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
<b>2011</b>					
<b><i>Operating</i></b>					
Swimming pool management	636	659	682	-	1,977
Waste management	1,587	1,644	1,703	-	4,934
Cleaning services	851	755	782	-	2,388
Security services	316	328	340	-	984
Project design	1,083	1,083	1,083	-	3,249
Other	2,337	2,418	2,503	-	7,258
<b>Total</b>	<b>6,810</b>	<b>6,887</b>	<b>7,093</b>	<b>-</b>	<b>20,790</b>
<b><i>Capital</i></b>					
Building construction	8,229	-	-	-	8,229
Design and project management	24	-	-	-	24
Office equipment	3	-	-	-	3
Roadworks	319	-	-	-	319
Drainage	1,136	-	-	-	1,136
Plant and equipment	732	-	-	-	732
Waste management	1	-	-	-	1
<b>Total</b>	<b>10,915</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,915</b>

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

**Note 31 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
<b>2012</b>					
<b>Operating</b>					
Swimming pool management	684	692	700	-	2,076
Telecommunications	780	780	1,491	-	3,051
Waste management	1,914	1,937	1,960	-	5,811
Cleaning services	703	711	720	-	2,134
Security services	306	310	314	-	930
Project design	1,121	1,121	1,121	-	3,363
Other	2,052	2,075	2,100	-	6,227
<b>Total</b>	<b>7,560</b>	<b>7,626</b>	<b>8,406</b>	<b>-</b>	<b>23,592</b>
<b>Capital</b>					
Building construction	4,749	-	-	-	4,749
Design and project management	49	-	-	-	49
Office equipment	157	-	-	-	157
Recreation	1,039	-	-	-	1,039
Roadworks	4,955	-	-	-	4,955
Drainage	2,419	-	-	-	2,419
Plant and equipment	1,070	-	-	-	1,070
Waste management	2	-	-	-	2
<b>Total</b>	<b>14,440</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,440</b>

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

**Note 31 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
<b>2011</b>					
<b><i>Operating</i></b>					
Swimming pool management	636	659	682	-	1,977
Waste management	1,587	1,644	1,703	-	4,934
Cleaning services	729	755	782	-	2,266
Security services	316	328	340	-	984
Project design	1,083	1,083	1,083	-	3,249
Other	2,337	2,418	2,503	-	7,258
<b>Total</b>	<b>6,688</b>	<b>6,887</b>	<b>7,093</b>	<b>-</b>	<b>20,668</b>
<b><i>Capital</i></b>					
Building construction	8,229	-	-	-	8,229
Design and project management	24	-	-	-	24
Office equipment	3	-	-	-	3
Recreation	471	-	-	-	471
Roadworks	319	-	-	-	319
Drainage	1,136	-	-	-	1,136
Plant and equipment	732	-	-	-	732
Waste management	1	-	-	-	1
<b>Total</b>	<b>10,915</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,915</b>

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

	Consolidated		Council	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Note 32 Operating leases</b>				
<b>(a) Operating lease commitments</b>				
Not later than one year	148	153	-	-
Later than one year and not later than five years	26	174	-	-
Later than five years	-	-	-	-
	<u>174</u>	<u>327</u>	<u>-</u>	<u>-</u>

**(b) Operating lease receivables**

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

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

Not later than one year	494	506	301	304
Later than one year and not later than five years	1,049	1,220	369	594
Later than five years	1,074	982	613	720
	<u>2,617</u>	<u>2,708</u>	<u>1,283</u>	<u>1,618</u>



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

**Note 33 Contingent liabilities and contingent assets**

**Contingent liabilities**

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

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

The Mildura Rural City Council is potentially liable under grouping provisions for a taxation obligation with respect to Mildura Airport Pty Ltd (MAPL). All members of a group become jointly and severally liable for the debts of the group and both Council and MAPL are currently working with the State Revenue Office to resolve the matter. At this point in time, the quantum of the obligation is unknown.

**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 \$292,174 (2011: \$520,758)

**Contingent assets**

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

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

Note 34 Financial instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments			
	Note	Accounting Policy	Terms and Conditions
<b>Financial Assets</b>			
<b>Cash and cash equivalents</b>	15	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 4.43% (4.50% in 2010/2011), and 6.14% (6.14% in 2010/2011) net of fees.
<b>Financial Assets</b>	18	Investments, bills, bonds and notes are valued at market. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue. Managed funds are measured at market value.	
<b>Trade and other receivables</b>			
<b>Other debtors</b>	16	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.
<b>Financial Liabilities</b>			
<b>Trade and other payables</b>	21	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.
<b>Interest-bearing loans and borrowings</b>	24	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 5.54% (6.64% in 2010/2011).  As at balance date, the Council had finance leases with an average lease term of 5 years. The weighted average rate implicit in the lease is 6.74% (7.93% in 2010/2011).

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

Note 34 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 \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
<b>2012</b>						
<b>Financial assets</b>						
Cash and cash equivalents	8,144	-	-	-	20	8,164
Other financial assets	-	23,167	3,979	1,027	-	28,173
Trade and other receivables	-	-	-	-	3,330	3,330
<b>Total financial assets</b>	<b>8,144</b>	<b>23,167</b>	<b>3,979</b>	<b>1,027</b>	<b>3,350</b>	<b>39,667</b>
Weighted average interest rate	3.67%	5.04%	5.82%	5.84%		
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	7,371	7,371
Trust funds and deposits	-	-	-	-	1,749	1,749
Interest-bearing loans and borrowings	-	1,736	6,154	11,956	-	19,846
<b>Total financial liabilities</b>	<b>-</b>	<b>1,736</b>	<b>6,154</b>	<b>11,956</b>	<b>9,120</b>	<b>28,966</b>
Weighted average interest rate		5.56%	5.56%	5.56%		
<b>Net financial assets/(liabilities)</b>	<b>8,144</b>	<b>21,431</b>	<b>(2,175)</b>	<b>(10,929)</b>	<b>(5,770)</b>	<b>10,701</b>
	Fixed interest maturing in:					
	Floating Interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	Total \$'000
<b>2011</b>						
<b>Financial assets</b>						
Cash and cash equivalents	6,140	-	-	-	17	6,157
Other financial assets	-	14,000	5,049	1,010	-	20,059
Trade and other receivables	-	-	-	-	2,688	2,688
<b>Total financial assets</b>	<b>6,140</b>	<b>14,000</b>	<b>5,049</b>	<b>1,010</b>	<b>2,705</b>	<b>28,904</b>
Weighted average interest rate	4.02%	5.78%	6.10%	5.93%		
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	5,733	5,733
Trust funds and deposits	-	-	-	-	842	842
Interest-bearing loans and borrowings	-	62	1,753	13,690	-	15,505
<b>Total financial liabilities</b>	<b>-</b>	<b>62</b>	<b>1,753</b>	<b>13,690</b>	<b>6,575</b>	<b>22,080</b>
Weighted average interest rate	6.80%	6.60%	6.60%	6.60%		
<b>Net financial assets/(liabilities)</b>	<b>6,140</b>	<b>13,938</b>	<b>3,296</b>	<b>(12,680)</b>	<b>(3,870)</b>	<b>6,824</b>

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

**Note 34 Financial instruments (cont.)**

**(b) Interest Rate Risk (cont.)**

Council	Fixed interest maturing in:					Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
<b>2012</b>						
<b>Financial assets</b>						
Cash and cash equivalents	7,121	-	-	-	10	7,131
Other financial assets	-	23,167	3,979	1,027	-	28,173
Trade and other receivables	-	-	-	2,500	2,959	5,459
<b>Total financial assets</b>	<b>7,121</b>	<b>23,167</b>	<b>3,979</b>	<b>3,527</b>	<b>2,969</b>	<b>40,763</b>
Weighted average interest rate	3.67%	5.04%	5.82%	5.84%		
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	7,082	7,082
Trust funds and deposits	-	-	-	-	1,749	1,749
Interest-bearing loans and borrowings	-	1,646	6,014	11,956	-	19,616
<b>Total financial liabilities</b>	<b>-</b>	<b>1,646</b>	<b>6,014</b>	<b>11,956</b>	<b>8,831</b>	<b>28,447</b>
Weighted average interest rate		5.56%	5.56%	5.56%		
<b>Net financial assets/(liabilities)</b>	<b>7,121</b>	<b>21,521</b>	<b>(2,035)</b>	<b>(8,429)</b>	<b>(5,862)</b>	<b>12,316</b>
2011	Fixed interest maturing in:					Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
<b>Financial assets</b>						
Cash and cash equivalents	5,621	-	-	-	11	5,632
Other financial assets	-	14,000	5,049	1,011	-	20,060
Trade and other receivables	-	-	-	2,500	2,298	4,798
<b>Total financial assets</b>	<b>5,621</b>	<b>14,000</b>	<b>5,049</b>	<b>3,511</b>	<b>2,309</b>	<b>30,490</b>
Weighted average interest rate	4.02%	5.78%	6.10%	5.93%		
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	5,514	5,514
Trust funds and deposits	-	-	-	-	842	842
Interest-bearing loans and borrowings	-	-	1,472	13,814	-	15,286
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,472</b>	<b>13,814</b>	<b>6,356</b>	<b>21,642</b>
Weighted average interest rate			6.68%	6.68%		
<b>Net financial assets/(liabilities)</b>	<b>5,621</b>	<b>14,000</b>	<b>3,577</b>	<b>(10,303)</b>	<b>(4,047)</b>	<b>8,848</b>

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

**Note 34 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	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Financial Instruments</b>				
<i>Financial assets</i>				
Cash and cash equivalents	8,164	6,157	8,164	6,157
Other financial assets	28,173	20,060	28,173	20,060
Trade and other receivables	3,330	2,688	3,330	2,688
<b>Total financial assets</b>	<b>39,667</b>	<b>28,905</b>	<b>39,667</b>	<b>28,905</b>
<i>Financial liabilities</i>				
Trade and other payables	7,371	5,733	7,371	5,733
Trust funds and deposits	1,749	842	1,749	842
Interest-bearing loans and borrowings	19,846	15,504	19,846	15,504
<b>Total financial liabilities</b>	<b>28,966</b>	<b>22,079</b>	<b>28,966</b>	<b>22,079</b>
<b>Council</b>				
<b>Financial Instruments</b>				
<i>Financial assets</i>				
Cash and cash equivalents	7,131	5,632	7,131	5,632
Other financial assets	26,173	20,060	26,173	20,060
Trade and other receivables	5,459	4,798	5,459	4,798
<b>Total financial assets</b>	<b>38,763</b>	<b>30,490</b>	<b>38,763</b>	<b>30,490</b>
<i>Financial liabilities</i>				
Trade and other payables	7,082	5,514	7,082	5,514
Trust funds and deposits	1,749	842	1,749	842
Interest-bearing loans and borrowings	19,616	15,286	19,616	15,286
<b>Total financial liabilities</b>	<b>28,447</b>	<b>21,642</b>	<b>28,447</b>	<b>21,642</b>

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

**Note 34 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,
- 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 2012

### Note 34 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 33.

<b>Movement in Provisions for Doubtful Debts</b>	<b>2012 \$'000</b>	<b>2011 \$'000</b>
Balance at the beginning of the year	92	111
New Provisions recognised during the year	21	0
Amounts already provided for and written off as uncollectible	(73)	0
Amounts provided for but recovered during the year	(19)	(19)
Balance at end of year	<u>21</u>	<u>92</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 & Other Receivables was:

	<b>2012 \$'000</b>	<b>2011 \$'000</b>
Current (not yet due)	1,634	1,338
Past due by up to 30 days	58	71
Past due between 31 and 180 days	150	111
Past due between 181 and 365 days	61	75
Past due by more than 1 year	585	455
<b>Total Trade &amp; Other Receivables</b>	<u>2,488</u>	<u>2,050</u>

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

**Note 34 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 Council's 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**

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



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

**Note 34 Financial Instruments (cont.)**

**(e) Risks and mitigation (cont.)**

**Consolidated**

2011	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	5,733	-	-	-	-	5,733	5,733
Interest-bearing loans and borrowings	1,219	1,219	2,250	6,176	12,923	23,787	15,504
Trust funds and deposits	842	-	-	-	-	842	842
<b>Total financial liabilities</b>	<b>7,794</b>	<b>1,219</b>	<b>2,250</b>	<b>6,176</b>	<b>12,923</b>	<b>30,362</b>	<b>22,079</b>

**Council**

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

**Council**

2011	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	5,514	-	-	-	-	5,514	5,514
Interest-bearing loans and	1,219	1,219	2,250	6,176	12,923	23,787	15,286
Trust funds and deposits	842	-	-	-	-	842	842
<b>Total financial liabilities</b>	<b>7,575</b>	<b>1,219</b>	<b>2,250</b>	<b>6,176</b>	<b>12,923</b>	<b>30,143</b>	<b>21,642</b>

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

**Note 34 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 + 1% and -2% in market interest rates (AUD) from year-end rates of 4.5%.

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			
		-1 %		+2	
		-100 basis points		+200 basis points	
2012	Carrying Amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>Financial assets:</b>					
Cash and cash equivalents	8,164	(82)	(82)	163	163
Financial assets	28,173	(282)	(282)	563	563
Trade and other receivables	3,330	-	-	-	-
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	19,846	-	-	-	-

**Council**

		Interest rate risk			
		-1 %		+2 %	
		-100 basis points		+200 basis points	
2012	Carrying Amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
<b>Financial assets:</b>					
Cash and cash equivalents	7,131	(71)	(71)	143	143
Financial assets	28,173	(282)	(282)	563	563
Trade and other receivables	5,459	-	-	-	-
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	19,616	-	-	-	-

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

	Consolidated		Council	
	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000
<b>Note 35 Auditors' remuneration</b>				
Audit fee to conduct external audit - Victorian Auditor-General	64	59	54	45
Internal audit fees -Deloitte Touche Tohmatsu	150	132	150	132
Fees for other services provided by internal auditor	18	18	15	15
<b>Total Auditors' remuneration</b>	<b>232</b>	<b>209</b>	<b>219</b>	<b>192</b>

**Note 36 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 2012

### Note 37 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:

<b>Councillors</b>	Glenn Milne	01/07/2011 to 30/06/2012
	John Arnold	01/07/2011 to 30/06/2012
	Judi Harris	01/07/2011 to 30/06/2012
	Fiona Hilton-Wood	01/07/2011 to 30/06/2012
	Max Thorburn	01/07/2011 to 30/06/2012
	Nick Cavallo	01/07/2011 to 30/06/2012
	Sue Nichols	01/07/2011 to 30/06/2012
	Mark Eckel	01/07/2011 to 30/06/2012
	Sharyon Peart	01/07/2011 to 30/06/2012
<b>Chief Executive Officer</b>	Mark Henderson	01/07/2011 to 30/06/2012

#### (ii) Remuneration of Responsible Persons

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

	<b>2012</b>	<b>2011</b>
	<b>No.</b>	<b>No.</b>
\$2000 - \$ 9,999	-	1
\$10,000 - \$19,999	8	7
\$30,000 - \$39,999	-	2
\$60,000 - \$69,999	1	-
\$230,000 - \$239,999	-	1
\$280,000 - \$289,999	1	-
	<b>10</b>	<b>11</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	504	478

#### (iii) Retirement Benefits of Responsible Persons

No retirement benefits have been made by the Council to a Responsible Person. (2010/11, Nil).

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

### Note 37 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 (2010/11, 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 (2010/11, 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 \$127,000.

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

	2012	2011
Income Range:	No.	No.
\$127,000 - \$129,999	3	2
\$130,000 - \$139,999	8	4
\$150,000 - \$159,999	-	1
\$160,000 - \$169,999	-	2
\$170,000 - \$179,999	1	-
\$180,000 - \$189,999	-	1
\$190,000 - \$199,999	2	-
	<u>14</u>	<u>10</u>
	<b>\$'000</b>	<b>\$'000</b>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	2,021	1,456

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

Note 38 Income, expenses and assets by function/activities

Council	Development		Community		Corporate		Executive		Total	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>INCOME</b>										
Grants	310	2,692	7,142	6,486	25,008	19,302	-	-	32,460	28,480
Other	12,061	5,263	6,135	5,769	61,302	48,391	1	1,239	79,499	60,662
<b>TOTAL</b>	<b>12,371</b>	<b>7,955</b>	<b>13,277</b>	<b>12,255</b>	<b>86,310</b>	<b>67,693</b>	<b>1</b>	<b>1,239</b>	<b>111,959</b>	<b>89,142</b>
<b>EXPENSES</b>										
	(30,232)	(29,462)	(24,745)	(23,738)	(33,376)	(25,871)	(1,279)	(2,820)	(89,632)	(81,891)
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(17,861)</b>	<b>(21,507)</b>	<b>(11,468)</b>	<b>(11,483)</b>	<b>52,934</b>	<b>41,822</b>	<b>(1,278)</b>	<b>(1,581)</b>	<b>22,327</b>	<b>7,251</b>
<b>ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*</b>	<b>514,302</b>	<b>428,897</b>	<b>44,409</b>	<b>44,416</b>	<b>72,137</b>	<b>62,969</b>	<b>-</b>	<b>-</b>	<b>630,848</b>	<b>536,282</b>

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

**Development**

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

The Division includes the following branches :

Engineering Services	Development Services
Building & Environmental Services	Project Management

**Community**

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

The Division includes the following branches :

Community Care Services	Community Futures
Leisure & 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 2012

### Note 39 Financial ratios (Performance indicators)

	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)
<b>(a) Debt servicing ratio</b> (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	970		1,046		1,135	
Total revenue	111,959	= 0.87%	89,142	= 1.17%	85,047	= 1.33%

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 &amp; redemption costs</u>	2,240		2,475		2,495	
Rate revenue	48,734	= 4.60%	45,258	= 5.47%	43,184	= 5.78%

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>	48,734		45,258		43,184	
Total revenue	111,959	= 43.53%	89,142	= 50.77%	85,047	= 50.78%

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>	50,735		32,797		36,230	
Total realisable assets	212,937	= 23.83%	147,463	= 22.24%	149,751	= 24.19%

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 29) 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 2012**

**Note 39 Financial ratios (Performance indicators) (cont.)**

	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)
<b>(e) Working capital ratio</b> (to assess Council's ability to meet current commitments)						
Current assets	37,116		26,898		26,774	
Current liabilities	26,908	= 137.94%	15,301	= 175.79%	16,357	= 163.69%

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)

Current assets	37,116		26,898		26,774	
Current liabilities	22,425	= 165.51%	11,534	= 233.21%	12,773	= 209.61%

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 2012**

		Consolidated		Council	
Note		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<b>Note 40 Capital expenditure</b>					
<b>Capital expenditure areas</b>					
Roads		10,511	6,109	10,511	6,109
Drainage		4,758	1,436	4,758	1,436
Parks, open space and streetscapes		1,443	1,274	1,443	1,274
Airport development works		-	-	-	-
Other outdoor infrastructure		40	144	24	129
Community facilities		2,213	2,782	1,871	2,744
Plant and office equipment		2,959	4,271	2,745	3,583
Other programs		269	681	269	681
Waste management		153	530	153	530
Non-Drainage DCP		130	661	130	661
Major Projects		7,440	3,791	7,440	3,791
Sustainable initiatives		111	181	111	181
<b>Total capital works</b>		<b>30,027</b>	<b>21,860</b>	<b>29,455</b>	<b>21,119</b>
Intangible Asset (Software)		60	11	60	11
<b>Total</b>		<b>60</b>	<b>11</b>	<b>60</b>	<b>11</b>
<b>Total capital works</b>		<b>30,087</b>	<b>21,871</b>	<b>29,515</b>	<b>21,130</b>
Represented by:					
Renewal of infrastructure	(a)	14,546	11,225	14,546	11,225
Upgrade of infrastructure	(b)	7,515	5,979	6,943	5,238
Expansion of infrastructure	(c)	7,966	4,656	7,966	4,656
Intangible Asset (Software)		60	11	60	11
<b>Total capital works</b>		<b>30,087</b>	<b>21,871</b>	<b>29,515</b>	<b>21,130</b>

**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:

		2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
Total capital works (intangible)		60	11	60	11
Transfer from WIP	20	-	1,289	-	1,289
Amortisation	12	140	(73)	140	(73)
		<b>200</b>	<b>1,227</b>	<b>200</b>	<b>1,227</b>

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

**Note 40 Capital expenditure (cont.)**

		<b>2012</b>	<b>2011</b>	<b>2012</b>	<b>2011</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Total capital works		30,027	21,860	29,455	21,119
Contributions - non-monetary assets	6	4,920	2,400	4,920	2,400
Asset revaluation movement	25	54,129	(10,722)	54,129	(10,722)
Depreciation/amortisation	12	(14,789)	(15,617)	(14,183)	(15,077)
Recognition of assets	19	9,725	-	9,725	-
Written down value of assets sold	19	(1,031)	(2,732)	(1,031)	(2,730)
Transfers from provisions	19	2,296	(809)	2,296	(809)
Transfers to intangible assets	20	-	(1,289)	-	(1,289)
<b>Net movement in property, plant and equipment, infrastructure</b>	<b>19</b>	<b>85,277</b>	<b>(6,909)</b>	<b>85,311</b>	<b>(7,108)</b>

**(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 : 24 September 2012  
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 2012 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 19 September 2012 to certify the financial statements in their final form.



Cr John Arnold  
Councillor

Date : 24 September 2012  
Mildura



Cr Glenn Milne  
Councillor

Date : 24 September 2012  
Mildura



Mark Henderson  
Chief  
Executive  
Officer

Date : 24 September 2012  
Mildura



Victorian Auditor-General's Office

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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Mildura Rural City Council

#### *The Standard Statements and Financial Report*

The accompanying standard statements for the year ended 30 June 2012 of the 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 standard statements have been audited.

The accompanying financial report for the year ended 30 June 2012 of Mildura Rural City Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

#### *The Councillors' Responsibility for the Standard Statements and Financial Report*

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

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

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

#### *Auditor's Responsibility*

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

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

- the appropriateness of the accounting policies used in the financial report
- the reasonableness of accounting estimates made by the Councillors
- the overall presentation of the standard statements and financial report.

*Auditing in the Public Interest*

## Independent Auditor's Report (continued)

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

### *Independence*

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

### *Opinion*

In my opinion:

- (a) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and comply with the requirements of the *Local Government Act 1989*
- (b) the financial report presents fairly, in all material respects, the financial position of Mildura Rural City Council as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.


### *Basis of Accounting for Standard Statements*

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

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

This auditor's report relates to the standard statements and financial report of the Mildura Rural City Council for the year ended 30 June 2012 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. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the standard statements and financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and financial report to confirm the information contained in the website version of the standard statements and financial report.

MELBOURNE  
25 September 2012

  
J D R Pearson  
Auditor-General

# Performance Statement

## Mildura Rural City Council Performance Statement for the Year Ended 30th June 2012

### Notes to the Performance Statement for the year ended 30th June 2012

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 2011-2012 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 ending 30th June 2012

Key Strategic Activity	Performance Measure	Performance Target	Met/Not Met	Comments
<b>Liveable Community</b>				
<b>Community Safety</b> Implement Road Safety Plan	Assess Mildura to Red Cliffs roadway for regulatory sign compliance	30th June 2012	Not Met	Project commenced but unable to be completed due to technical issues. Project will now be completed by Oct 2012.
<b>Community Development</b> Implement Community Access and Inclusion Plan	Maintain a high level of Community Satisfaction with support to people with a disability	≥ 65	Not Met	The CSI score for Support to people with a disability in 2011-2012 was 59.
<b>Community Health &amp; Well-being</b> Implement Early Years Plan	Percentage of "Key Ages and Stages" visits to the Maternal & Child Health Services	5688 "Key Ages and Stages" visits per annum	Met	Target exceeded. There were 5973 Key Ages & Stages visits to Maternal & Child Health services in 2011-2012.
<b>Community Services</b> Implement Older Persons Strategy	Maintain a high level of Community Satisfaction with Home Care Services	≥ 65	Not Met	The CSI score for Overall Satisfaction with Home Care Services decreased from 67 in 2011 to 64 in 2012.
<b>Planning and Development Standards</b> Implement Community Satisfaction Survey for Planning	Survey conducted	Baseline score developed	Met	Survey conducted early May to late June 2012, with results reported 28 June.
<b>Management of the Environment</b>				
<b>Environmental Management</b> Review Greenhouse Action Plan	Action Plan reviewed and approved by Council	30th June 2012	Not Met	The Greenhouse Action Plan has been incorporated into the development of an Energy Management Plan. This plan is currently under development and will be finalised in 2012-2013.

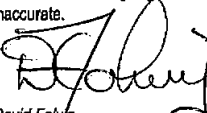
<b>Natural Resource Management</b> Implement Sunraysia Remnant Linkage Plan	Community Satisfaction with protection of natural bushland	≥ 65	Not Met	The CSI score for Protection of Natural Bushland in 2011-2012 was 59.
<b>Environmental Services</b> Implement Municipal Waste Management Plan	Community Satisfaction with Waste Management Services	≥ 75	Not Met	When setting the performance target for this measure, Council was unaware at the time that significant changes were being made to the content and methodology of the Annual Local Government Community Satisfaction Survey. As a result, Council will be reviewing its participation in this survey in 2012-2013.
<b>Assets, Infrastructure and Facilities</b> Develop Asset Management Plan for Roads (RAMP)	Road Asset Management Plan developed and adopted by Council	31st March 2012	Not Met	Plan development 80% complete.
<b>Growth of the Economy</b>				
<b>Economic Development</b> Review Conferencing and Business Events Strategy	Strategy developed and adopted by Council	31st December 2011	Not Met	Postponed due to Tourism Review which was finalised in July 2012. Rescheduled to 2012-2013.
<b>Tourism and Events</b> Develop Visitor Information Strategy	Strategy developed and adopted by Council	31st May 2012	Not Met	Postponed due to Tourism Review which was finalised in July 2012. Rescheduled to 2012-2013.
<b>Active Community</b>				
<b>Arts &amp; Cultural Heritage</b> Implement Library Strategy	Maintain a Very High level of Community Satisfaction with Libraries	≥ 75	Met	The CSI score for Libraries in 2011-2012 was 77.
<b>Recreation &amp; Sport</b> Develop a Tracks & Trails Strategy	Strategy Developed and adopted by Council	30th June 2012	Not Met	Draft strategy 85% complete. To be completed in Q3 of 12/13.
<b>Recreation and Sport</b> Implement Mildura Major Sporting Reserves Master Plan	Detailed design completed for Mildura Recreation Reserve	31st March 2012	Not Met	Initial design drafted. Planned completion December 2012.
<b>Management of Resources</b>				
<b>Leadership &amp; Representation</b> Implement Councillor self-assessment process to monitor leadership performance	Survey conducted  Results communicated	30th September 2011  31st October 2011	Not Met	Survey conducted in November 2011 with results presented back in February 2012.
<b>Communication &amp; Consultation</b> Produce and disseminate community newsletter	Number of newsletters produced	4	Met	Four Community newsletters produced (September 2011, December 2011, March 2012 & June 2012)
<b>Customer Service</b> Develop a Strategic Marketing Plan	Strategy developed and adopted by Council	31st March 2012	Not Met	Strategy development has commenced, but will be finalised in 2012-2013.
<b>Financial Sustainability</b> Review Strategic Financial Plan annually	Strategic Resource Plan adopted by Council	30th June 2012	Met	Adopted by Council on 28 June 2012.
<b>Organisational Management</b> Develop Occupational Health & Safety Strategy	Strategy developed and approved by CMT	31st March 2012	Not Met	Strategy development has commenced, but has been postponed due to Councils' participation in the Work Safe Integrated Approach Program.

### Certification of the Performance Statement

In our opinion the accompanying performance statements of the Mildura Rural City Council in respect of 2011-2012 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 2011-2012 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 Folwig  
Principal Accounting Officer


Date : 24<sup>th</sup> September 2012  
Mildura

We have been authorised by the Council on 19<sup>th</sup> September 2012 to certify the performance statement in their final form on behalf of the Council.



Cr John Arnold  
Councillor

Date : 24<sup>th</sup> September 2012  
Mildura



Cr Glenn Milne  
Councillor

Date : 24<sup>th</sup> September 2012  
Mildura



Mark Henderson  
Chief Executive Officer

Date : 24<sup>th</sup> September 2012  
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 2012 of the Mildura Rural City Council which comprises the statement, the related notes and the certification of the performance statements have been audited.

#### *The Councillors' Responsibility for the Performance Statement*

The Councillors of the Mildura Rural City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of 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. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance 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.

*Auditing in the Public Interest*

## 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 2012 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 2012 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 performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
25 September 2012



D D R Pearson  
Auditor-General