



Mildura Rural City Council

Annual Report  
2014– 2015

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# Part 1: Report of Operations

# Introduction

## Welcome to the Report of Operations 2014-2015

Council is committed to transparent reporting and accountability to the community and the Report of Operations 2014–2015 is the primary means of advising the Mildura Rural City Council community about Council's operations and performance during the financial year.

## Snapshot of Council

Demographic profile\*:

- Land area: 22,330 km<sup>2</sup>
- Major townships: Mildura, Irymple, Red Cliffs and Merbein
- Other rural townships: Ouyen, Meringur, Werrimull, Cullulleraine, Cardross, Nangiloc, Colignan, Murrayville, Cowangie, Underbool and Walpeup
- Estimated population of municipality: 50,979
- Mildura population: 30,647
- Aboriginal and Torres Strait Islander population of the municipality: 1,836
- Eighty-four percent of people in the municipality were born in Australia, 1.5 per cent in England, 1.4 per cent in Italy, 0.7 per cent in Turkey and 0.5 per cent in India.
- Level above sea level: 50m
- Climate: Dry summers and mild winters
- Key industries: Dryland farming, irrigated horticulture (table grapes, wine grapes, dried grapes, citrus and vegetables), tourism, food and beverage manufacturing, transport and logistics, retail, health and community services
- Emerging industries: Renewable energy generation, aquaculture, mineral sands mining and recycling

\* Figures based on 2011 Census data

Purpose:

- Vision – To be the most liveable, people friendly community in Australia.
- Purpose - To promote the social, economic, environmental, and cultural wellbeing, now and for the future through effective governance and community engagement.
- Business Excellence Principles:
  1. Leadership - By providing clear direction through strategies and plans, Council will achieve agreed outcomes for our community.
  2. Customers - Council is here to provide services to the whole community and therefore our community should have a say in what we do and how we do it.

3. Systems Thinking - Council recognises that achieving excellent outcomes for our community is done through all parts of the organisation working together effectively and with other levels of government and the wider community.
4. People - By involving and developing people, Council enhances commitment, performance and working relationships to improve organisational outcomes.
5. Continuous Improvement - To remain relevant and capable of producing excellent results, our organisation needs to continually learn and adapt.
6. Information and Knowledge - Council will make the best quality decisions when effort is spent to collect and present all objective relevant data and information.
7. Variation - By addressing the underlying factors that cause our processes to deliver inconsistent or unpredictable outcomes (variation), Council's customers will receive the highest standard of service.
8. Corporate and Social Responsibility - Council will manage its operations to comply with law and ethical standards, and to produce an overall positive impact on our community.
9. Sustainable Results - To deliver sustainable results, Council must have a culture that promotes accountability through all levels of the organisation.

Fast facts:

- 157 groups assisted by annual Community Grants
- 20 sports reserves maintained
- 1,020 kilometres of local sealed roads maintained
- 4,122 kilometres of unsealed local roads maintained
- 28,214 rateable properties
- 1,421 applications received for 74 recruitment processes
- 1,100 kilometres of sealed roads inspected with the ARRB vehicle and 45km drainage inspected
- 68,219 hours of ageing and disability care support provided
- 515,150 attendees at aquatic facilities
- 327,265 library items borrowed
- 63,619 calls answered by the customer service call centre
- 603 planning applications received
- 1,081 building permits issued totalling \$135.2 million
- 24,522 garbage bins collected each week
- 24,522 recycling bins collected each fortnight
- 25 school crossings supervised

## Highlights of the Year

See section on Our Performance for more details.

### Strategic Objective 1: Community

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

#### Achievements:

- Opened the new Education and Introductory Space at the Mildura Animal Shelter
- Adopted the Walpeup, Torrita and Districts Community Plan 2014-2019
- Celebrated 35 years of Family Day Care services in the Mildura region
- Adopted the Community Safety Plan 2015-2020
- Adopted the Events Strategy 2014-2019
- Launched the Mildura Social Indicators Report
- Adopted the Mildura Recreation Reserve Master Plan 2014, identifying priority actions totalling \$3.58 million over the next five years
- Facilitated hands on workshops for children as part of the National Gallery of Victoria's *Express Yourself! Kids on Tour Children's Workshops*
- Launched the pilot Community Food Share Program
- Adopted a new Public Internet Access Policy
- Completed a \$35,000 project, jointly funded by the Victorian Government and Mildura Rural City Council, to install new directional signage in Mildura to assist residents and visitors with navigating local tracks and trails
- Reopened the new boardwalk and staircase at Merbein's popular Blandowski Walk.
- Adopted the Mildura Rural City Council Reconciliation Action Plan 2015-2016
- Hosted an Elder Abuse Expo in recognition of World Elder Abuse Awareness Day and support of the local community's elderly Supported Playgroup Coordinator of the Year awarded to Council staff member Laura Parente at the Playgroup Awards 2014
- Announcement of FLO Connect as runner up in the government category of the Service Science Society of Australia's Service Innovation Awards 2014

## **Strategic Objective 2: Environment**

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

### **Achievements:**

- Adopted a new Crime Prevention through Environmental Design Policy
- Adopted the Environmental Management Strategy for Stormwater 2014-2018
- Opened the Eco House at the Mildura Eco Village, retro-fitted with a host of energy and water saving ideas that can be transposed into homes
- Entered into a memorandum of understanding with Sunraysia Sustainability Network relating to sustainability projects for the Mildura Eco Village
- Adopted the Mildura South Precinct Structure Plan
- Participated in Earth Hour, turning off non-essential lights throughout the organisation
- Released WEEDeck Identification Cards to encourage community members to assist with tackling the problem of invasive weeds in the region
- Adopted the Mildura Airport Pty Ltd Business Plan 2015-2016
- Expanded the short-term car parking zone at the Mildura Airport to accommodate public demand
- As part of the expansion of the CCTV network at the Mildura Airport, installed new cameras to infill various black spots identified
- Completed a detailed geodetic survey and geotechnical investigation, along with preliminary engineering design, for the upgrade of the aging runway pavement at the Mildura Airport
- Adoption of the Invasive Pest Plants and Animals Plan 2015-2019
- Undertook the Community Energy Efficiency Program (CEEP) to reduce energy consumption and greenhouse gas emissions at the Alfred Deakin Centre (TADC). The project delivered combined (gas and electricity) energy savings of 45,934 kWh per square metre per annum saving the community \$57,014 per annum
- The Ontario Avenue Landfill site was successful in applying for and receiving grant funding to construct and operate a permanent “Detox Your Home” site at the transfer station, where members of the public can safely dispose of waste paint, household batteries, fluorescent light globes and fluorescent tubes
- Road length reconstructed total length 7.1km
- Unsealed road resheeting total length 59.6km
- Road resealing and resurfacing total length 64.5km

### **Strategic Objective 3: Economy**

We will create growth and prosperity.

#### **Achievements:**

- Endorsed the Murray Regional Tourism Funding Agreement 2014-2017
- Adopted the Mildura City Heart Inc Business Plan 2014-2015, Mildura Development Corporation Business Plan 2015-2016 and Mildura Tourism Business Plan 2015-2016
- Increased domestic overnight visitors to the region by 14 per cent and international visitors to the region by five per cent, compared with 2013-2014
- Increased total tourism expenditure by \$20 million compared with 2013-2014
- In conjunction with GTS Freight, Mildura Tourism launched the 'tourism truck' – a colourful rolling billboard presenting huge imagery of favourite food, wine, river and produce experiences, which travels 250,000km per year through Mildura region's main visitor markets.
- Mildura Development Corporation facilitated the Grape Industry Analysis completed by SunRISE Mapping and Research, which will be used to inform future investment and redevelopment in Sunraysia's dried, table and wine grape industries.
- Mildura Development Corporation released the Regional Overview Mildura-Wentworth 2014, profiling the Mildura region's people, economy, industry, infrastructure and unique assets, and providing a significant resource for individuals, local businesses, investors, government and those requiring information when considering moving to the region.
- Mildura Development Corporation successfully introduced a School for Social Entrepreneurs program, which supported seven participants to gain the skills and knowledge to establish, consolidate or expand their social enterprises
- Together with Mildura Wines, Mildura Development Corporation launched the 'Crafted by Mildura' brand, which aims to promote the wines of the region under one recognisable regional brand
- Winner of the best stand at the Regional Victoria Living Expo
- Undertook the 7 Day Makeover of the Langtree Mall that involved participation by 80 volunteers including members of the community



#### **Strategic Objective 4: Council**

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

##### **Achievements:**

- Winner of the Best Tourism/Event Communications category at the Government Communications Australia Awards for Excellence 2015, for Council's work on last year's Triple J One Night Stand Concert
- Completed implementation of the Customer Service Strategy 2012-2015
- Implemented all recommendations for 2014-2015 from the Revenue Review
- Implemented all actions for 2014-2015 from the Health and Well-being Strategy 2014 to 2018
- Adopted the Draft Budget 2015-2016, which included Council's lowest rate rise (3.9 per cent) in more than a decade
- Adopted the Strategic Resource Plan 2015-2016 to 2018-2019, detailing the financial and non-financial resources applied to achieve Council's strategic objectives, as outlined in the Council Plan
- Introduced an internal leadership program: "Leaders of the Future"
- Adopted the Community Engagement Strategy 2014 to 2018
- Launched the new Mildura Rural City Council website
- Sir Rupert Hamer Record Management Awards 2014 – Winner Medium Agency Category
- White Ribbon Workplace Accreditation - Achievement of Stage 1

## Challenges and Future Outlook

### Challenges

In general:

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

Specific over the past twelve months:

- Freezing of indexation on Federal assistance grants
- Successfully managing a tight operational budget
- Cost escalation outside Council control
- Delivery of a \$26 million plus Capital Works Program including Mildura Riverfront Waterplay, Blandowski Walk, Sixteenth Street and Benetook Avenue roundabout and Kathleen Kelly Preschool renovation
- Continued roll out of the Riverfront Redevelopment Project
- Continued roll out of the Organisational Sustainability (Service) Review

### The future

- Work within the State Government Rate Capping Framework
- Develop and implement the Healthy Ageing Strategy 2015 to 2018
- Develop and implement the Arts, Cultural and Heritage Strategy 2015 to 2020
- Develop and implement the Murray Riverfront Reserves Management Plan 2016 to 2020
- Develop a long term strategy for the management of waste
- Develop and implement the Urban Tree Strategy 2015 to 2019
- Implement the Events Strategic Plan 2014 to 2019
- Develop the Customer Service Strategy 2015 to 2018
- Continue to roll out the Organisational Sustainability Review

- Deliver a \$34.6 capital works program including road reconstruction of Fifteenth Street from Deakin Avenue to Walnut Avenue, riverfront redevelopment Langtree connection, new roundabout at Fourteenth Street and Karadoc Avenue, tracks and trails from Blandowski Walk to Riverside Golf Course, and Seventh Street stormwater augmentation
- Reform of the Local Government Act
- Developing an Investment Prospectus as part of the Loddon Mallee Regional Strategic Plan
- Regional Cities CBD Revitalisation program
- Renewal of Mildura Airport runway

# The Year in Review

## Mayor's Message

Mildura Rural City Council's 2014-2015 Annual Report details Council's achievement of the 2013 to 2017 Council Plan strategic objectives for the 2014-2015 financial year.

The role of Council includes:

- acting as a representative government by taking into account the diverse needs of the local community in decision making
- providing leadership by establishing strategic objectives and monitoring their achievement
- maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner
- advocating the interests of the local community to other communities and governments
- acting as a responsible partner in government by taking into account the needs of other communities
- fostering community cohesion and encouraging active participation in civic life.

## Highlights

We were pleased to secure \$500,000 through the Victorian State Government's *Putting Locals First Program* in July 2014 to construct a recreational lake at Ouyen. This project is an innovative partnership between Council, state government, community and industry that will bring many benefits to the southern communities of our municipality. We also received \$103,000 from the state government to develop business case and investment prospectus for the Mildura Motorsport Precinct. Work on the \$18.3 million redevelopment of Mildura's riverfront precinct also continued, with construction of a new water play zone commencing in July and a pedestrian connection linking Langtree Avenue with the riverfront commencing in March. In October 2014 we welcomed our new Chief Executive Officer Gerard José to the organisation.

## Advocacy and Engagement

Working closely with other Murray River Councils, we continued to strongly advocate to state and federal governments for upgrades to rail freight infrastructure - not only in our municipality but across the Murray Basin. Other priority projects Council advocated for at a state and federal level include upgrades to the runway at Mildura Airport and upgrades to the Calder Highway. Council was excited to launch a new public website in February 2015, making it simpler for the community access information about the services we provide. We engaged with the community on a range of issues and projects including land use in the Mildura South and Mildura Older Irrigated Areas, Mildura Recreation Reserve Master Plan, Mildura City Heart Special Rate, Community Safety and the Reconciliation Action Plan.

**Thankyou**

I would like to thank our councillors for their commitment and ongoing efforts on behalf of residents. I also thank businesses, members of community groups and Council officers for their contribution to improving the liveability and amenity of our Rural City.

Cr Glenn Milne  
Mayor

## CEO's Message

On behalf of Mildura Rural City Council it is my great pleasure to present Council's Annual Report for the year 2014–2015. The Chief Executive Officer is responsible for:

- providing timely advice to the Council
- ensuring the Council Plan drives the day to day management of the Council's operations
- implementing Council decisions without undue delay
- establishing and maintaining an appropriate organisational structure for the Council
- developing, adopting and disseminating a code of conduct for Council staff.

### Highlights

The 2014–2015 year saw many significant achievements including a renewed focus on the wellbeing of our community and the organisation's commitment to customer service. We proudly pledged to help stamp out violence against women, by signing on to the White Ribbon Workplace Accreditation Program in 2014. By joining the initiative we are taking active steps to prevent and respond to violence against women - whether it occurs in or beyond the workplace. We also adopted a Reconciliation Action Plan in May 2015, formally committing to developing stronger relationships with our Aboriginal and Torres Strait Islander communities through mutual respect, inclusiveness, equity and cultural awareness. In March 2015, long serving General Manager Development, Garry Healy, retired and the new General Manager Development, Kirsten Alexander, commenced.

### Organisational Performance

At the end of June 2015, Council's financial position remains strong with more than \$740.62 million of community assets under Council's stewardship. Operating expenditure for 2014–2015 was tightly controlled, being just 0.32 per cent below the Annual Budget adopted in June 2014, and Council's underlying operating income was 3.67 per cent above the Annual Budget. In 2014–2015, Council achieved a surplus of \$21.08 million. Council's Long Term Financial Strategy projects that surpluses will continue over the next 10 years, providing a level of funding that will contribute to the refurbishment and replacement of community assets.

Council's ongoing commitment to both improving services and driving down costs continues, with rolling Sustainability Reviews of all areas of service underway. In the 2014-2015 financial year we made significant savings of \$283,000 to our organisational costs by reducing energy usage at Council sites.

### Thankyou

I would like to take the opportunity to acknowledge Councillors, the local community and all Mildura Rural City Council staff who have contributed to delivering our Council's vision and Council Plan.

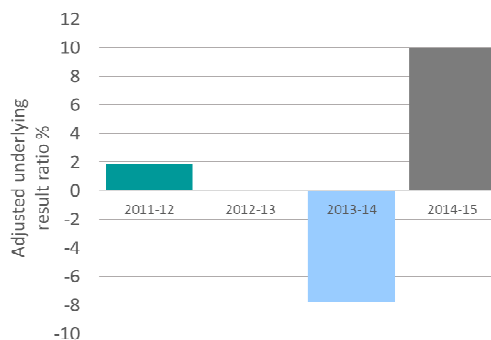
Gerard José  
Chief Executive Officer

## Financial Summary

Council's financial position continues to remain sound with a summary of our performance outlined below. Detailed information relating to Council's financial performance is included within the Financial Statements and Performance Statement sections of this report.

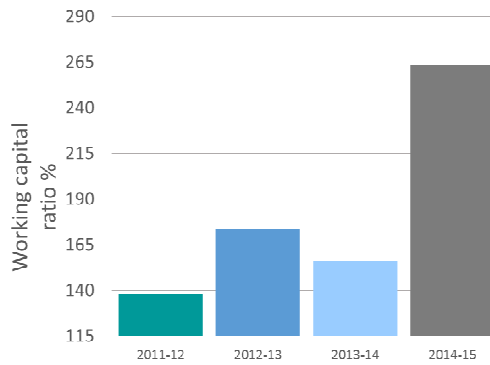
### Operating Position

Council achieved a surplus of \$21.08 million in 2014–15, which is higher than the 2013–2014 surplus of \$2.17 million. As per the Comprehensive Income Statement in the Financial Report, the favourable variance is due mainly to the forward payment of 50% of the Victorian Grants Commission funding into the 2014-2015 year from 2015-16. In 2013-2014, we had the reverse with 50 percent of the Victorian Grants Commission funding paid back into 2012-2013. The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is \$9.92 million or 9.98 per cent, when compared to adjusted underlying revenue. Sustaining an adjusted underlying surplus is a critical financial strategy that provides some capacity to renew the \$655.53 million of community assets under Council's control.



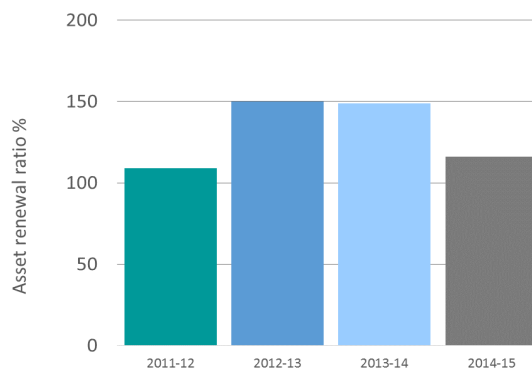
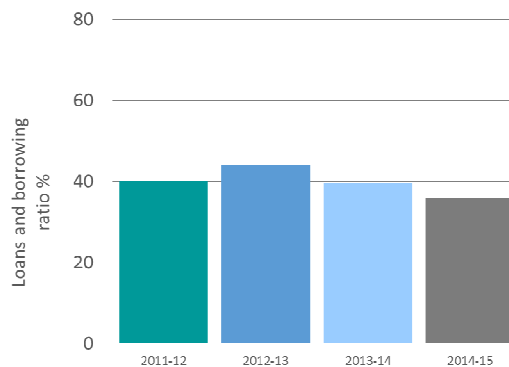
### Liquidity

Cash has increased by \$17.02 million from the prior year mainly due to the forward payment of 50 per cent of the Victorian Grants Commission funding into the 2014-2015 year from 2015-16. The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 263.14 per cent is an indicator of satisfactory financial position and is above the expected target band of 120 per cent to 200 per cent.



### Obligations

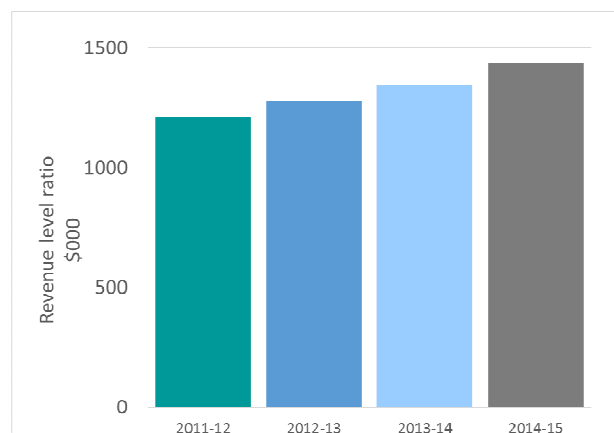
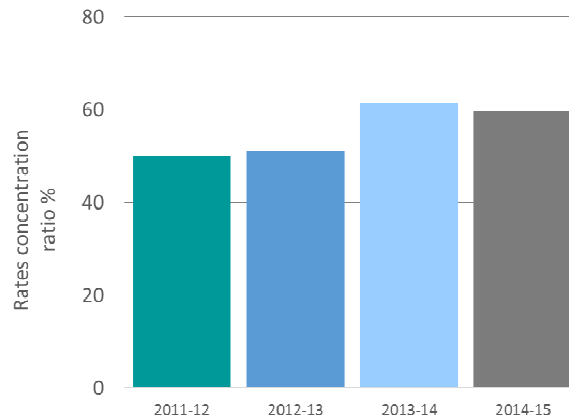
Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. Council invested \$26.17 million in capital works during the 2014-2015 year. At the end of the 2014-2015 year, Council's debt ratio, which is measured by comparing interest bearing loans and borrowings to rate revenue, was 35.93 per cent which was within the expected target band of 20 per cent to 60 per cent. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 116 per cent, which exceeds the expected target band of 90 per cent to 110 per cent.





## Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 59.75 per cent for the 2014-2015 year, which is within the expected target band of 40 per cent to 80 per cent. Council this year had its lowest rate rise in over ten years and this has been achieved through sustainability reviews and other initiatives to ensure Council services are being delivered as efficiently as possible.



## Description of Council's Operations

Mildura Rural City Council is responsible for more than 100 services, from family and children's services, traffic regulation, open space, youth services, waste management and community development; to roads and drainage, planning for appropriate development and ensuring accountability for Council's budget.

To achieve key result areas relating to Strategic Objective 3: Economy in the Council Plan 2013 to 2017, Council has established memorandums of understanding (MoUs) with funded local entities including the Mildura Development Corporation, Mildura Tourism and Mildura City Heart. As sole shareholder, Council has also established an Airport Operations and Management Deed with Mildura Airport Pty Ltd to ensure the air transport needs of the Mildura community and broader region are efficiently serviced into the future.

The broad range of community services and infrastructure for residents support the wellbeing and prosperity of our community.

Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan 2013 to 2017 and the associated Budget 2014–2015, and are reported upon in this document. Refer to the section on Our Performance for more information about Council services.

The delivery of services, facilities, support and advocacy to achieve the strategic objectives of the Council Plan is measured by a set of performance indicators and measures. Council also has a wide range of responsibilities under Victorian and Australian legislations.

### Economic Factors

Council was and is faced with a financial challenge following the freezing of the indexation of Federal Assistance Grants (FAGs). The FAGs are provided under the *Local Government (Financial Assistance) Act 1995*, and consist of two components:

- A general purpose component which is distributed between the states and territories according to population (i.e. on a per capita basis)
- An identified local road component which is distributed between the states and territories according to fixed historical shares.

Both components of the grant are untied in the hands of local government, allowing councils to spend the grants according to local priorities. These grants play a significant role in relieving pressure on raising revenue through rates. The ongoing impacts of the decision to freeze indexation for three years will significantly reduce Council's revenue from this source into the future.

## **Major Capital Works**

During 2014–2015, major capital works included the following:

### ***Mildura Riverfront Waterplay***

The Mildura Riverfront Waterplay is being redeveloped to provide new and improved facilities on the Mildura riverfront for tourists and members of the community to access a range of social, recreational and cultural experiences and provide a safe, accessible and welcoming environment for all groups and cultures. The project included:

- construction of a shared use riverfront promenade linking Mildura Wharf and beyond to the Waterplay and Nowingi Place events precinct
- replacement of the Ornamental Lakes with a new children's interactive water play facility including shade structures and hard and soft landscaping
- upgrade of the existing skate park including sealing of car park and installation of lighting
- water sensitive urban and landscaping to enhance identity and connection to the natural/water environment.

Construction was completed in June 2015 with the official opening to be held Sunday 4 October 2015.

### ***Blandowski Walk***

The Chaffey Landing is an important local historical site that is valued by community members. The linkage to Chaffey Landing has been identified as important by several community groups including the Merbein and District Historical Society and the Merbein Development Association. This project also aligns with various Council Plans and Strategies and included:

- rehabilitation of the old walkway area including removal of structure and revegetation
- construction of a suitable walking platform that links to the walking track.

On Saturday 16 May 2015, an event was held to celebrate the official opening of the Blandowski Walk to the public.

### ***Sixteenth Street and Benetook Avenue roundabout***

Sixteenth Street is a major route for vehicles travelling from Red Cliffs to Mildura, Merbein and Adelaide. Benetook Avenue is an alternate truck route for Sydney to Adelaide vehicles. Drainage works were also required to improve environmental issues and to prevent flooding during heavy rain. In addition, excess rainwater from the intersection will be contained within improved swale drains. The benefits of the project included:

- management of traffic speeds
- provision of crash deflection
- improved traffic flow
- improved general road safety
- created consistency with roundabouts at all Benetook Ave intersections
- safer long term solution for future development in the area.

The roundabout was opened in August 2014.

### ***Kathleen Kelly Pre-school renovation***

The implementation of Universal Access has required kindergartens to provide 15 hours a week of funded four-year old programs, which has meant many kindergartens have required upgrades. The Kathleen Kelly upgrade provided the kindergarten with the ability to maintain their existing three-year old groups, as well as being able to extend the number of four-year old places available.

Toilets were relocated to the front of the building to bring the facility in line with current regulations. A separate room was constructed to support Universal Access quality provisions, as current staff did not have any space for programming and must 'team teach' while undertaking planning and programming activities. This project included:

- increasing the room size capacity
- upgrading the children's toilets in line with current regulations
- providing space for staff to undertake programming for Universal Access.

The Kathleen Kelly Pre-school re-opened on Wednesday 17 June 2015.

### **Major Changes**

In 2014–2015, Council made the following major changes:

- In August 2014, the Veteran's Affairs Network function in the Community Department ceased due to funding for the program ending.
- In September 2014, the project management function was incorporated into the Corporate Department from the Development Department.

## Major Achievements

- ***FLO Connect*** is an exciting new youth re-engagement centre, established as a partnership between Mildura Rural City Council, Department of Education and Training and the Red Cliffs Secondary College. From an initial target of re-engaging 35 disconnected youth, this quickly grew to 65 student enrolments. Outcomes at February 2015 were 17 students with anticipated transition into mainstream schooling, other education or employment. There are 44 students participating in accredited curriculum programs. Already this innovative program has been recognised at both state and national levels in the education and local government sectors.
- ***The Mildura Eco Village*** is the product of over four years of community consultation led by the Sunraysia Sustainability Network (SSN) with the support of Mildura Rural City Council. The Mildura Eco Village provides an area for the community to come together and share ideas about sustainable living. The Village encourages a positive and lasting influence on community attitudes to more sustainable ways of living. The Mildura Eco Village comprises a multipurpose community and education centre, community garden, solar distillation park and a sustainable demonstration eco house. The Mildura Eco Village has also been selected as a finalist in the 2015 Keep Australia Beautiful Victoria award after winning the sustainability category in 2013.
- ***The Reconciliation Action Plan (RAP)*** was adopted by Council in May 2015. The RAP was developed by a working group which included representatives from the Aboriginal Action Committee (AAC), Council staff and the community. It is an important tool to demonstrate Council's recognition of and respect for the local Aboriginal and Torres Strait Islander communities within our municipality. The RAP provides the opportunity to reinforce Council's position as a community leader in social change and provides significant social, economic, environmental and cultural benefits for the municipality as a whole.

# Our Council

## City Profile



Mildura Rural City Council covers an area of 22,330 square kilometres, making it the largest municipality in Victoria.

The municipality has an estimated resident population of 50,979 (2011 Census), which includes 1,836 Aboriginal and Torres Strait Islander people (2011 Census). The city's overall population growth rate over the last decade exceeds one per cent per year on

average. The structure of the region's economy and a significant transient population for employment purposes sees Mildura serve a regional population of around 100,000 across three states – Victoria, New South Wales and South Australia.

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. Townships within Council's rural area include Ouyen, Meringur, Werrimull, Cullulleraine, Cardross, Nangiloc, Colignan, Murrayville, Cowangie, Underbool and Wilpeup.

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

While renowned for quality horticultural production, the Mildura region's economy has diversified and expanded over many years to include a variety of industries. Value adding industries such as manufacturing (predominantly wine, fruit and vegetable processing) have become well established in the region and benefit from the area's tri-state location and transport infrastructure. Tourism is also a strong element within the local economy and the Mildura region has become a popular tourism destination. With excellent infrastructure and a Mediterranean style climate creating an abundance of sunshine hours and clear days, Mildura has more recently become an area of great interest to the renewable energy sector and is viewed as a preferred solar location.

Mildura also boasts the largest and busiest regional airport in Victoria with 208,366 passenger movements each year to Melbourne, Sydney and Adelaide.

## Council Offices

### **Mildura**

Madden Avenue Service Centre  
108 Madden Avenue, Mildura  
Ph: (03) 5018 8100  
Fax: (03) 5021 1899

Deakin Avenue Service Centre  
76 Deakin Avenue, Mildura  
Ph: (03) 5018 8100  
Fax: (03) 5021 1899

### **Ouyen**

Ouyen Service Centre  
79 Oke Street, Ouyen  
Ph: (03) 5091 3600 (for Ouyen callers)  
Ph: (03) 5018 8600 (for all other callers)  
Fax: (03) 5092 1017

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

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

Postal address:  
PO Box 105  
Mildura, Victoria, 3502

## Councillors

A Council is elected to provide leadership for the good governance of the municipal district and the local community. On 27 October 2012, the Mildura Rural City Council community elected this Council for a four-year term. The nine councillors listed below are the elected representatives of all residents and ratepayers across the Mildura Rural City. They have responsibility for setting the strategic direction of the municipality, policy development, identifying service standards and monitoring performance across the organisation. To allow focus on strategic matters relating to specific areas of Council, councillors have been allocated a portfolio aligned with the Council Plan 2013 to 2017.



### **Cr Glenn Milne – Mayor**

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

Portfolio: Governance and Corporate Planning

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



### **Cr John Arnold – Deputy Mayor**

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

Portfolio: Economic Development and Tourism

Cr John Arnold is serving his fourth term as a Councillor. The father of two has always lived in the region and attended the Mildura Technical School (now Chaffey Secondary College). A long time horticulturalist at Merbein, Cr Arnold also operated an aluminium manufacturing business for almost 20 years. Cr Arnold is passionate about his home / region and committed to promoting Mildura as a great place to live. He hopes Council can drive economic development, see through major projects and encourage new tourism and sporting events and opportunities.





**Cr Greg Brown**

Terms: 2003– 2005, 2012-2016

Portfolio: Infrastructure and Transport

Cr Greg Brown has served on two previous Councils and is pleased to be representing local residents as Councillor for the Mildura Rural City Council. Cr Brown went to school in Underbool and Ouyen and has operated a dryland farm at Underbool for 58 years. He has also managed his own small business for 50 years. Passionate about rural Victoria, Cr Brown is keen to ensure locals can access the services, infrastructure and facilities they need, regardless of where they live or work throughout the municipality.



**Cr Ali Cupper**

Term: 2012-2016

Portfolio: Community Development and Safety

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



**Cr Mark Eckel**

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

Portfolio: Recreation and Sport Portfolio

Cr Mark Eckel remains committed to consulting with the region's residents, local businesses and industries, working to make Mildura a better place to live now and into the future. Cr Eckel is a White Ribbon Ambassador, taking the oath "I swear never to commit, excuse or remain silent about violence against women; this is my oath". Cr Eckel believes that violence is a cultural issue and needs to be addressed with our youth on critical mass. For example, working with schools to create safe and respectful communities by committing to the *White Ribbon Breaking the Silence* program.

With wife Denise, they share six children, 16 grandchildren and are great grandparents of two. The couple list Mildura's geographical location, lifestyle and multicultural community as highlights. In addition to working as a radio presenter with 1611AM Old Gold and Oz Country Music Radio (streaming), Cr Eckel is a keen sportsman.



**Cr Judi Harris**

Term: 2008–2012, 2012-2016

Portfolio: Environmental Sustainability

In her second term on Council, Cr Judi Harris says all local governments share the challenge of finding a balance between the services and projects a community want, with the need to operate within strict budgets. Determined to use collaboration skills attained during two-and-a-half decades as a high school teacher, she says effective consultation is the key to good outcomes and vital to her role on Council. Cr Harris has lived in the state's north-west for more than 50 years and is committed to working to achieve a sustainable future for all generations, focusing on services, the environment and infrastructure issues and championing the creation of a strong, inclusive vision for the future.



**Cr Jill Joslyn**

Term: 2012-2016

Portfolio: Arts and Culture

Cr Joslyn was first elected to Council in 2012 and has held the Arts and Culture Portfolio since then. Cr Joslyn sits on the Mildura Arts Centre Advisory Committee, ArtsMildura Board as well as being a proud member of the Mildura Cemetery Trust. She is an observer for the Aboriginal Action Committee and has been an active member of the sub-committee that developed and launched the Reconciliation Action Plan in June 2015. Cr Joslyn was recently appointed to the Loddon Mallee Regional Advisory Committee of the Multicultural Commission of Victoria as well as being inducted into the Victorian Honour Roll of Women in 2011. Cr Joslyn also serves in a voluntary capacity on the boards of two local not-for-profit organisations.



**Cr Sharyon Peart**

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

Portfolio: Community Wellbeing and Services

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



**Cr Max Thorburn**

Term: 2008–2012, 2012-2016

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

# Our People

## Organisational Structure

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan 2013 to 2017. Three general managers and the CEO form the Executive Leadership Team (ELT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



### **Chief Executive Officer**

Gerard José

Gerard joined Mildura Rural City Council as CEO in October 2014, following the resignation and departure of former CEO, Mark Henderson. Gerard has extensive experience working in the local government, community and not-for-profit sectors. Prior to joining Mildura Rural City Council, Gerard was CEO of Greater Taree City Council on the mid-north coast of New South Wales for seven years. Gerard's career in local government also includes time as Director of Health and Community Services at Ringwood and Heidelberg councils, Director of Community Services and Acting

CEO at the Shire of Campaspe and Director of Community Services at the City of Knox. Gerard has also worked for the Municipal Association of Victoria, Spastic Society of Victoria (now known as Scope) and the YMCA. He is a White Ribbon Ambassador and on the Chances for Children Board.

#### **Responsibilities:**

- Executive support for Mayor and councillors, including approving Council reports and providing strategic advice to councillors
- Implementation of Council's policies and decisions
- Liaison with other levels of government and major stakeholders
- City development and investment attraction
- Leadership of the Strategic Management Team (ie Council's Executive Leadership Team and branch managers).

## Senior Officers Reporting Directly to the Chief Executive Officer



### **General Manager Corporate**

Mandy Whelan

Mandy Whelan was appointed General Manager Corporate in October 2010.

Mandy has over eleven 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. Mandy has a Masters of Business Administration.

#### Responsibilities:

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



### **General Manager Development**

Kirsten Alexander

Kirsten was appointed General Manager Development in March 2015.

A qualified civil engineer and experienced executive manager, Kirsten has over 25 years' experience in contract, asset and project management in both private and public sector organisations. Prior to joining Mildura Rural City Council, Kirsten was General Manager Services and Contracts at the Australian Rail Track Corporation (ARTC). In her 15 years with ARTC, she was involved in a range of complex rail projects and led a multi-disciplinary team based across four sites and three states, delivering network wide services on the Defined Interstate Rail Network. Kirsten is a graduate member of the Australian Institute of Company Directors.

#### Areas of responsibility:

- Engineering services
- Development services

- Building services
- Parks services
- Waste management services



### **General Manager Community**

Martin Hawson

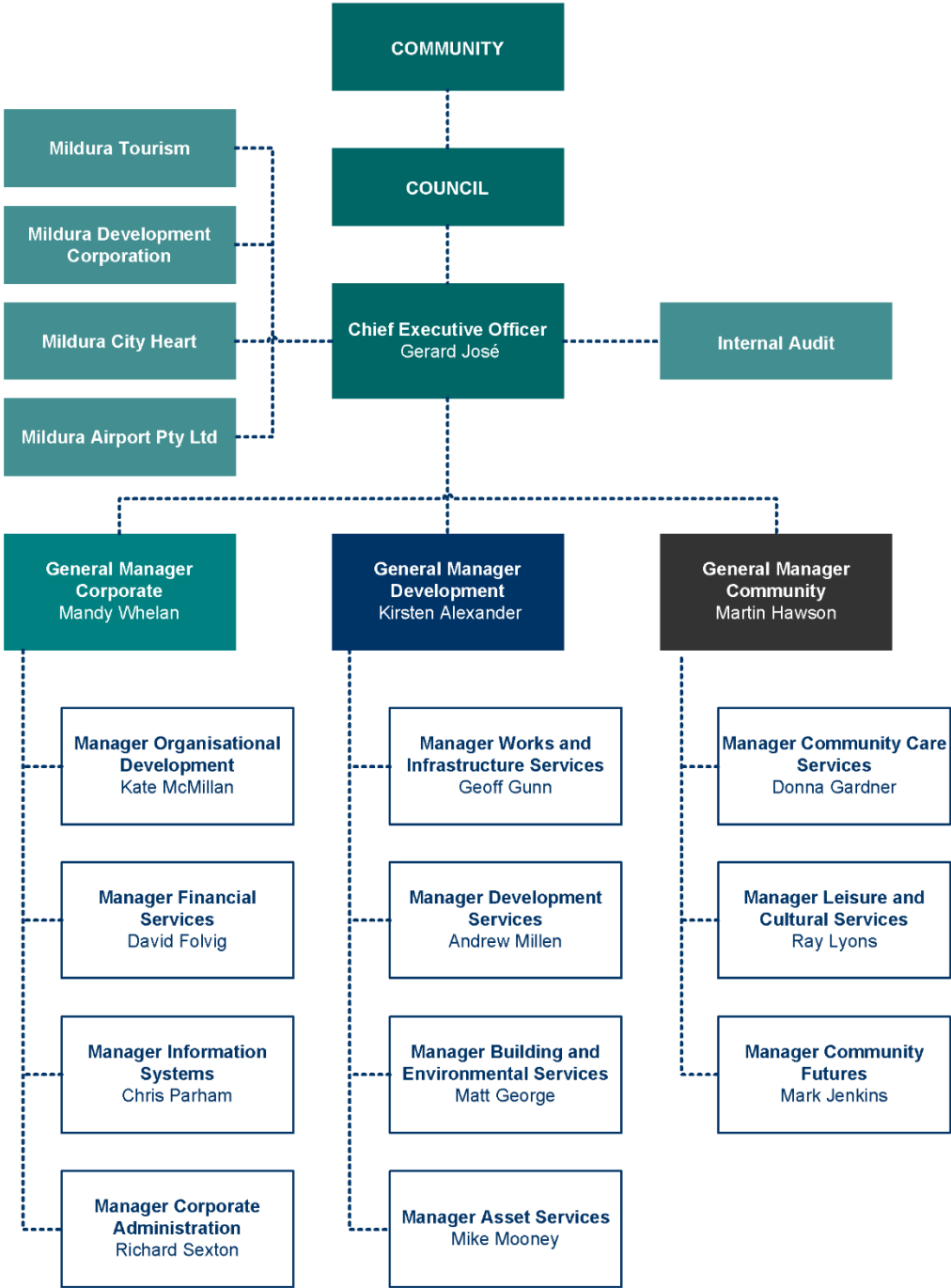
Martin Hawson has a broad and extensive background in community services leadership and management experience in local government.

Prior to his appointment to the Executive Leadership 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. Martin has a Masters of Health Science.

#### **Areas of responsibility:**

- Leisure and cultural services
- Community care services
- Community futures
- Community planning
- Strategic planning
- Healthy Together Mildura
- Chair of the Northern Mallee Community Partnership.

The organisational structure of Council is shown below.



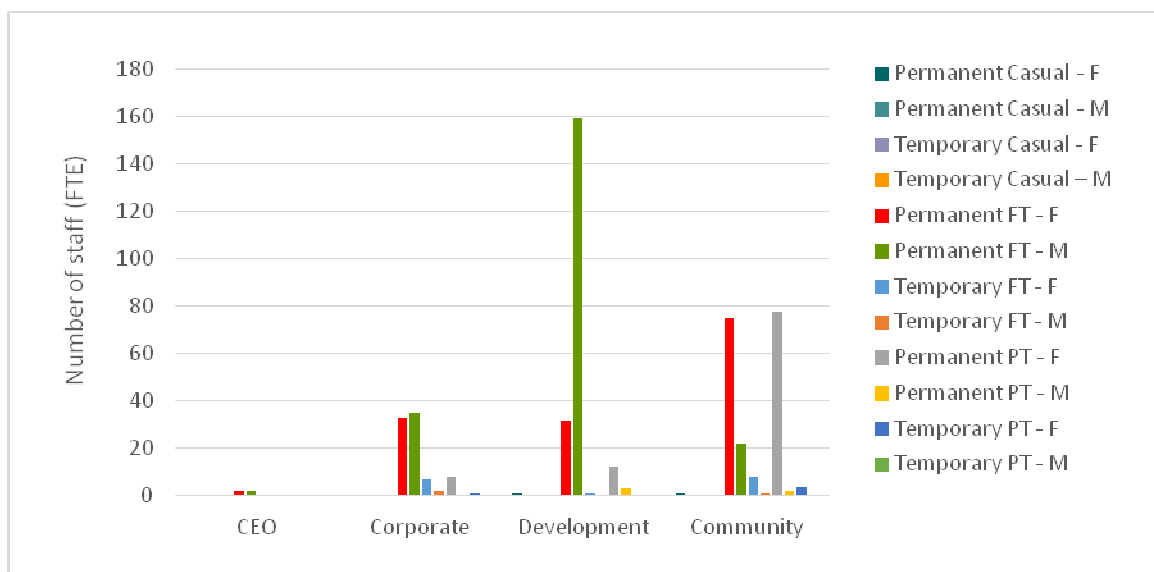


## Council Staff

A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

Employee type/gender	CEO FTE	Corporate FTE	Development FTE	Community FTE	Total FTE
Permanent Casual - F	0	0.04	1.1	0.96	2.1
Permanent Casual - M	0	0	0.06	0.24	0.03
Temporary Casual - F	0	0	0	0.02	0.02
Temporary Casual - M	0	0	0	0	0
Permanent FT - F	2	32.86	32	74.84	147.1
Permanent FT - M	2	35	159	22	218
Temporary FT - F	0	6.95	1	8	15.95
Temporary FT - M	0	2	0	1	3
Permanent PT - F	0	7.75	12.17	77.75	97.67
Permanent PT - M	0	0	3.35	1.79	5.14
Temporary PT - F	0	1.2	0.52	3.43	5.15
Temporary PT - M	0	0.01	0.02	0	0.03
<b>Total</b>	<b>4</b>	<b>85.81</b>	<b>209.22</b>	<b>190.03</b>	<b>494.19</b>

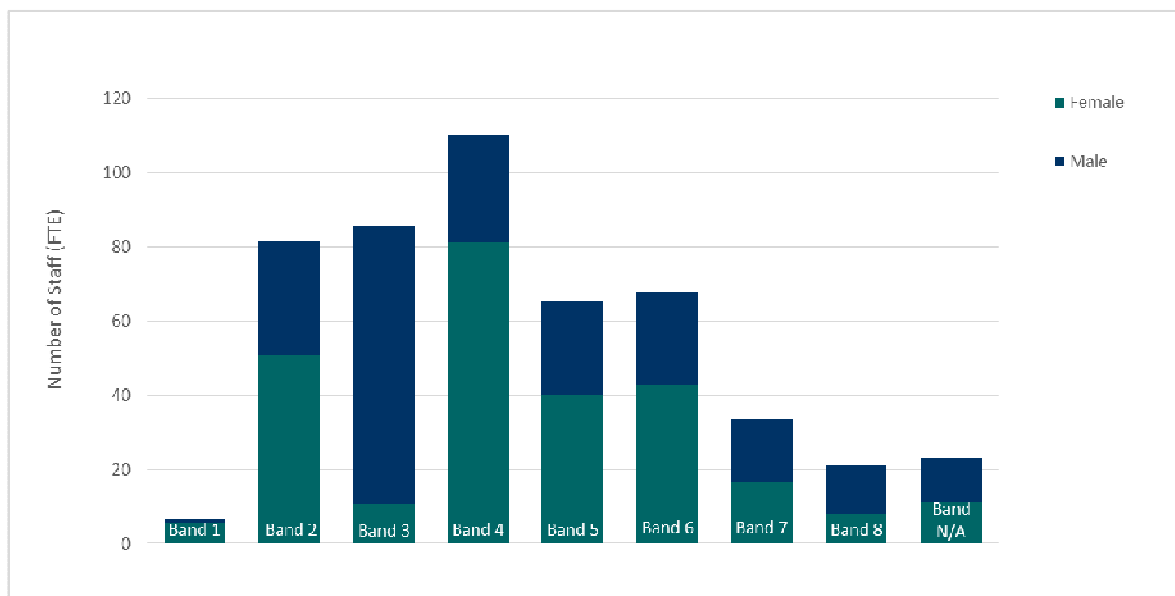
FT-Full time PT-Part time F-Female M-Male





A summary of the number of full time equivalent (FTE) council staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	5.69	0.86	6.55
Band 2	50.65	30.69	81.34
Band 3	10.81	75.05	85.86
Band 4	81.13	28.85	109.98
Band 5	40.08	25	65.08
Band 6	42.72	25.12	67.84
Band 7	16.47	17	33.47
Band 8	8	13.02	21.02
Band not applicable	11.32	12	23.32
<b>Total</b>	<b>266.87</b>	<b>227.59</b>	<b>494.46</b>



## Equal Employment Opportunity Program

Mildura Rural City Council has implemented an equal employment opportunity program that is designated to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

The indicators that measure the effectiveness of the program and the results for the year are:

- Indicator: Percentage of new employees receiving equal opportunity training within six months of commencement. Target: 100%, Result: 88%.
- Indicator: Number of contact officers per number of council employees. Target: 1:50, Result: 1:44.

The indicators are monitored on an ongoing basis by the Equal Employment Opportunity Committee that meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Council's assessment of the achievement of the program's objectives are that there were no breaches of the *Equal Opportunity Act 2010*.

The actions taken to implement the program over the past 12 months include:

- provision of two-hour equal opportunity training sessions as part of the induction for all new staff
- Equal Opportunity Committee meetings, held quarterly
- Communication of Equal Opportunity and Bullying and Harassment policies to all staff as part of Policy of the Month process
- Conducting Contact Officer Training for all members of the Equal Opportunity Contact Officers group
- Commencing the development of a Family Violence Policy and supporting information for staff
- Commencing the provision of refresher equal opportunity training sessions for all staff.

### Overview of Senior Positions by Gender

Level	Male	Female
Executive Leadership	2	2
Management	9	2
Coordinator and Team Leader	34	37

## Other Staff Matters

### **Enterprise Bargaining Agreement**

In March 2015, an Enterprise Bargaining Committee, comprising management representatives, nominated workplace union delegates and union industrial officers was established to negotiate a new Enterprise Agreement for Council employees. A number of meetings have been held and progress made on the new agreement. It is expected that a new agreement will be reached early in the 2015-2016 financial year and voted on by staff. Once an agreement is reached, it will be registered with the Fair Work Commission for approval.

### **Training/Professional development**

Mildura Rural City Council offers study assistance for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 29 staff were successful in obtaining this form of support. Council also provides a comprehensive corporate learning program that supports a broad range of staff development needs. This is developed in alignment with strategic priorities, as well as in response to needs identified through performance and development plans. A variety of learning methodologies are used, including e-learning, facilitated workshops and personal coaching.

### **Preventing Violence against Women**

The Prevention of Violence against Women works primarily through promoting gender equity, building respectful and safe relationships and breaking down stereotypes of women. Council has signed up to the White Ribbon Workplace Accreditation Program and has achieved Stage 1: Recognition. The aim is for Council to achieve full accreditation by February 2016. Over the past twelve months, Council has created an internal White Ribbon Committee and commenced work on the accreditation process, conducted awareness raising activities as part of White Ribbon Day, reviewed the induction program to incorporate material about the White Ribbon Program and reviewed policies to ensure they support the prevention of violence against women and people in this situation.

### **Health and safety**

Council's aim is to maintain a safety culture that supports an incident and injury-free workplace for all employees, councillors, contractors, visitors and the public. Over the last 12 months, Council has maintained a Health and Safety Management System. Branches have continued to review and document their Safe Work Procedures and Safe Work Method Statements to ensure employees are working in a safe environment.

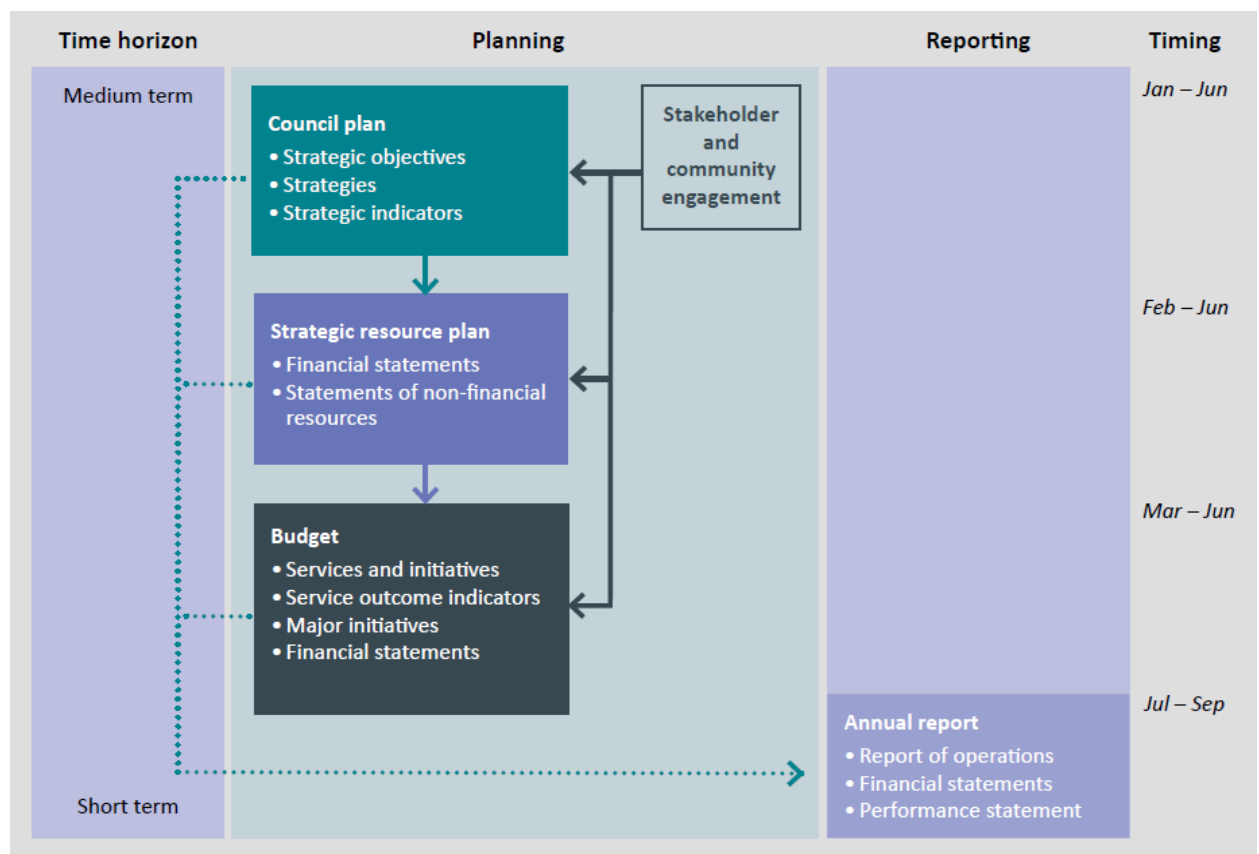
# Our Performance

## Planning and Accountability Framework

The Planning and Accountability Framework is found in part 6 of the Act. The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A strategic resource plan for a period of at least four years and include this in the Council Plan
- A budget for each financial year
- An annual report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the Planning and Accountability Framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.



## Council Plan

The Council Plan 2013-2017 includes strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a Strategic Resource Plan. The following are the four strategic objectives as detailed in the Council Plan.

<b>1. Community</b>		We will create a safe and supportive place to live, where diversity and lifestyle opportunities are encouraged, and participating in arts, culture, sport and recreation enhances wellbeing.
<b>2. Environment</b>		We will initiate, develop and manage healthy, sustainable, natural and built elements.
<b>3. Economy</b>		We will create growth and prosperity.
<b>4. Council</b>		We will manage resources effectively and efficiently to provide services that are relevant, of a high standard and respond to identified community needs.

## Performance

Council's performance for the 2014-2015 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2013-17 Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures.

## Strategic Objective 1: Community

The following statement reviews the performance of Council against the Council Plan comprising results achieved in relation to the strategic indicators included in the Council Plan.

### KRA 1.1 Community Safety

Strategic Indicator/measure	Result
Community perception of personal safety	49%
Childhood accidents	155
Crimes against persons	1.67
Crimes against property	5.49
Road trauma	0.35
Reported public safety incidents	103
Number of animal attacks	82
Community satisfaction with emergency management	27%

### KRA 1.2 Community Development

Strategic Indicator/measure	Result
Community satisfaction with support to people with a disability	21%
Community satisfaction with equitable access to facilities, services and activities	28%
Feeling part of the community	*
Social support	*
Volunteering	*
Community satisfaction with opportunities for people to be involved in shaping their community	24%
Education participation rates	66.2%
Year 12 or equivalent completion rates	15.3

\* Data not currently available

### KRA 1.3 Community Health and Wellbeing

Strategic Indicator/measure	Result
Self-reported health	48.1%
Subjective well-being	78.5%
Life expectancy – Males	77.5
Life expectancy – Females	82.8
Adequate physical exercise	66.6%
Fruit consumption	39.9%
Vegetable consumption	5.9%
Obesity	21.1%
Smoking status	16.2%
Risky alcohol consumption	14.3%
Psychological distress	12.7%
Prevalence of type 2 diabetes	5.3%
Birth weight	6.5%
Communicable diseases	327
Family violence	1990

### KRA 1.4 Community Services

Strategic Indicator/measure	Result
Birth weight	6.5%
Maternal and child health visits	92%
Australian Early Development Index	51.9
Kindergarten participation rates	93.8%
Youth engagement	8.8%
Incomplete education	25.4%
Community satisfaction with services to youth	14%
Community satisfaction with home care services	29%
Community satisfaction with support to people with a disability	21%

### KRA 1.5 Arts and Cultural Heritage

Strategic Indicator/measure	Result
Community satisfaction with support to arts and cultural groups	21%
Art gallery visits	25,513
Theatre attendance	41,231
Theatre occupancy	41%
Community satisfaction with arts and cultural facilities	32%
Community satisfaction with arts and cultural programs	26%
Community satisfaction with accessibility to arts and cultural programs	22%
Community satisfaction with recognition of local history and cultural heritage	28%
Community satisfaction with recognition of Indigenous culture in arts and cultural experiences	24%
Community satisfaction with libraries	57%
Library usage	19%

### KRA 1.6 Recreation and Sport

Strategic Indicator/measure	Result
Level of participation in sport and recreation activities	74%
Community satisfaction with sporting services	30%
Community satisfaction with recreation facilities	29%
Community satisfaction with Council support to clubs	26%



## Strategic Objective 1: Community

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

Major Initiatives	Progress
Implementation of Municipal Public Health and Wellbeing Plan 2013 to 2017 aimed at improving the health and wellbeing of our communities across a number of areas.	The plan is 79% complete at the end of the year. The delay in completion is due to the Alcohol Strategy component of the plan having not yet been completed.
Implement the Library Service Strategic Plan 2013 to 2018, which contains actions such as extending radio frequency identification device technology to all libraries, community access to local history information, implementing e-resources, developing a functional website and programs to support literacy.	The plan is 94% complete at the end of the year. The delay in completion is due to Library Sustainability Review and e-smart program implementation not being completed as planned.
Establishment of the Flo connect building centre for disadvantaged youth education in partnership with the Victorian Education Department.	Completed
Implementation of Aquatic Facilities Redevelopment Strategy 2013 to 2018 across the municipality.	The plan is 83% complete at the end of the year. The delay in completion is due to suitable trades people not being available for electrical works until July 2015.
Development of a new Arts, Culture and Heritage Strategy that will guide program development and further arts and culture opportunities in the community.	The plan is 50% complete at the end of the year. The delay in completion is due to extended timeframes required to complete the process.

## Strategic Objective 1: Community

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Aged and Disability Services</b>	This service provides a range of <b>home and community care</b> services for the aged and people with a disability including home care, personal care, respite care, home maintenance and planned activity groups.	1,567 <u>2,061</u> 494
<b>Community Health</b>	This service provides family oriented support services including universal and enhanced <b>maternal and child health</b> and immunisation.	702 715 13
<b>Early Years</b>	Provides family day care, centre based child care and other Early Years planning and programs such as Best Start and supported Playgroups	518 <u>514</u> (4)
<b>Youth Services</b>	This service provides youth oriented services including education programs, personal development programs, and health & safety programs.	415 <u>249</u> (166)
<b>Healthy Together</b>	This service combines a wide range of programs and services, which provide the opportunity for the community to participate in a variety of cultural, health, education, and leisure activities, which contribute to the general well-being of the community.  This program aims to support people where they live, learn, work and play, to enable the healthy choice around the food they eat and the physical activity they do.	(18) <u>0</u> 18

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Environmental Health</b>	This service protects the community's health and well-being by coordination of regulatory services of premises for food safety, accommodation, hair and beauty, skin penetration businesses, tobacco retailers and smoke free legislation, and wastewater disposal. The service also works to rectify any public health concerns relating to unreasonable noise emissions, air quality issues and smells etc.	300 <u>322</u> 22
<b>Arts and Culture</b>	This service provides arts and culture activities throughout the municipality. With the delivery of visual and performing arts programs and services at Mildura Arts Centre across Gallery and Heritage, Community Cultural Development, Marketing and Development (including Customer Service/Box Office Ticketing, Café and Theatre) and Technical Services. The presentation of an entrepreneur program in both the visual and performing arts through funding from Arts Victoria, as well as the venue hires of the theatre auditorium, foyer spaces for local, commercial organisation. This includes overseeing Mildura's most important heritage building Rio Vista Historic House, as well as Mildura Station Homestead and venue hires of woolshed and cottage.	1,313 <u>1,432</u> 119
<b>Libraries</b>	This service provides public <b>libraries</b> at four locations plus the mobile library service to eight remote locations. It provides a customer focused service that caters for the cultural, educational and recreational needs of residents and visitors. The service also provides a focal point for the community where they can meet, relax and enjoy the facilities, programs and services offered.	1,628 <u>1,790</u> 162
<b>Recreation and Sport</b>	This service includes management of recreation facilities (wet and dry) including <b>aquatic facilities</b> , facility redevelopment, provision of grant funding for grass roots participation.	1,441 <u>1,539</u> 98

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Community Development</b>	This service has the responsibility to support and develop community initiatives listed in individualised, township based community plans and to strengthen local community's capacity to drive its own growth, economic, social and physical development. The service is a conduit between Council services and the wider community.	1,886 <u>2,272</u> 386
<b>Social Development and Projects</b>	This service has the responsibility to frame and respond to the challenges of social inclusion across a broad range of areas. It is the responsibility of this service to ensure that issues of a social policy nature are responded to appropriately by Council. The area also manages a broad range of specific project based initiatives including Advancing Country Towns, Aboriginal Employment Program, Northern Mallee Community Partnership and Community Safety.	174 <u>144</u> (30)
<b>Animal Management/ Local Laws</b>	This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, are able to cross the road safely. It maintains and improves the health and safety of people, animals and the environment in Council by providing <b>animal management</b> services including a cat trapping program, a dog and cat collection service, a lost and found notification service, a pound service, a registration and administration service, an after hours service and an emergency service. It also provides education, regulation and enforcement of the General Local Law and relevant State legislation.	152 <u>241</u> 89

## Strategic Objective 1: Community

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service Indicator/measure	Result	Comments
<b>Libraries</b>		
<b>Utilisation</b>		
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	3.3	
<b>Resource standard</b>		
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	53.0%	
<b>Service cost</b>		
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$12	
<b>Participation</b>		
<i>Active library members</i> [Number of active library members / Municipal population] x100	18.7%	
<b>Maternal and Child Health (MCH)</b>		
<b>Satisfaction</b>		
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	105.0%	
<b>Service standard</b>		
<i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100.0%	
<b>Service cost</b>		
<i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.

Service Indicator/measure	Result	Comments
<b>Participation</b>		
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	77.0%	Mallee District Aboriginal Service provide a Maternal and Child Health service. Some Aboriginal clients choose to attend this service.
<i>Participation in the MCH service by Aboriginal children</i> [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	44.0%	Mallee District Aboriginal Service provide a Maternal and Child Health service. Some Aboriginal clients choose to attend this service.
<b>Food Safety</b>		
<b>Timeliness</b> <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.
<b>Service standard</b> <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	47.1%	
<b>Service cost</b> <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$536	

Service Indicator/measure	Result	Comments
<b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100	74.0%	
<b>Home and Community Care</b> <b>Timeliness</b> <i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and commencement of HACC service / Number of new clients who have received a HACC service]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.
<b>Service standard</b> <i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	61.1%	Council was audited against the Common Care Standards in May 2013. The result compliance with 11 of the 18 expected outcomes.
<b>Service cost<sup>ii</sup></b> <i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service delivered]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.
<i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service delivered]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.
<i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service delivered]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.

Service Indicator/measure	Result	Comments
<b>Participation</b>		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	30.5%	
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	33.0%	
<b>Aquatic Facilities</b>		
<b>Satisfaction</b>		
<i>User satisfaction with aquatic facilities</i> [User satisfaction with how council has performed on provision of aquatic facilities]		As there is currently no standard survey instrument for measuring user satisfaction that allows for accurate comparisons council is not reporting this measure in 2014-2015.
<b>Service standard</b>		
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	6	
<i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	0	There were no reportable safety incidents in 2014-2015.
<b>Service cost</b>		
<i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$2	
<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$3	
<b>Utilisation</b>		
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	10	



Service Indicator/measure	Result	Comments
<b>Animal Management</b>		
<b>Timeliness</b>		
<i>Time taken to action animal requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]		Transitional provision: This indicator is not required to be reported until the financial year beginning 1 July 2015.
<b>Service standard</b>		
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]	31.9%	MRCC has a very successful level of animal rehoming (52%), however there are also a high number of unregistered animals within the municipality. Both of these factors influence the result, as well as MRCC receiving animals from our neighbouring NSW municipality (Wentworth Shire Council).
<b>Service cost</b>		
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$28	
<b>Health and safety</b>		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	There were no prosecutions in 2014-2015. Council has an extensive responsible pet ownership and education program delivered through partnerships with external organisations. It is council's preference to mediate situations in preference to legal action.

## Strategic Objective 2: Environment

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

### KRA 2.1 Environmental Sustainability

Strategic Indicator/measure	Result
Community satisfaction with protection of natural bushland	23%
Community satisfaction with management of wetlands	21%
Energy usage (MRCC)	5,377MWh
Energy usage (community)	478,124MWh
Water usage (MRCC)	1438mgl
Recycled water usage	178mgl
Total community water usage	12,781mgl
Alternative energy generation (community)	1,0878Kw
Alternative energy generation (MRCC)	278.2Kw
Pest plant and pest animal numbers	*
Community involvement in environmental education programs	2206

\*Data not currently available

### KRA 2.2 Waste

Strategic Indicator/measure	Result
Community satisfaction with waste management	38%
Community satisfaction with garbage collection	50%
Community satisfaction with recycling	46%
Community satisfaction with tips/ public transfer stations	41%
Total waste generation	37,467 Tonnes
Quantity of kerbside recycling	5,448 Tonnes
Community satisfaction with litter control	21%
Waste deposited to landfill	26,849
Waste diverted from landfill	15,713
Organic waste deposited to landfill	*
Organic waste diverted from landfill	*

\*Data not currently available

### KRA 2.3 Parks

Strategic Indicator/measure	Result
Community satisfaction with appearance of parks, gardens and public places	32%
Community satisfaction with beautification of streetscapes	19%
Community satisfaction with tree planting	19%
Community satisfaction with tree maintenance	20%
Community satisfaction with the appearance of wetlands	20%
Community satisfaction with public open space (including parks, playgrounds and reserves)	38%

### KRA 2.4 Infrastructure, Assets and Facilities

Strategic Indicator/measure	Result
Community satisfaction with local roads	18%
Community satisfaction with footpaths	17%
Community satisfaction with drainage	19%
Community satisfaction with maintenance of public buildings and facilities	19%

### KRA 2.5 Strategic Land Use

Strategic Indicator/measure	Result
Community satisfaction with land use planning	12%
Percentage of strategic land use projects completed	89%
Community satisfaction with riverfront development and accessibility	17%
Community satisfaction with urban environments that are safe, sustainable and healthy	22%
Community satisfaction with protection of local character	14%

### KRA 2.6 Transport

Strategic Indicator/measure	Result
Community satisfaction with rail services and infrastructure	4%
Community satisfaction with road transport services and infrastructure	14%
Community satisfaction with air transport services and infrastructure	40%
Community satisfaction with public transport	15%

## Strategic Objective 2: Environment

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014/15 budget for the year.

Major Initiatives	Progress
The extension of Councils Road to Recovery program for a further four years will see additional \$6.8 million dollars in government funding to be spent on renewal and delivery of capital road projects within the municipality.	Completed
The "Lighting the Regions" project has brought together 16 regional Councils in Victoria as part of a joint project to replace 80 Watt mercury vapour streetlights with modern energy efficient technology - LED street lighting.	Completed
Development of the Mildura Riverfront Precinct Redevelopment with State and federal grants of \$18.0 million.	The Mildura Riverfront Precinct Redevelopment is 70% complete at the end of the year. The project is on schedule to be completed early 2016.
Review Urban Tree Strategy to ensure our trees and streetscapes are maintained and enhanced now and for future generations.	The Urban Tree Strategy is 67% complete at the end of the year. The delay in completion is due to the ongoing implementation of Council's new Asset Management System.
Develop a long-term strategy for the management of waste across the municipality.	The development of the strategy is 70% complete at the end of the year. The delay in completion is due to Council aligning future waste management strategies with the Loddon Mallee Waste & Resource Group Plan and State Waste Strategy, both of which are due to be completed in 2015/2016.
Implement the recommendations from the Mildura Housing and Settlement Strategy.	Implementation of the Mildura Housing and Settlement Strategy through Amendment C89 is 80% complete at the end of the year. The delay in completion is due to ensuring the outcomes align with outcomes for the MOIA in the same amendment.

## Strategic Objective 2: Environment

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Engineering Services</b>	This service undertakes design, tendering, contract and project management and supervision of various infrastructure works within Council's capital works program. The service also approves and supervises private development activities such as subdivisions and infrastructure associated with unit developments.	1,687 <u>1,669</u> (18)
<b>Asset Management</b>	This service prepares long term maintenance management programs for Council's infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These assets include road and drainage networks, municipal buildings, pavilions and other recreational equipment and outdoor spaces.	1,940 <u>2,103</u> 163
<b>Works and Infrastructure Services</b>	This service inspects and maintains Council's main civil infrastructure assets in a sustainable and prioritised manner to a defined service level. These include <b>roads</b> , laneways, car parks, footpaths, shared/bike paths and Council's drainage network.  The service also includes delivery of civil capital works projects, plus inspection and maintenance of VicRoads arterial roads located within the municipality.	5,711 <u>5,447</u> (264)

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Statutory Planning</b>	This <b>statutory planning</b> service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the City. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, urban development, economic and social issues affecting Council.	620 <u>753</u> 133
<b>Building Maintenance</b>	This service is responsible for the maintenance, management and strategic planning for Councils building, land and property leases and licenses.	4,059 <u>4,483</u> 424
<b>Parks Services</b>	This service is divided into several operational units including tree pruning, planting, removal, planning and street tree strategies. Provides for the management of conservation and parkland areas, and other areas of environmental significance.	4,208 <u>4,446</u> 238
<b>Waste Management</b>	This service provides <b>waste collection</b> and waste management services including kerbside garbage and recycling collection, the operation of 3 landfills and 8 rural transfer stations, litter bin collection, street sweeping, bin maintenance, and event bins.	5,844 <u>6,936</u> 1092
<b>Building and Enforcement</b>	This service provides statutory building services to the Council community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.	257 <u>266</u> 9
<b>Environmental Sustainability</b>	This service develops, coordinates and implements environmental policy, plans, strategies and initiatives and works with other services to improve Council's environmental performance. Reducing energy and water usage within Council operations protecting and enhancing Council managed natural areas and roadsides and educating the community are key priority areas for Environmental Sustainability.	630 <u>626</u> (4)

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Strategic Planning</b>	Strategic Planning monitors Council's Planning Scheme as well as consulting and preparing major policy documents shaping the future of the City. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, urban development, economic and social issues affecting Council.	649 <u>854</u> 205
<b>Program Development</b>	This service is responsible for coordinating, planning and implementing major projects and developing and implementing project management processes across Council.	175 <u>280</u> 105

## Strategic Objective 2: Environment

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service Indicator/measure	Result	Commentary
<b>Waste Collection</b>		
<b>Satisfaction</b>		
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	108	
<b>Service standard</b>		
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	3	
<b>Service cost</b>		
<i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$66	
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$47	
<b>Waste Diversion</b>		
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	33.2%	Council does not currently run a kerbside organics service.



Service Indicator/measure	Result	Commentary
<b>Statutory Planning</b>		
<b>Timeliness</b>		
<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	61	
<b>Service standard</b>		
<i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	68.1%	
<b>Service cost</b>		
<i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$1,588	
<b>Decision making</b>		
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	81.8%	9 from 11 VCAT reviews upheld the Council decision.
<b>Roads</b>		
<b>Satisfaction of use</b>		
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	10	
<b>Condition</b>		
<i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	85.0%	

Service Indicator/measure	Result	Commentary
<b>Service cost</b>		
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$33	
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$6	
<b>Satisfaction</b>		
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	58	

## Strategic Objective 3: Economy

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

### KRA 3.1 Economic Development

Strategic Indicator/measure	Result
Community satisfaction with encouragement and growth of business/ industry	10%
Building activity	\$135M
Jobs created	357
Investment achievements for the region	\$123M
Export data by industry	*
Telecommunications uptake	*

\*Data not currently available

### KRA 3.2 Tourism and Events

Strategic Indicator/measure	Result
Yield of tourism	\$320M
Industry satisfaction with services provided by Mildura Tourism	88%
Community satisfaction with tourism services	25%
Customer satisfaction with visitor services	*
Industry satisfaction with visitor services	36%
Community satisfaction with festivals and major events	27%
Community satisfaction with small community events	22%

\*Data not currently available

### Strategic Objective 3: Economy

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

Major Initiatives	Progress
The completion of the business case and investment prospectus for the Mildura motorsports precinct will provide our community with an opportunity to market private investment potential of this project to private investors.	The project is ongoing and anticipated for a November 2015 completion. Project delayed given extensive consultation required and a delay in commencement of consultancy.
The implementation of the animal shelter introductory space will provide socioeconomic benefits to our community such as rehabilitation, training, education and employment opportunities. This project is a partnership between Council, SuniTAFE and Sunraysia Animal Rescue Group.	Completed
Implementation of the Visitor Information Strategy 2013-2016.	The plan is 81% complete at the end of the year. A number of year two actions were not fully completed. These actions will be finalised in 2015-2016.
Continue to fund Mildura Tourism and Mildura Development Corporation to implement their strategic plans and to achieve outcomes for the municipality.	Completed

### Strategic Objective 3: Economy

The following statements provide information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Economic Development</b>	<p>The <b>economic development</b> service assists the organisation to:</p> <ul style="list-style-type: none"> <li>Facilitate growth within MRCC by working with industry and business to grow/sustain existing business and develop new investment opportunities</li> <li>Encourage and form strategic alliances with key stakeholders in industry and Government to help build a vibrant and sustainable community</li> <li>Mutual commitment to work in partnership with Mildura Development Corporation to maximise economic development within the MRCC Region through specialised projects and initiatives.</li> </ul>	<p>1,743 <u>1,231</u> (512)</p>
<b>Tourism and Events</b>	<p>The Visitor Information Centre (VIC) &amp; business conferencing and events services are responsible for assistance and facilitation of business and tourism enquiries, booking of accommodation, events and conferencing. Services are specialised and tailored to meet customer and client needs.</p>	<p>1,534 <u>2,066</u> 532</p>

## Strategic Objective 4: Council

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

### KRA 4.1 Leadership and Representation

Strategic Indicator/measure	Result
Community satisfaction with overall performance of Council	57%
Community perception of Mildura Rural City as a place to live	56%
Percentage of Council Plan implemented	78%
Community satisfaction with advocacy	52%
Community satisfaction with the performance of the elected Council	7%

### KRA 4.2 Communication and Engagement

Strategic Indicator/measure	Result
Community satisfaction with Council newsletters and publications	22%
Community satisfaction with Council's website	25%
Community satisfaction with information Council provides about its services	19%
Community satisfaction with overall communication from Council	18%
Community satisfaction with Council's engagement in decision making	8%
Community satisfaction with community consultation and engagement	57%
Community satisfaction with Council's responsiveness to community input and feedback	9%

### KRA 4.3 Customer Service

Strategic Indicator/measure	Result
Community satisfaction with accessibility to whole of Council	16%
Community satisfaction with responsiveness to complaints	17%
Community satisfaction with responsiveness to requests	16%
Community satisfaction with general courtesy of Council staff	43%
Community satisfaction with general effectiveness of Council staff	29%
Community satisfaction with customer contact	72

#### KRA 4.4 Financial Sustainability

Strategic Indicator/measure	Result
Underlying operating result	19.07%
Asset renewal gap	1.15
Level of self-financing	47%
Level of debt	29%
Community satisfaction with value for money	11%

#### KRA 4.5 Organisational Management

Strategic Indicator/measure	Result
Community satisfaction with overall performance of Council	57
Organisational score against the Australian Business Excellence Framework	591
Liability Mutual Insurance Scheme Score	^
JLT risk ranking	^
Overall staff satisfaction	5.27
Percentage of staff who are likely to recommend Mildura Rural City Council as an employer	61%

^ Measure currently being reviewed

## Strategic Objective 4: Council

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

Major Initiatives	Progress
Rollout of public Wi-Fi about to commence mid 2014 at selected locations with the assistance of Regional Development Victoria grant funding.	The project is 95% complete at the end of the year. The delay in completion is due to a small technical issue awaiting vendor assistance to resolve. It is expected to be 100% completed at the end of Quarter 1 2015-2016.
Implement Occupational Health and Safety Strategy 2013-2017.	The plan is 79% complete at the end of the year. The delay in completion is due to actions relating to confined spaces and registrable plant not yet completed.
Implement Customer Service Strategy 2012-2015 aimed at providing a high standard of customer service and making Council accessible to all.	Completed
Implement Integrated Marketing and Communications Plan 2013-2017 to ensure we are communicating effectively with the community.	The plan is 95% complete at the end of the year. The delay in completion was attributable to not developing the Photo Library, social media guidelines and the Intranet upgrade, all of which will now be implemented 2015-2016.
Implement Community Engagement Strategy 2014-2018 to ensure we are engaging effectively with the community and responding to community input and feedback.	The plan is 92% complete at the end of the year. The delay is due to actions around remote access not yet fully completed. The Community Engagement Strategy has progressed with the Community Engagement Policy being adopted by Council and Community Engagement training being run across Council.
Continue to undertake Organisational Sustainability Review to ensure the long-term affordability of delivering appropriate levels of service to the municipality.	The Organisational Sustainability Review is 71% complete at the end of the year. The delay in completion is due to the deferment of 3 reviews as a result of significant personnel change.



## Strategic Objective 4: Council

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Chief Executive Office</b>	This area of <b>governance</b> includes the Mayor, Councillors, Chief Executive Officer and associated support which cannot be easily attributed to the direct service provision areas.	1,569 <u>1,469</u> (100)
<b>Organisational Development</b>	This service provides Council with strategic and operational organisation development support. The service develops and implements strategies, policies and procedures through the provision of human resource, industrial relations and occupational health and safety services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units. Also includes the payment of salaries and wages to Council employees.	1,704 <u>1,777</u> 73
<b>Marketing and Communications</b>	This service works with all areas of the organisation to ensure the community is informed about and involved in Council decisions, services, projects and facilities. Key tasks include media liaison, online communications, website management, publication development, graphic design, advertising and marketing.	629 <u>793</u> 164
<b>Customer Service</b>	Customer Service is the first point of contact the public has with Council and acts as the interface between the organisation and the community. This service provides face-to-face service in three Council Service Centres, call centre operations, processes customer requests and payments and issues permits and receipts. Customer Service staff also provide internal administrative support to the whole organisation.	977 <u>1,096</u> 119

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Financial Services</b>	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges and valuation of properties throughout the municipality.	1,160 <u>1,116</u> (6)
<b>Information Systems</b>	This service enables and supports the information and communication technology (ICT) needs of all of Council. This encompasses all mobile and fixed voice, data and software applications across all sites and field operations to all staff enabling the timely and efficient delivery of services to the community.	3,866 <u>3,972</u> 106
<b>Risk and Emergency Management</b>	This area provides insurance, business risk management and business continuity services. It also provides leadership in emergency management through planning for disaster emergencies and coordinating emergency services and support agencies in their planning and response to emergencies.	946 <u>1,138</u> 192
<b>Governance</b>	This service provides a range of governance and statutory services. Services include legislative compliance, maintenance of public registers and coordination of Council meetings, coordination of legal services, property and leasing matters.	832 <u>911</u> 79
<b>Procurement and Fleet</b>	This service purchases and maintains Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet. In addition it also provides procurement and contracting of services.	(3,133) <u>(2,818)</u> (315)

## Strategic Objective 4: Council

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result	Commentary
<b>Governance</b>		
<b>Transparency</b>		
<b><i>Council resolutions at meetings closed to the public</i></b> [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x100	23.2%	Over 60% of matters considered at meetings closed to the public in the last 12 months surround the awarding of (commercial in confidence) contracts and reflect the relatively low levels of financial delegation currently afforded Officers at Mildura Rural City Council.
<b>Consultation and engagement</b>		
<b><i>Satisfaction with community consultation and engagement</i></b> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	57	
<b>Attendance</b>		
<b><i>Council attendance at Council meetings</i></b> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100	91.5%	
<b>Service cost</b>		
<b><i>Cost of governance</i></b> [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$42,162	

Service/Indicator/measure	Result	Commentary
<b>Satisfaction</b>		
<i>Satisfaction with council decisions</i>	54	
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]		

# Governance, Management and Other Information

## Governance

The Mildura Rural City Council is constituted under the *Local Government Act 1989* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision making processes including community consultation, public forums and information sessions, and the ability to make submissions to key community strategies and plans.

Council's formal decision making processes are conducted through Council meetings and forums. Council delegates the majority of its decision making to Council staff. These delegations are exercised in accordance with adopted Council policies.

## Meetings of Council

Council conducts open public meetings on the fourth Thursday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to submit a question to Council, make a submission or speak to an item. For the 2014-2015 year, Council held the following meetings:

- 13 ordinary Council meetings
- 5 special Council meetings.

The following table provides a summary of councillor attendance at Council meetings and Special Council meetings for the 2014–2015 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Glenn Milne (Mayor)	12	5	17
Cr Ali Cupper	13	4	17
Cr John Arnold	12	3	15
Cr Greg Brown	13	5	18
Cr Mark Eckel	13	5	18
Cr Judi Harris	13	4	17
Cr Jill Joslyn	13	3	16
Cr Sharyon Peart	12	3	15
Cr Max Thorburn	13	3	16

### Special Committees

The *Local Government Act 1989* allows councils to establish one or more special committee consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above.

There were no special committees established by Council in the 2014-2015 financial year.

### Advisory and Key Strategic Committees

Various councillors and staff also play a role in the advisory and key strategic committees listed in the following table. This list of committees is not exhaustive.

Committee	Purpose
Aboriginal Action Committee	The purpose of the Aboriginal Action Committee is to improve and enhance the wellbeing of the Aboriginal community in the Mildura Rural City municipality.
Alliance of Councils for Rail Freight Development	Made up of 24 rural and regional local government councils from central and western Victoria, and southern New South Wales, the Rail Freight Alliance aims to ensure appropriate rail infrastructure is in place to service our region.
Calder Highway Improvement Committee (CHIC)	To advocate for the maintenance and upgrade of this prime transport link for both Bendigo and Mildura, which is critical in terms of the ongoing economic and social development of our region.
Central Murray Regional Transport Forum	The Central Murray Regional Transport Forum is a local government-driven body representing the interests of its member councils and shires across all forms of transport (road, rail and air) with a view to developing an efficient, safe and well maintained transport network for the region.
Chaffey Trail Reference Group	To create greater awareness, usage and prestige associated with the Chaffey Trail experience in our region and beyond.
Disability Access Advisory Committee	To enable the community to advise on the priority accessibility needs of people with disabilities within the municipality.
Loddon Mallee Waste and Resource Recovery Group	To support its five member councils to plan and manage for waste and recycling for all residents by educating the community about the “three Rs” (reduce, reuse and recycling) as well as how to lessen the impact of waste and litter on the environment.
Mildura Arts and Culture Board	To engage with the community on arts issues and actively participate in the promotion of arts related issues.
Mildura Recreation Reserve Advisory Group	To advise Council of issues relating to the reserve including joint management policies, major planning and operational issues, development of priority improvement programs and major usage issues.
Murray-Darling Association	To provide a focus for local government and community participation in the major natural resource issues of the Murray-Darling Basin.

Committee	Purpose
Murray River Group of Councils	To combine the strategies and efforts of each council for a more effective approach to achieving common goals and providing a stronger and more complete representation of regional issues for each council.
North-west Municipalities Association	To combine the strategies and efforts of each council in the north-west region for a more effective approach to achieving common goals and providing a stronger, more complete representation of regional issues for each council.
Northern Mallee Community Partnership	To establish the platform for a true community sector partnership incorporating health, education, local government, police, justice and welfare.
Old Aerodrome Sporting Complex Advisory Committee	To advise Council of issues relating to the reserve including joint management policies, major planning and operational issues, development of priority improvement programs and major usage issues.
Regional Cities Victoria	To combine the strategies and efforts of Victoria's 10 regional cities for a more effective approach to common goals and addressing shared issues.
Sunraysia Area Pest Free Committee	To oversee pest control efforts in Sunraysia on behalf of citrus, stone fruit and table grape growers.
Sunraysia Highway Improvement Committee	To advocate for the maintenance and upgrade of this prime transport link alongside other stakeholder councils.
Youth Advisory Committee	The Youth Advisory Committee program aims to get young people actively involved in their local communities by participating in youth-related projects, conducting events and influencing decisions on issues important to young people.



## **Code of Conduct**

The *Local Government Act 1989* requires councils to develop and approve a councillor Code of Conduct within 12 months after each general election. On 25 July 2013, Council adopted the Councillor Code of Conduct. A revised councillor Code of Conduct was subsequently adopted on 28 August 2014. The Code of Conduct is designed to:

- Assist councillors to maintain the highest standards of conduct and behaviour, as well as providing a means for dealing with problems that councillors may encounter
- Attract the highest level of confidence from Council's stakeholders and to assist the Mayor, Deputy Mayor and councillors in appropriately discharging their public office
- Introduce specific rules of conduct for councillors (and members of special committees), internal dispute resolution processes and procedures relating to conflicts of interest and the caretaker period.

In addition to setting out the councillor conduct principles, the Code of Conduct also outlines:

- Councillor behaviours
- Council decision-making
- Good governance and transparency
- Use of Council resources
- Relationship with staff
- Conflict of interest procedures
- Dispute resolution procedures
- Register of interest returns
- Caretaker procedures.

## **Conflict of Interest**

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires councillors to act in the public interest. When a Council delegates its powers to a Council officer or a committee, the committee or officer also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests.

During 2014–2015, 27 conflicts of interest were declared at Council meetings.

### Councillor Allowances

In accordance with Section 74 of the *Local Government Act 1989*, councillors are entitled to receive an allowance while performing their duties. The Mayor is also entitled to receive a higher allowance.

The state government sets the upper and lower limits for all allowances paid to councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance, Mildura Rural City Council is recognised as a category two Council.

For the period 1 July 2014 to 23 December 2014, the councillor annual allowance for a category 2 Council (as defined by the *Local Government Act 1989*) was fixed at \$22,965 per annum and the allowance for the Mayor was \$71,058 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect as from 24 December 2014. The annual allowances were adjusted for the period 24 December 2014 to 30 June 2015 at \$23,539 per annum for the councillor allowance and \$72,834 per annum for the Mayoral allowance. An amount equivalent to the superannuation guarantee under Commonwealth taxation legislation (currently 9.5 per cent) is payable in addition to these allowances.

The following table contains a summary of the allowances paid to each councillor during the year.

Councillors	Allowance \$
Cr Glenn Milne (Mayor)	78,943
Cr Ali Cupper	22,565
Cr John Arnold	22,565
Cr Greg Brown	22,565
Cr Mark Eckel	22,565
Cr Judi Harris	22,565
Cr Jill Joslyn	22,565
Cr Sharyon Peart	22,565
Cr Max Thorburn	22,565

## Councillor Expenses

In accordance with Section 75 of the *Local Government Act 1989*, council is required to reimburse a councillor for expenses incurred while performing his or her duties as a councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each councillor and member of a Council committee paid by the Council. The details of the expenses for the 2014-2015 year are set out in the following table.

Councillors	TA \$	IT \$	CE \$	TCE \$	C/M	Total \$
Cr Glenn Milne (Mayor)	11,178	6,223	3,193	7,900	3,182	31,676
Cr John Arnold	5,254	0	1,075	2,320	182	8,831
Cr Greg Brown	11,336	0	528	356	0	12,220
Cr Ali Cupper	240	0	528	356	0	1,124
Cr Mark Eckel	2,536	0	1,458	6,787	0	10,781
Cr Judi Harris	2,503	0	1,413	1,618	0	5,534
Cr Jill Joslyn	2,254	0	1,653	6,594	250	10,751
Cr Sharyon Peart	7,442	2,141	1,073	3,288	319	14,263
Cr Max Thorburn	250	0	2,269	0	0	2,519
<b>Legend:</b> TA -Travel and Accommodation CE – Communication Expenses C/M – Catering/Meals IT – International Travel TCE – Training, Conferences and Education						

## Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by Council. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out in the section following. These items have been highlighted as important components of the management framework.

### **Audit Committee**

The Audit Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit Committee consists of three independent members, Mrs Kellie Nulty (Chair), Ms Karen Hensgen and Mr Peter Nancarrow, and two councillors. Independent members are appointed for a three year term, with a maximum of two terms. The chair is elected from among the independent members.

The Audit Committee meets six times per year. The Chief Executive Officer, General Manager Corporate and Manager Financial Services attend all Audit Committee meetings. Other management representatives attend as required to present reports. A standing invitation to attend all Audit Committee meetings is extended to the Internal Auditor, who at a minimum attends those meetings where internal audit matters are to be considered. The external auditors attend in April to present the Audit Plan and in September to present the Independent Audit Report.

Recommendations from each Audit Committee meeting are subsequently reported to, and considered by Council.

### **Internal Audit**

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. A risk based four-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit Committee annually.

The Internal Auditor attends Audit Committee meetings to report on the status of the SIAP and to present findings of completed reviews. The responsible branch manager for each area reviewed is required to attend the Audit Committee meeting to respond to questions in relation to the review. All audit issues identified are risk rated. Recommendations are assigned to the responsible branch manager and tracked in Council's performance management system. Bi-monthly status updates on internal audit recommendations are reported to the Executive Leadership Team and reviewed by the Internal Auditor and the Audit Committee.

Quality assurance is measured through client satisfaction surveys for each review, the annual Audit Committee self-assessment, completion of the Internal Audit Plan and benchmarking against other internal audit functions.

The SIAP for 2014–2015 was completed with the following reviews conducted:

- On-call and Call-out Processes
- Financial controls - Accounts payable
- Human Resources
- Data Collection and Analysis Processes - Environmental Sustainability Scorecard
- Mildura Rural City Council and Mildura Airport Pty Ltd Governance
- Review of Disaster Recovery Strategies and Actions
- Follow Up of Previous Internal Audit Findings
- Customer Service Centres
- Closed Circuit Television (CCTV) System and Operations.

### **External Audit**

Council is externally audited by the Victorian Auditor-General. For the 2014–2015 year, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative, Richmond Sinnott and Delahunty. The external auditors attend the April and September Audit Committee meetings to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit Committee.

### **Risk Management**

In May 2015, Council adopted the Risk Management Framework and Policy in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines. The Risk Management Framework and Policy addresses items such as:

- risk management culture and branding
- communication and training
- best practice in risk management
- responsibilities of and to internal and external stakeholders
- risk registers and risk management software development
- the Council planning cycle, budget cycle and annual audit cycle
- a performance measurement system to determine the effectiveness of the framework.

## Governance and Management Checklist

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

Column 1 Governance and Management Items	Column 2 Assessment
1. <b>Community engagement policy</b> (policy outlining council's commitment to engaging with the community on matters of public interest)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 28 May 2015
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	No Guidelines <input checked="" type="checkbox"/> Reason for no guidelines: Council is currently implementing a new Community Engagement Strategy 2014-2018. Guidelines will be developed as part of implementing this strategy.
3. <b>Strategic Resource Plan</b> (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act <input checked="" type="checkbox"/> Date of adoption: 25 June 2015
4. <b>Annual budget</b> (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act <input checked="" type="checkbox"/> Date of adoption: 25 June 2015
5. <b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	No Plans <input checked="" type="checkbox"/> Reason for no plans: Council is currently implementing a new asset management policy and developing an asset management framework. Plans for Roads, Buildings & Facilities, Stormwater Drainage and Recreation & Public Space are currently being drafted and are expected to be adopted in the 2015-2016 year.

Column 1 Governance and Management Items	Column 2 Assessment
6. <b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Strategy <input checked="" type="checkbox"/> Date of operation of current strategy: 13 May 2014
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 28 May 2015
8. <b>Fraud policy</b> (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy <input checked="" type="checkbox"/> Date of operation of current policy: 13 December 2012
9. <b>Municipal emergency management plan</b> (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> <input checked="" type="checkbox"/> Date of preparation: 2 December 2013
10. <b>Procurement policy</b> (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> <input checked="" type="checkbox"/> Date of approval: 11 December 2014
11. <b>Business continuity plan</b> (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan <input checked="" type="checkbox"/> Date of operation of current plan: 27 March 2012
12. <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan <input checked="" type="checkbox"/> Date of operation of current plan: 8 July 2014
13. <b>Risk management framework</b> (framework outlining council's approach to managing risks to the Council's operations)	Framework <input checked="" type="checkbox"/> Date of operation of current framework: 13 September 2011

Column 1 Governance and Management Items	Column 2 Assessment
14. <b>Audit Committee</b> (advisory committee of council under section 139 of the Act whose role is to oversee the integrity of a council's financial reporting, processes to manage risks to the council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act  Date of establishment: 7 November 1996  <input checked="" type="checkbox"/>
15. <b>Internal audit</b> (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged  Date of engagement of current provider: 24 May 2012  <input checked="" type="checkbox"/>
16. <b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework  Date of operation of current framework: 1 July 2014  <input checked="" type="checkbox"/>
17. <b>Council Plan reporting</b> (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	No report  Reason for no report:  Council is in the process of reviewing its quarterly Council Plan reports and will begin six-monthly reporting in relation the strategic indicators in the 2015-2016 year.  <input checked="" type="checkbox"/>



Column 1 Governance and Management Items	Column 2 Assessment
18. <b>Financial reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	<p>Statements presented to council in accordance with section 138(1) of the Act <input checked="" type="checkbox"/></p> <p>Date statements presented:</p> <ul style="list-style-type: none"> <li>Quarterly Statement No 1: 28 August 2014</li> <li>Quarterly Statement No 2: 23 October 2014</li> <li>Quarterly Statement No 3: 22 January 2015</li> <li>Quarterly Statement No 4: 23 April 2015</li> </ul>
19. <b>Risk reporting</b> (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	<p>Quarterly reports <input checked="" type="checkbox"/></p> <p>Date of reports:</p> <ul style="list-style-type: none"> <li>Risk Management Report No 1: 30 September 2014</li> <li>Risk Management Report No 2: 31 December 2014</li> <li>Risk Management Report No 3: 31 March 2015</li> <li>Risk Management Report No 4: 30 June 2015</li> </ul>
20. <b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	<p>No reports <input checked="" type="checkbox"/></p> <p>Reason for no reports: Council is implementing a new local government performance reporting framework policy and will commence six-monthly performance reporting in 2015-2016.</p>
21. <b>Annual report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	<p>Considered at a meeting of council in accordance with section 134 of the Act <input checked="" type="checkbox"/></p> <p>Date statements presented: 23 October 2014</p>

Column 1 Governance and Management Items	Column 2 Assessment
22. <b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act <input checked="" type="checkbox"/>  Date reviewed: 28 August 2014
23. <b>Delegations</b> (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act <input checked="" type="checkbox"/>  Date of review: <ul style="list-style-type: none"> <li>• S5 Instrument of Delegation to the Chief Executive Officer: 3 March 2014</li> <li>• S6 Instrument of Delegation Members of Staff: 28 May 2015</li> <li>• S7 Instrument of Sub-delegation by CEO: 31 March 2015</li> <li>• S12 Instrument of Delegation and Authorisation by Municipal Building Surveyor: 16 October 2014</li> </ul>
24. <b>Meeting procedures</b> (a local law governing the conduct of meetings of council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act <input checked="" type="checkbox"/>  Date local law made: 27 August 2009

I certify that this information presents fairly the status of Council's governance and management arrangements.



**Gerard José**  
Chief Executive Officer  
Dated: 25 September 2015



**Cr Glenn Milne**  
Mayor  
Dated: 25 September 2015

## Statutory information

The following information is provided in accordance with legislative and other requirements applying to Council.

### Documents Available for Public Inspection

In accordance with Part 5 of the *Local Government (General) Regulations 2004*, the following is a list of the prescribed documents that are available for inspection. Copies of the documents can be obtained for the purposes of section 222 of the *Local Government Act 1989* at 108 Madden Avenue, Mildura:

- Details of current allowances fixed for the Mayor and councillors under section 74 or 74A of the Act
- Details of senior officers' total salary packages for the current financial year and the previous year
- Details of overseas and interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by councillors or any member of Council staff in the previous 12 months
- Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- Names of councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- Agendas and minutes of ordinary and special meetings held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public
- A list of all special committees established by Council and the purpose for which each committee was established
- A list of all special committees established by the Council which were abolished or ceased to function during the financial year
- 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 the meetings which have been closed to members of the public
- A register of delegations kept under sections 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
- Submissions received in accordance with section 223 of the Act during the previous 12 months
- Agreements to establish regional libraries
- 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

- A register of authorised officers appointed under section 224 of the Act
- A list of donations and grants made by the Council during the financial year
- A list of the names of the organisation 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
- A list of contracts valued at \$150,000 which the Council entered into during the financial year without first engaging in a competitive process.

### **Best Value**

In accordance with section 208B(f) of the *Local Government Act 1989*, at least once every year Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation which is supported by our Sustainable Excellence Program. To further reflect Council's commitment to Best Value, Council has commenced a Service Planning Sustainability Review Program, which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure that Council's services achieve best practice standards in regards to service performance.

The following Best Value initiatives were undertaken during 2014–2015:

Service sustainability reviews completed:

- Events
- Youth Services
- Tourism
- Property Services
- Playalong
- Customer Service

Major continuous improvement activities [Plan-Do-Study-Act (PDSA)/Approach-Deployment-Results-Improvement (ADRI)] undertaken during 2014-2015 included:

- Age and Disability Services - monthly management reporting
- Community Department - policies process
- Community – Council reports
- Organisational cross-functional - on call/call out and grants reconciliation
- Organisational cross-functional – recreational facility non-standard usage
- Youth – Youth Services Awards
- Rural Roadside Revegetation Program
- Strategic Planning – community feedback ADRI.

### **Carers' Recognition**

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations under Section 11 of that Act. Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012*. Council has promoted the principles of the Act to people in care relationships who receive Council services, to people in care relationships, and to the wider community by:

- Distributing printed material through relevant Council services
- Providing information to organisations represented in Council/community networks.

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

- Council induction and training programs for staff working in Aged and Disability Services, and front-line positions with the general community
- Induction and training programs for volunteers working directly with the community.

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

- Provision of respite services for carers
- Provision of an assessment service that is inclusive of the care recipient and carer needs
- Individual care plans developed and implemented to meet the care recipient and carer's needs.

### **Contracts**

During the year Council did not enter into any contracts valued at \$150,000 or more without first engaging in a competitive process, with one exception in relation to drainage works.

Council maintains a register of non-compliance with section 186 of the Local Government Act and this is available for public inspection.

### **Disability Action Plan**

In accordance with section 38 of the *Disability Act 2006*, as Council has prepared a Disability Action Plan (called the Community Access and Inclusion Plan 2014 – 2018), it must report on the implementation of the plan in its annual report.

Council has implemented the following actions from the Community Access and Inclusion Plan 2014–2018:

- Through Council's footpath maintenance program, rectified 29 barriers to access for people with a disability
- Ran 12 local community events, including International Day of People with a Disability, promoting participation by people with a disability
- Encouraged recreation and sports associations to provide increased opportunities for participation in events by people with a disability (eg Harmony Day, Silent Morning Tea, White Cane Walk, Mildura Day, Disability Expo at Special School, All Abilities Cricket Carnival)
- Funded the installation of new accessible change rooms at Quandong Park Netball Club and the Ninth Street toilets parents' room
- Awarded 21 grants to sporting groups to purchase equipment, spectator shelter areas, ramps and rails to support AAA sporting events
- Awarded five grants to enable disability groups to support programs in the community (eg counselling support for families of people with a disability, horse riding for the disabled)
- Provided disability awareness training for Council staff
- Developed a plan to ensure all strategies and plans developed by Mildura Rural City Council include access and inclusion principles, where appropriate.

### **Domestic Animal Management Plan**

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan at four-yearly intervals and evaluate its implementation in the Annual Report.

Council adopted the Domestic Animal Management Plan 2014–2017 in June 2014. The new plan was placed on public exhibition and accepted by the Department of Environment and Primary Industries (DEPI). A review of the plan was undertaken in November 2014 and noted by DEPI with no substantive changes being made. Ninety percent of actions have been completed at the date of this report.

### **Food Act Ministerial Directions**

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No such Ministerial Directions were received by Council during the financial year.

### **Freedom of Information**

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, Council is required to publish certain statements in its Annual Report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately but provides the following summary of the application and operation of the *Freedom of Information Act 1982*.

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in Section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- It should be in writing
- It should identify as clearly as possible which document is being requested
- It should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of Council should be addressed to the Freedom of Information Officer. Requests can also be lodged online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (eg photocopying and search and retrieval charges).

Further information regarding FOI can be found at [www.foi.vic.gov.au](http://www.foi.vic.gov.au) and on the Mildura Rural City Council website.

### **Protected Disclosure Procedures**

In accordance with section 69 of the *Protected Disclosure Act 2012*, a Council must include in its Annual Report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosures complaints investigated during the financial year.

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on Council's website.

During the 2014-2015 year, one disclosure was made to Council's Protected Disclosure Coordinator regarding the improper conduct of Council and its officers. Following an assessment by the Independent Broad-based Anti-corruption Commission, it was determined that the disclosure did not engage the Commission's jurisdiction.

### **Road Management Act Ministerial direction**

In accordance with section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial direction in its annual report.

No such Ministerial Directions were received by Council during the financial year.

### Victorian Local Government Indicators

The Victorian Government requires all Victorian councils to measure and annually report against 11 Victorian Local Government Indicators (VLGIs). These indicators provide information regarding expenditure, cost of services and infrastructure provision, customer satisfaction and governance. The following table presents the results of the VLGIs for the 2014-2015 year.

Indicator	Calculation	2014-2015	2013-2014
1. Average rates and charges per assessment	Total rates and charges receivable at beginning of year/Number of assessments in the adopted budget	\$2117	\$2004
2. Average residential rates and charges per assessment	Rates and charges declared for residential assessments receivable at beginning of year/Number of residential assessments in the adopted budget	\$1437	\$1343
3. Average liabilities per assessment	Total liabilities/Number of assessments in the adopted budget	\$1622	\$1755
4. Operating result per assessment	Net surplus/Number of assessments in the adopted budget	\$752	\$77
5. Average operating expenditure per assessment	Operating expenditure/Number of assessments in adopted budget	\$3190	\$3188
6. Community satisfaction rating for overall performance generally of Council	Result from the Annual Local Government Community Satisfaction Survey	57	55
7. Average capital expenditure per assessment	Capital expenditure/ Number of assessments in the adopted budget	\$933	\$818
8. Renewal gap	Capital renewal/Average annual asset consumption	115%	115%



Indicator		Calculation	2014-2015	2013-2014
9.	Renewal and maintenance gap	Capital renewal and maintenance/Average annual asset consumption plus planned maintenance	167%	166%
10.	Community satisfaction rating for Council's advocacy and community representation on key local issues	Result from the Annual Local Government Community Satisfaction Survey	52	54
11.	Community satisfaction rating for Council's engagement in decision making on key local issues	Result from the Annual Local Government Community Satisfaction Survey	57	57

## Part 2: Financial Statements



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**Comprehensive Income Statement  
For the Year Ended 30 June 2015**

		Consolidated		Council	
Note		2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Income</b>					
Rates and charges	3	59,233	55,974	59,370	56,078
Statutory fees and fines	4	2,120	1,596	2,120	1,656
User fees	5	10,263	9,545	5,840	5,140
Grants - Operating	6	27,315	14,720	27,315	14,720
Grants - Capital	6	11,618	10,682	11,618	10,682
Contributions - monetary	7	1,292	827	1,292	827
Contributions - non-monetary assets	7	385	175	385	175
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	(2,589)	(2,787)	(2,589)	(2,765)
Other income	9	5,692	4,828	5,753	4,969
Asset recognition	10	-	-	-	-
<b>Total income</b>		<b>115,329</b>	<b>95,560</b>	<b>111,104</b>	<b>91,482</b>
<b>Expenses</b>					
Employee costs	11	(41,780)	(40,991)	(40,208)	(39,928)
Materials and services	12	(29,184)	(30,622)	(28,187)	(30,152)
Bad and doubtful debts	13	(189)	(213)	(189)	(209)
Depreciation and amortisation	14	(16,832)	(17,057)	(15,945)	(16,237)
Borrowing costs	15	(1,307)	(1,445)	(1,320)	(1,435)
Other expenses	16	(1,240)	(1,479)	(1,067)	(1,355)
Impairment of non financial asset		-	(485)	-	-
Revaluation expense	17	(3,513)	-	(3,513)	-
<b>Total expenses</b>		<b>(94,045)</b>	<b>(92,292)</b>	<b>(90,429)</b>	<b>(89,316)</b>
<b>Surplus/(deficit)</b>		<b>21,284</b>	<b>3,268</b>	<b>20,675</b>	<b>2,166</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods</b>					
Net financial asset revaluation increment/(decrement)	29	-	-	609	1,102
Net asset revaluation increment/(decrement)	29	40,563	5,901	40,563	5,901
<b>Total comprehensive result</b>		<b>61,847</b>	<b>9,169</b>	<b>61,847</b>	<b>9,169</b>

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

**Balance Sheet**  
**As at 30 June 2015**

		Consolidated		Council	
		2015	2014	2015	2014
	Note	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	18	39,171	21,712	36,388	19,373
Trade and other receivables	19	6,209	12,103	5,949	11,862
Other financial assets	20	2,288	1,018	2,288	1,018
Inventories	21	826	716	826	716
Other assets	22	322	274	257	265
<b>Total current assets</b>		<b>48,816</b>	<b>35,823</b>	<b>45,708</b>	<b>33,234</b>
<b>Non-current assets</b>					
Trade and other receivables	19	-	-	2,116	2,314
Other assets	22	-	-	30,382	29,773
Other financial assets	20	1,475	1,460	1,475	1,460
Property, infrastructure, plant and equipment	23	685,351	642,221	655,533	612,345
Intangible assets	24	5,454	3,439	5,409	3,410
<b>Total non-current assets</b>		<b>692,280</b>	<b>647,120</b>	<b>694,915</b>	<b>649,302</b>
<b>Total assets</b>		<b>741,096</b>	<b>682,943</b>	<b>740,623</b>	<b>682,536</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	25	3,941	7,618	3,656	7,457
Trust funds and deposits	26	1,527	1,277	1,527	1,277
Provisions	27	10,477	9,917	10,386	9,831
Interest-bearing loans and borrowings	28	1,824	2,772	1,801	2,707
<b>Total current liabilities</b>		<b>17,769</b>	<b>21,584</b>	<b>17,370</b>	<b>21,272</b>
<b>Non-current liabilities</b>					
Provisions	27	8,635	8,566	8,581	8,513
Interest-bearing loans and borrowings	28	19,552	19,500	19,531	19,457
<b>Total non-current liabilities</b>		<b>28,187</b>	<b>28,066</b>	<b>28,112</b>	<b>27,970</b>
<b>Total liabilities</b>		<b>45,956</b>	<b>49,650</b>	<b>45,482</b>	<b>49,242</b>
<b>Net Assets</b>		<b>695,140</b>	<b>633,293</b>	<b>695,141</b>	<b>633,294</b>
<b>Equity</b>					
Accumulated surplus		296,984	280,552	284,005	268,182
Reserves	29	398,156	352,741	411,136	365,112
<b>Total Equity</b>		<b>695,140</b>	<b>633,293</b>	<b>695,141</b>	<b>633,294</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 2015

**Consolidated**

	Note	Total 2015 \$'000	Accumulated Surplus 2015 \$'000	Revaluation Reserve 2015 \$'000	Other Reserves 2015 \$'000
<b>2015</b>					
Balance at beginning of the financial year		633,293	280,552	340,642	12,099
Surplus/(deficit) for the year		21,284	21,284	-	-
Net asset revaluation increment/(decrement)	29(a, c)	40,563	-	40,563	-
Transfers to other reserves	29(b)	-	10,858	-	(10,858)
Transfers from other reserves	29(b)	-	(15,710)	-	15,710
<b>Balance at end of the financial year</b>		<b>695,140</b>	<b>296,984</b>	<b>381,205</b>	<b>16,951</b>

		Total 2014 \$'000	Accumulated Surplus 2014 \$'000	Revaluation Reserve 2014 \$'000	Other Reserves 2014 \$'000
<b>2014</b>					
Balance at beginning of the financial year		624,124	278,173	334,741	11,210
Surplus/(deficit) for the year		3,268	3,268	-	-
Net asset revaluation increment/(decrement)	29(a, c)	5,901	-	5,901	-
Transfers to other reserves	29(b)	-	7,504	-	(7,504)
Transfers from other reserves	29(b)	-	(8,393)	-	8,393
<b>Balance at end of the financial year</b>		<b>633,293</b>	<b>280,552</b>	<b>340,642</b>	<b>12,099</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 2015

**Council**

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		2015	2015	2015	2015
		\$'000	\$'000	\$'000	\$'000
<b>2015</b>					
Balance at beginning of the financial year		633,294	268,182	353,005	12,107
Surplus/(deficit) for the year		20,675	20,675	-	-
Net asset revaluation increment/(decrement)	29(a)	41,172	-	41,172	-
Transfers to other reserves	29(b)	-	10,858	-	(10,858)
Transfers from other reserves	29(b)	-	(15,710)	-	15,710
<b>Balance at end of the financial year</b>		<b>695,141</b>	<b>284,005</b>	<b>394,177</b>	<b>16,959</b>

		Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
		2014	2014	2014	2014
		\$'000	\$'000	\$'000	\$'000
<b>2014</b>					
Balance at beginning of the financial year		624,125	266,913	346,002	11,210
Surplus/(deficit) for the year		2,166	2,166	-	-
Net asset revaluation increment/(decrement)	29(a)	7,003	-	7,003	-
Transfers to other reserves	29(b)	-	7,504	-	(7,504)
Transfers from other reserves	29(b)	-	(8,401)	-	8,401
<b>Balance at end of the financial year</b>		<b>626,291</b>	<b>268,182</b>	<b>353,005</b>	<b>12,107</b>

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



**Statement of Cash Flows**  
**For the Year Ended 30 June 2015**

		Consolidated		Council	
		2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000
	Note				
Cash flows from operating activities					
Rates and charges		59,275	55,900	59,412	55,900
Statutory fees and fines		2,120	1,656	2,120	1,656
User fees		10,230	10,620	5,361	5,441
Contributions - monetary		1,357	868	1,357	868
Grants - operating		28,681	15,456	28,681	15,456
Grants - capital		18,655	4,978	18,655	4,978
Other receipts		4,078	3,954	4,340	4,127
Interest		1,180	1,022	1,112	973
Net GST refund (payment)		2,938	3,031	3,221	3,054
Trust funds and deposits taken		6,749	5,381	6,749	5,381
Materials and services		(37,937)	(35,953)	(36,498)	(34,084)
Employees costs		(42,395)	(39,949)	(40,844)	(38,882)
Trust funds and deposits repaid		(6,499)	(6,156)	(6,499)	(6,156)
Other payments		(1,194)	(1,564)	(1,256)	(1,564)
Net cash provided by/(used in) operating activities	30	47,238	19,244	45,911	17,148
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	23,24	(26,998)	(23,764)	(26,169)	(22,896)
Proceeds from sale of property, infrastructure, plant and equipment		695	1,056	695	1,036
Net Proceeds from financial assets		(1,270)	3,497	(1,270)	3,497
Net cash provided by (used in) investing activities		(27,573)	(19,211)	(26,744)	(18,363)
Cash flows from financing activities					
Finance costs		(1,307)	(1,445)	(1,320)	(1,435)
Proceeds from borrowings		1,000	1,000	1,000	1,000
Repayment of borrowings		(1,899)	(2,000)	(1,832)	(1,969)
Net cash provided by (used in) financing activities		(2,206)	(2,445)	(2,152)	(2,404)
Net increase/(decrease) in cash and cash equivalents		17,459	(2,412)	17,015	(3,619)
Cash and cash equivalents at the beginning of the financial year		21,712	24,124	19,373	22,992
Cash and cash equivalents at the end of the financial year	31	39,171	21,712	36,388	19,373
Financing arrangements	32				
Restrictions on cash assets	18				

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

Statement of Capital Works  
For the Year Ended 30 June 2015

	Consolidated		Council	
Note	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Capital expenditure areas</b>				
<b>Property</b>				
Land	11	1,043	11	1,043
Buildings	2,789	2,956	2,789	2,955
<b>Total property</b>	<b>2,800</b>	<b>3,999</b>	<b>2,800</b>	<b>3,998</b>
<b>Plant and equipment</b>				
Plant, machinery and equipment	3,943	4,306	3,723	3,980
Furniture and fittings	346	545	346	545
Library books and art works	356	285	356	285
<b>Total plant and equipment</b>	<b>4,645</b>	<b>5,136</b>	<b>4,425</b>	<b>4,810</b>
<b>Infrastructure</b>				
Roads	7,670	8,412	7,670	8,412
Footpaths and cycleway	388	-	388	-
Drainage	2,545	711	2,507	711
Recreational, leisure and community	1,581	1,714	1,581	1,714
Waste management	138	39	138	39
Parks, open spaces and streetscapes	6,935	3,124	6,378	2,828
Off street car parks	179	573	165	328
<b>Total infrastructure</b>	<b>19,436</b>	<b>14,573</b>	<b>18,827</b>	<b>14,032</b>
<b>Total capital works</b>	<b>26,881</b>	<b>23,708</b>	<b>26,052</b>	<b>22,840</b>
Intangible Asset (Software)	117	56	117	56
<b>Total</b>	<b>117</b>	<b>56</b>	<b>117</b>	<b>56</b>
<b>Total capital works</b>	<b>26,998</b>	<b>23,764</b>	<b>26,169</b>	<b>22,896</b>
<b>Represented by:</b>				
Capital Renewal	12,704	14,750	12,704	14,750
Capital New	1,989	1,974	1,989	1,974
Capital Upgrade	5,368	4,862	4,539	3,994
Capital Expansion	6,820	2,122	6,820	2,122
Intangible Asset	117	56	117	56
<b>Total capital works</b>	<b>26,998</b>	<b>23,764</b>	<b>26,169</b>	<b>22,896</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Introduction**

- (a) The Mildura Rural City Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate. The Council's main office is located at 108 - 116 Madden Avenue, Mildura.
- (b) The purpose of the Council is to:
- provide for the peace, order and good government of its municipal district;
  - to promote the social, economic and environmental viability and sustainability of the municipal district;
  - to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
  - to improve the overall quality of life of people in the local community;
  - to promote appropriate business and employment opportunities;
  - to ensure that services and facilities provided by the Council are accessible and equitable;
  - to ensure the equitable imposition of rates and charges; and
  - to ensure transparency and accountability in Council decision making.

Council uses the following service providers:

External Auditor - Auditor-General of Victoria

Internal Auditor - BDO Australia

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

Bankers - Commonwealth Bank of Australia Ltd

Council maintains the following website:

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

### Note 1 Significant accounting policies

#### (a) Basis of accounting

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

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (h) )
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (e) )
- the determination of employee provisions (refer to note 1 (m) )

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 have been no changes in accounting policies from the previous period.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

#### (c) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2015, and their income and expenses for that part of the reporting period in which control existed.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated

Entities consolidated into Council include:

- Mildura Airport Pty Ltd

#### (d) Committees of management

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

#### (e) 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 6. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

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

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

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

**(e) Revenue recognition (cont)**

*User fees and fines*

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

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

*Sale of property, plant and equipment, infrastructure*

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

*Rental*

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

*Interest*

Interest is recognised as it is earned.

*Dividends*

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

*Other Income*

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

**(f) Trade and other receivables and inventories**

*Trade receivables*

Receivables are carried at amortised cost using the effective interest rate method.

A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

*Inventories*

Inventories held for distribution are measured at cost and 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 2015

### Note 1 Significant accounting policies (cont)

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

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

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

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

Artworks are not depreciated.

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

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

	2014/2015
<i>Property</i>	
Buildings	
buildings	60 years
<i>Plant and Equipment</i>	
Plant	
heavy equipment	
graders	10 years
loaders	7 years
mowers	5 years
rollers	12 years
sweepers	7 years
tractors	5 years
trucks	6 years
vehicles, light plant and equipment	
light plant and equipment	4 years
motor vehicle - commercial	4 years
motor vehicle - passenger	3 years
leased plant and equipment	8 years
furniture and fittings	
computers and telecommunications	4 years
fixtures, fittings and furniture	10 years
library books	7 years
<i>Infrastructure</i>	
Roads	
footpaths and cycleways	10 - 50 years

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

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

2014/2015

road kerb and channel	50 years
road pavements	20 - 50 years
road seals	5 - 50 years
Drainage	50 - 150 years
Off Street Carparks	50 years
Recreational, leisure and community	
outdoor furniture	10-25 years
playground equipment	10 years
sporting surfaces	20 years
Parks, open spaces and streetscapes	
access paths	50 years
outdoor furniture	10-25 years
parks and reserves	15 years
playground equipment	10 years
Aerodromes	50 years
Waste Management	10-30 years
Intangible assets	
software	3 - 15 years

(h) 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.

(i) Borrowing costs

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

Borrowing costs include interest on borrowings and finance lease charges.



## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

#### (j) Recognition and measurement of assets

##### *Acquisition*

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

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

The following classes of assets have been recognised in note 23. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold Limit \$'000
Property	
Land	
land	5
land under roads	All
Buildings	
buildings	10
Plant and Equipment	
plant and equipment	5
plant and equipment - leased	5
furniture and fittings	5
furniture and fittings - leased	5
artworks	0.5
library books	In aggregate
Infrastructure	
Roads	
footpaths and cycleways	10
road kerb and channel	10
road pavements	10
road seals	10
Drainage	10
Waste Management	10
Aerodromes	10
Off Street Carparks	10

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

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

Recreational, leisure and community	10
Parks, open spaces and streetscapes	10
Intangible assets	
Software	1

#### *Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 23 Property Plant and Equipment.

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

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

#### *Land under roads*

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

## Notes to the Financial Report For the Year Ended 30 June 2015

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

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

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

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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

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

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

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

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

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

#### (l) 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 90 days or less, net of outstanding bank overdrafts.

#### (m) Financial assets

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

#### (n) 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 29 (c)).

#### (o) 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 26).

## Notes to the Financial Report For the Year Ended 30 June 2015

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

#### (p) Employee costs

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

##### *Wages and salaries and annual leave*

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

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

##### *Long service leave*

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

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

The components of this current liability are measured at :

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

##### *Classification of employee costs*

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

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

##### *(iii) Termination benefits*

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

#### (p) Employee costs (cont.)

##### *(iv) Employee benefits on-costs*

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

##### *(v) Superannuation*

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

#### (q) Landfill rehabilitation provision

Council is obligated to restore Ouyen, Mildura and Murrayville sites to a particular standard. The forecast life of the 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.

#### (r) Leases

##### *Finance leases*

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

##### *Operating leases*

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

##### *Leasehold improvements*

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

#### (s) Allocation between current and non-current

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont)

#### (t) 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.

#### (u) Web site costs

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

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

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

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

#### (w) 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.

#### (x) Rounding

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

#### (y) Contingent assets and contingent liabilities and commitments

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

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

#### (z) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 35 Contingent Liabilities and Contingent Assets.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$250,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on Day Month Year. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

#### a) Income and Expenditure

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	%	Ref
<b>Income</b>					
Rates and charges	59,140	59,370	230	0	
Fees, fines and user charges	5,340	5,840	500	9	
Statutory fees and fines	1,915	2,120	205	11	
Grants - operating	19,553	27,315	7,762	40	1
Grants - capital	15,104	11,618	(3,486)	(23)	2
Contributions - cash	867	1,292	425	49	3
Contributions - non monetary	-	385	385	100	4
Net gain on disposal of property, infrastructure, plant and equipment	250	(2,589)	(2,839)	(1,136)	5
Other income	4,446	5,753	1,307	29	6
<b>Total income</b>	<b>106,615</b>	<b>111,104</b>	<b>4,489</b>		
<b>Expenses</b>					
Employee benefits	(40,362)	(40,208)	154	(0)	
Materials and services	(27,077)	(28,187)	(1,110)	4	7
Bad and doubtful debts	(160)	(189)	(29)	18	
Depreciation and amortisation	(16,504)	(15,945)	559	(3)	8
Finance costs	(1,341)	(1,320)	21	(2)	
Other expenses	(4,285)	(1,067)	3,218	(75)	9
Revaluation expense	-	(3,513)	(3,513)	100	10
<b>Total Expenses</b>	<b>(89,729)</b>	<b>(90,429)</b>	<b>(700)</b>		
<b>Surplus / (deficit)</b>	<b>16,886</b>	<b>20,675</b>	<b>3,789</b>		

**Notes to the Financial Report**  
**VARIANCE EXPLANATION REPORT**  
For the Year Ended 30 June 2015

(l) Explanation of material variations

Variance

Ref	Item	Explanation
1	Grants - operating	The result of the forward payment of 50% of our Victorian Grants Commission funding from 2015/16 into 2014/15.
2	Grants - capital	This is due to carrying forward part of the construction of the Mildura Riverfront Redevelopment Project.
3	Contributions - cash	During the year there was additional receipts of Developer Contribution than forecast. This has been the result of increased economic activity across the municipality.
4	Contributions - non monetary	Whilst receipts of this type are not uncommon it was not expected for any non monetary contributions to be received during the year. This has been the result of increased economic activity across the municipality.
5	Net gain on disposal of property, infrastructure, plant and equipment	This has been affected by the renewal of Road and infrastructure networks that require an asset to be disposed of. Our gross proceeds from asset disposals is in line with budget forecast but the written down value of our assets disposed of has come in well above budget estimates.
6	Other income	Investment income received is higher than budgeted. This is primarily due to interest income on our rates receivables. Also an increase in landfill provision discount amount has had a non cash impact on other income.
7	Materials and services	When preparing our budget we included the expense category "office expenses" in "other expenses" but in following the model financial statements this has been shown under "material and services". This means the real variance for material and services is \$1.938M.  Material and services is a very broad expense category. The largest saving has occurred on our kerbside recycling collection and sorting contract. This is due to a reduction in the dollar rate per tonne from our previous contracts. Also we have savings on electricity and reductions in the cost of fuel due to the drop in the oil price. Also a decrease in private works contracts has meant that materials purchased has decreased.
8	Depreciation and amortisation	Depreciation is less than budgeted due to a reassessment of the useful lives of our building assets which has resulted in our depreciation expenses to be lower than anticipated.
9	Other expenses	When preparing our budget we included the expense category "office expenses" in "other expenses" but in following the model financial statements this has been shown under "material and services". This means the real variance for other expenses is \$0.196M or 4.57%.
10	Revaluation expense	This is an accounting movement and is a write down of the value of Land Under Roads. The write down is due to a change in valuation methodology.



Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 2 Budget Comparison (cont)

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	%	Ref
b) Capital Works					
<b>Property</b>					
Land	1,485	11	(1,474)	(99)	1
Buildings	4,542	2,789	(1,753)	(39)	2
<b>Plant and equipment</b>					
Plant, machinery and equipment	2,459	3,723	1,264	51	3
Furniture and fittings	891	346	(545)	(61)	4
Library books and art works	310	356	46	15	
<b>Infrastructure</b>					
Roads	10,003	7,670	(2,333)	(23)	5
Footpaths and cycleway	468	388	(80)	(17)	
Drainage	4,325	2,507	(1,818)	(42)	6
Recreational, leisure and community	515	1,581	1,066	207	7
Waste management	735	138	(597)	(81)	8
Parks, open spaces and streetscapes	11,572	6,378	(5,194)	(45)	9
Off street car parks	104	165	61	59	
Intangible Assets - Software	-	117	117	100	
<b>Total Capital Works</b>	<b>37,409</b>	<b>26,169</b>	<b>(11,240)</b>		

*Represented by:*

Capital Renewal	15,064	12,704	(2,360)	(16)
Capital New	6,509	1,989	(4,520)	(69)
Capital Upgrade	5,564	4,539	(1,025)	(18)
Capital Expansion	10,272	6,820	(3,452)	(34)
Intangible Assets	-	117	117	100
<b>Total Capital Works</b>	<b>37,409</b>	<b>26,169</b>	<b>(11,240)</b>	

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 2 Budget Comparison (cont)

#### (i) Explanation of material variations

Variance Ref.	Item	Explanation
1	Land	Ongoing negotiations with Landowners and awaiting legal negotiations.
2	Buildings	Riverfront project is part of a \$19 million project over multiple years is currently being completed.
3	Plant, machinery and equipment	Due to Works and Infrastructure service review purchase of machinery was put on hold until it was completed late in the financial year.
4	Furniture and fittings	Implementation of the new Asset Management software is lengthy due to complexity and spans new financial year. Currently completing a fleet sustainability review and this will supply recommendation on a GPS tracking system for plant and vehicles.
5	Roads	Riverfront project is part of a \$19 million project over multiple years and is near completion. Major stairway/bridge project was not completed in the previous year and was not budgeted to be a works carry forward.
6	Drainage	Drainage works projects runs over multiple years. Code of practice for CCTV inspection changed, had to wait until industry developed technology to report under new code, delays in awarding contractor until successful tender could demonstrate compliance with new code.  A drainage project combined with a road reconstruction project was delayed due to combining the two into the works program for complete July/August.  A major stormwater drainage project delayed due to two easement negotiations, water service authorities and design. Project is now advertised for tender and to close mid July. MRCC works to be completed after water authorities have moved their services.
7	Recreational, leisure and community	A lighting upgrade project was funded by State Government and delayed due to receiving Electrical specifications December 2014. Order raised end of April for contractor and did not commence on site until 1 June with a complete date end August.
8	Waste management	The construction of the Bulk Up Facility at Mildura Landfill was delayed due to ongoing lease negotiations with the recycling contractors including final design and operational aspects. This process is now complete and construction time is expected to be around 8 weeks.
9	Parks, open spaces and streetscapes	Riverfront project is part of a \$19 million project over multiple years is currently in progress. Budgets have now been broken up into different categories. State funding received late 2014 for a major walking track project and works scheduled for completion mid 2016. Boat ramp was delayed originally by river levels. Project has now been respecified and out to tender in July.

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

Consolidated		Council	
2015	2014	2015	2014
\$'000	\$'000	\$'000	\$'000

**Note 3 Rates and charges**

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

The valuation base used to calculate general rates for 2014/2015 was \$6,967 million (2013/2014 \$6,592 million). The 2014/2015 rate in the dollar was \$0.006757 (2013/2014 \$0.00704).

General rates	37,362	37,569	37,499	37,673
Municipal charge	2,684	-	2,684	-
Cultural/recreational land	24	17	24	17
Mildura City Heart differential rate	2,294	2,182	2,294	2,182
Business differential rate	9,452	9,112	9,452	9,112
Garbage charges	7,417	7,094	7,417	7,094
<b>Total rates and charges</b>	<b>59,233</b>	<b>55,974</b>	<b>59,370</b>	<b>56,078</b>

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

**Note 4 Statutory fees and fines**

Licences and permits	323	467	323	467
Statutory planning fees	410	326	410	326
Infringements and costs	749	753	749	753
Land information certificates	102	46	102	46
Valuations database	407	-	407	-
Other statutory fees and fines	129	4	129	64
<b>Total statutory fees and fines</b>	<b>2,120</b>	<b>1,596</b>	<b>2,120</b>	<b>1,656</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 5 User fees</b>				
Rent/lease fees	813	728	531	456
Animal control and local Laws	397	363	397	363
Child care/children's programs	284	235	284	235
Aged and health services	1,157	1,180	1,157	1,180
Airport fees and charges	4,141	4,133	-	-
Other fees and charges	357	300	357	300
Contract works	1,138	1,080	1,138	1,080
Entrance charges	500	679	500	679
Waste management services	1,287	713	1,287	713
Commission/agency fees	189	134	189	134
<b>Total user fees</b>	<b>10,263</b>	<b>9,545</b>	<b>5,840</b>	<b>5,140</b>
<b>Note 6 Grants</b>				
Grants were received in respect of the following :				
<b>Summary of grants</b>				
Commonwealth funded grants	4,330	3,420	4,330	3,420
State funded grants	34,603	21,982	34,603	21,982
<b>Total summary of grants</b>	<b>38,933</b>	<b>25,402</b>	<b>38,933</b>	<b>25,402</b>
<b>Recurrent</b>				
<b>Capital</b>				
Commonwealth Government - Roads to recovery	1,810	1,770	1,810	1,770
<b>Total recurrent capital grants</b>	<b>1,810</b>	<b>1,770</b>	<b>1,810</b>	<b>1,770</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 6 Grants (cont)</b>				
<b>Operating</b>				
Victoria Grants Commission - general purpose	14,327	4,592	14,327	4,592
Victoria Grants Commission - local roads	5,550	1,832	5,550	1,832
Family services	387	526	387	526
Youth services	477	604	477	604
Primary care partnership	379	342	379	342
Other	-	9	-	9
Maternal and child health	615	562	615	562
Social development and projects	134	221	134	221
Environment	67	65	67	65
Environmental health	7	62	7	62
Local laws	95	97	95	97
Healthy together	861	701	861	701
Emergency management	29	29	29	29
Arts and culture	180	175	180	175
Aged and disability services	2,713	2,664	2,713	2,664
Libraries	367	362	367	362
Road construction and maintenance	144	159	144	159
<b>Total recurrent operating grants</b>	<b>26,332</b>	<b>13,002</b>	<b>26,332</b>	<b>13,002</b>
<b>Total recurrent grants</b>	<b>28,142</b>	<b>14,772</b>	<b>28,142</b>	<b>14,772</b>
<b>Non-recurrent</b>				
<b>Capital</b>				
Road construction and maintenance	1,664	5,233	1,664	5,233
Family services	-	255	-	255
Other	-	242	-	242
Community Development	6	-	6	-
Social development and projects	-	20	-	20
Environment	354	123	354	123
Local Laws	46	-	46	-
Arts and culture	80	-	80	-
Libraries	12	11	12	11
Recreation and sport	7,646	3,028	7,646	3,028
<b>Total non-recurrent capital grants</b>	<b>9,808</b>	<b>8,912</b>	<b>9,808</b>	<b>8,912</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 6 Grants (cont)</b>				
<b>Operating</b>				
Airport operations	-	1,000	-	1,000
Youth services	5	29	5	29
Community development	337	-	337	-
Healthy together	40	10	40	10
Aged and disability services	3	3	3	3
Family Services	30	11	30	11
Other	-	10	-	10
Social development and projects	176	165	176	165
Environment	124	99	124	99
Primary Care Partnership	5	-	5	-
Planning and development	8	15	8	15
Emergency management	120	141	120	141
Arts and culture	125	235	125	235
Libraries	10	-	10	-
<b>Total non-recurrent operating grants</b>	<b>983</b>	<b>1,718</b>	<b>983</b>	<b>1,718</b>
<b>Total non-recurrent grants</b>	<b>10,791</b>	<b>10,630</b>	<b>10,791</b>	<b>10,630</b>
<b>Conditions on grants</b>				
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:	3,333	2,590	3,333	2,590
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:	3,116	4,729	3,116	4,729
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	217	(2,139)	217	(2,139)

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 7 Contributions</b>				
<b>Monetary</b>				
Community services	293	241	293	241
Developer contributions	705	291	705	291
Capital contributions	264	249	264	249
Other	30	46	30	46
<b>Total</b>	<b>1,292</b>	<b>827</b>	<b>1,292</b>	<b>827</b>
<b>Non-monetary assets</b>				
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>				
Infrastructure	385	175	385	175
<b>Total</b>	<b>385</b>	<b>175</b>	<b>385</b>	<b>175</b>
<b>Total contributions</b>	<b>1,677</b>	<b>1,002</b>	<b>1,677</b>	<b>1,002</b>
<b>Note 8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>				
Proceeds of sale	695	1,056	695	1,036
Written down value of assets disposed	(3,284)	(3,843)	(3,284)	(3,801)
<b>Total</b>	<b>(2,589)</b>	<b>(2,787)</b>	<b>(2,589)</b>	<b>(2,765)</b>
<b>Note 9 Other income</b>				
Interest	691	692	796	643
Interest on rates	316	330	316	330
Sales	740	359	740	359
Other	141	118	31	117
Child care reimbursement	1,131	1,058	1,131	1,058
Fuel tax rebate	240	163	240	163
Workcover costs reimbursements	150	168	150	168
Legal costs recouped	247	167	247	167
Wages reimbursement	-	196	-	196
Airport reimbursement	-	-	4	194
Aged care package reimbursement	431	387	431	387
Cemetery reimbursement	253	238	253	238
Utilities reimbursement	308	333	308	333
Other costs reimbursed	463	619	525	616
Increase in landfill provision discounted amount	581	-	581	-
<b>Total other income</b>	<b>5,692</b>	<b>4,828</b>	<b>5,753</b>	<b>4,969</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

Consolidated		Council	
2015	2014	2015	2014
\$'000	\$'000	\$'000	\$'000

**Note 10 Asset recognition**

During the previous year Council undertook an extensive survey of its roads and outdoor infrastructure networks. In doing so, it identified assets which had not previously been recorded in its assets registers.

Asset recognition	-	-	-	-
	-	-	-	-

**Note 11 Employee costs**

Wages and salaries	37,987	37,590	36,545	36,592
Payroll tax	8	8	8	27
Superannuation	3,574	3,187	3,444	3,103
Fringe benefits tax	211	206	211	206
<b>Total employee costs</b>	<b>41,780</b>	<b>40,991</b>	<b>40,208</b>	<b>39,928</b>

**Super**

Council made contributions to the following funds:

**Defined benefit fund**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	499	509	499	509
Employer contributions - other funds	-	-	-	-
	<b>499</b>	<b>509</b>	<b>499</b>	<b>509</b>



**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 11 Employee costs (cont)</b>				
Employer contributions payable at reporting date.				
<b>Accumulation funds</b>				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,203	1,870	2,073	1,778
Employer contributions - other funds	-	710	873	710
	<u>2,203</u>	<u>2,580</u>	<u>2,946</u>	<u>2,488</u>
Employer contributions payable at reporting date.	<u>157</u>	<u>119</u>	<u>140</u>	<u>106</u>

**Superannuation**

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

**Accumulation**

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2015, this was 9.5% required under Superannuation Guarantee legislation (for 2013/14, this was 9.25%)).

**Defined Benefit**

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

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

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 12 Materials and services</b>				
Materials and services	2,379	2,806	2,047	2,748
Grants, contributions and donations	3,610	3,227	3,550	3,227
Utilities	3,891	4,120	3,700	3,902
Contract payments	9,038	9,520	8,809	9,494
Information technology	932	862	932	862
Insurance	821	825	821	838
Consultants	1,403	2,015	1,403	2,015
Office administration	3,155	3,074	3,048	3,121
General maintenance	3,955	4,173	3,877	3,945
<b>Total materials and services</b>	<b>29,184</b>	<b>30,622</b>	<b>28,187</b>	<b>30,152</b>
<b>Note 13 Bad and doubtful debts</b>				
Other debtors	15	57	15	53
Infringements	174	156	174	156
<b>Total bad and doubtful debts</b>	<b>189</b>	<b>213</b>	<b>189</b>	<b>209</b>
<b>Note 14 Depreciation and amortisation</b>				
<i>Buildings</i>				
Buildings	2,435	3,412	2,259	3,252
<i>Plant and equipment</i>				
Plant and equipment	2,408	2,252	2,138	2,021
Plant and equipment (leased)	-	24	-	24
Furniture and fittings	208	130	208	130
Furniture and fittings (leased)	4	18	4	18
Library books	167	162	167	162

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 14 Depreciation and amortisation (cont)</b>				
<i>Infrastructure</i>				
Roads	7,872	7,730	7,872	7,730
Drainage	982	1,042	973	1,010
Landfill	319	239	319	239
Recreational, leisure and community	848	1,015	837	1,007
Parks, open spaces and streetscapes	898	505	874	452
Off street car parks	197	83	128	72
Aerodromes	328	325	-	-
<b>Total</b>	<b>16,666</b>	<b>16,937</b>	<b>15,779</b>	<b>16,117</b>
<b>Intangible assets</b>				
Software	166	120	166	120
<b>Total</b>	<b>166</b>	<b>120</b>	<b>166</b>	<b>120</b>
<b>Total depreciation and amortisation</b>	<b>16,832</b>	<b>17,057</b>	<b>15,945</b>	<b>16,237</b>
<b>Note 15 Borrowing costs</b>				
Interest - borrowings	1,304	1,440	1,317	1,430
Interest - finance leases	3	5	3	5
<b>Total borrowing costs</b>	<b>1,307</b>	<b>1,445</b>	<b>1,320</b>	<b>1,435</b>
<b>Note 16 Other expenses</b>				
Auditors' remuneration - VAGO - audit of the financial statements and performance statement	70	71	57	58
Auditors' remuneration - Internal	159	164	159	164
Councillors' allowances	306	297	306	297
Directors' Fees	82	82	-	-
Refunds	46	41	46	41
Operating lease rentals	150	124	150	124
Other	427	700	349	671
<b>Total other expenses</b>	<b>1,240</b>	<b>1,479</b>	<b>1,067</b>	<b>1,355</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 17 Revaluation Expense</b>				
Land under roads	3,225	-	3,225	-
Waste management	288	-	288	-
	<u>3,513</u>	<u>-</u>	<u>3,513</u>	<u>-</u>

**Note 18 Cash and cash equivalents**

Cash on hand	36	34	11	11
Cash at bank	17,527	7,868	17,377	7,346
Short term deposits	21,608	13,810	19,000	12,016
<b>Total cash and cash equivalents</b>	<u>39,171</u>	<u>21,712</u>	<u>36,388</u>	<u>19,373</u>

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

Statutory Reserve funds (note 29)	1,851	2,261	1,851	2,368
Trust funds and deposits (note 26)	1,527	1,019	1,527	1,019
Restricted funds	<u>3,378</u>	<u>3,280</u>	<u>3,378</u>	<u>3,387</u>
<b>Total unrestricted cash and cash equivalents</b>	<u>35,793</u>	<u>18,432</u>	<u>33,010</u>	<u>15,986</u>

**Intended Allocations**

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

Unexpended grants (note 6)	3,333	4,073	3,333	4,073
Discretionary reserves (note 29)	15,100	9,846	15,100	9,739
Long service leave 25% (note 27)	1,665	1,583	1,665	1,583
Cash held to fund carried forward capital works	6,850	3,719	6,850	3,719
<b>Total funds subject to intended allocations</b>	<u>26,948</u>	<u>19,221</u>	<u>26,948</u>	<u>19,114</u>
<b>Total cash and cash equivalents free of intended allocations</b>	<u>8,845</u>	<u>(789)</u>	<u>6,062</u>	<u>(3,128)</u>

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 19 Trade and other receivables</b>				
<i>Current</i>				
Rates debtors	3,469	3,511	3,469	3,511
Infringement debtors	1,237	1,095	1,237	1,095
Provision for doubtful debts - infringements	(1,043)	(850)	(1,043)	(850)
General debtors <sup>(1)</sup>	1,470	7,321	914	6,890
Provision for doubtful debts - other debtors	(63)	(92)	(59)	(88)
Accrued income	652	624	652	624
GST receivable	487	494	487	494
Loan to Mildura Airport Pty Ltd	-	-	292	186
<b>Total</b>	<b>6,209</b>	<b>12,103</b>	<b>5,949</b>	<b>11,862</b>
<i>Non-current</i>				
Loan to Mildura Airport Pty Ltd	-	-	2,116	2,314
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,116</b>	<b>2,314</b>
<b>Total trade and other receivables</b>	<b>6,209</b>	<b>12,103</b>	<b>8,065</b>	<b>14,176</b>
<b>a) Ageing of Receivables</b>				
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 (excluding statutory receivables) was:				
Current (not yet due)	862	3,010	862	2,591
Past due by up to 30 days	31	80	31	77
Past due between 31 and 180 days	136	4,365	136	4,359
Past due between 181 and 365 days	80	92	80	89
Past due by more than 1 year	1,042	869	1,042	869
<b>Total trade &amp; other receivables</b>	<b>2,151</b>	<b>8,416</b>	<b>2,151</b>	<b>7,985</b>
<b>b) Movement in provisions for doubtful debts</b>				
Balance at the beginning of the year	942	741	938	741
New Provisions recognised during the year	189	213	189	209
Amounts already provided for and written off as uncollectible	(25)	(29)	(25)	(29)
Amounts provided for but recovered during the year	-	17	-	17
<b>Balance at end of year</b>	<b>1,106</b>	<b>942</b>	<b>1,102</b>	<b>938</b>

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

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

Consolidated		Council	
2015	2014	2015	2014
\$'000	\$'000	\$'000	\$'000

**Note 19 Trade and other receivables (cont)**

**c) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$189,287 (2014: \$208,969) were impaired. The amount of the provision raised against these debtors was \$189,287 (2014: \$208,969). The individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-	-	-
Past due by up to 30 days	-	-	-	-
Past due between 31 and 180 days	-	-	-	-
Past due between 181 and 365 days	15	34	15	34
Past due by more than 1 year	174	175	174	175
Total trade & other receivables	189	209	189	209

**Note 20 Other financial assets**

**Current**

Term deposits	2,288	1,018	2,288	1,018
Total	2,288	1,018	2,288	1,018

**Non-current**

Floating notes	1,475	1,460	1,475	1,460
Total	1,475	1,460	1,475	1,460

**Note 21 Inventories**

Inventories held for distribution	826	716	826	716
Total inventories	826	716	826	716

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
<b>Note 22 Other assets</b>				
<b>Prepayments</b>				
<i>Current</i>				
Prepayments	322	274	257	265
<b>Total prepayments</b>	<b>322</b>	<b>274</b>	<b>257</b>	<b>265</b>
<i>Non-current</i>				
Interest in Mildura Airport Pty Ltd	-	-	30,382	29,773
<b>Total</b>	<b>-</b>	<b>-</b>	<b>30,382</b>	<b>29,773</b>
<b>Total other assets</b>	<b>322</b>	<b>274</b>	<b>30,639</b>	<b>30,038</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment

Consolidated

2015	specialised land \$'000	non specialised land \$'000	land under roads \$'000	Total Land \$'000	non specialised buildings \$'000	specialised buildings \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 14	37,383	11,820	4,670	53,873	7,756	196,771	204,527	624	259,024
Accumulated depreciation at 1 July 2014	-	-	-	-	(3,626)	(93,069)	(96,695)	-	(96,695)
	37,383	11,820	4,670	53,873	4,130	103,702	107,832	624	162,329
<b>Movements in fair value</b>									
Acquisition of assets at fair value	-	-	-	-	162	2,373	2,535	265	2,800
Revaluation increments/decrements	887	(1,417)	(4,266)	(4,796)	34	5,823	5,857	-	1,061
Contributions by developer	-	-	2	2	-	-	-	-	2
Fair value of assets disposed	-	(226)	-	(226)	-	(2,319)	(2,319)	-	(2,545)
Transfers	-	-	-	-	-	224	224	(224)	-
	887	(1,643)	(4,264)	(5,020)	196	6,101	6,297	41	1,318
<b>Movements in accumulated depreciation</b>									
Depreciation	-	-	-	-	(92)	(2,343)	(2,435)	-	(2,435)
Revaluation increments/decrements	-	-	-	-	21	(3,745)	(3,724)	-	(3,724)
Accumulated depreciation of disposals	-	-	-	-	-	2,057	2,057	-	2,057
	-	-	-	-	(71)	(4,031)	(4,102)	-	(4,102)
At fair value 30 June 2015	38,270	10,177	406	48,853	7,952	202,872	210,824	665	260,342
Accumulated depreciation at 30 June 2015	-	-	-	-	(3,697)	(97,100)	(100,797)	-	(100,797)
	38,270	10,177	406	48,853	4,255	105,772	110,027	665	159,545



Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

2015	plant and equipment \$'000	plant and equipment (leased) \$'000	furniture and fittings \$'000	furniture and fittings (leased) \$'000	artwork \$'000	library/books \$'000	Total plant and equipment \$'000	Work In Progress \$'000	Total plant and equipment \$'000
<b>Plant and equipment</b>									
At fair value 1 July 2014	29,291	197	3,639	1,240	27,496	3,138	65,001	510	65,511
Accumulated depreciation at 1 July 2014	(13,321)	(197)	(2,739)	(1,236)	-	(1,961)	(19,454)	-	(19,454)
	<b>15,970</b>	<b>-</b>	<b>900</b>	<b>4</b>	<b>27,496</b>	<b>1,177</b>	<b>45,547</b>	<b>510</b>	<b>46,057</b>
<b>Movements in fair value</b>									
Acquisition of assets at fair value	3,941	-	310	-	57	276	4,584	61	4,645
Revaluation increments/decrements	-	-	-	-	28	-	28	-	28
Fair value of assets disposed	(2,367)	-	-	-	-	-	(2,367)	-	(2,367)
Transfers to Intangible Assets	-	-	-	-	-	-	-	(190)	(190)
Transfers	64	-	131	-	-	11	206	(206)	-
	<b>1,638</b>	<b>-</b>	<b>441</b>	<b>-</b>	<b>85</b>	<b>287</b>	<b>2,451</b>	<b>(335)</b>	<b>2,116</b>
<b>Movements in accumulated depreciation</b>									
Depreciation	(2,408)	-	(208)	(4)	-	(167)	(2,787)	-	(2,787)
Accumulated depreciation of disposals	1,785	-	-	-	-	-	1,785	-	1,785
	<b>(623)</b>	<b>-</b>	<b>(208)</b>	<b>(4)</b>	<b>-</b>	<b>(167)</b>	<b>(1,002)</b>	<b>-</b>	<b>(1,002)</b>
At fair value 30 June 2015	30,929	197	4,080	1,240	27,581	3,425	67,452	175	67,627
Accumulated depreciation at 30 June 2015	(13,944)	(197)	(2,947)	(1,240)	-	(2,128)	(20,456)	-	(20,456)
	<b>16,985</b>	<b>-</b>	<b>1,133</b>	<b>-</b>	<b>27,581</b>	<b>1,297</b>	<b>46,996</b>	<b>175</b>	<b>47,171</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

	roads \$'000	kerb and channel \$'000	footpaths and cycleways \$'000	Total Roads \$'000	Work in progress \$'000	Total Roads \$'000
<b>2015</b>						
<b>Infrastructure</b>						
At fair value 1 July 2014	382,631	54,478	42,141	479,250	1,054	480,304
Accumulated depreciation at 1 July 2014	(140,330)	(32,377)	(25,471)	(198,178)	-	(198,178)
	<b>242,301</b>	<b>22,101</b>	<b>16,670</b>	<b>281,072</b>	<b>1,054</b>	<b>282,126</b>
<b>Movements in fair value</b>						
Acquisition of assets at fair value	6,938	292	388	7,618	440	8,058
Revaluation increments/decrements	10,557	1,309	(3,161)	8,705	-	8,705
Contributions by developer	141	97	50	288	-	288
Fair value of assets disposed	(6,907)	(89)	(284)	(7,280)	-	(7,280)
Transfers	932	-	9	941	(941)	-
	<b>11,661</b>	<b>1,609</b>	<b>(2,998)</b>	<b>10,272</b>	<b>(501)</b>	<b>9,771</b>
<b>Movements in accumulated depreciation</b>						
Depreciation	(6,351)	(870)	(651)	(7,872)	-	(7,872)
Accumulated depreciation of disposals	(7,878)	(918)	(31)	(8,827)	-	(8,827)
Impairment losses recognised in operating result	4,907	87	185	5,179	-	5,179
	<b>(9,322)</b>	<b>(1,701)</b>	<b>(497)</b>	<b>(11,520)</b>	<b>-</b>	<b>(11,520)</b>
At fair value 30 June 2015	394,292	56,087	39,143	489,522	553	490,075
Accumulated depreciation at 30 June 2015	(149,652)	(34,078)	(25,968)	(209,698)	-	(209,698)
	<b>244,640</b>	<b>22,009</b>	<b>13,175</b>	<b>279,824</b>	<b>553</b>	<b>280,377</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

2015	drainage \$'000	landfill \$'000	aerodromes \$'000	recreational, leisure and community \$'000	parks, open spaces and streetscapes \$'000	off street carparks \$'000	Total Infrastructure \$'000	Work in Progress \$'000	Total Infrastructure \$'000
Infrastructure									
At fair value 1 July 2014	127,980	9,443	17,786	19,955	12,423	5,690	193,277	5,355	198,632
Accumulated depreciation at 1 July 2014	(27,945)	(2,728)	(1,715)	(10,691)	(2,406)	(1,438)	(46,923)	-	(46,923)
	100,035	6,715	16,071	9,264	10,017	4,252	146,354	5,355	151,709
<b>Movements in fair value</b>									
Acquisition of assets at fair value	1,083	-	-	103	59	179	1,424	9,954	11,378
Revaluation increments/decrements	(660)	(1,832)	-	39,387	225	9,671	46,791	-	46,791
Contributions by developer	95	-	-	-	-	-	95	-	95
Fair value of assets disposed	(161)	-	-	-	-	-	(161)	-	(161)
Transfers from provision	-	812	-	-	-	-	812	-	812
Transfers	22	40	74	(973)	-	1,155	318	(318)	-
	379	(980)	74	38,517	284	11,005	49,279	9,636	58,915
<b>Movements in accumulated depreciation</b>									
Depreciation	(982)	(319)	(328)	(848)	(898)	(197)	(3,572)	-	(3,572)
Accumulated depreciation of disposals	48	-	-	-	-	-	48	-	48
Revaluation increments/decrements	(911)	1,464	-	(8,622)	822	(1,595)	(8,842)	-	(8,842)
Transfers	-	-	-	415	-	(415)	-	-	-
	(1,845)	1,145	(328)	(9,055)	(76)	(2,207)	(12,366)	-	(12,366)
At fair value 30 June 2015	128,359	8,463	17,860	58,472	12,707	16,695	242,556	14,991	257,547
Accumulated depreciation at 30 June 2015	(29,790)	(1,583)	(2,043)	(19,746)	(2,482)	(3,645)	(59,289)	-	(59,289)
	98,569	6,880	15,817	38,726	10,225	13,050	183,267	14,991	198,258

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

2014	specialised land \$'000	non specialised land \$'000	Land under roads \$'000	Total Land \$'000	non specialised buildings \$'000	specialised buildings \$'000	Total Buildings /Work In Progress \$'000	Total Property \$'000
Property	37,383	10,814	4,670	52,867	7,367	185,867	193,234	256,677
At fair value 1 July 2013	-	-	-	-	(3,497)	(90,432)	(93,929)	(93,929)
Accumulated depreciation at 1 July 2013	37,383	10,814	4,670	52,867	3,870	95,435	99,305	162,748
<b>Movements in fair value</b>								
Acquisition of assets at fair value	-	1,029	-	1,029	313	2,264	2,577	4,252
Fair value of assets disposed	-	(23)	-	(23)	-	(671)	(671)	(694)
Impairment losses recognised in operating result	-	-	-	-	-	(441)	(441)	(441)
Reclassification	-	-	-	-	-	-	-	(770)
Transfers	-	-	-	-	76	9,752	9,828	(9,828)
	-	1,006	-	1,006	389	10,904	11,293	2,347
<b>Movements in accumulated depreciation</b>								
Depreciation	-	-	-	-	(129)	(3,283)	(3,412)	(3,412)
Accumulated depreciation of disposals	-	-	-	-	-	646	646	646
	-	-	-	-	(129)	(2,637)	(2,766)	(2,766)
At fair value 30 June 2014	37,383	11,820	4,670	53,873	7,756	196,771	204,527	259,024
Accumulated depreciation at 30 June 2014	-	-	-	-	(3,626)	(93,069)	(96,695)	(96,695)
	37,383	11,820	4,670	53,873	4,130	103,702	107,832	162,329

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

2014  
Plant and equipment

	plant and equipment \$'000	plant and equipment (leased) \$'000	furniture and fittings \$'000	artwork \$'000	library books \$'000	Total plant and equipment \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2013	26,397	286	3,261	1,240	2,886	61,544	408	61,952
Accumulated depreciation at 1 July 2013	(12,685)	(173)	(2,609)	(1,218)	(1,799)	(18,484)	-	(18,484)
	13,712	113	652	22	1,087	43,060	408	43,468

Movements in fair value

Acquisition of assets at fair value	4,292	-	198	-	252	4,764	372	5,136
Fair value of assets disposed	(2,680)	(89)	-	-	-	(2,769)	-	(2,769)
Impairment losses recognised in operating result	(7)	-	-	-	-	(7)	-	(7)
Reclassification	1,199	-	-	-	-	1,199	-	1,199
Transfers	90	-	180	-	-	270	(270)	-
	2,894	(89)	378	-	252	3,457	102	3,559

Movements in accumulated depreciation

Depreciation	(2,252)	(24)	(130)	(18)	(162)	(2,586)	-	(2,586)
Accumulated depreciation of disposals	1,672	-	-	-	-	1,672	-	1,672
Reclassification	(56)	-	-	-	-	(56)	-	(56)
	(636)	(24)	(130)	(18)	(162)	(970)	-	(970)

At fair value 30 June 2014

At fair value 30 June 2014	29,291	197	3,639	1,240	3,138	65,001	510	65,511
Accumulated depreciation at 30 June 2014	(13,321)	(197)	(2,739)	(1,236)	(1,961)	(19,454)	-	(19,454)
	15,970	-	900	4	1,177	45,547	510	46,057

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

	roads \$'000	kerb and channel \$'000	footpaths and cycleways \$'000	Total Roads \$'000	Work in progress \$'000	Total Roads \$'000
<b>2014</b>						
<b>Infrastructure</b>						
At fair value 1 July 2013	374,552	53,522	37,412	465,486	4,964	470,450
Accumulated depreciation at 1 July 2013	(135,625)	(31,409)	(22,507)	(189,541)	-	(189,541)
	<b>238,927</b>	<b>22,113</b>	<b>14,905</b>	<b>275,945</b>	<b>4,964</b>	<b>280,909</b>
<b>Movements in fair value</b>						
Acquisition of assets at fair value	6,692	246	473	7,411	1,004	8,415
Revaluation increments/decrements	1,605	764	281	2,650	-	2,650
Contributions by developer	38	28	43	109	-	109
Fair value of assets disposed	(4,941)	(149)	(417)	(5,507)	-	(5,507)
Reclassification	-	-	4,187	4,187	-	4,187
Transfers	4,685	67	162	4,914	(4,914)	-
	<b>8,079</b>	<b>956</b>	<b>4,729</b>	<b>13,764</b>	<b>(3,910)</b>	<b>9,854</b>
<b>Movements in accumulated depreciation</b>						
Depreciation	(6,011)	(871)	(848)	(7,730)	-	(7,730)
Revaluation increments/decrements	(2,640)	(218)	(2,179)	(5,037)	-	(5,037)
Accumulated depreciation of disposals	3,946	121	270	4,337	-	4,337
Reclassification	-	-	(207)	(207)	-	(207)
	<b>(4,705)</b>	<b>(968)</b>	<b>(2,964)</b>	<b>(8,637)</b>	<b>-</b>	<b>(8,637)</b>
At fair value 30 June 2014	382,631	54,478	42,141	479,250	1,054	480,304
Accumulated depreciation at 30 June 2014	(140,330)	(32,377)	(25,471)	(198,178)	-	(198,178)
	<b>242,301</b>	<b>22,101</b>	<b>16,670</b>	<b>281,072</b>	<b>1,054</b>	<b>282,126</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Consolidated

	drainage	waste management	aerodromes	recreational, leisure and community spaces and streetscapes	off street carparks	Infrastructure	Total Infrastructure	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2014 Infrastructure</b>									
At fair value 1 July 2013	118,511	7,186	17,786	18,366	13,570	5,092	180,511	10,009	190,520
Accumulated depreciation at 1 July 2013	(27,071)	(2,489)	(1,390)	(9,676)	(3,916)	(1,355)	(45,897)	-	(45,897)
	<b>91,440</b>	<b>4,697</b>	<b>16,396</b>	<b>8,690</b>	<b>9,654</b>	<b>3,737</b>	<b>134,614</b>	<b>10,009</b>	<b>144,623</b>

Movements in fair value

Acquisition of assets at fair value	401	47	-	1,486	545	479	2,958	2,947	5,905
Revaluation increments/decrements	2,598	-	-	-	4,355	-	6,953	-	6,953
Contributions by developer	66	-	-	-	-	-	66	-	66
Fair value of assets disposed	-	-	-	-	(2,273)	-	(2,273)	-	(2,273)
Impairment losses recognised in operating result	-	-	-	(4)	(28)	(5)	(37)	-	(37)
Reclassification	-	-	-	-	(4,557)	(59)	(4,616)	-	(4,616)
Transfers from provision	-	2,114	-	-	-	-	2,114	-	2,114
Transfers	6,404	96	-	107	811	183	7,601	(7,601)	-
	<b>9,469</b>	<b>2,257</b>	<b>-</b>	<b>1,589</b>	<b>(1,147)</b>	<b>598</b>	<b>12,766</b>	<b>(4,654)</b>	<b>8,112</b>

Movements in accumulated depreciation

Depreciation	(1,042)	(239)	(325)	(1,015)	(505)	(83)	(3,209)	-	(3,209)
Accumulated depreciation of disposals	-	-	-	-	745	-	745	-	745
Revaluation increments/decrements	168	-	-	-	1,007	-	1,175	-	1,175
Reclassification	-	-	-	-	263	-	263	-	263
	<b>(874)</b>	<b>(239)</b>	<b>(325)</b>	<b>(1,015)</b>	<b>1,510</b>	<b>(83)</b>	<b>(1,026)</b>	<b>-</b>	<b>(1,026)</b>

At fair value 30 June 2014

Accumulated depreciation at 30 June 2014	127,980	9,443	17,786	19,955	12,423	5,690	193,277	5,355	198,632
	(27,945)	(2,728)	(1,715)	(10,691)	(2,406)	(1,438)	(46,923)	-	(46,923)
	<b>100,035</b>	<b>6,715</b>	<b>16,071</b>	<b>9,264</b>	<b>10,017</b>	<b>4,252</b>	<b>146,354</b>	<b>5,355</b>	<b>151,709</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	Specialised Land \$'000	Non Specialised Land \$'000	land under roads \$'000	Total Land \$'000	Non Specialised Buildings \$'000	Specialised Buildings \$'000	Work In Progress \$'000	Total Property \$'000
<b>2015</b>								
<b>Property</b>								
At fair value 1 July 14	37,383	11,820	4,670	53,873	7,756	187,309	560	249,498
Accumulated depreciation at 1 July 2014	-	-	-	-	(3,626)	(92,613)	-	(96,239)
	<b>37,383</b>	<b>11,820</b>	<b>4,670</b>	<b>53,873</b>	<b>4,130</b>	<b>94,696</b>	<b>560</b>	<b>153,259</b>
<b>Movements in fair value</b>								
Acquisition of assets at fair value	-	-	-	-	162	2,373	265	2,800
Revaluation increments/decrements	887	(1,417)	(4,266)	(4,796)	34	5,823	-	1,061
Contributions by developer	-	-	2	2	-	-	-	2
Fair value of assets disposed	-	(226)	-	(226)	-	(2,319)	-	(2,545)
Transfers	-	-	-	-	-	224	(224)	-
	<b>887</b>	<b>(1,643)</b>	<b>(4,264)</b>	<b>(5,020)</b>	<b>196</b>	<b>6,101</b>	<b>41</b>	<b>1,318</b>
<b>Movements in accumulated depreciation</b>								
Depreciation	-	-	-	-	(92)	(2,167)	-	(2,259)
Revaluation increments/decrements	-	-	-	-	21	(3,745)	-	(3,724)
Accumulated depreciation of disposals	-	-	-	-	-	2,057	-	2,057
	-	-	-	-	<b>(71)</b>	<b>(3,855)</b>	-	<b>(3,926)</b>
At fair value 30 June 15	38,270	10,177	406	48,853	7,952	193,410	601	250,816
Accumulated depreciation at 30 June 2015	-	-	-	-	(3,697)	(96,468)	-	(100,165)
	<b>38,270</b>	<b>10,177</b>	<b>406</b>	<b>48,853</b>	<b>4,255</b>	<b>96,942</b>	<b>601</b>	<b>150,651</b>



Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	plant and equipment \$'000	plant and equipment (leased) \$'000	furniture and fittings \$'000	furniture and fittings (leased) \$'000	artwork \$'000	library books \$'000	Total plant and equipment \$'000	Work in Progress \$'000	Total plant and equipment \$'000
2015									
Plant and equipment									
At fair value 1 July 14	26,685	-	3,639	1,240	27,496	3,138	62,198	510	62,708
Accumulated depreciation at 1 July 2014	(12,695)	-	(2,739)	(1,236)	-	(1,961)	(18,631)	-	(18,631)
	13,990	-	900	4	27,496	1,177	43,567	510	44,077
<b>Movements in fair value</b>									
Acquisition of assets at fair value	3,721	-	310	-	57	276	4,364	61	4,425
Revaluation increments/decrements	-	-	-	-	28	-	28	-	28
Fair value of assets disposed	(2,367)	-	-	-	-	-	(2,367)	-	(2,367)
Transfers to intangible assets	-	-	-	-	-	-	-	(190)	(190)
Transfers	64	-	131	-	-	11	206	(206)	-
	1,418	-	441	-	85	287	2,231	(335)	1,896
<b>Movements in accumulated depreciation</b>									
Depreciation	(2,138)	-	(208)	(4)	-	(167)	(2,517)	-	(2,517)
Revaluation increments/decrements	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals	1,785	-	-	-	-	-	1,785	-	1,785
	(353)	-	(208)	(4)	-	(167)	(732)	-	(732)
At fair value 30 June 2015	28,103	-	4,080	1,240	27,581	3,425	64,429	175	64,604
Accumulated depreciation at 30 June 2015	(13,048)	-	(2,947)	(1,240)	-	(2,128)	(19,363)	-	(19,363)
	15,055	-	1,133	-	27,581	1,297	45,066	175	45,241

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	roads \$'000	kerb and channel \$'000	footpaths and cycleways \$'000	Total Roads \$'000	Work in progress \$'000	Total Roads \$'000
<b>2015</b>						
<b>Infrastructure</b>						
At fair value 1 July 2014	382,631	54,478	42,141	479,250	1,054	480,304
Accumulated depreciation at 1 July 2014	(140,330)	(32,377)	(25,471)	(198,178)	-	(198,178)
	<b>242,301</b>	<b>22,101</b>	<b>16,670</b>	<b>281,072</b>	<b>1,054</b>	<b>282,126</b>
<b>Movements in fair value</b>						
Acquisition of assets at fair value	6,938	292	388	7,618	440	8,058
Revaluation increments/decrements	10,557	1,309	(3,161)	8,705	-	8,705
Contributions by developer	141	97	50	288	-	288
Fair value of assets disposed	(6,907)	(89)	(284)	(7,280)	-	(7,280)
Transfers	932	-	9	941	(941)	-
	<b>11,661</b>	<b>1,609</b>	<b>(2,998)</b>	<b>10,272</b>	<b>(501)</b>	<b>9,771</b>
<b>Movements in accumulated depreciation</b>						
Depreciation	(6,351)	(870)	(651)	(7,872)	-	(7,872)
Revaluation increments/decrements	(7,878)	(918)	(31)	(8,827)	-	(8,827)
Accumulated depreciation of disposals	4,907	87	185	5,179	-	5,179
	<b>(9,322)</b>	<b>(1,701)</b>	<b>(497)</b>	<b>(11,520)</b>	<b>-</b>	<b>(11,520)</b>
At fair value 30 June 2015	394,292	56,087	39,143	489,522	553	490,075
Accumulated depreciation at 30 June 2015	(149,652)	(34,078)	(25,968)	(209,698)	-	(209,698)
	<b>244,640</b>	<b>22,009</b>	<b>13,175</b>	<b>279,824</b>	<b>553</b>	<b>280,377</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	2015	Infrastructure	drainage \$'000	waste management \$'000	aerodromes \$'000	recreational, leisure and community \$'000	parks, open spaces and streetscapes \$'000	off street car parks \$'000	Total Infrastructure \$'000	Work in Progress \$'000	Total Infrastructure \$'000
	At fair value 1 July 2014		127,556	9,443	-	19,687	12,090	3,449	172,225	5,355	177,580
	Accumulated depreciation at 1 July 2014		(27,893)	(2,728)	-	(10,660)	(2,265)	(1,151)	(44,697)	-	(44,697)
			99,663	6,715	-	9,027	9,825	2,298	127,528	5,355	132,883
	<b>Movements in fair value</b>										
	Acquisition of assets at fair value		1,045	-	-	103	59	165	1,372	9,397	10,769
	Revaluation increments/decrements		(660)	(1,832)	-	39,387	225	9,671	46,791	-	46,791
	Contributions by developer		95	-	-	-	-	-	95	-	95
	Fair value of assets disposed		(161)	-	-	-	-	-	(161)	-	(161)
	Transfers from provision		-	812	-	-	-	-	812	-	812
	Transfers		22	40	-	(973)	-	1,155	244	(244)	-
			341	(980)	-	38,517	284	10,991	49,153	9,153	58,306
	<b>Movements in accumulated depreciation</b>										
	Depreciation		(973)	(319)	-	(837)	(874)	(128)	(3,131)	-	(3,131)
	Accumulated depreciation of disposals		48	-	-	-	-	-	48	-	48
	Revaluation increments/decrements		(911)	1,464	-	(8,622)	822	(1,595)	(8,842)	-	(8,842)
	Transfers		-	-	-	415	-	(415)	-	-	-
			(1,836)	1,145	-	(9,044)	(52)	(2,138)	(11,925)	-	(11,925)
	At fair value 30 June 2015		127,897	8,463	-	58,204	12,374	14,440	221,378	14,508	235,886
	Accumulated depreciation at 30 June 2015		(29,729)	(1,583)	-	(19,704)	(2,317)	(3,289)	(56,622)	-	(56,622)
			98,168	6,880	-	38,500	10,057	11,151	164,756	14,508	179,264

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	Specialised Land	Non Specialised Land	land under roads	Total Land \$'000	Non Specialised Buildings	Specialised Buildings	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
<b>2014</b>									
<b>Property</b>									
At fair value 1 July 2013	37,383	10,814	4,670	52,867	7,367	181,673	189,040	4,288	246,195
Accumulated depreciation at 1 July 2013	-	-	-	-	(3,497)	(90,136)	(93,633)	-	(93,633)
	37,383	10,814	4,670	52,867	3,870	91,537	95,407	4,288	152,562
<b>Movements in fair value</b>									
Acquisition of assets at fair value	-	1,029	-	1,029	313	2,264	2,577	391	3,997
Fair value of assets disposed	-	(23)	-	(23)	-	(671)	(671)	-	(694)
Transfers	-	-	-	-	76	4,043	4,119	(4,119)	-
	-	1,006	-	1,006	389	5,636	6,025	(3,728)	3,303
<b>Movements in accumulated depreciation</b>									
Depreciation	-	-	-	-	(129)	(3,123)	(3,252)	-	(3,252)
Accumulated depreciation of disposals	-	-	-	-	-	646	646	-	646
	-	-	-	-	(129)	(2,477)	(2,606)	-	(2,606)
At fair value 30 June 2014	37,383	11,820	4,670	53,873	7,756	187,309	195,065	560	249,498
Accumulated depreciation at 30 June 2014	-	-	-	-	(3,626)	(92,613)	(96,239)	-	(96,239)
	37,383	11,820	4,670	53,873	4,130	94,696	98,826	560	153,259

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council	plant and equipment \$'000	plant and equipment (leased) \$'000	furniture and fittings \$'000	furniture and fittings (leased) \$'000	artwork \$'000	library books \$'000	Total plant and equipment \$'000	Work In Progress \$'000	Total plant and equipment \$'000
<b>2014</b>									
<b>Plant and equipment</b>									
At fair value 1 July 2013	24,897	286	3,261	1,240	27,474	2,886	60,044	408	60,452
Accumulated depreciation at 1 July 2013	(12,290)	(173)	(2,609)	(1,218)	-	(1,799)	(18,089)	-	(18,089)
	<b>12,607</b>	<b>113</b>	<b>652</b>	<b>22</b>	<b>27,474</b>	<b>1,087</b>	<b>41,955</b>	<b>408</b>	<b>42,363</b>
<b>Movements in fair value</b>									
Acquisition of assets at fair value	3,966	-	198	-	22	252	4,438	372	4,810
Fair value of assets disposed	(2,636)	(286)	-	-	-	-	(2,924)	-	(2,924)
Reclassification	370	-	-	-	-	-	370	-	370
Transfers	90	-	180	-	-	-	270	(270)	-
	<b>1,788</b>	<b>(286)</b>	<b>378</b>	<b>-</b>	<b>22</b>	<b>252</b>	<b>2,154</b>	<b>102</b>	<b>2,256</b>
<b>Movements in accumulated depreciation</b>									
Depreciation	(2,021)	(24)	(130)	(18)	-	(162)	(2,355)	-	(2,355)
Accumulated depreciation of disposals	1,672	197	-	-	-	-	1,869	-	1,869
Reclassification	(56)	-	-	-	-	-	(56)	-	(56)
	<b>(405)</b>	<b>173</b>	<b>(130)</b>	<b>(18)</b>	<b>-</b>	<b>(162)</b>	<b>(542)</b>	<b>-</b>	<b>(542)</b>
At fair value 30 June 2014	26,685	-	3,639	1,240	27,496	3,138	62,198	510	62,708
Accumulated depreciation at 30 June 2014	(12,695)	-	(2,739)	(1,236)	-	(1,961)	(18,631)	-	(18,631)
	<b>13,990</b>	<b>-</b>	<b>900</b>	<b>4</b>	<b>27,496</b>	<b>1,177</b>	<b>43,567</b>	<b>510</b>	<b>44,077</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council

2014	roads \$'000	kerb and channel \$'000	footpaths and cycleways \$'000	Total Roads \$'000	Work in progress \$'000	Total Roads \$'000
Infrastructure						
At fair value 1 July 2013	374,552	53,522	37,412	465,486	4,964	470,450
Accumulated depreciation at 1 July 2013	(135,625)	(31,409)	(22,507)	(189,541)	-	(189,541)
	<b>238,927</b>	<b>22,113</b>	<b>14,905</b>	<b>275,945</b>	<b>4,964</b>	<b>280,909</b>
<b>Movements in fair value</b>						
Acquisition of assets at fair value	6,692	246	473	7,411	1,004	8,415
Revaluation increments/decrements	1,605	764	281	2,650	-	2,650
Contributions by developer	38	28	43	109	-	109
Fair value of assets disposed	(4,941)	(149)	(417)	(5,507)	-	(5,507)
Reclassification	-	-	4,187	4,187	-	4,187
Transfers	4,685	67	162	4,914	(4,914)	-
	<b>8,079</b>	<b>956</b>	<b>4,729</b>	<b>13,764</b>	<b>(3,910)</b>	<b>9,854</b>
<b>Movements in accumulated depreciation</b>						
Depreciation	(6,011)	(871)	(848)	(7,730)	-	(7,730)
Revaluation increments/decrements	(2,640)	(218)	(2,179)	(5,037)	-	(5,037)
Accumulated depreciation of disposals	3,946	121	270	4,337	-	4,337
Reclassification	-	-	(207)	(207)	-	(207)
Transfers	-	-	-	-	-	-
	<b>(4,705)</b>	<b>(968)</b>	<b>(2,964)</b>	<b>(8,637)</b>	<b>-</b>	<b>(8,637)</b>
At fair value 30 June 2014	382,631	54,478	42,141	479,250	1,054	480,304
Accumulated depreciation at 30 June 2014	(140,330)	(32,377)	(25,471)	(198,178)	-	(198,178)
	<b>242,301</b>	<b>22,101</b>	<b>16,670</b>	<b>281,072</b>	<b>1,054</b>	<b>282,126</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

Council

2014	drainage	waste management	aerodromes	recreational, leisure and spaces and community streetscapes	off street car parks	Infrastructure	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Infrastructure								
At fair value 1 July 2013	118,087	7,186	-	18,094	13,251	3,032	10,009	169,659
Accumulated depreciation at 1 July 2013	(27,051)	(2,489)	-	(9,653)	(3,828)	(1,079)	-	(44,100)
	<b>91,036</b>	<b>4,697</b>	<b>-</b>	<b>8,441</b>	<b>9,423</b>	<b>1,953</b>	<b>10,009</b>	<b>125,559</b>

Movements in fair value

Acquisition of assets at fair value	401	47	-	1,486	503	234	2,947	5,618
Revaluation increments/decrements	2,598	-	-	-	4,356	-	-	6,954
Contributions by developer	66	-	-	-	-	-	-	66
Fair value of assets disposed	-	-	-	-	(2,274)	-	-	(2,274)
Reclassification	-	-	-	-	(4,557)	-	-	(4,557)
Transfers from provision	-	2,114	-	-	-	-	-	2,114
Transfers	6,404	96	-	107	811	183	(7,601)	-
	<b>9,469</b>	<b>2,257</b>	<b>-</b>	<b>1,593</b>	<b>(1,161)</b>	<b>417</b>	<b>(4,654)</b>	<b>7,921</b>

Movements in accumulated depreciation

Depreciation	(1,010)	(239)	-	(1,007)	(452)	(72)	-	(2,780)
Revaluation increments/decrements	168	-	-	-	1,006	-	-	1,174
Accumulated depreciation of disposals	-	-	-	-	746	-	-	746
Reclassification	-	-	-	-	263	-	-	263
	<b>(842)</b>	<b>(239)</b>	<b>-</b>	<b>(1,007)</b>	<b>1,563</b>	<b>(72)</b>	<b>-</b>	<b>(597)</b>

At fair value 30 June 2014

At fair value 30 June 2014	127,556	9,443	-	19,687	12,090	3,449	5,355	177,580
Accumulated depreciation at 30 June 2014	(27,893)	(2,728)	-	(10,600)	(2,265)	(1,151)	-	(44,697)
	<b>99,663</b>	<b>6,715</b>	<b>-</b>	<b>9,027</b>	<b>9,825</b>	<b>2,298</b>	<b>5,355</b>	<b>132,883</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

*Valuation of land and buildings*

An valuation of Council's land and buildings was performed by qualified valuer Mr Con Demis AAPI, Certified Practicing Valuer (Council Officer). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1	Level 2	Level 3
Land	-	10,177	38,676
Buildings	-	4,255	96,942
Total	-	14,432	135,618

*Valuation of infrastructure*

Valuation of infrastructure assets has been undertaken by Ken Conrick (Dip. Tech. Surveying & Grad Dip. Mining Eng.) (Council Officer)

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
roads	-	-	244,640
kerb and channel	-	-	22,009
footpaths and cycleways	-	-	13,175
drainage	-	-	98,168
waste management	-	-	6,880
recreational, leisure and community	-	-	38,500
parks, open spaces and streetscapes	-	-	10,057
off street carparks	-	-	11,151



Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 23 Property, infrastructure, plant and equipment (cont)

	2015 \$'000	2014 \$'000
<i>Description of significant unobservable inputs into level 3 valuations</i>		
<i>Specialised land and land under roads</i> is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 30% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.003 and \$350.00 per square metre. Land under roads was revalued this year with a restriction of use has been applied.	38,676	52,844
<i>Specialised buildings</i> are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$66 to \$6184 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 years to 60 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.	96,942	82,487
<i>Infrastructure assets</i> are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 years to 150 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.	444,580	385,992
<b>Reconciliation of specialised land</b>		
Land under roads	406	4,670
Land	38,270	37,383
<b>Total specialised land</b>	<b>38,676</b>	<b>42,053</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 24 Intangible assets</b>				
Software at cost	1,230	1,014	1,230	1,014
<b>Intangible assets software</b>				
Opening work in progress	75	75	75	75
Transfers in	190	-	190	-
Transfers out	(265)	-	(265)	-
Closing work in progress	-	75	-	75
Water Rights - at valuation 30/06/14	45	2,350	-	2,321
Water Rights - at valuation 30/06/15	4,179	-	4,179	-
<b>Total intangible assets</b>	<b>5,454</b>	<b>3,439</b>	<b>5,409</b>	<b>3,410</b>
<b>Gross carrying amount</b>				
Balance at 1 July 2013	-	3,598	-	3,571
Additions	-	56	-	56
Other	-	162	-	160
Balance at 1 July 2014	3,816	3,816	3,787	3,787
Additions	382	-	382	-
Revaluation increment/(decrement)	1,874	-	1,858	-
Balance at 30 June 2015	<b>6,072</b>	<b>3,816</b>	<b>6,027</b>	<b>3,787</b>
<b>Accumulated amortisation and impairment</b>				
Balance at 1 July 2013	-	332	-	332
Amortisation expense	166	120	166	120
Balance at 1 July 2014	452	452	452	452
Amortisation expense	-	-	-	-
Balance at 30 June 2015	<b>618</b>	<b>452</b>	<b>618</b>	<b>452</b>
<b>Net book value at 30 June</b>	<b>5,454</b>	<b>3,364</b>	<b>5,409</b>	<b>3,335</b>

Details of the Mildura Rural City Council's Water Rights; and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water Rights	-	4,179	-
<b>Total</b>	<b>-</b>	<b>4,179</b>	<b>-</b>

Water rights are valued at current market values. The valuation is based on market transactions being the trading of water shares. The valuations were completed by Mr Con Demis AAPI, Certified Practising Valuer, recognised valuer, (Council Officer), as at 30 June 2014 and as at 30 June 2015.

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
<b>Note 25 Trade and other payables</b>				
Trade payables	3,231	5,879	3,038	5,730
Accrued expenses	710	1,739	618	1,727
<b>Total trade and other payables</b>	<b>3,941</b>	<b>7,618</b>	<b>3,656</b>	<b>7,457</b>

**Note 26 Trust funds and deposits**

Refundable contract deposits	319	279	319	279
Fire service levy	487	258	487	258
Refundable civic facilities deposits	2	3	2	3
Retention amounts	215	324	215	324
Income received in advance	42	-	42	-
Other refundable deposits	462	413	462	413
<b>Total trust funds and deposits</b>	<b>1,527</b>	<b>1,277</b>	<b>1,527</b>	<b>1,277</b>

**Purpose and nature of items**

***Refundable contract deposits***

Footpath retention

Retentions collected from private contractors where damage may occur to a Council owned footpath.

***Refundable civic facilities deposits***

Facility hire bonds

Bonds collected from persons for a booking for the use of a facility which is owned by Council.

***Retention amounts***

Other retention funds

Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**Fire Service Levy**

Fire Service Levy

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

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated	Council
<b>Note 26 Trust funds and deposits (cont)</b>		
<i>Other Refundable deposits</i>		
Security deposits	Deposits levied against private contractors where damage could occur to a Council owned asset.	
Planning bonds	Bonds collected from developers for statement of compliance but works are incomplete. Refunded when all works are completed.	
Trust funds	Funds held in trust for private drainage works.	
Purchase recoups	Monies collected on behalf of other entities for payment of accounts received by Council.	
Building permit levies	Levies collected on behalf of the Building Commission.	
EPA levy	Levies collected on behalf of the Environment Protection Authority.	
Roden White Kilburn Trust	Monies trusted to Rio Vista to enable live performances to take place in the Rio Vista building.	
Art purchase fund	Monies donated to the Mildura Arts Centre for the purchase of art works.	
Rio Vista restoration fund	Heritage funding received for restoration projects to the Rio Vista building.	
Mildura Visitor Information Centre Trust	Commission retained by Mildura Visitor Information Centre for accommodation bookings are made.	

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 27 Provisions

Consolidated

	Annual leave	Long service leave	Rostered day off and time off in lieu	Redundancy	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2015</b>						
Balance at beginning of the financial year	4,000	6,386	651	46	7,400	18,483
Additional provisions	3,237	1,155	1,580	-	812	6,784
Amounts used	(3,113)	(828)	(1,587)	(46)	(581)	(6,155)
Balance at the end of the financial year	<b>4,124</b>	<b>6,713</b>	<b>644</b>	<b>-</b>	<b>7,631</b>	<b>19,112</b>
<b>2014</b>						
Balance at beginning of the financial year	3,692	5,721	604	-	5,286	15,303
Additional provisions	3,243	1,320	1,556	46	2,114	8,279
Amounts used	(2,935)	(655)	(1,509)	-	-	(5,099)
Balance at the end of the financial year	<b>4,000</b>	<b>6,386</b>	<b>651</b>	<b>46</b>	<b>7,400</b>	<b>18,483</b>

Council

	Annual leave	Long service leave	Rostered day off and time off in lieu	Redundancy	Landfill rehabilitation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2015</b>						
Balance at beginning of the financial year	3,914	6,333	651	46	7,400	18,344
Additional provisions	3,232	1,134	1,580	-	812	6,758
Amounts used	(3,113)	(808)	(1,587)	(46)	(581)	(6,135)
Balance at the end of the financial year	<b>4,033</b>	<b>6,659</b>	<b>644</b>	<b>-</b>	<b>7,631</b>	<b>18,967</b>
<b>2014</b>						
Balance at beginning of the financial year	3,606	5,688	604	-	5,286	15,184
Additional provisions	3,243	1,300	1,556	46	2,114	8,259
Amounts used	(2,935)	(655)	(1,509)	-	-	(5,099)
Balance at the end of the financial year	<b>3,914</b>	<b>6,333</b>	<b>651</b>	<b>46</b>	<b>7,400</b>	<b>18,344</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 27 Provisions (cont)

	Consolidated		Council	
	2015	2014	2015	2014
	\$'000	\$'000	\$'000	\$'000
<b>(a) Employee provisions</b>				
Current provisions expected to be settled within 12 months				
Annual leave	2,762	2,706	2,671	2,620
Long service leave	781	695	781	695
Redundancy	-	46	-	46
Rostered day off and time off in lieu	644	651	644	651
<b>Total</b>	<b>4,187</b>	<b>4,098</b>	<b>4,096</b>	<b>4,012</b>
Current provisions expected to be settled after 12 months				
Annual leave	1,362	1,294	1,362	1,294
Long service leave	4,928	4,525	4,928	4,525
<b>Total</b>	<b>6,290</b>	<b>5,819</b>	<b>6,290</b>	<b>5,819</b>
<b>Total Current provisions</b>	<b>10,477</b>	<b>9,917</b>	<b>10,386</b>	<b>9,831</b>
<b>Non-current</b>				
Long service leave	1,004	1,166	950	1,113
<b>Total</b>	<b>1,004</b>	<b>1,166</b>	<b>950</b>	<b>1,113</b>
Aggregate carrying amount of employee provisions:				
Current	10,477	9,917	10,386	9,831
Non-current	1,004	1,166	950	1,113
<b>Total</b>	<b>11,481</b>	<b>11,083</b>	<b>11,336</b>	<b>10,944</b>
The following assumptions were adopted in measuring the present value of employee benefits:				
Weighted average increase in employee costs	4.44%	4.44%	4.44%	4.44%
Weighted average discount rates	3.03%	3.57%	3.03%	3.57%
Weighted average settlement period	12	12	12	12
<b>(b) Landfill 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 2048 and restoration work is expected to commence shortly thereafter. The forecast life of the Mildura Landfill site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.				
The following assumptions were adopted in measuring the present value of landfill rehabilitation:				
Projected increase in costs	2.25%	3.00%	2.25%	3.00%
Projected discount rates starting at year 1	1.93%	2.46%	1.93%	2.46%
<b>Non-current</b>				
Landfill restoration	7,631	7,400	7,631	7,400
<b>Total landfill restoration</b>	<b>7,631</b>	<b>7,400</b>	<b>7,631</b>	<b>7,400</b>
<b>Total provisions</b>				
Current	10,477	9,917	10,386	9,831
Non-current	8,635	8,566	8,581	8,513
<b>Total provisions</b>	<b>19,112</b>	<b>18,483</b>	<b>18,967</b>	<b>18,344</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 28 Interest-bearing loans and borrowings</b>				
<i>Current</i>				
Borrowings - secured	1,809	2,758	1,786	2,693
	<u>1,809</u>	<u>2,758</u>	<u>1,786</u>	<u>2,693</u>
<i>Non-current</i>				
Borrowings - secured	19,535	19,468	19,514	19,425
	<u>19,535</u>	<u>19,468</u>	<u>19,514</u>	<u>19,425</u>
<b>Total</b>	<u>21,344</u>	<u>22,226</u>	<u>21,300</u>	<u>22,118</u>
The maturity profile for Council's borrowings is:				
<i>Loans - security</i>				
Not later than one year	1,809	2,758	1,786	2,693
Later than one year and not later than five years	6,359	6,506	6,338	6,463
Later than five years	13,176	12,962	13,176	12,962
<b>Total</b>	<u>21,344</u>	<u>22,226</u>	<u>21,300</u>	<u>22,118</u>
<i>Finance leases</i>				
Council had the following obligations under finance leases for the lease of equipment (the sum of which is recognised as a liability after deduction of future lease finance charges included in the obligation):				
Not later than one year	17	17	17	17
Later than one year and not later than five years	18	35	18	35
Later than five years	-	-	-	-
Minimum lease payments	<u>35</u>	<u>52</u>	<u>35</u>	<u>52</u>
Less: Future finance charges	<u>3</u>	<u>6</u>	<u>3</u>	<u>6</u>
<b>Total</b>	<u>32</u>	<u>46</u>	<u>32</u>	<u>46</u>
<i>Current</i>				
Leases	15	14	15	14
	<u>15</u>	<u>14</u>	<u>15</u>	<u>14</u>
<i>Non-current</i>				
Leases	17	32	17	32
	<u>17</u>	<u>32</u>	<u>17</u>	<u>32</u>
<b>Total finance leases</b>	<u>32</u>	<u>46</u>	<u>32</u>	<u>46</u>
The finance lease is a Hire Purchase agreement through the National Australia Bank where the risk lies solely with the lessee. The repayment schedule was set at the signing of the agreement and can only be varied where the lessor considers such variations necessary. The title to the goods passes to the lessee upon meeting the payment schedule.				
Aggregate carrying amount of interest-bearing loans and borrowings:				
Current	1,824	2,772	1,801	2,707
Non-current	19,552	19,500	19,531	19,457
<b>Total interest-bearing loans and borrowings</b>	<u>21,376</u>	<u>22,272</u>	<u>21,332</u>	<u>22,164</u>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 Reserves

Consolidated

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve				
2015				
<b>Property</b>				
Buildings	58,831	2,133	-	60,964
Land	17,658	-	(530)	17,128
Land under roads	1,041	-	(1,041)	-
	<b>77,530</b>	<b>2,133</b>	<b>(1,571)</b>	<b>78,092</b>
<b>Plant and Equipment</b>				
Artwork	14,567	28	-	14,595
	<b>14,567</b>	<b>28</b>	<b>-</b>	<b>14,595</b>
<b>Infrastructure</b>				
Aerodromes	9,594	-	-	9,594
Drainage	39,635	-	(1,571)	38,064
Off street car parks	368	8,076	-	8,444
Recreational, leisure and community	1,180	30,765	-	31,945
Parks, open spaces and streetscapes	5,767	1,047	-	6,814
Roads	191,566	-	(122)	191,444
Waste management	80	-	(80)	-
	<b>248,190</b>	<b>39,888</b>	<b>(1,773)</b>	<b>286,305</b>
<b>Water rights</b>				
Water rights	355	1,858	-	2,213
	<b>355</b>	<b>1,858</b>	<b>-</b>	<b>2,213</b>
<b>Total asset revaluation reserve</b>	<b>340,642</b>	<b>43,907</b>	<b>(3,344)</b>	<b>381,205</b>



Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 Reserves (cont)

Consolidated

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(a) Asset revaluation reserve 2014				
<b>Property</b>				
Land	17,658	-	-	17,658
Land under roads	1,041	-	-	1,041
Buildings	58,831	-	-	58,831
	<u>77,530</u>	<u>-</u>	<u>-</u>	<u>77,530</u>
<b>Plant and equipment</b>				
Artwork	14,567	-	-	14,567
	<u>14,567</u>	<u>-</u>	<u>-</u>	<u>14,567</u>
<b>Infrastructure</b>				
Aerodromes	9,594	-	-	9,594
Drainage	36,869	2,766	-	39,635
Off street car parks	368	-	-	368
Recreational, leisure and community	1,180	-	-	1,180
Parks, open spaces and streetscapes	405	5,362	-	5,767
Roads	193,953	-	(2,387)	191,566
Waste management	80	-	-	80
	<u>242,449</u>	<u>8,128</u>	<u>(2,387)</u>	<u>248,190</u>
<b>Water rights</b>				
Water rights	195	160	-	355
	<u>195</u>	<u>160</u>	<u>-</u>	<u>355</u>
<b>Total asset revaluation reserve</b>	<u>334,741</u>	<u>8,288</u>	<u>(2,387)</u>	<u>340,642</u>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 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>2015</b>				
<i><b>Non discretionary reserves</b></i>				
Apex Park reserve	557	87	(212)	432
Car parking	34	-	(34)	-
Developer Contribution reserve	1,041	903	(919)	1,025
DGR Donations reserve - MAC theatre	107	4	(2)	109
Drainage	401	-	(215)	186
Nature strips and trees	18	-	(18)	-
Resort/Recreation/Open Space	103	-	(103)	-
Library book bequest reserve	99	-	-	99
<b>Total</b>	<b>2,360</b>	<b>994</b>	<b>(1,503)</b>	<b>1,851</b>
<i><b>Discretionary reserves</b></i>				
Landfill redevelopment reserve	7,331	7,425	(7,866)	6,890
Artwork acquisition reserve	81	43	(69)	55
Asset renewal reserve	414	-	(414)	-
Landfill rehabilitation reserve	1,073	165	(280)	958
Primary Care Partnership reserve	210	474	(565)	119
Street light poles	10	-	(2)	8
Small towns development reserve	620	-	(159)	461
VGC advance grants reserve	-	6,609	-	6,609
<b>Total</b>	<b>9,739</b>	<b>14,716</b>	<b>(9,355)</b>	<b>15,100</b>
<b>Total other reserves</b>	<b>12,099</b>	<b>15,710</b>	<b>(10,858)</b>	<b>16,951</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 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>2014</b>				
<i><b>Non discretionary reserves</b></i>				
Apex Park reserve	485	90	(18)	557
Car parking	33	1	-	34
Developer contribution reserve	765	304	(28)	1,041
DGR Donations reserve - MAC theatre	79	28	-	107
Drainage	395	6	-	401
Nature strips and trees	18	-	-	18
Resort/Recreation/Open Space	103	-	-	103
Library Book Bequest Reserve	99	-	-	99
<b>Total</b>	<b>1,977</b>	<b>429</b>	<b>(46)</b>	<b>2,360</b>
<i><b>Discretionary reserves</b></i>				
Artwork acquisition reserve	56	31	(6)	81
Asset renewal reserve	411	5	(2)	414
Landfill redevelopment reserve	7,081	7,186	(6,936)	7,331
Landfill rehabilitation reserve	979	178	(84)	1,073
Primary Care Partnership reserve	185	411	(386)	210
Small towns redevelopment reserve	511	153	(44)	620
Street light poles	10	-	-	10
<b>Total</b>	<b>9,233</b>	<b>7,964</b>	<b>(7,458)</b>	<b>9,739</b>
<b>Total other reserves</b>	<b>11,210</b>	<b>8,393</b>	<b>(7,504)</b>	<b>12,099</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 29 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>2015</b>				
<b>Property</b>				
Buildings	58,694	2,133	-	60,827
Land	17,658	-	(530)	17,128
Land under roads	1,041	-	(1,041)	-
	<b>77,393</b>	<b>2,133</b>	<b>(1,571)</b>	<b>77,955</b>
<b>Plant and equipment</b>				
Artwork	14,567	28	-	14,595
	<b>14,567</b>	<b>28</b>	<b>-</b>	<b>14,595</b>
<b>Infrastructure</b>				
Roads	191,566	-	(122)	191,444
Drains	39,635	-	(1,571)	38,064
Recreational, leisure and community	1,180	30,765	-	31,945
Parks, open spaces and streetscapes	5,767	1,047	-	6,814
Waste management	80	-	(80)	-
Off street carpark	368	8,076	-	8,444
Aerodromes	9,594	-	-	9,594
	<b>248,190</b>	<b>39,888</b>	<b>(1,773)</b>	<b>286,305</b>
<b>Water rights</b>				
Water rights	355	1,858	-	2,213
	<b>355</b>	<b>1,858</b>	<b>-</b>	<b>2,213</b>
<b>Total asset revaluation reserve</b>	<b>340,505</b>	<b>43,907</b>	<b>(3,344)</b>	<b>381,068</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 29 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 2014</b>				
<b>Property</b>				
Buildings	58,694	-	-	58,694
Land	17,658	-	-	17,658
Land under roads	1,041	-	-	1,041
	<u>77,393</u>	<u>-</u>	<u>-</u>	<u>77,393</u>
<b>Plant and equipment</b>				
Artwork	14,567	-	-	14,567
	<u>14,567</u>	<u>-</u>	<u>-</u>	<u>14,567</u>
<b>Infrastructure</b>				
Aerodromes	9,594	-	-	9,594
Drainage	36,869	2,766	-	39,635
Off street carpark	368	-	-	368
Recreational, leisure and community	1,180	-	-	1,180
Parks, open spaces and streetscapes	405	5,362	-	5,767
Roads	193,953	-	(2,387)	191,566
Waste management	80	-	-	80
	<u>242,449</u>	<u>8,128</u>	<u>(2,387)</u>	<u>248,190</u>
<b>Water rights</b>				
Water rights	195	160	-	355
	<u>195</u>	<u>160</u>	<u>-</u>	<u>355</u>
<b>Total asset revaluation reserve</b>	<u>334,604</u>	<u>8,288</u>	<u>(2,387)</u>	<u>340,505</u>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 Reserves (cont)

Council	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
(b) Other reserves	\$'000	\$'000	\$'000	\$'000
2015				
<b>Non discretionary reserves</b>				
Apex Park reserve	557	87	(212)	432
Car parking	34	-	(34)	-
Drainage	401	-	(215)	186
Resort/Recreation/Open Space	103	-	(103)	-
Developer Contribution reserve	1,041	903	(919)	1,025
DGR donations reserve - MAC Theatre	107	4	(2)	109
Nature strips and trees	18	-	(18)	-
Library book bequest reserve	107	-	-	107
<b>Total</b>	<b>2,368</b>	<b>994</b>	<b>(1,503)</b>	<b>1,859</b>
<b>Discretionary reserves</b>				
Landfill redevelopment	7,331	7,425	(7,866)	6,890
Street light poles	10	-	(2)	8
Asset renewal reserve	414	-	(414)	-
Landfill rehabilitation reserve	1,073	165	(280)	958
Artwork acquisition reserve	81	43	(69)	55
Primary Care Partnership reserve	210	474	(565)	119
VGC advance grants reserve	-	6,609	-	6,609
Small towns development reserve	620	-	(159)	461
<b>Total</b>	<b>9,739</b>	<b>14,716</b>	<b>(9,355)</b>	<b>15,100</b>
<b>Total other reserves</b>	<b>12,107</b>	<b>15,710</b>	<b>(10,858)</b>	<b>16,959</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 29 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
2014				
<i>Non discretionary reserves</i>				
Apex Park reserve	485	90	(18)	557
Car parking	33	1	-	34
Drainage	395	6	-	401
Resort/Recreation/Open Space	103	-	-	103
Nature strips and trees	18	-	-	18
Developer Contribution reserve	765	304	(28)	1,041
Library book bequest reserve	99	8	-	107
DGR donations reserve - MAC Theatre	79	28	-	107
<b>Total</b>	<b>1,977</b>	<b>437</b>	<b>(46)</b>	<b>2,368</b>
<i>Discretionary reserves</i>				
Artwork acquisition reserve	56	31	(6)	81
Asset renewal reserve	411	5	(2)	414
Landfill redevelopment	7,081	7,186	(6,936)	7,331
Landfill rehabilitation reserve	979	178	(84)	1,073
Primary Care Partnership reserve	185	411	(386)	210
Small towns redevelopment reserve	511	153	(44)	620
Street light pole	10	-	-	10
<b>Total</b>	<b>9,233</b>	<b>7,964</b>	<b>(7,458)</b>	<b>9,739</b>
<b>Total other reserves</b>	<b>11,210</b>	<b>8,401</b>	<b>(7,504)</b>	<b>12,107</b>

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 29 Reserves (cont)

Name of Reserve	Nature and 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.
Developer Contribution reserve	Statutory developer contributions to be used for infrastructure asset categories which do not have a dedicated reserve above.
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.
Drainage reserve	Developer contributions and E.P.A. grant, to be used for drainage studies.
Nature strips and trees reserve	Statutory developer contributions to be spent on street beautification.
Resort/Recreation/Open Space reserve	Statutory developer contributions to be used for parks development.
Library book bequest reserve	Established to hold Library Book Bequest from deceased estate.
<b>Discretionary reserves</b>	
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.
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.
Landfill redevelopment reserve	Surplus on waste management operations, to be used for landfill reinstatement and purchase of new landfill sites.
Landfill rehabilitation reserve	A reserve created to provide for future landfill rehabilitation expenditure.
Plant replacement reserve	Surplus on plant operations, to be used for new and replacement plant.
Primary Care Partnership reserve	A reserve created to account for the unspent portion of Primary Care Partnership grant funding received.
Street light pole reserve	Developer contributions for replacement of specialised street lighting poles in various subdivisions.
Small town redevelopment reserve	A reserve for funds set aside for long term strategies for the small towns within the municipality.
VGC advance grants reserve	Transfer VGC grant received in advance



**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 29 Reserves (cont)**

**Council**

	Balance at beginning of reporting period	Increment	Decrement	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(c) Financial assets revaluation				
<b>2015</b>				
Interest in Mildura Airport Pty Ltd	12,500	609	-	13,109
	<u>12,500</u>	<u>609</u>	<u>-</u>	<u>13,109</u>
<b>Total financial assets revaluation</b>	<u>12,500</u>	<u>609</u>	<u>-</u>	<u>13,109</u>
<b>2014</b>				
Interest in Mildura Airport Pty Ltd	11,398	1,102	-	12,500
	<u>11,398</u>	<u>1,102</u>	<u>-</u>	<u>12,500</u>
<b>Total financial assets revaluation</b>	<u>11,398</u>	<u>1,102</u>	<u>-</u>	<u>12,500</u>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	Consolidated		Council	
	2015 \$'000	2014 \$'000	2015 \$'000	2014 \$'000
<b>Note 30 Reconciliation of cash flows from operating activities to surplus (deficit)</b>				
Surplus (deficit) for the year	21,284	3,268	20,675	2,166
Depreciation/amortisation	16,832	17,057	15,945	16,237
(Profit) loss on disposal of property, plant and equipment, infrastructure	2,589	2,787	2,589	2,765
Impairment losses	-	485	-	-
Gain/(loss) on recognition of non current assets	(16)	(2)	-	-
Contributions - non-monetary assets	(385)	(175)	(385)	(175)
Interest expense	1,307	1,445	1,320	1,435
Revaluation of financial asset	(15)	(69)	(15)	(69)
Decrease in asset carrying amount	3,513	-	3,513	-
Increase in landfill provision discount amount	(581)	-	(581)	-
<b>Change in assets and liabilities:</b>				
(Increase)/decrease in trade and other receivables	5,894	(5,810)	6,111	(6,115)
(Increase)/decrease in prepayments	(48)	41	8	42
Increase/(decrease) in accrued income	3	-	-	-
Increase/(decrease) in trust fund deposits	250	(775)	250	(775)
Increase/(decrease) in trade and other payables	(3,677)	(109)	(3,801)	555
(Increase)/decrease in inventories	(110)	36	(110)	36
Increase/(decrease) in provisions	398	1,065	392	1,046
<b>Net cash provided by/(used in) operating activities</b>	<b>47,238</b>	<b>19,244</b>	<b>45,911</b>	<b>17,148</b>

**Note 31 Reconciliation of cash and cash equivalents**

Cash and cash equivalents (see note 18)	39,171	21,712	36,388	19,373
<b>Total reconciliation of cash and cash equivalents</b>	<b>39,171</b>	<b>21,712</b>	<b>36,388</b>	<b>19,373</b>

**Note 32 Financing arrangements**

The Council does not have an overdraft facility	-	-	-	-
	-	-	-	-

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 33 Commitments

The Council has entered into the following commitments

Consolidated

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2015</b>					
<i><b>Operating</b></i>					
Swimming pool management	55	-	-	-	55
Telecommunications	779	672	-	-	1,451
Waste management	1,884	99	-	-	1,983
Cleaning services	347	240	-	-	587
Security services	323	3	-	-	326
Project design	1,199	-	-	-	1,199
Other	2,651	390	-	-	3,041
<b>Total</b>	<b>7,238</b>	<b>1,404</b>	<b>-</b>	<b>-</b>	<b>8,642</b>
<i><b>Capital</b></i>					
Building construction	253	-	-	-	253
Design and project management	2	-	-	-	2
Office equipment	3	-	-	-	3
Other	510	-	-	-	510
Recreation	4,473	-	-	-	4,473
Roadworks	189	-	-	-	189
Drainage	77	-	-	-	77
Plant and equipment	249	-	-	-	249
Waste management	1,083	-	-	-	1,083
<b>Total</b>	<b>6,839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,839</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 33 Commitments (cont)

Consolidated

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2015					
<i>Operating</i>					
Swimming pool management	783	137	-	-	920
Telecommunications	779	802	1,152	-	2,733
Waste management	2,412	490	-	-	2,902
Cleaning services	368	379	-	-	747
Security services	506	521	-	-	1,027
Project design	1,195	-	-	-	1,195
Other	2,259	1,077	134	-	3,470
<b>Total</b>	<b>8,302</b>	<b>3,406</b>	<b>1,286</b>	<b>-</b>	<b>12,994</b>
<i>Capital</i>					
Building construction	97	-	-	-	97
Design and project management	54	-	-	-	54
Office equipment	90	-	-	-	90
Other	7	-	-	-	7
Recreation	1,527	-	-	-	1,527
Roadworks	500	-	-	-	500
Drainage	293	-	-	-	293
Plant and equipment	1,025	-	-	-	1,025
Waste management	126	-	-	-	126
<b>Total</b>	<b>3,719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,719</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 33 Commitments (cont)

The Council has entered into the following commitments

Council

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2015</b>					
<i><b>Operating</b></i>					
Swimming pool management	55	-	-	-	55
Telecommunications	779	672	-	-	1,451
Waste management	1,884	99	-	-	1,983
Cleaning services	347	240	-	-	587
Security services	323	3	-	-	326
Project design	1,199	-	-	-	1,199
Other	2,651	390	-	-	3,041
<b>Total</b>	<b>7,238</b>	<b>1,404</b>	<b>-</b>	<b>-</b>	<b>8,642</b>
<i><b>Capital</b></i>					
Building construction	253	-	-	-	253
Design and project management	2	-	-	-	2
Office equipment	3	-	-	-	3
Other	510	-	-	-	510
Recreation	4,473	-	-	-	4,473
Roadworks	189	-	-	-	189
Drainage	77	-	-	-	77
Plant and equipment	249	-	-	-	249
Waste management	1,083	-	-	-	1,083
<b>Total</b>	<b>6,839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,839</b>

Notes to the Financial Report  
For the Year Ended 30 June 2015

Note 33 Commitments (cont)

Council

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>2014</b>					
<i><b>Operating</b></i>					
Swimming pool management	783	137	-	-	920
Telecommunications	779	802	1,152	-	2,733
Waste management	2,412	490	-	-	2,902
Cleaning services	368	379	-	-	747
Security services	506	521	-	-	1,027
Project design	1,195	-	-	-	1,195
Other	2,259	1,077	134	-	3,470
<b>Total</b>	<b>8,302</b>	<b>3,406</b>	<b>1,286</b>	<b>-</b>	<b>12,994</b>
<i><b>Capital</b></i>					
Building construction	97	-	-	-	97
Design and project management	54	-	-	-	54
Office equipment	90	-	-	-	90
Other	7	-	-	-	7
Recreation	1,527	-	-	-	1,527
Roadworks	500	-	-	-	500
Drainage	293	-	-	-	293
Plant and equipment	1,025	-	-	-	1,025
Waste management	126	-	-	-	126
<b>Total</b>	<b>3,719</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,719</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

Consolidated		Council	
2015	2014	2015	2014
\$'000	\$'000	\$'000	\$'000

**Note 34 Operating leases**

**(a) Operating lease commitments**

At the reporting date, the Council had the no obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities

**(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	457	436	228	216
Later than one year and not later than five years	1,294	1,398	736	805
Later than five years	1,096	1,130	660	758
	<u>2,847</u>	<u>2,964</u>	<u>1,624</u>	<u>1,779</u>

## **Notes to the Financial Report For the Year Ended 30 June 2015**

### **Note 35 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 volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

#### **Funding arrangements**

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.5% pa

Salary information 4.25% pa

Price inflation (CPI) 2.75% pa.

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

#### **Employer contributions**

##### **Regular contributions**

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2014, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2015, this rate was 9.5% of members' salaries. This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate

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



## **Note 35 Contingent liabilities and contingent assets (cont)**

### **Funding calls**

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

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

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

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

### **Latest actuarial investigation surplus amounts**

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$77.1 million; and
- A total service liability surplus of \$236 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2014.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Council was notified of the results of the actuarial investigation during January 2015.

### **Guarantees for loans to other entities**

Guarantees by Council to financial institutions over loans taken out by sporting clubs and community organisations within the municipality and performance guarantees for construction contracts amounting to \$251,836 (2014: \$251,836)

### **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 2015

### Note 36 Financial Instruments

#### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. 'Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. 'Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

#### (b) Market risk

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

#### (b) 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. 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. Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

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:

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

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause 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.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

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 35.

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 36 Financial Instruments (cont)

#### (d) Liquidity risk

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

To help reduce these risks 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 maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 35, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 28.

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

#### (e) Fair value

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

##### *Fair value hierarchy*

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

#### (f) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -2% in market interest rates (AUD) from year-end rates of 1.5%.

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### 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 (Mayor)	1/07/2014 to 30/06/2015
	John Arnold	1/07/2014 to 30/06/2015
	Judi Harris	1/07/2014 to 30/06/2015
	Max Thorburn	1/07/2014 to 30/06/2015
	Mark Eckel	1/07/2014 to 30/06/2015
	Sharyon Peart	1/07/2014 to 30/06/2015
	Ali Cupper	1/07/2014 to 30/06/2015
	Greg Brown	1/07/2014 to 30/06/2015
	Jill Joslyn	1/07/2014 to 30/06/2015
<b>Chief Executive Officer</b>	Gerard José	6/10/2014 to 30/06/2015
<b>Acting Chief Executive Officer</b>	Garry Healy	1/07/2014 to 5/10/2014

#### (ii) Remuneration of Responsible Persons

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

	2015 No.	2014 No.
\$20,000 - \$29,999	8	8
\$60,000 - \$69,999	-	1
\$70,000 - \$79,999	1	-
\$190,000 - \$199,999	1	-
\$420,000 - \$429,999	-	1
	<b>10</b>	<b>10</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	481	702

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

Retirement benefits have been made by Council to a Responsible Person. Total \$0. (2013/14, \$100,000).

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 38 Related party transactions (cont)

#### (iv) Loans to Responsible Persons

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2013/14, Nil).

#### (v) Transactions with 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 (2013/14, 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 \$136,000.

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

Income Range:	2015 No.	2014 No.
\$136,000 - \$139,999	-	4
\$140,000 - \$149,999	5	5
\$150,000 - \$159,999	7	2
\$160,000 - \$169,999	1	1
\$190,000 - \$199,999	-	1
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	1	2
\$230,000 - \$239,999	1	1
	<b>16</b>	<b>16</b>
	<b>\$'000</b>	<b>\$'000</b>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	2,643	2,614

### Note 38 Events occurring after balance date

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

## 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 (Planning and Reporting) Regulations 2014, Australian Accounting Standards and other mandatory professional reporting requirements.



David Folvig - BBus  
Principal Accounting Officer

Date : 25 September 2015  
Mildura

In our opinion the accompanying financial statements present fairly the financial transactions of Mildura Rural City Council for the year ended 30 June 2015 and the financial position of the Council as at that date.

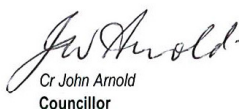
As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify the financial statements in their final form.



Cr Glenn Milne  
Councillor

Date : 25 September 2015  
Mildura



Cr John Arnold  
Councillor

Date : 25 September 2015  
Mildura



Gerard Jose  
Chief Executive Officer

Date : 25 September 2015  
Mildura

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Mildura Rural City Council

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2015 of the Mildura Rural City Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements has been audited. The financial report is the consolidated statements of the consolidated entity, comprising Mildura Rural City Council and the entity that it controlled at the year's end and from time to time during the year as disclosed in note 1(c) to the consolidated financial statements.

#### *The Councillors' Responsibility for the Financial Report*

The Councillors of the Mildura Rural City Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

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

#### *Auditor's Responsibility*

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the 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 financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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

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

## Independent Auditor's Report (continued)

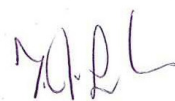
### *Independence*

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

### *Opinion*

In my opinion the financial report presents fairly, in all material respects, the financial position of the Mildura Rural City Council as at 30 June 2015 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*.

MELBOURNE  
25 September 2015

  
Dr Peter Frost  
Acting Auditor-General



## Part 3: Performance Statement

## **MILDURA RURAL CITY COUNCIL**

### **Performance Statement**

For the year ended 30 June 2015

## **Performance Statement**

For the year ended 30 June 2015

### **Description of municipality**

Mildura is a growing regional city on the banks of the Murray River in north western Victoria bordering New South Wales and South Australia. Major townships within Mildura Rural City's urban area include Mildura, Irymple, Red Cliffs and Merbein. Other townships within Council's rural area include Ouyen, Walpeup, Murrayville, Underbool, Werrimull, Cullulleraine, Nangiloc and Colignan. The city's main industries include agriculture, horticulture, advanced manufacturing, logistics and services. The council covers an area of 22,082 square kilometres, making it the largest in Victoria and has an estimated resident population of 53,036 which is projected to grow to 61,600 by the year 2031.

## Sustainable Capacity Indicators

For the year ended 30 June 2015

<i>Indicator/measure</i>	<b>Results 2015</b>	<b>Commentary</b>
<b>Own-source revenue</b>		
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,360	
<b>Recurrent grants</b>		
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$537	
<b>Population</b>		
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,701	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$10,725	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	10	
<b>Disadvantage</b>		
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	3	

### Definitions

"adjusted underlying revenue" means total income other than—

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

"infrastructure" means non-current property, plant and equipment excluding land

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

"population" means the resident population estimated by council

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

"SEIFA" means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Service Performance Indicators

For the year ended 30 June 2015

<i>Service/ indicator/ measure</i>	<b>Results 2015</b>	<b>Commentary</b>
<b>Governance</b>		
<b>Satisfaction</b>		
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	54	
<b>Statutory Planning</b>		
<b>Decision making</b>		
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	81.8%	9 from 11 VCAT reviews upheld the Council decision.
<b>Roads</b>		
<b>Satisfaction</b>		
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	58	
<b>Libraries</b>		
<b>Participation</b>		
<i>Active library members</i> [Number of active library members / Municipal population] x100	18.7%	
<b>Waste Collection</b>		
<b>Waste diversion</b>		
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	33.2%	Council does not currently run a kerbside organics service.
<b>Aquatic Facilities</b>		
<b>Utilisation</b>		
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	10	
<b>Animal Management</b>		
<b>Health and safety</b>		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	There were no prosecutions in 2014/2015. Council has an extensive responsible pet ownership and education program delivered through partnerships with external organisations. It is council's preference to mediate situations in preference to legal action.

**Food Safety****Health and safety**

*Critical and major non-compliance notifications* 74.0%

[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

**Home and Community Care****Participation**

*Participation in HACC service* 30.5%

[Number of people that received a HACC service / Municipal target population for HACC services] x100

**Participation**

*Participation in HACC service by CALD people* 33.0%

[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100

**Maternal and Child Health****Participation**

*Participation in the MCH service* 77.0%

[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100

Mallee District Aboriginal Service provide a Maternal and Child Health service. Some Aboriginal clients choose to attend this service.

**Participation**

*Participation in the MCH service by Aboriginal children* 44.0%

[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100

Mallee District Aboriginal Service provide a Maternal and Child Health service. Some Aboriginal clients choose to attend this service.

**Definitions**

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

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

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

"annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act

"class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

"class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

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

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

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

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth

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

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

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

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

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth

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

## Financial Performance Indicators

For the year ended 30 June 2015

Dimension / indicator / measure	Results		Forecasts			Material Variations
	2015	2016	2017	2018	2019	
<b>Operating position</b>						
<b>Adjusted underlying result</b>						
<i>Adjusted underlying surplus (or deficit)</i>	10.0%	2.9%	2.9%	2.7%	3.4%	Our actuals are higher than our forecast due to the unexpected forward payment of 50% of our Victorian Grants Commission funding for the 2015/16 year into the 2014/15 year. A steady financial performance was expected over the period, indicating that we are achieving balanced budgets and not putting undue pressure on our cash reserves.
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100						
<b>Liquidity</b>						
<b>Working capital</b>						
<i>Current assets compared to current liabilities</i>	263.1.0%	112.2%	117.5%	119.0%	120.5%	Working capital is expected to decrease from 2014/15. This is in large part due to the forward payment of 50% of our Victorian Grants Commission funding from 2015/16 into 2014/15.
[Current assets / Current liabilities] x100						
<b>Unrestricted cash</b>						
<i>Unrestricted cash compared to current liabilities</i>	123.1%	44.7%	48.9%	51.7%	54.5%	Unrestricted cash is expected to decrease from 2014/15. This is in large part due to the forward payment of 50% of our Victorian Grants Commission funding from 2015/16 into 2014/15.
[Unrestricted cash / Current liabilities] x100						
<b>Obligations</b>						
<b>Loans and borrowings</b>						
<i>Loans and borrowings compared to rates</i>	35.9%	31.7%	28.0%	25.3%	22.7%	This indicates Councils reducing reliance on debt against its annual rate revenue through redemption of long term debt.
[Interest bearing loans and borrowings / Rate revenue] x100						
<i>Loans and borrowings repayments compared to rates</i>	5.3%	5.1%	4.3%	3.0%	2.9%	No Material Variation
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100						



Dimension / indicator / measure	Results		Forecasts				Material Variations
	2015		2016	2017	2018	2019	
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	40.2%		36.9%	34.5%	32.4%	30.1%	No Material Variation
<b>Asset renewal</b> <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	84.9%		90.7%	87.8%	87.8%	87.8%	No Material Variation
<b>Stability</b> <b>Rates concentration</b> <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	59.8%		65.2%	65.5%	66.6%	66.9%	This is increasing due to the forward payment of 50% of our Victorian Grants Commission funding from 2015/16 into 2014/15. This had the effect of increasing non rates income showing our reliance on rates to be less than it would have been otherwise.
<b>Rates effort</b> <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.84%		0.87%	0.89%	0.91%	0.94%	Mildura Rural City Council will tend to have higher rates compared to property values due to the following inherent factors of our municipality: population size, population density, population dispersion and remoteness from a major population centre.
<b>Efficiency</b> <b>Expenditure level</b> <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,189.9		\$3,243.9	\$3,329.8	\$3,417.1	\$3,508.3	Mildura Rural City Council will tend to have higher expenses per property assessment due to the following inherent factors of our municipality: population size, population density, population dispersion and remoteness from a major population centre.
<b>Revenue level</b> <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,436.9		\$1,739.2	\$1,810.6	\$1,884.9	\$1,962.3	Mildura Rural City Council will tend to have a higher average residential rate per residential property assessment due to the following inherent factors of our municipality: population size, population density, population dispersion and remoteness from a major population centre.

<b>Workforce turnover</b> <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	13.1%	13.1%	13.1%	13.1%	13.1%	No Material Variation
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#### Definitions

"adjusted underlying revenue" means total income other than—  
(a) non-recurrent grants used to fund capital expenditure; and  
(b) non-monetary asset contributions; and  
(c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure

"asset renewal expenditure" means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

"non-recurrent grant" means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan

"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

"restricted cash" means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

## Other Information

For the year ended 30 June 2015

### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 25 June 2015 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

### Certification of the Performance Statement

In my opinion the accompanying performance statements has been prepared in accordance with the Local Government Act 1989, the Local Government (Planning and Reporting) Regulations 2014, Australian Accounting Standards and other mandatory professional reporting requirements.



David Folvig - BBus  
Principal Accounting Officer

Date : 25 September 2015  
Mildura

In our opinion, the accompanying performance statement of the Mildura Rural City Council for the year ended 30 June 2015 presents fairly the results of council's performance in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

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

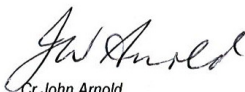
As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify the performance statements in their final form.



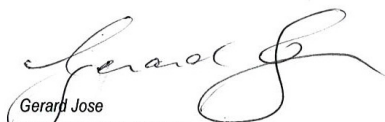
Cr Glenn Milne  
Councillor

Date : 25 September 2015  
Mildura



Cr John Arnold  
Councillor

Date : 25 September 2015  
Mildura



Gerard Jose  
Chief Executive Officer

Date : 25 September 2015  
Mildura



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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Mildura Rural City Council

#### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2015 of the Mildura Rural City Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

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

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

#### *Auditor's Responsibility*

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

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

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

*Auditing in the Public Interest*

## Independent Auditor's Report (continued)

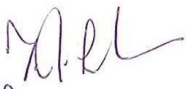
### *Independence*

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

### *Auditor's Opinion*

In my opinion, the performance statement of the Mildura Rural City Council in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE  
25 September 2015

  
Dr Peter Frost  
Acting Auditor-General