

# Annual Report

2017-2018

*Our vision: To be the most liveable,  
people friendly community in Australia.*



Mildura Rural City Council

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# Acknowledgement of Country

Council acknowledges the traditional custodians of the land comprising the Mildura Rural City Council area, and those of our neighbouring municipalities. We pay our respects to Elders past and present; and celebrate and respect their continuing culture and connection to the land.

## Part 1: Report of Operations

# Introduction

## Welcome to the Report of Operations 2017-2018

As a Council, we are committed to transparent reporting and accountability to our community and the Report of Operations 2017–2018 is the primary means of advising the Mildura Rural City Council community about our operations and performance during the financial year.

## Snapshot of Mildura Rural City 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, Nichols Point, Cowangie, Underbool and Walpeup
- Estimated resident population: 55,071
- Estimated Mildura population: 32,738
- Estimated Indigenous population: 2,073
- Seventy-five different cultures call Mildura home.
- The majority of the Mildura region's population were born in Australia (83.5 per cent), 1.2 per cent were born in England, 1.0 per cent in New Zealand and 0.7 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, vegetables and nuts), tourism, food and beverage manufacturing, transport and logistics, retail, health and community services
- Emerging industries: Renewable energy generation, aquaculture, mineral sands mining and recycling

*\* Source: Figures based on 2018 update to Australian Bureau of Statistics data.*

Our Vision – To be the most liveable, people friendly community in Australia.

- Our 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 - By managing its operations in a sustainable manner, Council will deliver value for all stakeholders in an ethically, socially and environmentally responsible manner.
9. Sustainable Results - To deliver sustainable results, Council must have a culture that promotes accountability through all levels of the organisation.

Fast facts:

- 90 groups assisted by annual community grants totalling \$686,505 (GST inclusive)
- 1,030 kilometres of local sealed roads maintained
- 4,061 kilometres of unsealed local roads maintained
- 29,070 rateable properties comprised of 23,244 residential, 2,393 business, 3,344 farming and 89 cultural and recreation properties
- 1,454 applications received for 108 recruitment processes
- 60,405 hours of ageing and disability care support provided
- 479,739 attendees at aquatic facilities
- 287,622 library items borrowed
- 66,286 calls answered by the customer service call centre
- 594 planning applications received
- 1,092 building permits issued totalling \$170,488,092
- 25,540 rubbish bins collected each week
- 25,540 recycling bins collected each fortnight
- 20 recreation reserves maintained
- 25 school crossings supervised
- 228,644 aeroplane passengers
- 500kva solar panels installed on Mildura Rural City Council buildings

## Highlights of the Year

See section on Our Performance for more details.

### Strategic Objective 1: Community

We will create a safe, supportive place to live, where diversity and lifestyle opportunities are encouraged.

Achievements:

- Thanks to a \$40,000 grant from the Victorian Government's Animal Welfare Fund, together with the Sunraysia Animal Rehousing Group, produced and distributed up to 300 Responsible Pet Owner packs in an effort to ultimately reduce the number of animals euthanised at the Mildura Animal Shelter.
- To provide a more flexible, simpler and fairer system for event organisers, reduced the current two rounds of funding per year for the Events Funding and Support Grants Scheme to one round.
- Hosted at the Mildura Arts Centre in July 2017, the Tasmanian Theatre Company's production, *Bakersfield Mist*, starred AFI Best Actress nominee Julie Nihill and Gold Logie Award-winning Australian actor and writer John Wood.
- In a bid to help older Sunraysia residents stay safe online, hosted Consumer Affairs Victoria Scam Awareness Sessions at the Mildura, Merbein and Red Cliffs libraries in July 2017.
- Following eight months of major repair works totalling a cost of \$326,661, required due to damage resulting from the 2016 Remembrance Day storm, the Irymple Community Leisure Centre reopened in August 2017.
- Adopted the Community Health and Wellbeing Plan 2017-2021.
- Administered by a network of Australian Taxation Office-trained community volunteers, ran the Tax Help program from our Deakin Avenue Service Centre, providing assistance to 248 people who earned around \$60,000 or less in the last financial year to complete their tax returns.
- Expanded our Library Service's *Books on the Fly* program at Mildura Airport to include the Arrivals Hall.
- Together with various local agencies, held the *For Youth By Youth Expo* on 15 September 2017, showcasing services tailored to the needs of young people in our region.
- Commenced work on 18 September 2017 to replace the Rio Vista Park stairs, which connect Rio Vista Park near Mildura's riverfront to Cureton Avenue near the Mildura Arts Centre, with a more attractive, harder wearing and safer structure.
- Hosted the Melbourne International Film Festival's (MIFF) Travelling Showcase in late September 2017.
- Together with the Rotary Club of Mildura Deakin, ran the Mindshop Excellence program to foster team work and self-confidence for six Year 11 Mildura Senior College students through exposure to the Mildura Rural City Council business environments.

- Endorsed the Business Case for Mildura South Regional Sporting Precinct, a \$36 million project proposed for the corner of Sixteenth Street and Deakin Avenue.
- Adopted the Reconciliation Action Plan 2017-2020.
- Celebrated the Over 55 community in October 2017 with the Mildura Seniors Festival, offering a packed and diverse program of events with everything from live music and fitness classes to site tours, luncheons and movie sessions.
- During October 2017, the Council's Library Service, together with Mildura Mental Health Services, hosted three mental health-themed 'storytime' sessions for pre-schoolers and their families in support of Mental Health Week.
- Held a Future Planning Forum at the Mallee Track Health and Community Service on Friday 27 October 2017 to help residents plan for their senior years.
- Hosted more than 8,000 visitors to the *Kylie on Stage* exhibition, celebrating pivotal moments from Kylie Minogue's highly successful concert tours and showcasing Kylie's spectacular stage wardrobe, at the Mildura Arts Centre from August to October 2017.
- Adopted the Domestic Animal Management Plan 2017–2021.
- Completed construction of a second netball court and installation of competition-standard lighting at Merbein's Kenny Park, a \$341,297 project, in early November 2017 following a \$100,000 funding boost from the Victorian Government's Country Football and Netball Program.
- Held the annual White Ribbon (Community) Walk event on 20 November 2017 in support of White Ribbon, the world's largest movement of men and boys working to end men's violence against women and girls, as well as promoting gender equality, healthy relationships and a new vision of masculinity.
- In November 2017, Council endorsed Christie Centre Inc. as the new operator of Irymple's future library agency and community centre.
- In December 2017, hosted the Access All Areas Film Festival in the region marking International Day of People with a Disability.
- Presented 44 Sunraysia-based groups, clubs and organisations with more than \$173,000 in funding through the Recreation, Community Projects and Environmental Grants programs for projects to maintain and develop their facilities, as well as to develop programs and opportunities for the community.
- Following a successful application for \$294,000 in funding as part of the Victorian Government's Living Libraries Infrastructure Program, announced our intention to continue to progress plans to replace our mobile library service with a new enhanced model.
- Adopted a new Memorial and Plaques Policy to provide consistency when Council commemorates the contribution of members of the community to the social, cultural or political aspects and development of the Mildura Rural City Council.
- Adopted the Road Safety Strategy 2018-2022 to guide the municipality towards zero fatalities and serious crashes on our roads.

- Announced Denis Ryan as our Citizen of the Year, Cheryl Barnes as our Senior Citizen of the Year, Nicholas Fasso-Opie and Aleesha Davis as our joint Young Citizens of the Year and the Paws Along the Murray as the Community Event of the Year at the Australia Day Awards 2018 celebrations.
- In January 2018, commenced work on the installation of a passenger lift at the Mildura Arts Centre to increase accessibility to galleries 3 and 4, particularly for people with limited mobility.
- Held a community consultation session in Murrayville on Tuesday 13 February 2018 to give local residents the opportunity to provide input to shape their planned new placed-based library at Murrayville.
- Presented *Weaving the Waterways: Women and Fishing*, an exhibition curated by Wadi Wadi, Yorta Yorta and Ngarrindjeri artist Glenda Nicholls at Mildura Arts Centre on 19 April 2018.
- Hosted the Mildura Rural City Council Youth Awards ceremony on 18 April 2018, celebrating the achievements of the more than 25 young people nominated for an award.
- In April 2018, announced Pioneer Park as the soon to be home for Murrayville's new-look library service.
- Announced Mildura Rural City Council's intention to keep the dog off-leash facility at Rio Vista Park open indefinitely following a successful eight-month trial.
- Together with past, current and studying midwives, and their colleagues, celebrated International Day of the Midwife with a special luncheon on Saturday 5 May 2018.
- Supported by the Victorian Government, launched the *Lunch Club* on 9 May 2018, providing the opportunity for Sunraysia's over 55s to increase their social interaction and improve their nutrition.
- To increase awareness about the rates of discrimination still experienced by lesbian, gay, bisexual, transgender, intersex or queer people in the community, raised the Rainbow Flag on 17 May 2018 in support of International Day against Homophobia, Transphobia and Biphobia.
- In May 2018, following a comprehensive service review, to bring the service into line with other local government areas and ensure it is sustainable into the future, announced proposed changes to our Family Day Care service including an increase in the Family Day Care Administration Levy from 50 cents per hour to \$1 from July 2018.
- Celebrated *Mildura Day*, the formalisation of Mildura as Australia's first irrigation colony and Mildura's unofficial birthday, on 31 May 2018 with two main events – the official opening of a new Carnegie Centre display and an evening celebration at the Quality Hotel Mildura Grand Ballroom.
- In May 2018, released the *State of Mildura Rural City Report 2018* – the most complete snapshot of our region's health and wellbeing ever produced.
- In a collaborative effort with Australian Hearing Mildura, held two free hearing clinics in Mildura during May 2018 to allow Sunraysia residents concerned about their hearing, or simply wanting a check-up, to participate.

- In May 2018, approved a commitment of \$108,000 from its 2019-2020 Capital Works Program to support the Irymple Football Netball Club's application for Country Football and Netball Program funding to construct two new netball courts at Henshilwood Recreation Reserve, Irymple, subject to the Country Football Netball Program application being successful.
- Approved grant applications totalling \$9,973.40 for funding through the Arts Development 2017-2018 (February Round) grant program to provide financial assistance to local community organisations to participate in and experience the arts.
- Presented more than \$75,000 in funding to Sunraysia based groups through the Recreation and Rural Access grant programs 2017-2018 (February Round) for projects to develop their facilities, and also to develop the programs and opportunities they offer to the community.
- In partnership with Amaze, Victoria's peak body for people on the autism spectrum disorder, in June 2018 hosted the first in a series of information sessions and workshops detailing how the introduction of the National Disability Insurance Scheme will affect local families.
- Held a *Ride Sunday* event on 3 June 2018 for the region's motorcyclists to raise money for White Ribbon Australia and its plight to increase awareness, and ultimately end violence against women.
- Adopted the updated Aboriginal and Torres Strait Islander Recognition Policy, which provides the mechanism for respect and recognition of the Aboriginal and Torres Strait Islander communities within our municipality.
- Adopted the Buildings Asset Management Plan.
- On 15 June 2018, hosted a Women's Think Tank designed to engage local women and encourage them to be part of the push to bring about gender equality.
- Held a community BBQ on 1 June 2018 to celebrate National Reconciliation Week, which is bookended by two significant events in our country's reconciliation journey - the anniversary of the successful 1967 referendum (27 May) and the historic Mabo decision in 1992 (3 June).
- Hosted a performance at the Mildura Arts Centre from Australia's oldest professional orchestra, the Melbourne Symphonic Orchestra, on Friday 29 June 2018.
- In a show of support for our elderly residents as part of World Elder Abuse Awareness Day, three of our city's iconic buildings were lit purple from 14 to 18 June, and we held an Elder Abuse Awareness Expo at Mildura Central on 15 June 2018 together with local agencies.
- In June 2018, we reinforced our region's commitment to being a safe and welcoming municipality for refugees by signing the national Refugee Welcome Zone Scroll.
- Mildura Airport established a patient transfer station to accommodate patient transfers in a safe and enclosed environment at the Mildura Airport.
- Participated in the Local Drug Action Team to research the need for drug and alcohol services.

## Strategic Objective 2: Environment

We will create and promote sustainable natural and built environments.

### Achievements:

- Following the screening on 24 July 2017 of the ABC Four Corners program 'Pumped', which reported that NSW Government water extraction practices in the Barwon-Darling system are undermining the future of the \$13B Murray Darling Basin scheme, Council supported the establishment of a royal commission into the abuse of water sharing plans and the alleged theft of water intended for environmental use, as revealed by the Four Corners program, along with a move for the Murray-Darling Association to be given a seat on the Basin Officials Committee.
- Commenced construction in August 2017 of the \$400,000 Ouyen Transfer Station, promising Ouyen residents the option of dropping off all recycling first before proceeding to dispose of their remaining waste at the landfill.
- Adopted the Mildura Rural City Council Draft Energy Management Plan 2017-2021, which provides a framework for the long-term strategic management of electricity, gas and fuel consumption within Council operations and the broader community.
- Held a community information session on 18 October 2017 to seek Sunraysia residents' thoughts on the future use of land in Fifteenth Street between Mildura and Irymple.
- Released Council's Environmental Sustainability Report 2016-2017, which showed a significant reduction in electricity and water usage at Council sites over the past 12 months.
- In partnership with Sustainability Victoria, ran the *Detox Your Home* program at the Mildura Landfill on 11 November 2017, providing residents with a safe, free and easy-to-use service for disposing of common, highly toxic chemicals without impacting on their health or the environment.
- Mildura Eco Village and Sunraysia Sustainability Network hosted a 'Swap Party' on 19 November 2018, as part of National Recycling Week, providing a chance for local residents to update their wardrobes, bookshelves and bric-a-brac collections by swapping their unwanted items with other members of the community.
- Signed the Mallee Catchment Partnership Agreement, which aims to strengthen and provide clarity on roles and responsibilities of key catchment management partners, including the Mallee Catchment Management Authority, Lower Murray Water and Mildura Rural City Council.
- In December 2017, Council approved the Mallee Floodplain Management Strategy 2018–2028, which provides a regional planning document for floodplain management and a high level regional work program to guide future investment priorities.
- To reduce traffic congestion and increase safety for road users, installed a new roundabout at the intersection of Twelfth Street and Ontario Avenue, Mildura.
- Through a partnership between Council and Sustainable Melbourne Fund, introduced environmental upgrade agreements to Sunraysia, providing the opportunity for building owners to fund energy, water or waste efficiency improvements, or increase renewable energy to their buildings.

- Signed our first environmental upgrade agreement in April 2018, with Mildura's Ritchies IGA Supermarket in Deakin Avenue to pilot the agreement program with plans to install a 99kW solar system at the supermarket that will produce about 150MWh of electricity – enough to power 22 average-sized homes in Mildura.
- Together with the Sunraysia Sustainability Network, ran a Clean Up Australia Day community event at Mildura's Etiwanda Wetlands on Sunday 2 March 2018.
- In an unprecedented push to improve cyclist and pedestrian safety on our roads, in March 2018, announced our intention to roll out a \$3 million road safety works program sponsored largely by the Transport Accident Commission in the coming 18 months, which will include the installation of two roundabouts, five zebra crossings and timed 40km/h zones across the city.
- Supported *Earth Hour* between 8.30pm and 9.30pm on Saturday 24 March 2018 by turning off all non-essential lights at our three highest energy-consuming buildings – the Alfred Deakin Centre and our Deakin Avenue and Madden Avenue Service Centres.
- In April 2018, commenced major reconstruction and resurfacing of road pavement, and replacement of existing kerb and channelling between Tenth and Eleventh streets in Madden Avenue, Mildura, along with installation of an additional 25 car parking spaces.
- In May 2018, announced plans for a new three-bin kerbside waste collection system, which for the first time will include organic waste collection.
- With the community's help, celebrated National Tree Day at Red Cliffs' Quandong Park on 27 May 2018, planting around 300 trees in the park.
- Mildura Airport established a sustainable and environmentally friendly jet blast screen to contribute to the reduction of the Mildura Aerodrome's carbon footprint.
- Mildura Airport completed the Mildura Airport Runway Project, valued at \$25 million, increasing the airport's take off distance from 1,830m to 1,950m and strengthening runway 09/27, taxiways and aprons.
- Adopted the Mildura Regional Airport Master Plan 2017-2037, which provides a long-term planning framework to guide and manage the growth and development of Mildura Regional Airport.

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

We will encourage diverse and sustainable economic development that provides growth in jobs, investment and quality of life.

#### **Achievements:**

- Partnered with Telstra to connect 12 Telstra Air hotspots in the Mildura city heart and along the Mildura riverfront, encouraging locals and visitors alike to stay longer and spend more while accessing the free internet service.
- In September 2017, adopted an updated External Private Works Policy, which provides guidance and direction for Mildura Rural City Council when undertaking private works activities including the provision of quotes and client engagement.

- Announced public support for Mildura Lawn Tennis Club's successful bid through Council's New Event Sponsorship Funding program to host the 2020 Inter-Regional Country Tennis Championships, which is expected to provide economic benefit to the Mildura region in the vicinity of \$600,000.
- Unveiled the *Mildura Future Ready* plan to revive the region's economic and social wellbeing by aiming to secure \$88 million in funding and making four major infrastructure projects, which seek to generate more than 1,000 jobs and \$400 million in economic output, a reality by 2022.
- Signed a memorandum of understanding with Donghu University to develop a program for students that will be jointly delivered in China and Mildura, as well as an agreement with Wuhan Institute of Technology focused on accountancy and information technology.
- Adopted the Mildura City Heart Inc. Annual Business Plan 2018-2019, setting out the goals and strategies required to achieve the objectives of the Mildura City Heart Strategic Plan for 2018-2019.
- Hosted Travis Pastrana's Nitro Circus Next Level Tour, one of the biggest names in global action sports, at the Mildura Recreation Reserve on 7 April 2018, providing more than \$860,000 in direct economic benefits for the local economy in just one weekend through increased activity in accommodation, hospitality, retail and associated sectors.
- Approved grant applications totalling \$275,000 for funding through the Events Funding and Support 2018-2019 Grant Program to provide financial assistance to local event organisers to support events that generate economic and tourism activity, enhance the profile and appeal of our region and contribute to our community's liveability and wellbeing.
- Endorsed the Mildura Airport Pty Ltd Annual Business Plan 2018-2019, setting out the objectives and budget for the year ending 30 June 2019, along with projected passenger numbers and an update on the progress of actions within the Airport Master Plan.
- Approved \$12,500 in funding through the Events Funding and Support Grant Program 2018-2019 (New Event Sponsorship) to Mildura Speedway Driver's Club Inc to host the 2019 Australian and Victorian Street Stock Championships in Mildura in March 2019.
- Mildura Regional Development:
  - secured and facilitated the Channel 9 Postcards program for a full television episode dedicated to the Mildura region
  - secured a memorandum of understanding with SuniTAFE to build a Smart Farm training facility, and in partnership with SuniTAFE secured an \$800,000 grant for the Smart Farm development
  - secured a memorandum of understanding with Australian IOT to have presence in Mildura as part of the Community LoRaWan project and Smart Farm
  - developed and commenced the launch of the Mildura Experience Better branding initiative
  - in partnership with SuniTAFE, secured a grant of \$550,000 for a virtual/augmented reality training program.

## **Strategic Objective 4: Council**

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

### **Achievements:**

- Following the achievement of benchmarks in the six key areas required by Healthy Together Victoria, received official accreditation in October 2017 for our Family Day Care Service as a Healthy Early Childhood Service Council.
- Adopted the Strategic Resource Plan 2018-2019 to 2021-2022, which identifies how Mildura Rural City Council will secure and allocate the appropriate level of resources to achieve our strategic objectives.
- Adopted the Mildura Rural City Council Budget 2018-2019.
- Adopted a revised Fraud Control Policy and a new Fraud and Corruption Control Plan.
- Adopted an updated Procurement of Goods, Services and Works Policy.
- Noted the results of our Annual Local Government Community Satisfaction Survey for 2018.
- Achieved a five-point increase on our 2016 score in the Victorian Local Government Community Satisfaction Survey 2017, representing the municipality's highest score since 2013.
- Council's General Manager Development Mandy Whelan, who also chairs our organisation's White Ribbon Committee, and fellow committee member, Manager Organisational Development Kate McMillan, were appointed as two of White Ribbon Australia's first official advocates.
- As part of our ongoing commitment to White Ribbon Australia, entered a team of eight Council staff in Adelaide's City-Bay Fun Run on Sunday 17 September 2017, raising more than \$3,000 for White Ribbon Australia.
- Our Audit Committee maintained a rigorous program of independent reviews, including but not limited to: Contractor Management Review; Review of Long Term Financial Viability and Financial Planning Practices; Asset Handover (Developers to Council and internally within Council) excluding Development Contribution Plans aspect; Review of Safety Procedures Surrounding Playgrounds and Reserves.
- Contributed to a variety of key local government sector networks, including the Australian Local Government Association, Municipal Association of Victoria, Murray-Darling Association, Murray River Group of Councils etc.
- Trustee for the Mildura Cemetery Trust.

## 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

### The Future

- Work within the Victorian Government Rate Capping Framework
- Develop a long term strategy for the management of waste
- Continue to roll out organisational sustainability reviews
- Asset renewal
- Increase community awareness of our services
- Reform of the *Local Government Act*
- Continue to roll out the Mildura Riverfront Precinct Redevelopment project
- Constrained capacity to provide matching funding for major project development

# The Year in Review

## Mayor's Message

Mildura Rural City Council's 2017-2018 Annual Report details Council's achievement of the 2017 to 2021 Council Plan strategic objectives for the 2017-2018 financial year.

The role of a 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

The past 12 months have been an incredibly important time for our municipality, both in terms of what we've managed to achieve and the progress we've made in setting our future direction.

In August last year, we unveiled Mildura Future Ready (MFR), which is a pivotal plan to turn around our region's concerning social and economic indicators through investment and advocacy in four key projects for our municipality – the Mildura Motorsports and Community Precinct, the Mildura South Regional Sporting Precinct, Stage 2 of the Riverfront Redevelopment and advocating for the return of passenger rail services in our region.

Together these projects will diversify our economy and drive jobs growth in our region, ultimately aimed at raising the standard of living for our residents, particularly those doing it tough, for decades to come.

We've already made a significant amount of progress in making MFR a reality, securing \$10 million in Federal Government funding for the Mildura South Regional Sporting Precinct, which will guarantee a start on this major project, with other funding options for the remaining projects.

Over the past year, we've also seen the completion of several important infrastructure projects in the community.

They include the reopening last year of the Irymple Community Leisure Centre following eight months of repairs in the wake of the 2016 Remembrance Day storm, and new netball facilities at Merbein's Kenny Park, together representing well over \$600,000 in works.

Our beautiful Mildura Arts Centre has also received attention with the completion of a passenger lift to improve access to the venue's upper floors, and a forestage lift, which will ensure we attract bigger and more diverse acts to our region, providing a boost for our tourism sector.

Not forgetting our outlying areas, we're steadily progressing with our Libraries Branching Out model, which will replace our mobile library service. This will ensure more and better library services for residents in outlying towns in our municipality for many years to come, and will progressively come online in coming months.

### **Advocacy and Engagement**

The past year has seen the emergence of many major issues relevant not just to the welfare of our municipality, but regional councils across Victoria. They include the future of the Murray Darling Basin, waste recycling, passenger rail services and the ongoing disparity in government spending between regional and metropolitan areas.

These and many other issues have made joining with our neighbouring Councils vitally important, as together we can speak with a stronger voice.

As a result, we've enjoyed productive and ongoing relationships with bodies including the Murray River Group of Councils, Regional Cities Victoria, and the Municipal Association of Victoria, which at important points over the past 12 months have represented our interests and the interests of many other local government areas at state government level.

On a separate note, I also believe it's important we as a Council continue our advocacy as a Refugee Welcome Zone, ensuring we're active in this space rather than sitting idle.

### **Storm Response**

Unfortunately, over the past two years severe weather incidents have almost become an annual event for our region.

We saw this in November 2016, and again in November and December 2017. These events highlight the critical role local government plays in providing support and resources to emergency response agencies, and the community, during natural disasters and other major incidents.

In the 2017-2018 financial year, we provided assistance during a variety of events such as storms, flash flooding, bushfires, heat health alerts and road accidents. This support varies depending on the emergency event but includes the provision of Council resources such as water tankers and graders to support the fighting of bushfires, road closures and traffic detours during storms or road accidents and community messaging and information.

It must be remembered that while Council staff are providing these services, like the many emergency services and other agencies they work alongside, there's every chance their own homes and family may be affected by these storm events but they put the community first.

## **Thank you**

I would like to thank our Councillors, including our four new Councillors, for their commitment to this community over the past 12 months. I would also like to thank our residents, business owners, volunteers, community groups and Council officers for their support and feedback over the past year.

Cr Mark Eckel  
Mayor

## CEO's Message

On behalf of Mildura Rural City Council, it is my great pleasure to present our Annual Report for the year 2017–2018. The Chief Executive's Office is responsible for:

- Establishing and maintaining an appropriate organisational structure for the Council
- Ensuring that the decisions of the Council are implemented without undue delay
- The day to day management of the Council's operations in accordance with the Council Plan
- Developing, adopting and disseminating a code of conduct for Council staff
- Providing timely advice to the Council
- Carrying out the Council's responsibilities as a deemed employer with respect to Councillors, as deemed workers, which arise under or with respect to the *Accident Compensation Act 1985* or the *Workplace Injury Rehabilitation and Compensation Act 2013*.

## Highlights

The 2017-2018 financial year has been a great year with many significant achievements that we as a community should be very proud of.

Over the past 12 months, we've seen the completion of several important plans and reports within Council that reiterate our focus on ensuring the wellbeing of our wonderful community. They include the adoption of our Community Health and Wellbeing Plan 2017-2021 and, more recently, the release of the State of Mildura Rural City Report 2018, which was the result of an exhaustive amount of work by Council staff and a collaborative effort with key local agencies.

Our Community Health and Wellbeing Plan 2017-2021 has the welfare of our more than 53,000 residents and visitors at its core, prioritising issues including prevention of violence and injury, improving mental health, reducing the harmful impact of alcohol and drug abuse, and encouraging healthier and active living.

The State of Mildura Rural City Report 2018, meanwhile, is the most comprehensive report of its kind, comprising a list of 400 measures reflecting our population's health and wellbeing. While the report can make for sobering reading, it's essential we are aware of the issues facing our community, enabling us to address them.

This brings us nicely to our other major strategy developed over the past 12 months – Mildura Future Ready - which is designed to address many of the issues outlined in the State of Mildura Rural City Report 2018 through investment in major infrastructure projects in our region, which our Mayor has touched on in this report.

We've also continued to work towards stronger relationships and recognition of our Aboriginal and Torres Strait Islander communities, adopting our Reconciliation Action Plan 2017-2020, which will build on the important progress already made in recent years.

Council has continued to work in partnership with key bodies such as Mildura Airport Pty Ltd, Mildura Regional Development and Mildura City Heart to advance economic development and tourism within the region. Additionally, we continue to work with neighbouring councils

and bodies that affect the social, economic, environmental and cultural conditions of regional and rural communities.

Council also reinforced its commitment to end violence against women over the past 12 months in a variety of ways. We're commencing the re-accreditation process to continue as a White Ribbon-accredited workplace, as well as holding our major White Ribbon event of the year – our White Ribbon Walk in November last year. At the same time, our staff have continued to support this important initiative with numerous fund-raising activities, including taking part in the City-Bay Fun Run in Adelaide under the White Ribbon banner.

### **Organisational Performance**

At the end of June 2018, Council's financial position remains strong with more than \$750 million of community assets under Council's stewardship. Importantly, we are continuing our sustainability reviews to identify operational efficiencies, ensuring everything we do is best practice, while providing the best value for our community.

Operating expenditure for 2017-2018 was five per cent below the Annual Budget adopted in June 2017. Council's operating income was 14 per cent above the Annual Budget, largely due to the forward payment of 50 per cent of Victorian Grants Commission funding.

In 2017-2018, Council achieved a surplus of \$33 million, which was significantly higher than that achieved in 2016-2017. Council's long-term financial strategy projects we will continue to be able to provide a level of funding that will contribute to the refurbishment and replacement of community assets.

### **Thankyou**

I would like to take the opportunity to acknowledge the leadership of Councillors, local advisory, businesses and community groups, and all Mildura Rural City Council staff who have contributed to delivering the numerous successful projects, plans and strategies that will take our region forward in the coming 12 months and beyond.

The staff at Council are passionate about improving the quality of life for all and I thank them for being such strong advocates and ambassadors for our community.

Let us remember:

*"One book, one pen, one child, one teacher can change the world."*

*Malala Yousafzai*

Gerard José  
Chief Executive Officer

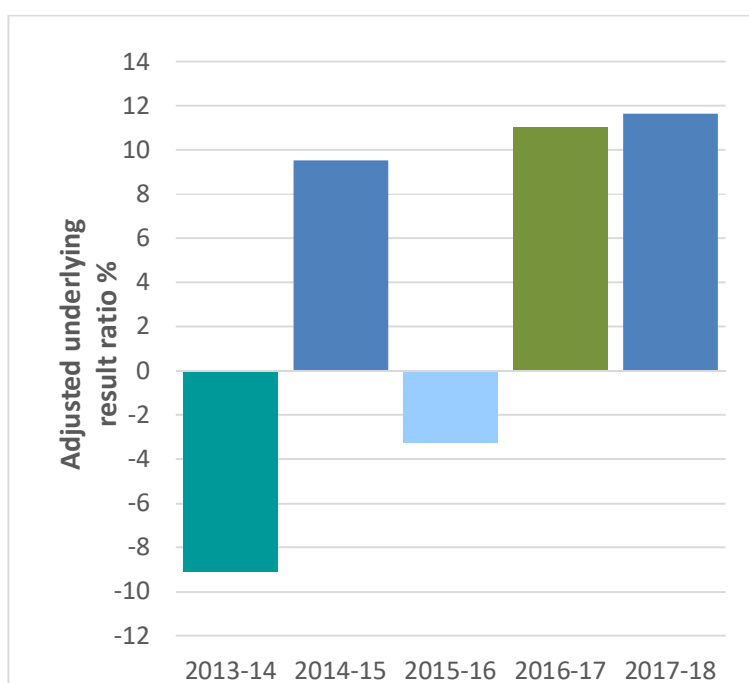
## Financial Summary

Our financial position continues to remain sound. A summary of our performance is outlined below. Detailed information relating to financial performance is included within the Financial Statements and Performance Statement sections of this Annual Report.

### Operating Position

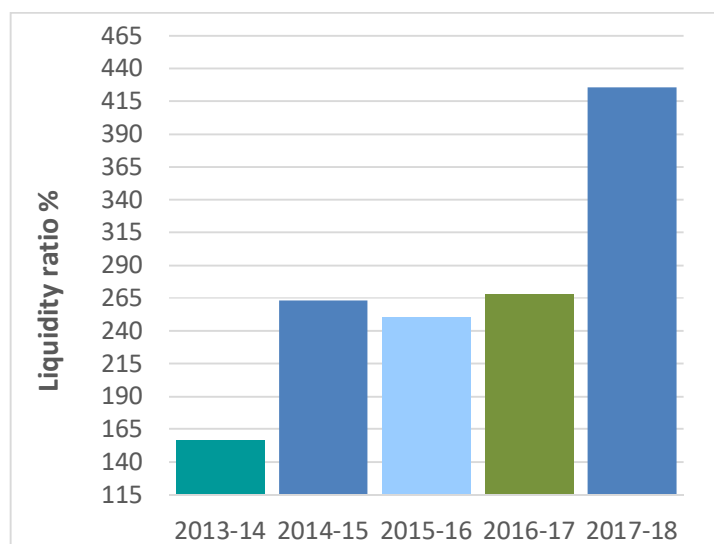
We achieved a surplus of \$20.40 million in 2017–2018. This compares with 2016-2017, in which we achieved a surplus of \$20.76 million.

Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$745.08 million of community assets under our control, as well as allowing us to meet our interest bearing loans and borrowings obligations.



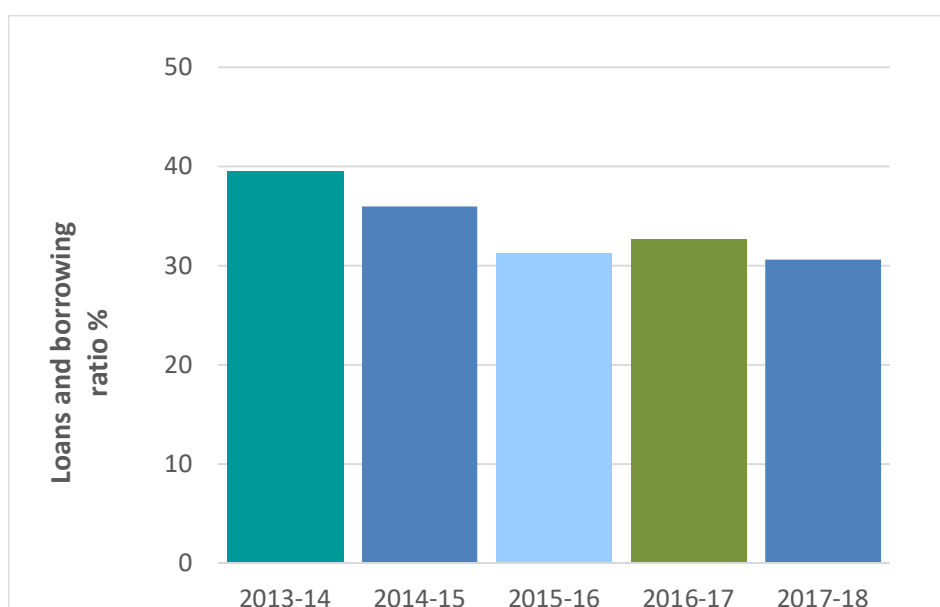
### Liquidity

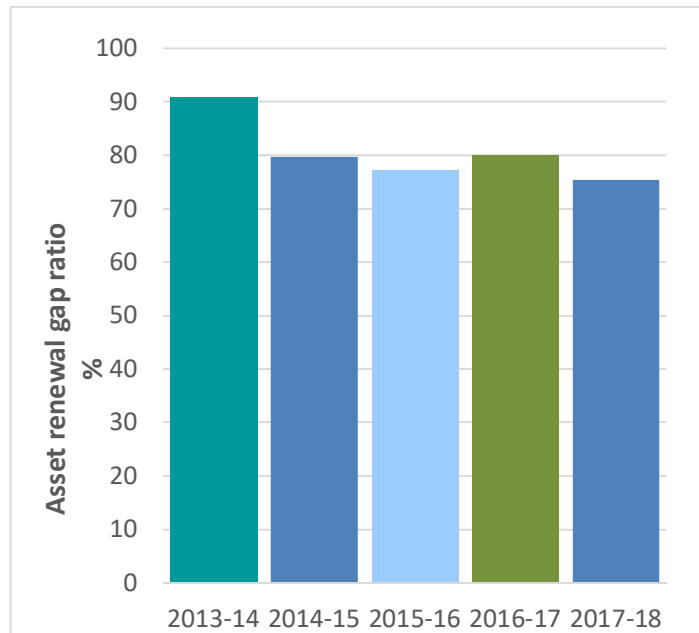
Cash and financial assets have increased by \$10.69 million from the prior year and this is mainly due to the forward payment of 50 per cent of the financial assistance grant. The working capital ratio, which assesses our ability to meet current commitments, is calculated by measuring our current assets as a percentage of current liabilities. Our result of 425.98 per cent is an indicator of a satisfactory financial position and is well above the expected target band of 120 per cent to 200 per cent.



### Obligations

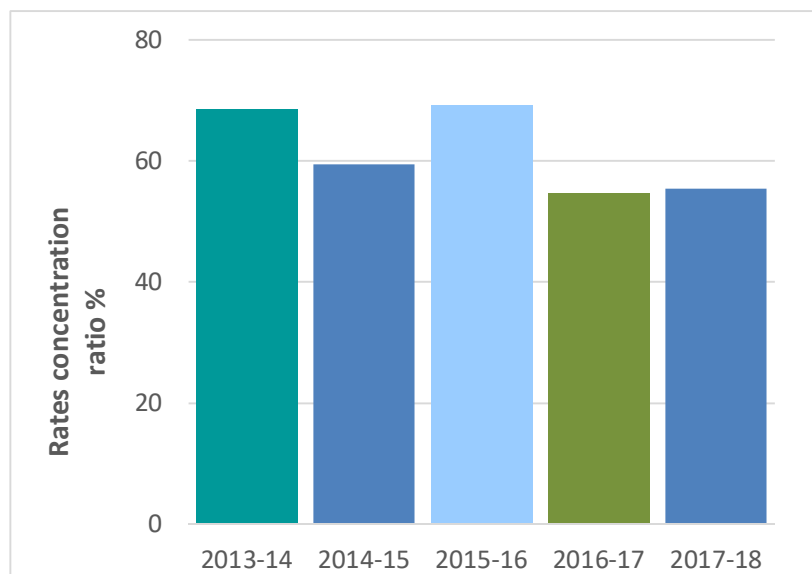
We aim to ensure we are able to maintain our infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. We invested \$25.46 million in capital works during the 2017-2018 year. At the end of the 2017-2018 year, our debt ratio, which is measured by comparing interest bearing loans and borrowings with rate revenue, was 30.59 percent, which is within the expected target band of below 40 per cent.





### Stability and Efficiency

We raise a wide range of revenues including rates, user fees, fines, grants and contributions. Despite this, our rates concentration, which compares rate revenue to adjusted underlying revenue, was 55.44 per cent for the 2017-2018 year, which is within the expected target band of 40 per cent to 80 per cent. This figure is influenced by the forward payment of the financial assistance grant funding. This year Council has been able to keep its rate rise to within the rate cap and still maintain services at similar levels. This has been achieved through sustainability reviews and other initiatives to ensure services are being delivered as efficiently as possible.



## Description of Council's Operations

As a Council, we are 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 our Budget.

To achieve key result areas relating to Strategic Objective 3: Economy, in our Community and Council Plan 2017 to 2021, a memorandum of understanding (MoU) has been established with funded local entity, Mildura City Heart Inc. A service agreement has also been established with local funded entity Mildura Regional Development.

As sole shareholder, we 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.

Our vision, strategic objectives and strategies to further improve services and facilities are described in our Community and Council Plan 2017 to 2021 and the associated Budget 2017–2018, and are reported upon in this document. Refer to the section on Our Performance for more information about our 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. We also have a wide range of responsibilities under Victorian and Australian legislations.

### Economic Factors

We have been, and still are, 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 (ie on a per capita basis)
- An identified local road component which is distributed between the states and territories according to fixed historical shares.

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 our revenue from this source into the future.

The Victorian Government also has introduced a cap on rate increases from 2016-2017. The cap for 2017-2018 was set at 2.0 per cent, which is based on the state-wide CPI forecast for the 2017-2018 year.

## **Major Capital Works**

During 2017–2018, major capital works included the following:

### ***Riverfront Redevelopment Crib Wall***

Practical completion of the Riverfront Redevelopment Crib Wall was awarded on 16 November 2017. These works included new retaining walls, pedestrian pathways, lighting and landscaping.

### ***Merbein Kenny Park Recreation Reserve Netball Courts***

This project involved the construction of a second netball court adjacent to the existing netball court and installation of competition standard lighting to illuminate both courts. It has improved the amenity of the reserve and increased the capacity of the site.

### ***Mildura Arts Centre Gallery Passenger Lift***

Installation of a passenger lift at Mildura Arts Centre to allow access to upper floor for visitors with a disability also assists staff from an occupational health and safety perspective when handling and moving artworks from the ground floor to the upper floor.

### ***Reconstruction of Madden Avenue between Tenth and Eleventh Street***

One of the most significant reconstruction projects undertaken during the 2017-2018 financial year was the reconstruction of Mildura's Madden Avenue between Tenth and Eleventh streets.

Works involved significant pavement stabilisation, asphaltting, and kerb and channel works.

Drainage works were also undertaken including the installation of new pipes and pits to cater for road and property stormwater runoff.

Works were undertaken in conjunction with Lower Murray Water.

### ***Rodger Street Reconstruction***

Reconstruction of Rodger Street was one of the most significant reconstruction projects undertaken during 2017-2018. Works involved significant Powercor service modification to existing properties along Rodger Street and Benetook Avenue.

The second stage of these works, commencing early 2018-2019, will involve pavement reconstruction, widening, sealing, and kerb and channel works. There will also be significant drainage constructed to cater for road and property stormwater runoff.

### ***Shoulder Reinstatement Rudd's Road, Iraak***

Reconstruction of Rudd's Road involved repairing the rutting and deformation of the pavement, renewing the pavement life, and resurfacing. This road embankment and shoulder reinstatement provided stability for Rudd's Road pavement.

### ***Yelta Road***

Yelta Road reconstruction was another major project undertaken during 2017-2018.

Road reconstruction and intersection works undertaken on Yelta Road (approximately 2.6km road section) between Paschendale Avenue and Quandong Avenue, Merbein West included

the renewal of existing road pavement and surface, road stabilisation and strengthening the road pavement.

#### ***Construction and widening of Meridian Road upgrade Stage one***

One of the most significant reconstruction projects undertaken during 2017-2018 was the reconstruction and widening of Meridian Road, which is a major truck route for the local farming district. Works involved pavement reconstruction, widening, sealing and drainage works.

#### ***Deakin Avenue Median Upgrade***

The Deakin Avenue Median upgrade resulted in the redevelopment of the centre median between Ninth and Tenth streets with landscaping to ensure the retention of the significance and character of the avenue.

Works involved major landscaping features such as lighting, footpaths, planter boxes and replanting of sugar gums propagated from the original trees.

#### ***Park for Play, Stage 2***

Park for Play, Stage 2, works involved replacing the existing 'yabbie' play equipment that had reached the end of its useful life. The renewal of equipment at this playground ensures we can continue to offer a range of safe, accessible and appropriate activities for all children and their families.

Works involved the supply and installation of play equipment, removal of existing play equipment and rubber soft fall.

#### ***Construction of Ouyen Transfer Station***

A transfer station was constructed at the Ouyen Landfill to help our customers dispose of waste more efficiently and also allow Council to commence the rehabilitation of the Ouyen Landfill.

Works involved the construction of a raised transfer station and installation of skip bin drop off points. The road network to access the site was also upgraded and a surface drainage system constructed.

#### ***Design and Construction of Walnut Avenue Drainage Spurline, Stage One***

This project involved the design and construction of major stormwater outfall to cater for new subdivisions between Sixteenth and Seventeenth streets in the Mildura South area.

Further stages will be required to complete the Mildura South drainage network in future financial years.

#### ***Construction of Benetook Spurline, Stage 2***

This project involved the construction of major stormwater outfall to cater for new subdivisions in Benetook Avenue between Fourteenth and Fifteenth streets in the Mildura area.

### ***Pipe Cleaning, Relining and Replacement***

In the Mildura and Merbein areas, 1,670m of pipes were cleaned and 2,283m of various sizes of pipes were relined. Approximately 380m of various sized pipe was also replaced in the Mildura and Merbein areas.

### **Major Changes**

In 2017–2018, we made the following major changes to the organisation's structure and contracts:

- Following the Risk and Emergency Management Service Review, and Governance Service Review, given their synergies a combined Governance and Risk Team was formed resulting in a reduction in costs.
- The completion of the Engineering Service Review resulted in outsourced engineering work returning in-house with a reduction in costs.
- The Library Service Review was completed resulting in a number of changes to the delivery of library services across the municipality that will be rolled out over a period of time.
- The contract in place for the operation of the Mildura Waves complex concludes in 2018. A tender process was commenced, which also incorporated operation of the outdoor pools across the municipality.

### **Major Achievements**

- Madden Avenue upgrade between Tenth and Eleventh streets
- Completion of updated Domestic Animal Management Plan
- 4,000km of unsealed roads graded
- 2.1km of Meridian Road sealed and widened
- Storm recovery works
- Completed construction of the Ouyen Waste Transfer Station
- Development of Shared Services in Sunraysia Group
- Initiation of Tri-state Working Group with Renmark-Paringa and Wentworth shire councils

# 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 55,071 which includes 2,073 Indigenous people. The structure of the region's economy and a significant transient population for employment purposes sees Mildura serve a regional population 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 Walpeup.

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 228,644 passenger movements each year to Melbourne, Sydney and Adelaide.

*\* Source: Figures based on 2018 update to Australian Bureau of Statistics data.*

## 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) 5018 8600

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 2016, our community elected this Council for a four-year term. The nine councillors listed below were the elected representatives of all residents and ratepayers across the Mildura Rural City, with their term ending in October 2020. Councillors are responsible 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 were allocated a portfolio aligned with the Council Plan 2017 to 2020.



### **Cr Mark Eckel, Mayor**

Terms: 2000-2003, 2005-2008, 2008-2012, 2012-2016, 2016-2020

Portfolios: Governance and Corporate Planning

Cr Mark Eckel served on four previous Councils and 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 and believes that violence is a cultural issue that needs to be addressed commencing with our youth. With wife Denise, they share six children, sixteen grandchildren and are great grandparents of three. The couple

list Mildura's geographical location, lifestyle and multicultural community as highlights. In addition to working as a radio presenter, Cr Eckel is a keen sportsman.



### **Cr Ali Cupper, Deputy Mayor**

Terms: 2012-2016, 2016-2020

Portfolio: Community Development and Gender Equality

Cr Ali Cupper served on the previous Council. Cr Cupper is a lawyer, child protection practitioner, academic and founding Director of the Australian Advocacy and Politics Summer School. Cr Cupper grew up in Mildura, Irymple and Sunnycliffs and is passionate about the region she calls home. With particular interests in regional economic development, social inclusion and social justice, Cr Cupper is keen to help shape our community's future. Through her role as a Councillor,

she hopes to work towards the evolution of local government, as it adapts and thrives in a modern, sophisticated and sustainable world.



**Cr Greg Brown**

Terms: 1997-2000, 2003-2005, 2012-2016, 2016-2020

Portfolio: Infrastructure and Transport

Cr Greg Brown served on three previous councils and is pleased to have again been given the opportunity to represent local residents. Cr Brown went to school in Underbool and Ouyen and has operated a dryland farm at Underbool for 60 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 Anthony Cirillo**

Term: 2016-2020

Portfolio: Environment and Farming Sustainability

Cr Anthony Cirillo joined Council for the first time in 2016. Cr Cirillo grew up in the Mildura region and is a horticulturist who grows table grapes and operates a successful business that markets produce both nationally and globally. Cr Cirillo and his wife Vittoria are currently raising their young family and believe strongly in the wellbeing and future of our region, not only for his generation but future generations.



**Cr Simon Clemence**

Term: 2016-2020

Portfolio: Community Safety, and Economic Development and Tourism

Cr Simon Clemence joined Council for the first time in 2016. Now retired, Cr Clemence was a Police Inspector and Local Area Commander for Mildura and lives at Cardross. Cr Clemence is passionate about the region and in his previous work had strong links to the betterment of the community through his work in ice education, family violence and improving Aboriginal youth training. With particular interests in the economic development and the growth of our region, access to services and social justice, Cr Clemence is keen to support improved community safety, connectivity and employment opportunities.



**Cr Glenn Milne**

Terms: 2005-2008, 2008-2012, 2012-2016, 2016-2020

Portfolio: Recreation and Sport

Cr Glenn Milne is serving his fourth consecutive term on Mildura Rural City Council. Cr Milne has previously served seven terms as 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 both a Board and life member of the Mallee Accommodation and Support Program and serves on the Boards of Sunraysia Residential Services and Mildura Chaplaincy Committee. He is also an Ambassador for Bully Zero.



**Cr Jason Modica**

Term: 2016-2020

Portfolio: Arts and Culture

Cr Jason Modica joined Council for the first time in 2016. A ceramic tile layer, Cr Modica grew up in Gol Gol and now lives in Nichols Point. He is passionate about the region he calls home. With particular interests in social and regional economic development, service access and social justice, Cr Modica is keen to help shape our community's future. He hopes his role as a Councillor will enable him to advocate for growth through strategic planning and development that will bring a renewed and stronger region. In particular, he hopes to see the Sunraysia area transition to a renewable energy future and is interested in raising the awareness of water as an ongoing pressure point in our economic future.



**Cr Min Poole**

Term: 2016-2020

Portfolio: Community Wellbeing and Services

Cr Min Poole joined Council for the first time in 2016. A local Real Estate agent and volunteer in the community, Cr Poole has lived in Ouyen and Mildura. Cr Poole has particular interests in regional economic development and wants to work towards a vibrant, inclusive and progressive community for all. Cr Poole is committed to openly listening and learning about local needs, with a view to outcomes that will further achieve goals of positive social, economic and environmental growth of our region. Cr Poole currently chairs the Mildura Cemetery Trust.



**Cr Max Thorburn**

Terms: 2008-2012, 2012-2016, 2016-2020

Cr Max Thorburn served on two previous Councils. Cr Thorburn is an experienced broadcaster, sports commentator and journalist, and again plans to achieve 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 over 25 years. Cr Thorburn is committed to improving quality of life for all, addressing local issues such as an off leash dog park, sports facilities, tourism, public transport, street scapes, tree-plantings and the positioning of nursing homes and retirement villages.

# 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 2017 to 2021. 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. 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 is currently on the Board for Zoe Support; the Murray Regional Tourism Board and served previously on the Board for Chances for Children.

#### 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
- Working with other Local Governments on sector-wide and regional issues
- Supporting all areas of the municipality
- Small town and 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**

Chris Parham

Chris Parham was appointed General Manager Corporate in September 2016.

Chris has nearly eight years' management experience in local government, having served in the role of Manager Information Systems prior to his appointment to the General Manager Corporate position. Chris has extensive private sector management, project management, and information and communications technologies experience. Chris has a Masters of Business Administration,

Graduate Certificate in Management, Diploma in Information Technology, PRINCE2 Practitioner, Graduate Australian Institute of Company Directors and has commenced studying law. In addition, Chris is a White Ribbon ambassador.

#### Areas of responsibility:

- Organisational Development
- Human Resources
- Financial Services
- Information Systems
- Corporate Administration
- Governance and Risk Management
- Internal audit.



### **General Manager Development**

Mandy Whelan

Mandy Whelan was appointed General Manager Development in early June 2016 following a period of around seven months where she acted in the role.

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

General Manager Development position. Mandy has a BA Social Science, Graduate Diploma of Gerontology and a Masters of Business Administration.

#### Areas of responsibility:

- Engineering Services
- Asset Management Services

- Works and Infrastructure Services
- Development Services
- Building Maintenance Services
- Parks Services
- Waste Management Services.



### **General Manager Community**

Martin Hawson

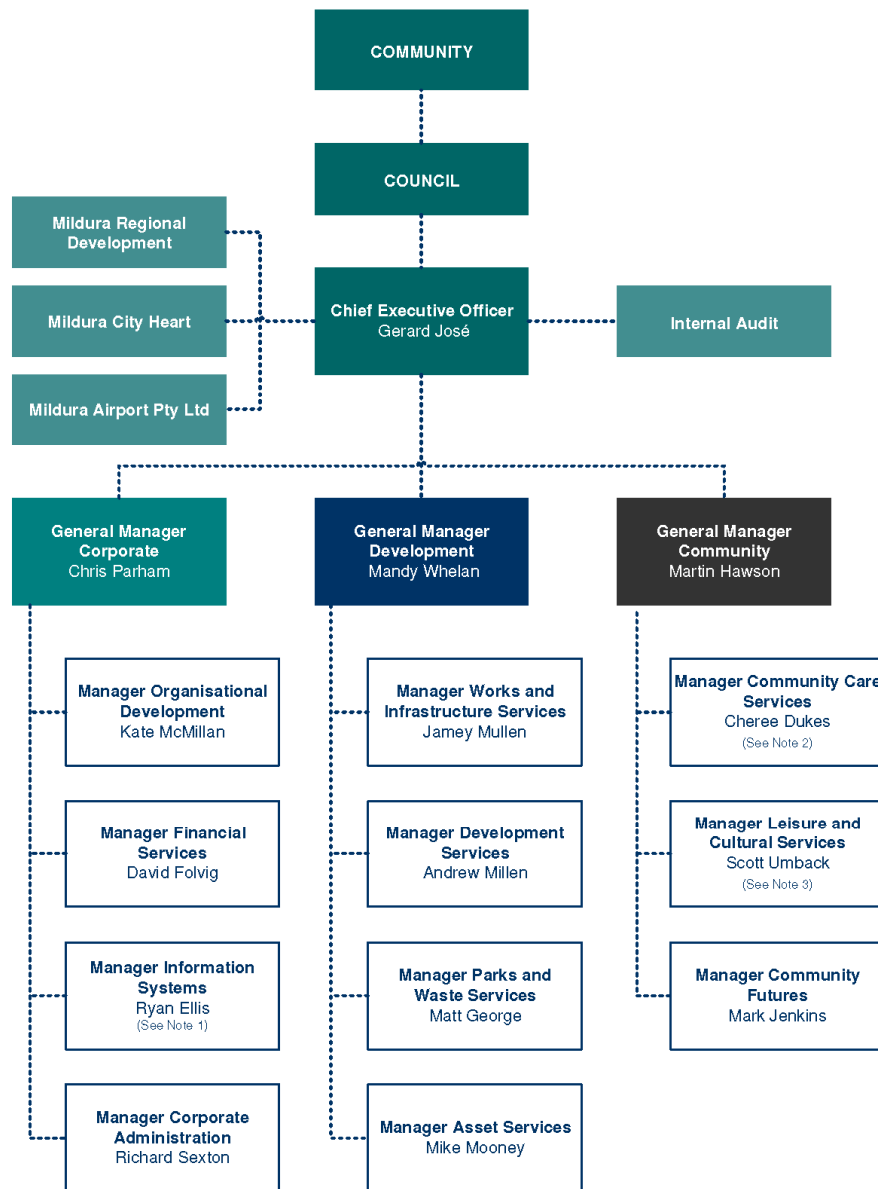
Martin Hawson has a broad and extensive background in community services leadership and management experience in local government.

Prior to his appointment to the Executive Leadership Team in June 2003 as General Manager Community and Culture, Martin was Council's Manager Aged and Disability Services for five years. Martin has a Masters of Health Science (Administration).

Areas of responsibility:

- Leisure and Cultural Services
- Community Care Services
- Community Futures
- Community Planning
- Strategic Planning.

The organisational structure of Council is shown below.



Note:

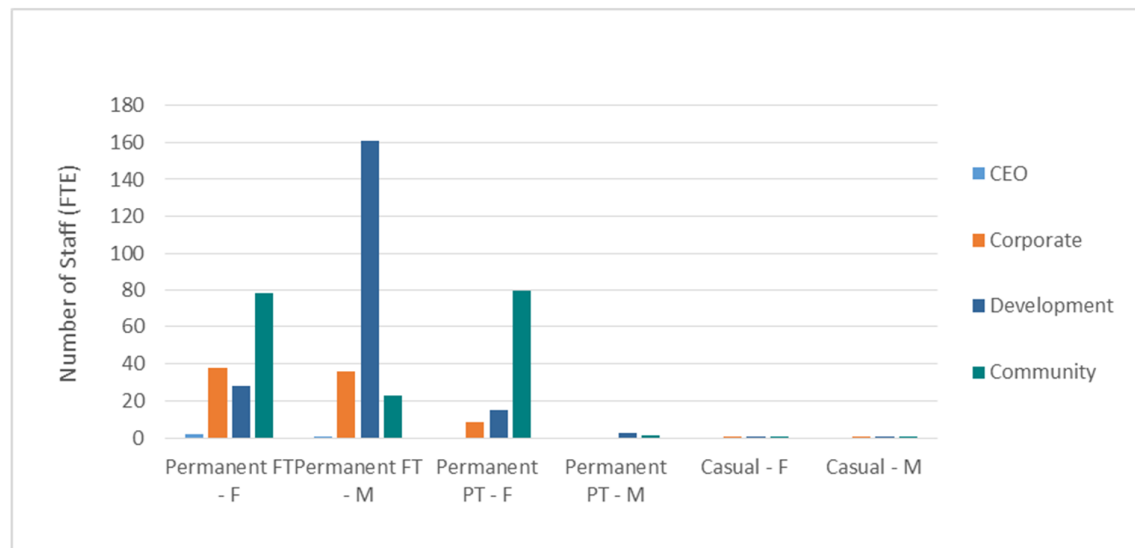
1. Paul Kealley acted in the Manager Information Systems role until the appointment and commencement of Ryan Ellis on 1 August 2018.
2. Jodie Arnold acted in the Manager Community Care Services role until the appointment and commencement of Cheree Dukes on 8 January 2018.
3. The role of Manager Leisure and Cultural Services was held by Ray Lyons until his retirement on 29 March 2018. Scott Umback replaced Ray Lyons in the role, commencing on 3 April 2018.

## Council Staff

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

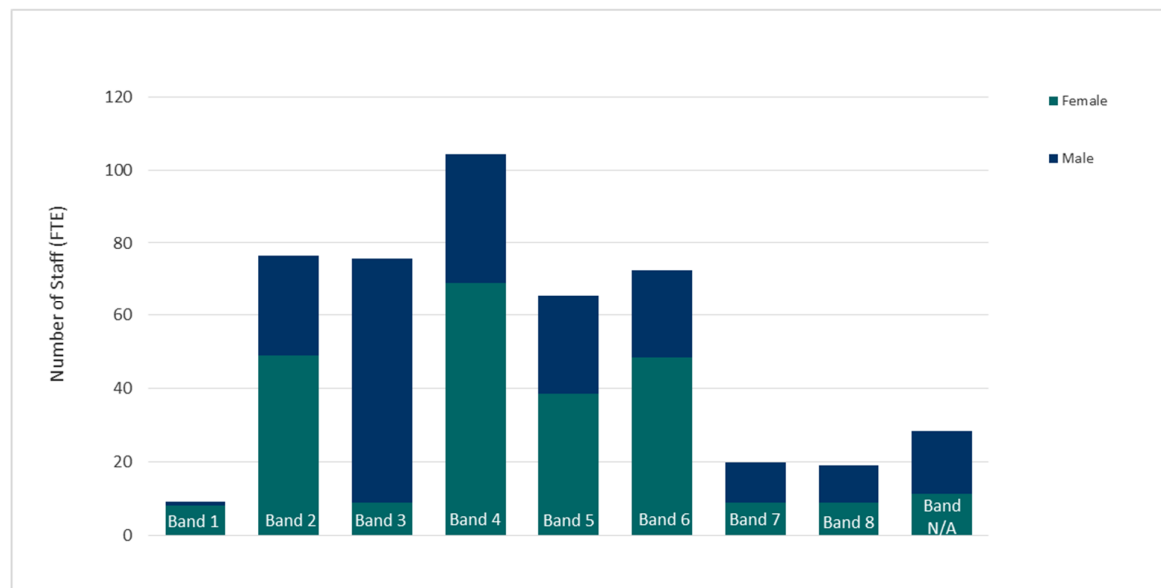
Employee type/gender	CEO FTE	Corporate FTE	Development FTE	Community FTE	Total FTE
Permanent FT - F	2	38	28	78	146
Permanent FT - M	1	36	161	23	221
Permanent PT - F	0	8.62	14.88	79.22	102.72
Permanent PT - M	0	0	2.76	1.52	4.28
Casual - F	0	0.12	0.12	0.62	0.86
Casual - M	0	0.01	0.12	0.55	0.68
<b>Total</b>	<b>3</b>	<b>82.75</b>	<b>206.88</b>	<b>182.91</b>	<b>475.54</b>

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



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

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	7.24	1.26	8.5
Band 2	45.72	29.64	75.36
Band 3	7.74	65.54	73.28
Band 4	67.1	34.08	101.18
Band 5	45.95	24	69.95
Band 6	41.41	31.02	72.43
Band 7	8.68	12.42	21.1
Band 8	10.01	12	22.01
Band not applicable	15.73	16	31.73
<b>Total</b>	<b>249.58</b>	<b>225.96</b>	<b>475.54</b>



#### Overview of Senior Positions by Gender

Level	Male	Female
Executive Leadership	3	1
Management	9	3
Coordinator and Team Leader	38	37

## Equal Employment Opportunity Program

A Council with 40 or more members of staff must have developed and implemented an equal opportunity program. We have implemented an equal employment opportunity program designated to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of our 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: 97%.
- Indicator: Number of contact officers per number of council employees. Target: 1:50, Result: 1:33.

The indicators are monitored on an ongoing basis by the Equal Employment Opportunity Committee, which meets regularly to promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Our 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 the Policy of the Month process
- Recruiting new contact officers for several work areas of Council
- Review of the Family Violence Policy and supporting documentation for staff
- Continuing provision of Family Violence leave to relevant staff
- Maintaining accreditation as a White Ribbon workplace under the White Ribbon Accreditation Program.

## Other Staff Matters

### **Training/Professional development**

Study assistance is offered for staff undertaking relevant undergraduate or postgraduate studies. In the past year, 31 staff were successful in obtaining this form of support. A comprehensive corporate learning program that supports a broad range of staff development needs is provided. This is developed in alignment with strategic priorities, as well as in response to needs identified through staff 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 initiative aims to promote gender equity, build respectful and safe relationships, and break down stereotypes of women.

Over the past twelve months, we have:

- Maintained the White Ribbon Accreditation status
- Continued our internal White Ribbon Accreditation Committee with the inclusion of new members to better represent all areas of council
- Continued our internal White Ribbon Events Committee to plan, coordinate and manage Council's White Ribbon events
- Conducted awareness raising activities as part of White Ribbon Day
- Included material about the White Ribbon Program in our corporate induction program
- Continued to provide information to staff on the prevention of family violence
- Reviewed policies to ensure they support the prevention of violence against women and people in this situation.

### **Health and Safety**

Our 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 past 12 months, we have continued to review and update our Health and Safety Management System, bringing it up to a higher standard and meeting National Audit Tool requirements. We continue to work with Branches to review and document risk assessments, Safe Work Procedures and Safe Work Method Statements to ensure employees continue working in a safe environment.

### **Commitment to Children – Mildura Rural City Council as a Child Safe Organisation**

Mildura Rural City Council is committed to the safety and wellbeing of children and the prevention of child abuse. Reducing and removing the risk of child abuse will be at the centre of our decision-making concerning children in our organisation.

Council has zero tolerance for child abuse and all allegations and safety concerns will be treated seriously and acted upon. As a child safe organisation we are committed to providing a child safe environment where children feel safe, are empowered, valued and protected. Council will actively listen to children, ensuring their voices are heard and considered in decisions that affect their lives.

Council's approach to children will be consistent with our commitment to strive to ensure our services are accessible and the people we deal with are treated with dignity and respect regardless of gender identity, sexual orientation, age, disability, ethnicity and cultural and socio-economic background.

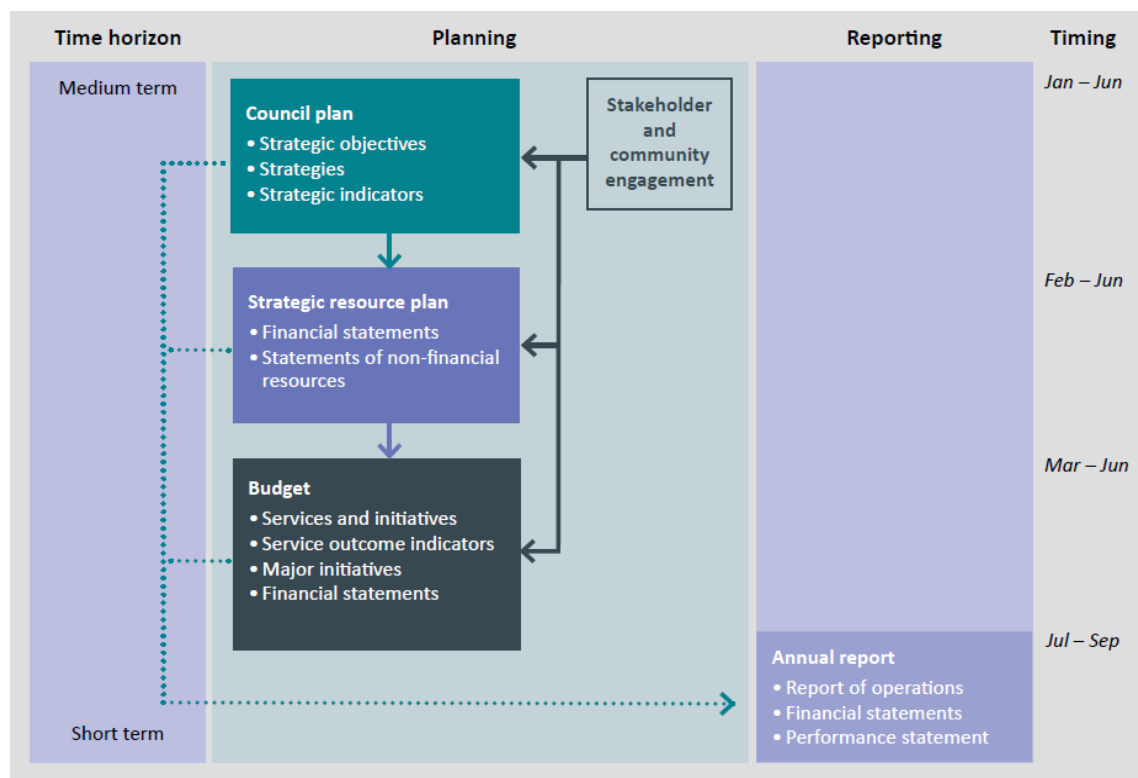
# Our Performance

## Planning and Accountability Framework

The Planning and Accountability Framework is found in Part 6 of the Local Government Act 1989 (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.



## Community and Council Plan

The Community and Council Plan 2017-2021 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 Community and Council Plan.

## Performance

Council's performance for the 2017-2018 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2017-2021 Community and Council Plan. Performance has been measured as follows:

1. COMMUNITY		We will create a safe, supportive place to live, where diversity and lifestyle opportunities are enhanced
2. ENVIRONMENT		We will create and promote sustainable natural and built environments
3. ECONOMY		We will encourage diverse and sustainable economic development that provides growth in jobs, investment and quality of life
4. COUNCIL		We will manage resources in a sustainable manner to provide services that are relevant, of a high standard and respond to identified community needs

- Results achieved in relation to the strategic indicators in the Community and 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 Indicators

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

#### 1.1 Community Safety

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community perception of personal safety <sup>1</sup>	49%	54%	47%	54%
Childhood accidents <sup>2</sup>	9.96	-	-	-
Crimes against persons <sup>3</sup>	1.67	2.02	2.11	-
Crimes against property <sup>4</sup>	5.49	5.71	6.24	-
Road trauma <sup>5</sup>	0.08%	0.07%	0.05%	-
Reported public safety incidents <sup>6</sup>	107	77	125	98
Number of animal attacks <sup>7</sup>	82	80	70	70
Drug related crime <sup>8</sup>	-	-	-	-
Community satisfaction with emergency management <sup>9</sup>	5.50	5.58	4.52	5.07

<sup>1</sup> Percentage of residents who feel 'safe' or 'very safe' in their community (source: Community Satisfaction Survey)

<sup>2</sup> Rate of childhood accidents per 1,000 children (source: Social Indicators Report)

<sup>3</sup> Number of crimes against the person / Municipal Population (source: Social Indicators Report). Note: Crime statistics data for year ending 30 June 2018 is not released until 20 September 2018.

<sup>4</sup> Number of crimes against property / Municipal Population (source: Social Indicators Report). Note: Crime statistics data for year ending 30 June 2018 is not released until 20 September 2018.

<sup>5</sup> Rate of road trauma (injury/hospitalisation/fatality) as a proportion of the municipality for Mildura Rural City Council (source: VicRoads)

<sup>6</sup> Number of public safety incidents reported to MRCC Risk and Emergency Management Unit (source: MRCC Insurance Incident & Claims data)

<sup>7</sup> Number of reported dog attacks to Council (source: MRCC CRM data)

<sup>8</sup> Not currently being measured

<sup>9</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## 1.2 Community Development

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with support to people with a disability <sup>10</sup>	5.25	5.45	4.30	4.91
Community satisfaction with equitable access to facilities, services and activities <sup>11</sup>	28%	32%	30%	28%
Level of volunteering <sup>12</sup>	-	-	-	20.7%
Community satisfaction with opportunities for people to be involved in shaping their community <sup>13</sup>	34%	26%	25%	32%
Education participation rates <sup>14</sup>	-	-	-	68.8%
Year 12 or equivalent completion rates <sup>15</sup>	-	-	-	88.10%

<sup>10</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>11</sup> % of respondents who agree – score of 6 or 7 out of 7, There is equal access to facilities, services and activities for everyone in our community (source: Community Satisfaction Survey)

<sup>12</sup> % of people under taking unpaid volunteer work in the last 12 months with an organisation or group (source: Census)

<sup>13</sup> % of respondents who Agree – score of 6 or 7 out of 7, People can be involved in shaping our community (source: Community Satisfaction Survey)

<sup>14</sup> Attendance in an educational institution, prep to 24 years old (source: Census)

<sup>15</sup> Rate of 15-19 year olds completing Year 12 or equivalent on leaving school (source: Census)

### 1.3 Community Health and Wellbeing

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Self-reported health <sup>16</sup>	35.40%	-	-	-
Subjective well-being <sup>17</sup>	78.2	-	-	-
Life expectancy – Males <sup>18</sup>	77.5	-	-	-
Life expectancy – Females <sup>19</sup>	80.3	-	-	-
Adequate physical exercise <sup>20</sup>	45.6%	-	-	-
Fruit consumption <sup>21</sup>	41.80%	-	-	-
Vegetable consumption <sup>22</sup>	28.6%	-	-	-
Obesity <sup>23</sup>	24.2%	-	-	-
Smoking status <sup>24</sup>	18.7%	-	-	-
Risky alcohol consumption <sup>25</sup>	59.3%	-	-	-
Psychological distress <sup>26</sup>	14.00%	-	-	-
Prevalence of Type 2 Diabetes <sup>27</sup>	6.66%	-	-	-
Birth weight <sup>28</sup>	7.3%	-	-	-
Communicable diseases <sup>29</sup>	327	235	264	297
Family violence <sup>30</sup>	2,568	-	-	-
Children in out of home care <sup>31</sup>	10.3	-	-	-
Children on child protection orders <sup>32</sup>	15.0	-	-	-
Community satisfaction with immunisation programs <sup>33</sup>	6.01	5.99	5.23	5.65
Community satisfaction with health education programs <sup>34</sup>	5.28	5.29	4.49	4.74

<sup>16</sup> People Self-Reporting Health as Excellent or Very Good: expressed as a percentage of the adult population (source: Community Indicators Victoria)

<sup>17</sup> Australian Unity Personal Wellbeing Index (source: Victorian Population Health Survey)

<sup>18</sup> Life Expectancy at Birth (source: Social Indicators Report)

<sup>19</sup> Life Expectancy at Birth (source: Social Indicators Report)

<sup>20</sup> The proportion of people that meet the benchmark criteria of at least five sessions per week with an accrued minimum of 150 minutes of moderate and/or vigorous activity (source: Victorian Population Health Survey)

<sup>21</sup> Percentage of people meeting the recommended consumption of two serves of fruit per day (source: Victorian Population Health Survey)

<sup>22</sup> Percentage of the adult population consuming the recommended intake of three serves of vegetables per day (source: Victorian Population Health Survey)

- 23 *Percentage of people who are obese according to a Body Mass Index (BMI) of 30 or greater (source: Victorian Population Health Survey)*
- 24 *Percentage of people who are current smokers (source: Victorian Population Health Survey)*
- 25 *Percentage of people drinking weekly at levels above short-term risk of alcohol consumption (source: Victorian Population Health Survey)*
- 26 *Percentage of the adult population that are at risk of psychological distress determined by a Kessler 10 score above 21 (source: Victorian Population Health Survey)*
- 27 *People diagnosed with Type 2 Diabetes (source: Victorian Health Information Surveillance system (VHISS))*
- 28 *Percentage of babies born weighing less than 2,500 grams (source: Victorian Perinatal Data Collection, Consultative Council on Obstetric and Paediatric Morbidity and Mortality (2017))*
- 29 *Notified cases (Source: Department of Human Services Infectious Diseases Epidemiology & Surveillance)*
- 30 *Rate of family incident reports per 100,000 population (source: State of Mildura Report 2018)*
- 31 *Children in out of home care per 1000 children aged 0 - 17 years (source: DHHS/State of Mildura Report 2018)*
- 32 *Children on Child protection orders per 1000 children aged 0 - 17 years (source: DHHS/State of Mildura Report 2018)*
- 33 *Mean performance score out of 7 (source: Community Satisfaction Survey)*
- 34 *Mean performance score out of 7 (source: Community Satisfaction Survey)*

## 1.4 Community Services

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Birth weight <sup>35</sup>	7.0%	7.3%	-	-
Maternal and child health visits <sup>36</sup>	100%	100%	100%	100%
Participation in the Maternal and Child Health Service by Aboriginal children <sup>37</sup>	44.00%	51.47%	55.53%	58.96%
Australian Early Development Index <sup>38</sup>	-	22.30%	-	-
Kindergarten participation rates <sup>39</sup>	99.00%	-	-	-
Number of four year old kindergarten enrolments in a long day care or integrated children's service setting <sup>40</sup>	11.7%	-	-	-
Community satisfaction with maternal and child health services <sup>41</sup>	5.97	5.94	4.90	5.30
Community satisfaction with support for pre schools <sup>42</sup>	5.79	5.66	4.57	4.81
Community satisfaction with childcare <sup>43</sup>	5.63	5.63	4.53	4.87
Level of youth re-engagement into education, training or employment <sup>44</sup>	8.8%	-	-	6.35
Incomplete education <sup>45</sup>	25.4%	-	-	27.1%
Community satisfaction with youth programs <sup>46</sup>	4.95	5.11	4.08	4.69
Community satisfaction with home care services <sup>47</sup>	5.57	5.70	4.72	5.01
Community satisfaction with support to people with a disability <sup>48</sup>	5.25	5.45	4.30	4.91

<sup>35</sup> Percentage of babies born weighing less than 2,500 grams (source: Victorian Perinatal Data Collection, Consultative Council on Obstetric and Paediatric Morbidity and Mortality (2017))

<sup>36</sup> Number of infants enrolled in the MCH service from birth notifications received / Number of birth notifications received / number of birth notifications (source: MRCC Xpedite Report)

<sup>37</sup> Number of Aboriginal Children who attend the MCH service at least once in the year/Number of Aboriginal children enrolled in the MCH service (source: MRCC Xpedite Report)

<sup>38</sup> Proportion of children at school entry who are developmentally vulnerable in one or more domains of the Australian Early Development Census (source: Department of Education and Early Childhood Development)

<sup>39</sup> Number of first year enrolments in kindergarten/Number of 3 year old children based on the previous years estimated resident population (source: Department of Education and Early Childhood Development/State of Mildura Rural City's Children and Young Peoples Report 2014)

<sup>40</sup> Number of four year old kindergarten enrolments in a long day care or integrated children's service setting (source: (source: Children Services Online, Department of Education and Training)

<sup>41</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

- <sup>42</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)
- <sup>43</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)
- <sup>44</sup> Percentage of 15 to 19 year olds not in education, training or employment (source: Census)
- <sup>45</sup> Rate of 15-19 year olds leaving school before completing year 12 or equivalent (Census)
- <sup>46</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)
- <sup>47</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)
- <sup>48</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## 1.5 Arts, Culture and Heritage

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with support to arts and cultural groups <sup>49</sup>	5.57	5.46	4.34	5.11
Art gallery visits – local visitors <sup>50</sup>	52%	50%	59%	57%
Art gallery visits – non-local visitors <sup>51</sup>	48%	50%	41%	43%
Theatre attendance <sup>52</sup>	41,231	51,360	58,451	54,194
Theatre occupancy <sup>53</sup>	41%	46%	53%	62%
Community satisfaction with arts and cultural facilities <sup>54</sup>	5.51	5.48	4.71	5.35
Community satisfaction with arts and cultural programs <sup>55</sup>	5.46	5.38	4.57	5.15
Community satisfaction with accessibility to arts and cultural programs <sup>56</sup>	5.44	5.36	4.41	5.05
Community satisfaction with recognition of local history and cultural heritage <sup>57</sup>	5.32	5.06	4.44	5.21
Community satisfaction with recognition of Indigenous culture in arts and cultural experiences <sup>58</sup>	5.48	5.45	4.39	5.47
Community satisfaction with libraries <sup>59</sup>	6.10	5.97	5.09	5.63
Library usage <sup>60</sup>	19%	18%	13%	12%

- <sup>49</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)
- <sup>50</sup> Percentage of local visitors to the Art Gallery and Rio Vista Historic House (source: Mildura Arts Centre records)
- <sup>51</sup> Percentage of non-local visitors to the Art Gallery and Rio Vista Historic House (source: Mildura Arts Centre records)
- <sup>52</sup> Number of people using the theatre (source: Mildura Arts Centre records)
- <sup>53</sup> Number of hours the Mildura Arts Theatre is available/ Hours Mildura Arts Theatre is used or occupied (source: Mildura Arts Centre records)

- 54 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 55 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 56 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 57 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 58 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 59 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 60 Percentage of population who are active library users, that is, borrow materials from the library service at least once a year (source: Annual Survey of Victorian Public Libraries)

## 1.6 Recreation and Sport

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Level of participation in sport and recreation activities <sup>61</sup>	74%	74%	77%	82%
Community satisfaction with sporting services <sup>62</sup>	5.40	5.27	4.49	5.04
Community satisfaction with recreation facilities <sup>63</sup>	5.16	4.96	4.59	4.96
Community satisfaction with Council support to clubs <sup>64</sup>	5.30	5.14	4.49	4.86
Community satisfaction with ovals and grounds <sup>65</sup>	5.44	5.15	4.83	5.14
Community satisfaction with swimming pools <sup>66</sup>	5.50	5.28	4.90	5.17
Community satisfaction with indoor sports centres <sup>67</sup>	4.96	4.76	4.16	4.44

- 61 Percentage of respondents who participate one or more times per week in a sport or physical recreation activity (source: Community Satisfaction Survey)
- 62 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 63 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 64 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 65 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 66 Mean performance score out of 7 (source: Community Satisfaction Survey)
- 67 Mean performance score out of 7 (source: Community Satisfaction Survey)

## Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the 2017-2018 Budget.

Major Initiative	Progress
Community Health & Wellbeing Plan 2017-2021 including state of the Mildura Region's Health report	Completed

## Services

The following statement provides information in relation to the services funded in the 2017-2018 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget 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.	1,451 <u>1,992</u> 541
<b>Community Health</b>	This service provides family oriented support services including universal and enhanced <b>maternal and child health</b> and immunisation.	716 <u>856</u> 140
<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.	471 <u>536</u> 65
<b>Youth Services</b>	This service provides youth oriented services including education programs, personal development programs, and health & safety programs.	530 <u>471</u> (59)

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 <b>food safety</b> , accommodation, hair and beauty, skin penetration businesses, tobacco retailers, 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.	346 <u>314</u> (32)
<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.	1,808 <u>1,933</u> 125
<b>Recreation and Sport</b>	This service includes management of recreation facilities (wet and dry) including <b>aquatic facilities</b> , facility redevelopment, and provision of grant funding for grass roots participation.	2,442 <u>2,327</u> (115)
<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 and foyer spaces for local and commercial organisation.	1,304 <u>1,384</u> 80

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Arts and Culture cont/d</b>	This service also 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.	
<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.	2,369 <u>2,166</u> (203)
<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, Northern Mallee Community Partnership and Community safety.	21 <u>209</u> 188
<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 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.	39 <u>265</u> 226

## Service Performance Indicators

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

	Results				
Service/Indicator/ Measure	2015	2016	2017	2018	Comments
Aquatic Facilities					
Satisfaction	0.00	0.00	0.00	0.00	As there is currently no standard survey instrument for measuring user satisfaction that allows for accurate comparison, this indicator is not being reported.
User satisfaction with aquatic facilities					
[User satisfaction with how Council has performed on provision of aquatic facilities]					
Service standard					
Health inspections of aquatic facilities	5.75	4.78	7.11	8.44	Variation can be attributed to additional inspections required with Waterplay facility being in operation for full year as opposed to interrupted operations in the previous year.
[Number of authorised officer inspections of Council aquatic facilities/Number of Council aquatic facilities]					
Reportable safety incidents at aquatic facilities	0.00	0.00	1.00	0.00	No incidents recorded this year. One incident in the previous year.
[Number of WorkSafe reportable aquatic facility safety incidents]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Service cost</b>					
<i>Cost of indoor aquatic facilities</i>	\$1.01	\$2.32	\$3.06	\$3.08	Result is consistent with previous year.
[Direct cost of indoor aquatic facilities less income received/Number of visits to indoor aquatic facilities]					
<i>Cost of outdoor aquatic facilities</i>	\$15.25	\$17.84	\$20.39	\$16.67	Variation due to limited tenure position in the previous financial year
[Direct cost of outdoor aquatic facilities less income received/Number of visits to outdoor aquatic facilities]					
<b>Utilisation</b>					
<i>Utilisation of aquatic facilities</i>	9.71	9.60	8.72	8.71	Result is consistent with previous year.
[Number of visits to aquatic facilities/Municipal Population]					
<b>Animal Management</b>					
<b>Timeliness</b>					
<i>Time taken to action animal requests</i>	0.00	1.00	1.00	1.00	The Council standard for actioning animal management requests is on the day of receipt of request. Our performance in regard to this remains consistent with the previous year.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Service standard</b>					
<i>Animals reclaimed</i> [Number of animals reclaimed/Number of animals collected]	32.00%	26.76%	38.14%	37.09%	The percentage of animals reclaimed is comparable with the previous year however we continue to have a high number of unregistered animals within the municipality. To improve performance Council will concentrate on an active local media campaign and a further follow up via phone and property inspections to ensure as many animals as possible are registered.
<b>Service cost</b>					
<i>Cost of animal management service</i> [Direct cost of the animal management service/Number of registered animals]	\$28.23	\$29.23	\$37.51%	\$40.50	The cost of providing animal management services has slightly increased due to the need to have additional staff support at the animal pound, along with an increase in the cost of contracted services.
<b>Health and safety</b>					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	0.00	1.00	0.00	There were no prosecutions in 2017/2018, with one prosecution recorded in the previous year. It is Council's preference to work through situations and only progress to prosecution as a last resort.

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
Food Safety					
<b>Timeliness</b>	0.00	5.17	4.23	1.54	This timeline has improved significantly as a result of process improvement.
<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]					
<b>Service standard</b>					
<b>Food safety assessments</b>	47.00%	40.58%	78.95%	62.94%	Council has continued to experience difficulty in recruiting Environmental Health Officers and as a result the number of food safety assessments completed has declined.
<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					
<b>Service cost</b>					
<b>Cost of food safety service</b>	\$535.98	\$589.18	\$472.11	\$409.46	The cost of providing the food safety service has decreased due to staff vacancies over the past 12 months.
<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]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Health and safety</b>					
<i>Critical and major non-compliance outcome notifications</i>	74.00%	91.53%	87.50%	89.00%	The critical and major non-compliance outcome notifications remains relatively consistent with the previous year.
[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]					
<b>Libraries</b>					
<b>Utilisation</b>					
<i>Library collection usage</i>	3.32	3.08	3.26	2.90	Variation can be attributed to a decrease in the amount of items loaned.
[Number of library collection item loans/Number of library collection items]					
<b>Resource standard</b>					
<i>Standard of library collection</i>	53.00%	49.41%	49.79%	50.20%	Result is consistent with previous years.
[Number of library collection items purchased in the last 5 years/Number of library collection items] x100					
<b>Service cost</b>					
<i>Cost of library service</i>	\$12.09	\$12.90	\$14.24	\$14.21	Result is consistent with previous years.
[Direct cost of the library service/Number of visits]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Participation</b>					
Active library members	19.00%	18.02%	12.93%	12.28%	Result is consistent with previous years.
[Number of active library members / Municipal population] x100]					
<b>Home and Community Care</b>					
<b>Timeliness</b>					
Time taken to commence the HACC service	0.00	69.81	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
[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]					
<b>Service standard</b>					
Compliance with Community Care Common Standards	61.00%	61.11%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
[Number of Community Care Common Standards expected outcomes met/Number of expected outcomes under the Community Care Common Standards] x 100					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Service cost</b>					
<i>Cost of domestic care service</i> [Cost of domestic care service/Hours of domestic care service delivered]	-	\$49.54	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<i>Cost of domestic care service</i> [Cost of the personal care service/Hours of personal care service delivered]	-	\$57.68	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<i>Cost of respite care service</i> [Cost of the respite care service/Hours of respite care service delivered]	-	\$59.25	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<hr/>					
<b>Home and Community Care</b>					
<b>Participation</b>					
<i>Time taken to commence the HACC service</i> [Number of people that received a HACC service/Municipal target population for HACC services] x 100	31.00%	22.23%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<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] x 100	33.00%	33.16%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Maternal and Child Health</b>					
<b>Satisfaction</b>					
<i>Participation in first MCH home visit</i>  [Number of first MCH home visits/Number of birth notifications received] x 100	105.00%	106.35%	107.85%	108.93%	Results indicate all registered births receive home visit, additional percentage above 100% indicate that families are moving to the area.
<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] x 100	100.00%	100.00%	100.00%	100.00%	Result is consistent with previous year.
<b>Service cost</b>					
<i>Cost of the MCH service</i>  [Cost of the MCH service/Hours worked by MCH nurses]	\$0.00	\$64.11	\$64.95	\$70.29	Staffing levels fluctuate.

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<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] x 100	77.00%	77.39%	77.61%	79.90%	Higher participation rates in the 8 week, 4 months and 8 months key age and stage check has contributed to a slight percentage increase for this reporting period.
<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] x 100	44.00%	51.47%	55.53%	58.96%	Mallee District Aboriginal Services also provides a Maternal and Child Health service with some Aboriginal clients choosing to attend this service.

## Strategic Objective 2: Environment



### Strategic Indicators

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

#### 2.1 Environmental Sustainability

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with protection of natural bushland <sup>68</sup>	5.29	4.94	4.39	4.70
Community satisfaction with management of wetlands <sup>69</sup>	5.30	4.85	4.35	4.59
Energy usage (MRCC) <sup>70</sup>	5,274	5,405	4,655	4,534
Energy usage (community) <sup>71</sup>	477,105	554,255	484,406	484,406
Water usage (MRCC) <sup>72</sup>	1,404	1,446	1,230	1,584
Recycled water usage <sup>73</sup>	180	191	157	214
Total community water usage <sup>74</sup>	12,781	13,671	12,118	13,689
Alternative energy generation (community) <sup>75</sup>	10,878	11,843	14,395	18,297
Alternative energy generation (MRCC) <sup>76</sup>	278.2	278.2	401.2	415.6
Pest plant and pest animals control <sup>77</sup>	-	-	-	-
Community involvement in environmental education programs <sup>78</sup>	2,206	1,920	2,627	2,389

<sup>65</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>66</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>67</sup> Megawatt hours (source: MRCC Energy Data collection through Planet Foot Print)

<sup>68</sup> Megawatt hours (source: Powercor)

<sup>69</sup> Megalitres (source: MRCC Water Monitoring, LMW and Planet Footprint)

<sup>70</sup> Megalitres (source: MRCC water data monitoring)

<sup>71</sup> Megalitres of Urban Water (Lower Murray Water)

<sup>72</sup> KW of installed capacity on private property (source: Powercor)

<sup>73</sup> KW of solar panels installed (source: MRCC solar installation records)

<sup>74</sup> Not being measured

<sup>75</sup> Number of participants in Environmental Programs (source: MRCC Internal records)

## 2.2 Waste

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with waste management <sup>79</sup>	5.39	5.03	4.88	4.61
Community satisfaction with kerbside rubbish collection <sup>80</sup>	5.64	5.51	5.39	5.17
Community satisfaction with kerbside recycling collection <sup>81</sup>	5.47	5.26	5.17	5.04
Community satisfaction with landfills /public transfer stations <sup>82</sup>	5.37	5.01	4.92	4.69
Total waste generation <sup>83</sup>	37,467	49,220	41,475	42,750
Waste deposited to landfill <sup>84</sup>	26,849	30,162	23,434	25,217
Waste diverted from landfill <sup>85</sup>	15,713	17,915	18,042	17,533
Quantity of kerbside recycling <sup>86</sup>	5,448	5,557	5,680	5,483
Community satisfaction with litter control <sup>87</sup>	4.59	4.17	4.19	4.04
Litter collected <sup>88</sup>	1,928	2,094	2,730	2,384

<sup>79</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>80</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>81</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>82</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>83</sup> Tonnes of total waste generated (source: Waste Management KPI Data)

<sup>84</sup> Tonnes of waste deposited to landfill (source: Waste Management KPI Data)

<sup>85</sup> Tonnes of waste diverted from landfill (source: Waste Management KPI Data)

<sup>86</sup> Tonnes of kerbside recycling collected (source: Waste Management KPI Data)

<sup>87</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>88</sup> Tonnes of litter collected

## 2.3 Parks

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with playgrounds <sup>89</sup>				
Community satisfaction with beautification of streetscapes <sup>90</sup>	4.53	4.26	4.18	4.45
Community satisfaction with tree planting <sup>91</sup>	4.60	4.44	4.28	4.47
Community satisfaction with tree maintenance <sup>92</sup>	4.60	4.35	4.16	4.37
Community satisfaction with the appearance of wetlands <sup>93</sup>	5.00	4.71	4.25	4.38
Community satisfaction with public open space (including parks, playgrounds and reserves) <sup>94</sup>	5.26	4.99	4.65	5.11
Net increase in trees <sup>95</sup>	-	-	2,272	2332

<sup>89</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>90</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>91</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>92</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>93</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>94</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>95</sup> Number of trees planted minus number of trees removed

## 2.4 Infrastructure, Assets & Facilities

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with the condition of sealed local roads <sup>96</sup>	58	54	56	57
Community satisfaction with maintenance of unsealed roads <sup>97</sup>	-	-	-	3.75
Community satisfaction with footpaths <sup>98</sup>	4.36	4.05	3.76	4.22
Community satisfaction with drainage <sup>99</sup>	4.84	4.54	3.96	4.33
Community satisfaction with maintenance of public buildings and facilities <sup>100</sup>	4.86	4.69	4.25	4.55

<sup>96</sup> Index Performance Score (source: Local Government Community Satisfaction Survey)

<sup>97</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>98</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>99</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>100</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## 2.5 Strategic Land Use

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with land use planning <sup>101</sup>	4.26	4.21	3.56	3.94
Percentage of strategic land use projects completed <sup>102</sup>	89%	90%	48%	80%
Community satisfaction with new residential development <sup>103</sup>	-	-	-	4.72
Community satisfaction with riverfront development and accessibility <sup>104</sup>	4.24	4.55	4.67	5.41
Community satisfaction with urban environments that are safe, sustainable and healthy <sup>105</sup>	22%	26%	24%	24%
Community satisfaction with protection of local character <sup>106</sup>	4.66	4.53	3.77	4.27
Community satisfaction with protection of local heritage <sup>107</sup>	-	-	-	4.68

<sup>101</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>102</sup> % of strategic plans completed (source: MRCC internal records)

<sup>103</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>104</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>105</sup> % of respondents who agree – score of 6 or 7 out of 7 with the statement: Ours is a community with urban environments that are safe, sustainable and healthy (source: Community Satisfaction Survey)

<sup>106</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>107</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the 2017-2018 Budget.

Major Initiative	Progress
Albert Street to Sixteenth Street stormwater drain design and construction	Completed
Mildura South stormwater drainage spurlines	25% complete at the end of the year. The delay in completion is due to variable development demand and progress.
Stormwater drainage rail crossings to coincide with Murray Basin Rail Upgrade project	85% complete. Etiwanda, Benetook and Irymple crossings completed. Ouyen crossing deferred to 2018/19 due to requirements of the responsible water authority.
Commencement of the rehabilitation of the Mildura Landfill through construction of the cap. This is the first stage of the ongoing aftercare and rehabilitation plan to protect from any potential environment impacts due to landfilling activities	15% complete. This project is underway with the final designs pending approval with the Environmental Protection Authority and Council's Landfill auditors.
Completion of the Benetook Drainage spurline between Fourteenth Street and Fifteenth Street	15% Completed. The delay in completion is due to easement creation issues on the design alignment.
Construction of the Ouyen transfer station at the Ouyen landfill site. The transfer station will provide the infrastructure for more effective and efficient diversion of waste from landfill	Completed
Relocation of the Aroundagain receivables facility prior to the weighbridge. This will create a better opportunity for Council, in conjunction with the Christie Centre, to divert more waste to landfill	5% complete. This project was postponed to seek grant funding via State Government Infrastructure - Round 2. This funding was announced in June 2018 and this project was unsuccessful. The project will be undertaken in 2018/19

Major Initiative	Progress
Road reconstruction works of Eighth Street between Madden Avenue and Orange Avenue (Mildura) Rodger Street (Mildura), Eighth Street between Walnut Avenue and Railway Line (Mildura), Industrial Court between Koorlong Avenue and end of court bowl (Irymple), and Koorlong Avenue between Aurora Street & Calder Highway (Irymple).	40% complete. Industrial Court and Koorlong Avenue completed, Eighth Street and Rodger Street projects will be undertaken in 2018/19.

## Services

The following statement provides information in relation to the services funded in the 2017-2018 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, 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.	1,953 <u>2,088</u> 135
<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.	1,261 <u>1,536</u> 275

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<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 <u>roads</u> , 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.	5,773 <u>5,706</u> (67)
<b>Statutory Planning</b>	The <u>statutory planning</u> 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.	389 <u>717</u> 328
<b>Building Maintenance</b>	This service is responsible for the maintenance, management and strategic planning for Council's building, land, property leases and licenses.	5,482 <u>5,660</u> 178
<b>Parks Services</b>	This service is divided into several operational units including tree pruning, planting, removal of vegetation, planning and street tree strategies. It provides for the management of conservation and parkland areas, and other areas of environmental significance.	5,161 <u>5,291</u> 130

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Waste Management</b>	This service provides <b>waste collection</b> and waste management services including kerbside garbage and recycling collection, the operation of three landfills and eight rural transfer stations, litter bin collection, street sweeping, bin maintenance, and event bins.	6,175 <u>6,822</u> 647
<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.	277 <u>289</u> 12
<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.	497 <u>594</u> 97
<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.	586 <u>1,038</u> 452

## Service Performance Indicators

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

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
Roads					
Satisfaction of use					
Sealed local road requests	10.18	10.29	14.47	15.24	Customer Request Management categories for roads underwent a review during the implementation of the Asset Management Information System, which resulted in the reclassification and consolidation of some categories. The sealed road statistic now also includes line marking and laneway requests which were previously separate categories, this has increased the number of requests in comparison to the previous reporting period.
[Number of sealed local road requests/Kilometres of sealed local roads] x100					
Condition					
Sealed local roads maintained to condition levels	85.00%	88.63%	89.03%	92.27%	Condition data obtained during the last sealed road condition assessment indicates that 92% of the sealed road network is maintained to appropriate condition standards.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads] x100					

Results					
Service/Indicator/ Measure	2015	2016	2017	2018	Comments
<b>Service cost</b>					
<i>Cost of sealed local road reconstruction</i>	\$33.16	\$33.95	\$27.13	\$43.46	Two large road reconstruction projects were undertaken in the CBD area which involved a higher standard of construction method and additional costs associated with reducing the impact to businesses and the community.
[Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed]					
<b>Service cost</b>					
[Direct cost of sealed local road resealing/Square metres of sealed local roads resealed]	\$6.23	\$5.83	\$5.43	\$4.86	The apparent positive variance in the cost of local road resealing is due to the resealing program being physically complete for the 2017/18 financial year however financial close out of some of the projects occurred in the new financial year.
<b>Satisfaction</b>					
<i>Satisfaction with sealed local roads</i>	58.00	54.00	56.00	57.00	The community satisfaction level with the sealed local road network is comparable with previous results.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
Statutory Planning					
Timeliness					
Time taken to decide planning applications	61.00	69.00	68.00	69.00	The time taken to decide planning applications is comparable with previous years.
[The median number of days between receipt of a planning application and a decision on the application]					
Service standard					
Planning applications decided within 60 days	68.00%	68.08%	76.31%	70.53%	Council has continued to experience difficulty in recruiting Statutory Planning Officers and as a result the percentage of planning applications decided within required timeframes has reduced.
[Number of planning application decisions made within 60 days / Number of planning application decisions made] x100					
Service cost					
Cost of statutory planning service	\$1,588.05	\$1,849.41	\$2,384.07	\$1,860.88	The cost of providing the Statutory Planning service has decreased due to staff vacancies and the reduced cost of contracted services.
[Direct cost of statutory planning service/Number of planning applications received]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Decision making</b>					
<i>Council planning decisions upheld at VCAT</i>	82.00%	66.67%	85.71%	75.00%	The percentage of planning decisions upheld at VCAT has remained relatively consistent. The raw data puts the result into perspective - in 16/17 VCAT upheld 6 of 7 Council decisions, in 17/18 VCAT upheld 3 out of 4 Council decisions
[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					
<b>Waste Collection</b>					
<b>Satisfaction</b>					
<i>Kerbside bin collection requests</i>	107.62	106.88	107.77	95.81	There has been a reduced number of kerbside bin collection requests in the past 12 months however this cannot be attributed to anything in particular.
[Number of kerbside garbage and recycling bin collection requests/Number of kerbside bin collection households] x1,000					
<b>Service standard</b>					
<i>Kerbside collection bins missed</i>	3.16	3.96	3.74	3.18	There has been a reduced number of requests in relation to kerbside collection bins missed in the past 12 months however this cannot be attributed to anything in particular.
[Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Service cost</b>					
<i>Cost of statutory planning service</i>	\$66.29	\$65.41	\$69.52	\$67.16	No significant variation in the cost of providing the kerbside garbage bin collection service.
[Direct cost of the kerbside garbage bin collection service/ Number of kerbside garbage collection bins]					
<b>Service cost</b>					
<i>Cost of kerbside recyclables collection service</i>	\$47.18	\$52.15	\$52.91	\$57.26	The increased cost of providing the kerbside recyclables collection service is directly related to the increased cost of processing recyclable material due to market pressures.
[Direct cost of the kerbside recyclables bin collection					
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i>	33.00%	32.99%	32.90%	32.25%	No significant variation in the current rates of waste diverted from landfill from the kerbside collection service.
[Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

## Strategic Objective 3: Economy



### Strategic Indicators

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

#### 3.1 Economic Development and Tourism

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with encouragement and growth of business/industry <sup>108</sup>	4.32	4.49	3.59	4.17
Building activity <sup>109</sup>	\$135M	\$137M	\$135M	\$170M
Gross Regional Product <sup>110</sup>	\$2.37B	\$2.36B	\$2.37B	2.55B
Jobs created <sup>111</sup>	357	95	120	-
Investment achievements for the region <sup>112</sup>	\$123.3M	\$138.1M	\$120.0M	\$135.0M
Export data by industry <sup>113</sup>	-	-	-	-
Telecommunications uptake <sup>114</sup>	-	-	-	-
Yield of tourism <sup>115</sup>	\$320M	\$250M	\$288M	\$313M
Industry satisfaction with services provided by Mildura Regional Development <sup>116</sup>	-	-	-	-
Community satisfaction with tourism services <sup>117</sup>	4.90	4.70	4.14	4.61
Customer satisfaction with visitor services <sup>118</sup>	-	-	90.05	90.88
Industry satisfaction with visitor services <sup>119</sup>	-	-	67.34%	68.44%

<sup>108</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>109</sup> Dollar value of applications approved by Council and building industry (source: MRCC internal records)

<sup>110</sup> Gross Regional Product for Mildura Rural City (Source: REMPLAN economy report, Mildura Regional Development)

<sup>111</sup> Number of jobs created (source: Mildura Regional Development)

<sup>112</sup> Dollar value of investments (source: Mildura Regional Development)

<sup>113</sup> Not being measured

<sup>114</sup> Not being measured

<sup>115</sup> Tourism visitor dollar spend (source: Mildura Regional Development)

<sup>116</sup> Not being measured

<sup>117</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>118</sup> Percentage of customers rating VIC staff knowledge as either 'good or 'very good' (source: Visitor Information Centre Customer Survey)

<sup>119</sup> The extent to which staff provide professional services to visitors (source: Community Satisfaction Survey undertaken by Mildura Visitor Information Centre with industry, measuring category of excellence)

### 3.2 Events

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with conferences and major events <sup>120</sup>	-	-	-	4.29
Community satisfaction with small community events <sup>121</sup>	4.78	4.57	4.11	4.54

<sup>120</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>121</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the 2017-2018 Budget.

Major Initiative	Progress
Funds provided to Mildura Regional Development to achieve economic outcomes for the community.	Completed

## Services

The following statement provides information in relation to the services funded in the 2017-2018 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
<b>Economic Development and Tourism</b>	The economic development and tourism service assists the organisation: <ul style="list-style-type: none"><li>to facilitate growth within Council by working with industry and business to grow/sustain existing business and develop new investment opportunities</li><li>to encourage and form strategic alliances with key stakeholders in industry and government to help build a vibrant and sustainable community</li><li>to commit to working in partnership with Mildura Regional Development to maximise economic development within the Council region through specialised projects and initiatives</li><li>through facilitation of tourism enquiries and booking of accommodation. The Visitor Information Centre (VIC) is responsible for assistance and providing specialised services that are tailored to meet customer and client needs.</li></ul>	2,687 <u>2,733</u> 46

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<b>Events</b>	The business conferencing and event services are responsible for assistance and facilitation of business enquiries, events and conferencing. Services are specialised and tailored to meet customer and client needs	645 <u>731</u> 86



### Strategic Indicators

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

#### 4.1 Leadership & Representation

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with overall performance of Council <sup>122</sup>	57	55	60	59
Community perception of Mildura Rural City as a place to live <sup>123</sup>	56	54	57	65
Percentage of Community and Council Plan implemented <sup>124</sup>	78	71	83	61
Community satisfaction with advocacy <sup>125</sup>	52	51	54	53
Community satisfaction with the performance of the elected Council <sup>126</sup>	3.91	3.45	3.30	3.95
Community satisfaction with Council's engagement in decision making <sup>127</sup>	3.88	3.70	3.24	3.88

<sup>122</sup> Index Performance Score (source: Local Government Community Satisfaction Survey)

<sup>123</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>124</sup> Percentage of annual Community and Council Plan actions implemented (source: Council Plan Reporting System)

<sup>125</sup> Index Performance Score for: "How has Mildura Rural City Council performed on 'Lobbying on behalf of the community' over the last 12 months?" (source: Local Government Community Satisfaction Survey)

<sup>126</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>127</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## 4.2 Communication and Engagement

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with Council newsletters and publications <sup>128</sup>	4.67	4.62	3.94	4.31
Community satisfaction with Council's online presence <sup>129</sup>	-	-	-	4.40
Community satisfaction with information Council provides about its services <sup>130</sup>	4.44	4.18	3.92	4.32
Community satisfaction with overall communication from Council <sup>131</sup>	4.34	4.07	3.66	4.14
Community satisfaction with the promotion of Council services, facilities, events and achievements <sup>132</sup>	-	-	-	4.43
Community satisfaction with Council's engagement in decision making <sup>133</sup>	3.88	3.70	3.24	3.88
Community satisfaction with community consultation and engagement <sup>134</sup>	57	55	58	56
Community satisfaction with Council's responsiveness to community input and feedback <sup>135</sup>	3.73	3.55	3.16	3.75

<sup>128</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>129</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>130</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>131</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>132</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>133</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>134</sup> Index Performance Score (source: Local Government Community Satisfaction Survey)

<sup>135</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

### 4.3 Customer Service

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with accessibility to whole of Council <sup>136</sup>	4.74	4.53	3.49	4.14
Community satisfaction with responsiveness to complaints <sup>137</sup>	4.95	4.60	3.48	4.04
Community satisfaction with responsiveness to requests <sup>138</sup>	4.81	4.48	3.55	4.09
Community satisfaction with general courtesy of Council staff <sup>139</sup>	5.44	5.27	4.79	5.03
Community satisfaction with general effectiveness of Council staff <sup>140</sup>	4.88	4.68	4.22	4.62
Community satisfaction with customer contact <sup>141</sup>	72	71	70	71

<sup>136</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>137</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>138</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>139</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>140</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

<sup>141</sup> Index Performance Score (source: Local Government Community Satisfaction Survey)

## 4.4 Financial Sustainability

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Adjusted underlying position <sup>142</sup>	9.52	-3.26	11.01	11.62
Asset renewal gap <sup>143</sup>	0.80	0.77	0.80	0.75
Level of internal financing <sup>144</sup>	65	44	38	44
Level of borrowings <sup>145</sup>	40	48	44	48
Liquidity <sup>146</sup>	263.14	250.65	267.42	425.98
Capital replacement <sup>147</sup>	1.64	1.50	1.42	1.37
Community satisfaction with value for money <sup>148</sup>	3.83	3.35	3.04	3.64

<sup>142</sup> Operating result / Operating revenue (source: Annual financial statements and working papers)

<sup>143</sup> Renewal expenditure / Depreciation (source: Annual financial statements and working papers)

<sup>144</sup> Net operating cash flows / Own source revenue (source: Annual financial statements and working papers)

<sup>145</sup> Non-current liabilities / Own-sourced revenue (source: Annual financial statements and working papers)

<sup>146</sup> Current assets / Current Liabilities (source: Annual financial statements and working papers)

<sup>147</sup> Capital spend (Capital Works expenditure) / Depreciation expense (source: Annual financial statements and working papers)

<sup>148</sup> Mean performance score out of 7 (source: Community Satisfaction Survey)

## 4.5 Organisational Management

Strategic Indicator/Measure	Result – Financial Year Ending			
	2015	2016	2017	2018
Community satisfaction with overall performance of Council <sup>149</sup>	57	55	60	59
Organisational score against the Australian Business Excellence Framework <sup>150</sup>	-	658.75	-	-
Organisational Alignment <sup>151</sup>	-	41%	-	52%
Organisational Engagement <sup>152</sup>	-	62%	-	67%
Percentage of Risk Audit actions completed on time <sup>153</sup>	-	-	-	-
Overall staff satisfaction <sup>154</sup>	5.27	-	5.35	-
Percentage of staff who would recommend Mildura Rural City Council as a place to work <sup>155</sup>	-	61%	-	67%

<sup>149</sup> Index Performance Score (source: Local Government Community Satisfaction Survey)

<sup>150</sup> Score out of 1000 (source: Business Excellence Awards Feedback Report)

<sup>151</sup> Percentage favourable score (Insync Surveys Alignment and Engagement Survey)

<sup>152</sup> Percentage favourable score (Insync Surveys Alignment and Engagement Survey)

<sup>153</sup> Percentage of Risk Audit actions completed on time (source: MRCC)

<sup>154</sup> Mean Performance Score for "My overall satisfaction with Mildura Rural City Council – All Staff" (source: Alignment & Engagement Survey)

<sup>155</sup> % favourable - score of 6 & 7 out of 7 for: I would recommend Mildura Rural City Council as a workplace to my family and friends – all staff" (source: Alignment & Engagement Survey)

## Major Initiatives

The following statement reviews our progress in relation to major initiatives identified in the 2017-2018 Budget.

Major Initiative	Progress
Review procurement strategy.	Completed

## Services

The following statement provides information in relation to the services funded in the 2017-2018 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
<b>Chief Executive Office</b>	This area of governance includes the Mayor, Councillors, Chief Executive Officer and associated support.	1,637 <u>1,728</u> 91
<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. It also includes the payment of salaries and wages to Council employees.	1,895 <u>1,921</u> 26
<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.	736 <u>629</u> (107)

Service	Description	Net Cost Actual <u>Budget</u> Variance \$000
<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.	1,319 <u>1,216</u> (103)
<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.	1,415 <u>1,409</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 record management, GIS and software applications across all sites and field operations to all staff enabling the timely and efficient delivery of services to the community.	3,679 <u>3,954</u> 275
<b>Governance and Risk</b>	This area 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, 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.	1,700 <u>1,867</u> 167

Service	Description	Net Cost Actual Budget Variance \$000
<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.	(2,352) <u>(2,351)</u> 1

## Service Performance Indicators

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

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
Governance					
Transparency					
Council resolutions at meetings closed to the public	23.00%	25.25%	20.47%	22.97%	The majority of Council meetings closed to the public are closed for the consideration of contractual matters, that is, tenders to be awarded.
[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					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Consultation and engagement</b>					
<i>Satisfaction with community consultation and engagement</i>	57.00	55.00	58.00	56.00	Satisfaction levels remain consistent.
[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]					
<b>Attendance</b>					
<i>Council attendance at Council meetings</i>	92.00%	88.89%	91.11%	94.07%	Councillor attendance at Council meetings remains consistently high.
[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					
<b>Governance</b>					
<b>Service cost</b>					
<i>Cost of governance</i>	\$42,162.09	\$39,413.11	\$39,001.33	\$42,563.44	Result consistent with previous years
[Direct cost of the governance service/Number of councillors elected at the last Council general election]					

Service/Indicator/ Measure	Results				Comments
	2015	2016	2017	2018	
<b>Satisfaction</b>					
Satisfaction with Council decisions	54.00	51.00	56.00	54.00	Satisfaction levels remain consistent.
[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

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.

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

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

## Meetings of Council

Council conducts open public meetings on the fourth Wednesday 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. For the 2017-2018 year, the following meetings were held:

- 12 Ordinary Council meetings
- Three Special Council meetings.

The following table provides a summary of councillor attendance at Council meetings and Special Council meetings for the 2017–2018 financial year.

Councillors*	Council Meeting	Special Council Meeting	Total
Cr Glenn Milne	12	3	15
Cr Greg Brown	11	2	13
Cr Anthony Cirillo	12	3	15
Cr Simon Clemence	12	3	15
Cr Ali Cupper	11	3	14
Cr Mark Eckel (Mayor)	11	4	15
Cr Jason Modica	12	3	15
Cr Min Poole	12	2	14
Cr Max Thorburn	10	2	12

\* Councillors were eligible to attend 12 Ordinary and three Special Council meetings during 2017-2018.

### 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 in the 2017-2018 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.

Committee	Purpose
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.
CEO Employment Matters Committee	To assist Council in fulfilling its responsibilities relating to CEO employment matters.
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.
Finance Advisory Committee	To assist Council in discharging its duties and responsibilities relating to the awarding of contracts and management of Council's investment and borrowing portfolio.
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 Advisory Committee	To engage with the community on arts issues and actively participate in the promotion of arts related issues.
Mildura Future Ready Steering Committee	To develop and implement strategies for the funding and advocacy of the Mildura Future Ready initiative.
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.
Municipal Emergency Management Planning Committee	To assess and review hazards facing the municipality using the Community Emergency Risk Assessment process, and to prepare the Municipal Emergency Management Plan, which documents preparedness, response and recovery of operational arrangements.

Committee	Purpose
Murray-Darling Association	To provide a focus for local government and community participation in the major natural resource issues of the Murray-Darling Basin.
Murray Regional Tourism Board	To improve the visitor experience in the Murray Region.
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.
Northern Mallee Community Partnership	To establish the platform for a true community sector partnership incorporating health, education, local government, police, justice and welfare.
Northern Mallee Local Learning Employment Network	To broker strategic and sustainable community partnerships aimed at improving education and transition outcomes for young people.
Northwest Municipalities Group	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.
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.
Renewable Energy Committee	To help the Mallee reach its potential as a centre for solar energy generation.
Sister Cities Australia	To provide an umbrella of support and promote the sister city relationships many cities, municipalities and shires in Australia with a cities or towns overseas, or within Australia.
Sunraysia Highway Improvement Committee	To advocate for the maintenance and upgrade of this prime transport link alongside other stakeholder councils.

Committee	Purpose
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 21 February 2017, Council adopted a revised Councillor Code of Conduct. 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 they 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.

The Code of Conduct also outlines:

- The responsibility of councillors
- Councillor behaviours
- Council decision-making
- Good governance and transparency
- Confidential information
- Access to and use of Council information
- Use of Council resources (including funds and property)
- Relationship with staff
- Conflict of interest procedures
- Dispute resolution procedures
- Register of interest returns
- Candidature for state or federal elections.

### 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 conflicts of interest. During 2017–2018, 31 conflicts of interest were declared at Council meetings and nine conflicts of interest were declared at Assembly of Councillor 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. We are recognised as a category two Council.

For the period 1 July 2017 to 1 December 2017, the Councillor annual allowance for a category 2 Council (as defined by the *Local Government Act 1989*) was fixed at \$24,730 per annum and the allowance for the Mayor was \$76,521 per annum. The Minister for Local Government approved an annual adjustment of two per cent to take effect as from 1 December 2017. The annual allowances were adjusted for the period 1 December 2017 to 30 June 2018 at \$25,225 per annum for the councillor allowance and \$78,052 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 total allowances paid to each councillor during the year.

Councillors	Allowance \$
Cr Glenn Milne <sup>1</sup>	46,299.27
Cr Mark Eckel <sup>2</sup>	63,608.08
Cr Ali Cupper	25,138.84
Cr Anthony Cirillo	25,138.84
Cr Greg Brown	25,138.84
Cr Jason Modica	25,138.84
Cr Min Poole	25,138.84
Cr Simon Clemence	25,138.84
Cr Max Thorburn	25,138.84

<sup>1</sup> Cr Glenn Milne – Mayor from June to October 2017

<sup>2</sup> Cr Mark Eckel – Mayor from November 2017 to June 2018

## 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, including reimbursement of expenses paid for each councillor paid by the Council for the 2017-2018 year, are set out in the following table. No expenses were paid by Council including reimbursements to members of Council committees during the year.

Councillors	TR \$	CM \$	M/C \$	IC \$	TCE \$	CC \$	Total \$
Cr Greg Brown	3,052	6,604		264			9,920
Cr Anthony Cirillo		789	48	264			1,101
Cr Simon Clemence	1,246	4,253	329	1,137	540		7,505
Cr Ali Cupper	1,020		55	528			1,603
Councillors	TR \$	CM \$	M/C \$	IC \$	TCE \$	CC \$	Total \$
Cr Glenn Milne <sup>1</sup>	17,616	5,103	2,708	1,712	3,218		30,357
Cr Mark Eckel Mayor <sup>2</sup>	12,295	394	1,806	1,256	5,077		20,828
Cr Jason Modica	2,403	2,832	468	1,164	7,032		11,496
Cr Min Poole	378	132	395	1,082	6,999		8,986
Cr Max Thorburn				722			722
<b>Legend:</b> TR - Travel and Accommodation CM – Car Mileage M/C – Catering/Meals IC – Information and Communication Expenses TCE – Conferences and Training expenses CC – Child care							

<sup>1</sup> Cr Glenn Milne – Mayor from June to October 2017

<sup>2</sup> Cr Mark Eckel – Mayor from November 2017 to June 2018

## Management

We have implemented a number of statutory and better practice items to strengthen our management framework. Having strong governance and management frameworks leads to better decision making. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its report of operations. Our Governance and Management Checklist results are set out in the following section. 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:

- Ms Karen Hensgen (Chairperson)
- Mr Frank Piscioneri
- Mr Paul Grigg

and two councillors:

- Mayor Cr Mark Eckel (replaced Cr Glenn Milne in November 2017)
- Deputy Mayor Cr Ali Cupper (replaced Cr Jason Modica in November 2017)

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 March 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

Our internal audit function provides independent and objective assurance that the appropriate processes and controls are in place. 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 our 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 our 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 following reviews were undertaken as part of the SIAP for 2017–2018:

- Contractor Management Review
- Human Resources Review
- Financial Management - Review of Long Term Financial Viability and Financial Planning Practices
- Asset Handover (Developers to Council and internally within Council) excluding Development Contribution Plans aspect
- Procurement and Payroll Data Analytics Review
- Review of Safety Procedures Surrounding Playgrounds and Reserves
- Follow Up Review.

### **External Audit**

Victorian councils are externally audited by the Victorian Auditor-General. For the 2017–2018 year, the annual external audit of our Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative, Richmond Sinnott and Delahunty. The external auditors attend the March 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, we 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 our 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 Date of operation of current policy: 28 May 2015 <input checked="" type="checkbox"/>
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: 8 February 2017 <input checked="" type="checkbox"/>
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 Date of adoption: 27 June 2018 <input checked="" type="checkbox"/>
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 Date of adoption: 27 June 2018 <input checked="" type="checkbox"/>
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)	Plans Date of operation of current plans: Stormwater Drainage 27 August 2015 Road Network 28 January 2016 Buildings 27 June 2018 <input checked="" type="checkbox"/>
6. <b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 13 May 2014 <input checked="" type="checkbox"/>
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 28 May 2015 <input checked="" type="checkbox"/>

Column 1 Governance and Management Items	Column 2 Assessment
8. <b>Fraud policy</b> (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 27 June 2018 <input checked="" type="checkbox"/>
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> Date of preparation: 2 December 2013 <input checked="" type="checkbox"/>
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> Date of approval: 27 June 2018 <input checked="" type="checkbox"/>
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 Date of operation of current plan: 27 March 2012 <input checked="" type="checkbox"/>
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 Date of operation of current plan: 8 July 2014 <input checked="" type="checkbox"/>
13. <b>Risk management framework</b> (framework outlining council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 7 March 2017 <input checked="" type="checkbox"/>
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"/>

Column 1 Governance and Management Items	Column 2 Assessment
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 <input checked="" type="checkbox"/>  Date of engagement of current provider: 9 June 2016
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 <input checked="" type="checkbox"/>  Date of operation of current framework: 1 July 2014
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)	Reports <input checked="" type="checkbox"/>  Annual Plan 2016-2017 Quarter Four Report 10 August 2017  Strategic Outcome Measures Report 2016-2017 9 November 2017  Annual Plan 2017-2018 Quarter One Report 9 November 2017  Annual Plan 2017-2018 Quarter Two Report 8 February 2018  Annual Plan 2017-2018 Quarter Three Report 10 May 2018
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)	Statements presented to council in accordance with section 138(1) of the Act <input checked="" type="checkbox"/>  Date statements presented:  Annual Financial Statements: 28 September 2017  Quarterly Statement No 1: 26 October 2017  Quarterly Statement No 2: 24 January 2018  Quarterly Statement No 3: 24 April 2018

Column 1 Governance and Management Items	Column 2 Assessment
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)	Quarterly reports <input checked="" type="checkbox"/> Date of reports: Risk Management Report No 1: 30 September 2017 Risk Management Report No 2: 31 December 2017 Risk Management Report No 3: 31 March 2018 Risk Management Report No 4: 30 June 2018
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)	Reports <input checked="" type="checkbox"/> Date of reports: 5 September 2017 and 8 February 2018
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)	Considered at a meeting of council in accordance with section 134 of the Act <input checked="" type="checkbox"/> Date statements presented: 26 October 2017
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: 21 February 2017

Column 1 Governance and Management Items	Column 2 Assessment
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)	<p>Reviewed in accordance with section 98(6) of the Act <input checked="" type="checkbox"/></p> <p>Date of review:</p> <ul style="list-style-type: none"> <li>• S5 Instrument of Delegation to the Chief Executive Officer: 23 February 2017</li> <li>• S6 Instrument of Delegation Members of Staff: 26 February 2018</li> <li>• S7 Instrument of Sub-delegation by CEO: 28 June 2018</li> <li>• S12 Instrument of Delegation and Authorisation by Municipal Building Surveyor: 28 June 2018</li> <li>• S13 Instrument of Delegation of CEO Powers, duties and functions: 28 June 2018</li> <li>• S14 Instrument of Delegation by CEO for VicSmart Applications under the Planning and Environment Act 1987: 28 September 2017</li> <li>• Instrument of Delegation from the Waterway Manager to Members of Council Staff: 24 April 2018</li> <li>• Instrument of Delegation Children's Services Legislation Council to Members of Staff: 25 May 2017</li> </ul>
24. <b>Meeting procedures</b> (a local law governing the conduct of meetings of council and special committees)	<p>Meeting procedures local law made in accordance with section 91(1) of the Act <input checked="" type="checkbox"/></p> <p>Date local law made: 28 January 2016</p>

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



**Gerard Jose**  
Chief Executive Officer

Dated: **20** September 2018



**Cr Mark Eckel**  
Mayor

Dated: **20** September 2018

## 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 Regulation 12 of the *Local Government (General) Regulations 2015*, the following is a list of the prescribed documents that are available for inspection or copies of the documents can be obtained for the purposes of section 222 of the *Local Government Act 1989* at 108 Madden Avenue, Mildura:

- A document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any councillor or member of Council staff in the previous 12 months
- The agendas for, and minutes of, Ordinary and Special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- The minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- A register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease
- A register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- A list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

### Best Value

In accordance with section 208B(f) of the *Local Government Act*, 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. We incorporate 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 our commitment to Best Value, we have 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 services achieve best practice standards in regards to service performance.

The following Best Value initiatives were undertaken during 2017–2018:

Service sustainability reviews completed:

- Systems Team
- Family Day Care
- Risk and Emergency Management
- Records
- Parks
- Engineering.

Major continuous improvement activities [eg Plan-Do-Study-Act (PDSA)/Approach-Deployment-Results-Improvement (ADRI)] undertaken during 2017-2018 included:

- Animal Health Management Plan
- Implementing Engineering Project Delivery, Design and Infrastructure Development teams, as recommended by the service review
- Road inspectors going live on AssetFinda field devices for defect inspection and reporting
- Implementation of essential Service Measure inspection system to better schedule and report on building compliance.
- New Pool Management Model
- Kindergarten Central Enrolment
- Community Grants Program.

### **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. We have taken all practicable measures to comply with our responsibilities outlined in the *Carers Recognition Act 2012*. We have also promoted the principles of the Act to people in care relationships who receive our 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
- Participating in the development of the Mildura Carer Blueprint in conjunction with Carers Australia (Victoria)
- Working in partnership with the local representative of Carers Victoria (Mildura) on community projects
- Providing Rural Access Worker support to people with a disability and their carers within the community
- Implementing the event *Unspoken – What Will Become of Me*, aimed at clients and their carers
- Participating in local community events with a carer focus.

We have 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.

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

- Respite services for carers
- An assessment service that is inclusive of the care recipient and carer's needs
- Review of services to meet changing needs of the care recipient and carer
- Individual care plans, which have been developed and implemented to meet the care recipient and carer's needs.

### **Contracts**

In 2017-2018, we did not enter into any contracts valued at \$150,000 or more for goods and services, or \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the Act. We also did not enter into any other contracts valued at \$150,000 or more for goods and services, or \$200,000 or more for works without engaging in a competitive process.

### **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), we must report on the implementation of the plan in our annual report.

We have implemented 86 per cent of the actions for 2017-2018 in the Community Access and Inclusion Plan 2014–2018. Actions completed in 2017-2018 include:

- The identification of 74 trip hazards
- Addressing 27 access items through the Disability Access Advisory Committee
- Facilitating 20 local community events, including International Day for People with a Disability, disability film nights, Dash for Dementia, Mapping of Services, Walnut Park Wellness Day and Carer Blueprint activities
- Assisting the Autism Group with school holiday programs
- Partnering with the Dandelion Project (Specialisterne) and our Community Engagement Team in a program to integrate people with autism into the workforce
- Supporting the youth from Flo Connect to develop video tours of major parks to promote the accessibility and equipment available in these parks
- Partnering with local providers to provide information sessions with disability agencies
- Promoting and supporting recreation, social and cultural events and activities to ensure they are accessible and allow people with a disability to participate alongside other members of the community
- Providing Disability Awareness Training to 35 Council staff

- Providing community information sessions to 140 attendees in Murrayville and Ouyen about disability services in the region
- Promoting the awareness of disability services to the community through the provision of information in the Regional Communications Newsletter and the posting of 72 events on the Yammer site
- Awarding five grants to enable groups to support the community with modification of a vehicle for disability access, hearing loops, equipment for a remedial singing group to assist the physical and mental health of people with Parkinson's disease and a unisex toilet with a hoist and tracking for people with a disability
- Awarding 14 grants to allow groups to purchase equipment, build shade structures, purchase uniforms and support events and programs for people with a disability including the All Abilities Cricket Carnival and Dash for Dementia.

### **Domestic Animal Management Plan**

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

The current Mildura Rural City Council DAMP for 2017-2021 has been adopted and in place for nearly 12 months.

Actions have been completed such as a successful Responsible Pet Ownership Program between the Sunraysia Animal Rehousing Group and Mildura Rural City Council, in which vouchers were given to eligible animal owners to assist with desexing, microchipping, vaccinations and worming. The program achieved the following results:

- A rise of one per cent in total desexed dogs in the Mildura Rural City Council registration database
- A rise of four per cent in total desexed cats in the Mildura Rural City Council registration database
- Euthanasia at the Mildura Animal Pound over the Responsible Pet Ownership Program dropped 12.29 per cent over the same period when compared with the previous year.

Mildura Rural City Council has now also introduced a trial off-leash dog park at Rio Vista Park on Mildura's riverfront. This park and its functionality will continue to be assessed into the future.

The Mildura Rural City Council Civic Compliance Department is now introducing a desexing and microchipping voucher scheme funded by Council into the future. This initiative comes as a direct result of the DAMP and Council's commitment to Responsible Pet Ownership, including desexing, microchipping and registration of the municipality's domestic animals.

The Mildura Animal Pound has also introduced C5 vaccinations for dogs and F4 vaccinations for cats if not identifiable to an owner upon arrival at the pound. This aims to reduce the spread of disease and viruses in the community's dog and cat population. Vaccinations also assist with rehousing happy and healthy animals.

### **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 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. We have published these statements separately but provide 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 our possession 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. We are 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 our website.

During the 2017-2018 year, three disclosures were made to the Protected Disclosure Coordinator regarding the improper conduct of Council and its officers. Following separate assessments by the Independent Broad-based Anti-corruption Commission (IBAC), it was determined that none of the disclosures engaged 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 during the financial year.

**Infrastructure and Development Contributions**

In accordance with Section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions, including levies and works in kind. The report must be published in a Council's annual report.

For the 2017-18 year, the following information about infrastructure and development contributions is discussed.

### Infrastructure Contributions

In relation to financial reports for the infrastructure contributions plans (ICPs), to date no funds have been expended on community infrastructure projects. (Note that in the Mildura Development Contributions Plan, these projects are referred to as “Community Infrastructure” as opposed to “Development Infrastructure”).

### Development Contributions

#### *Total DCP Levies Received in 2017-18*

DCP Name (Year Approved)	Levies Received in 2017-18 Financial Year
	\$
DCP01 (March 2005)	611,748
DCP02 (July 2006)	121,341
DCP03 (July 2007)	736
<b>Total</b>	<b>733,825</b>

#### *DCP Land, Works, Services or Facilities Accepted In-Kind in 2017-18*

DCP Name (Year Approved)	Project ID	Project Description	Item Purpose	Value of In-Kind Works Accepted	Total Project Value
				\$	\$
DCP01 (March 2005)	BP212	Cabarita to Benetook spur – Sixteenth Street to Fifteenth Street BP212	Construction of footpath widening for shared path	6,733.03	309,180.38
DCP01 (March 2005)	OS005	Linear reserves and parks OS005	Land acquisition for reserves in accordance with the public open space strategy	17,010.00	5,632,045.43

DCP Name (Year Approved)	Project ID	Project Description	Item Purpose	Value of In-Kind Works Accepted \$	Total Project Value \$
DCP02 (July 2006)	BP315	Karadoc Avenue – Fourteenth Street to Fifteenth Street (2 <sup>nd</sup> half about 470m)	Construction of footpath widening for shared path	6,440.00	82,779.91
DCP02 (July 2006)	DG006	Irymple drainage works	Irymple drainage infrastructure, pipework and basin construction	24,000.00	25,122,987.05
DCP02 (July 2006)	OS006	Stormwater retention - Irymple	Land acquisition for stormwater retention - Irymple	46,532.92	3,308,756.13
DCP02 (July 2006)	OS008	Linear reserves and parks - Irymple	Land acquisition for reserves in accordance with the public open space strategy	20,760.00	2,281,448.40
<b>Total</b>				<b>121,475.95</b>	<b>36,737,197.30</b>

*Note:*

*As Mildura Rural City Council does not have any DCPs that were approved after 1 June 2016, there are no DCP contributions received and expended to date for DCPs approved after 1 June 2016.*

***Land, Works, Services or Facilities Delivered in 2017-18 from DCP Levies Collected***

Project Description	Project ID	DCP Name (Year Approved)	DCP Fund Expended	Council's Contribution	Works-In- Kind Accepted	Other Contributions	Total Project Expenditure	Percentage of Item Delivered
			\$	\$	\$	\$	\$	
Mildura South Scheme DG001	DG001	DCP01 (March 2005)	574,056	443,310	157,398	-	1,174,764	2.02%
San Mateo to Benetook near Fifteenth Street Scheme DG002 (DG050 overlap)**	DG002	DCP01 (March 2005)	75,374	30,429	206,970	-	312,772	3.50%
Ranfurly Drain near Fifteenth Street Scheme DG003	DG003	DCP01 (March 2005)	18,525	-	-	-	18,525	1.83%
Benetook Avenue - Eleventh Street to Fourteenth Street (2nd half - about 660m)	BP046	DCP02 (July 2006)	11,475	23,525	-	-	35,000	16.56%
Irymple Drainage Works	DG006	DCP02 (July 2006)	112,739	471,247	-	-	583,986	2.28%
Linear Reserves & Parks - Nichols Point	OS031	DCP02 (July 2006)	76,515	21,243	-	-	97,758	100%

Project Description	Project ID	DCP Name (Year Approved)	DCP Fund Expended	Council's Contribution	Works-In- Kind Accepted	Other Contributions	Total Project Expenditure	Percentage of Item Delivered
			\$	\$	\$	\$	\$	
Mildura/Irymple transition – Construction	DG050	DCP03 (July 2007)	199,727	221,375	-	-	421,102	2.15%
<b>Total</b>			<b>1,708,212</b>	<b>1,695,760</b>	<b>364,368</b>	<b>-</b>	<b>3,768,339</b>	

*Note:*

*\*\* The DG002 project was revised and replaced by DG050 but the revised costings are only applied to the industrial zoned land and therefore residential land still contributes to DG002.*

*In Kind Works detailed in these figures included are from the financial transaction taking place and may not appear on councils assets until hand over occurs.*

## Part 2: Financial Statements



Mildura Rural City Council

Financial Statements  
for the Year Ended 30 June 2018



# Mildura Rural City Council

## Financial Report

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# Mildura Rural City Council

## Financial Report

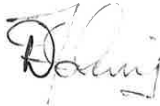
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### Certification of the Financial Statements

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 : 20 September 2018  
Mildura

In our opinion the accompanying financial statements present fairly the financial transactions of Mildura Rural City Council for the year ended 30 June 2018 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.

Mark Eckel  
Councillor  
Date :  
Mildura

  
20 September 2018

Ali Cupper  
Councillor

Date :  
Mildura

  
20 September 2018

Gerard Jose  
Chief Executive Officer

Date :  
Mildura

  
20 September 2018


## Independent Auditor's Report

### To the Councillors of Mildura Rural City Council

<b>Opinion</b>	<p>I have audited the consolidated financial report of Mildura Rural City Council (the council) and its controlled entities (together the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> <li>• consolidated entity and council balance sheet as at 30 June 2018</li> <li>• consolidated entity and council comprehensive income statement for the year then ended</li> <li>• consolidated entity and council statement of changes in equity for the year then ended</li> <li>• consolidated entity and council statement of cash flows for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• certification of the financial report.</li> </ul> <p>In my opinion, the financial report presents fairly, in all material respects, the financial positions of the consolidated entity and the council as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council and the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council and the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

<b>Auditor's responsibilities for the audit of the financial report</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"> <li>• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li> <li>• obtain an understanding of internal control relevant to the audit 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 council and the consolidated entity's internal control</li> <li>• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors</li> <li>• conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council and the consolidated entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council and the consolidated entity to cease to continue as a going concern.</li> <li>• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation</li> <li>• obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the council and consolidated entity to express an opinion on the financial report. I remain responsible for the direction, supervision and performance of the audit of the council and the consolidated entity. I remain solely responsible for my audit opinion.</li> </ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE  
24 September 2018

  
 Tim Loughnan  
*as delegate for the Auditor-General of Victoria*

## Comprehensive Income Statement For the Year Ended 30 June 2018

	Note	Consolidated		Council	
		2018	2017	2018	2017
		\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	2.1	66,792	64,735	66,919	64,861
Statutory fees and fines	2.2	2,528	2,288	2,528	2,288
User fees	2.3	12,450	11,270	6,828	6,114
Grants - operating	2.4	33,122	31,202	33,122	31,202
Grants - capital	2.4	5,322	8,021	5,322	8,021
Contributions - monetary	2.5	1,329	1,501	1,329	1,501
Contributions - non monetary	2.5	3,813	2,596	3,813	2,596
Net gain/(or loss) on disposal of property, infrastructure, plant and equipment	2.6	(1,932)	(1,850)	(1,932)	(1,846)
Other income	2.7	8,079	6,439	7,127	5,799
Asset recognition	2.8	2,008	5,861	2,008	5,861
Fair value increase of non financial asset	16	-	-	-	-
<b>Total income</b>		<b>133,527</b>	<b>132,063</b>	<b>127,064</b>	<b>126,397</b>
<b>Expenses</b>					
Employee costs	3.1	(48,732)	(45,747)	(45,547)	(43,385)
Materials and services	3.2	(29,488)	(30,912)	(36,133)	(40,420)
Depreciation and amortisation	3.3	(19,754)	(19,758)	(18,642)	(18,849)
Bad and doubtful debts	3.4	(216)	(202)	(216)	(202)
Borrowing costs	3.5	(1,162)	(1,169)	(1,155)	(1,162)
Other expenses	3.6	(5,158)	(1,767)	(4,974)	(1,618)
Impairment of non financial asset		-	(4)	-	-
<b>Total expenses</b>		<b>(104,510)</b>	<b>(99,559)</b>	<b>(106,667)</b>	<b>(105,636)</b>
<b>Surplus/(deficit) for the year</b>		<b>29,017</b>	<b>32,504</b>	<b>20,397</b>	<b>20,761</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods</b>					
Net asset revaluation increment/(decrement)	8.1	15,095	(1,430)	15,095	(1,430)
Net financial asset revaluation increment/(decrement)	8.1	-	-	8,620	11,743
<b>Total comprehensive result</b>		<b>44,112</b>	<b>31,074</b>	<b>44,112</b>	<b>31,074</b>

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

### Balance Sheet As at 30 June 2018

		Consolidated		Council	
		2018	2017	2018	2017
	Note	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	4.1	56,221	46,762	53,991	43,402
Trade and other receivables	4.1	7,242	8,757	6,434	8,180
Other financial assets	4.1	2,879	2,782	2,879	2,782
Inventories	4.2	663	674	657	664
Other assets	4.2	332	352	281	307
<b>Total current assets</b>		<b>67,337</b>	<b>59,327</b>	<b>64,242</b>	<b>55,335</b>
<b>Non-current assets</b>					
Trade and other receivables	4.1	-	-	5,129	5,129
Other financial assets	4.1	1,750	1,750	1,750	1,750
Other assets	4.2	-	-	51,319	42,699
Property, infrastructure, plant and equipment	5.1	798,387	758,771	745,080	709,935
Intangible assets	4.2	8,055	6,122	7,982	6,065
<b>Total non-current assets</b>		<b>808,192</b>	<b>766,643</b>	<b>811,260</b>	<b>765,578</b>
<b>Total assets</b>		<b>875,529</b>	<b>825,970</b>	<b>875,502</b>	<b>820,913</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	4.3	1,685	12,506	1,981	7,809
Trust funds and deposits	4.3	1,856	1,681	1,849	1,673
Provisions	4.5	10,643	10,657	10,513	10,510
Interest-bearing liabilities	4.4	773	734	738	700
<b>Total current liabilities</b>		<b>14,957</b>	<b>25,578</b>	<b>15,081</b>	<b>20,692</b>
<b>Non-current liabilities</b>					
Provisions	4.5	20,580	16,340	20,496	16,271
Interest-bearing liabilities	4.4	19,801	20,574	19,733	20,471
<b>Total non-current liabilities</b>		<b>40,381</b>	<b>36,914</b>	<b>40,229</b>	<b>36,742</b>
<b>Total liabilities</b>		<b>55,338</b>	<b>62,492</b>	<b>55,310</b>	<b>57,434</b>
<b>Net assets</b>		<b>820,191</b>	<b>763,478</b>	<b>820,192</b>	<b>763,479</b>
<b>Equity</b>					
Accumulated surplus		369,530	336,879	335,614	311,583
Reserves	8.1	450,661	426,599	484,578	451,896
<b>Total Equity</b>		<b>820,191</b>	<b>763,478</b>	<b>820,192</b>	<b>763,479</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 2018

Consolidated	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
		\$'000	\$'000	\$'000	\$'000
<b>2018</b>					
Balance at beginning of the financial year		763,478	336,879	409,596	17,003
Changes in accounting policy - land under roads pre July 2008 recognition	5.1(a)	12,601	12,601	-	-
Surplus/(deficit) for the year		29,017	29,017	-	-
Net asset revaluation increment/(decrement)	8.1(c)	15,095	-	15,095	-
Transfers to other reserves	8.1(b)	-	18,557	-	(18,557)
Transfers from other reserves	8.1(b)	-	(27,524)	-	27,524
<b>Balance at end of the financial year</b>		<b>820,191</b>	<b>369,530</b>	<b>424,691</b>	<b>25,970</b>
<b>2017</b>					
Balance at beginning of the financial year		732,404	309,665	411,026	11,713
Surplus/(deficit) for the year		32,504	32,504	-	-
Net asset revaluation increment/(decrement)	8.1(c)	(1,430)	-	(1,430)	-
Transfers to other reserves	8.1(b)	-	13,371	-	(13,371)
Transfers from other reserves	8.1(b)	-	(18,661)	-	18,661
<b>Balance at end of the financial year</b>		<b>763,478</b>	<b>336,879</b>	<b>409,596</b>	<b>17,003</b>
<b>Council</b>					
		Total	Surplus	Reserve	Other
		\$'000	\$'000	\$'000	Reserves
					\$'000
<b>2018</b>					
Balance at beginning of the financial year		763,479	311,583	434,885	17,011
Changes in accounting policy - land under roads pre July 2008 recognition	5.1(a)	12,601	12,601	-	-
Surplus/(deficit) for the year		20,397	20,397	-	-
Net asset revaluation increment/(decrement)		23,715	-	23,715	-
Transfers to other reserves	8.1(b)	-	18,557	-	(18,557)
Transfers from other reserves	8.1(b)	-	(27,524)	-	27,524
<b>Balance at end of the financial year</b>		<b>820,192</b>	<b>335,614</b>	<b>458,600</b>	<b>25,978</b>
<b>2017</b>					
Balance at beginning of the financial year		732,405	296,112	424,572	11,721
Surplus/(deficit) for the year		20,761	20,761	-	-
Net asset revaluation increment/(decrement)		10,313	-	10,313	-
Transfers to other reserves	8.1(b)	-	13,371	-	(13,371)
Transfers from other reserves	8.1(b)	-	(18,661)	-	18,661
<b>Balance at end of the financial year</b>		<b>763,479</b>	<b>311,583</b>	<b>434,885</b>	<b>17,011</b>

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

### Statement of Cash Flows For the Year Ended 30 June 2018

	Note	Consolidated		Council	
		2018	2017	2018	2017
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>					
Rates and charges		66,966	64,439	67,093	64,565
Statutory fees and fines		2,528	2,288	2,528	2,288
User fees		17,160	8,944	8,290	6,264
Grants - operating		34,778	33,874	34,778	32,762
Grants - capital		5,588	6,639	5,588	6,639
Contributions - monetary		1,336	1,576	1,395	1,576
Interest received		1,508	1,329	1,652	1,370
Trust funds and deposits taken		6,157	6,261	6,157	6,261
Other receipts		6,097	4,563	5,864	4,707
Net GST refund/(payment)		2,161	2,624	1,347	1,782
Employee costs		(48,646)	(46,053)	(45,046)	(43,711)
Materials and services		(47,328)	(33,898)	(45,809)	(41,959)
Trust funds and deposits repaid		(5,981)	(6,555)	(5,981)	(6,555)
Other payments		(1,196)	(1,255)	(1,196)	(4,263)
<b>Net cash provided by/(used in) operating activities</b>	8.2	<b>41,128</b>	<b>44,776</b>	<b>36,660</b>	<b>31,726</b>
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	5.1	(30,665)	(39,752)	(25,065)	(26,852)
Proceeds from sale of property, infrastructure, plant and equipment		946	584	946	572
Net proceeds from sale of financial assets		(97)	5,739	(97)	5,739
<b>Net cash provided by/(used in) investing activities</b>		<b>(29,816)</b>	<b>(33,429)</b>	<b>(24,216)</b>	<b>(20,541)</b>

### Statement of Cash Flows For the Year Ended 30 June 2018

	Note	Consolidated		Council	
		2018	2017	2018	2017
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
<b>Cash flows from financing activities</b>					
Finance costs		(1,119)	(1,207)	(1,155)	(1,208)
Proceeds from borrowings		-	5,128	-	5,128
Repayment of borrowings		(734)	(3,372)	(700)	(3,362)
<b>Net cash provided by/(used in) financing activities</b>		<b>(1,853)</b>	<b>549</b>	<b>(1,855)</b>	<b>558</b>
Net increase/(decrease) in cash and cash equivalents		9,459	11,896	10,589	11,743
Cash and cash equivalents at the beginning of the financial year		46,762	34,866	43,402	31,659
<b>Cash and cash equivalents at the end of the financial year</b>	4.1	<b>56,221</b>	<b>46,762</b>	<b>53,991</b>	<b>43,402</b>
Financing arrangements	4.6				
Restrictions on cash assets	4.1				

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

### Statement of Capital Works For the Year Ended 30 June 2018

	Note	Consolidated		Council	
		2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>Property</b>					
Land		2,215	426	2,215	426
Buildings		2,167	6,030	2,122	5,973
<b>Total property</b>		<b>4,382</b>	<b>6,456</b>	<b>4,337</b>	<b>6,399</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment		3,312	2,558	3,183	2,478
Fixtures, fittings and furniture		622	461	514	352
Computers and telecommunications		242	-	242	-
Library books		340	295	340	295
<b>Total plant and equipment</b>		<b>4,516</b>	<b>3,314</b>	<b>4,279</b>	<b>3,125</b>
<b>Infrastructure</b>					
Roads		9,060	8,772	9,060	8,772
Footpaths and cycleways		381	1,696	381	1,696
Drainage		3,515	2,505	3,515	2,505
Recreational, leisure and community facilities		635	1,080	635	1,080
Waste management		826	553	826	553
Parks, open space and streetscapes		2,108	2,375	2,108	2,342
Aerodromes		5,347	19,755	-	-
Off street car parks		266	259	202	259
<b>Total infrastructure</b>		<b>22,138</b>	<b>36,995</b>	<b>16,727</b>	<b>17,207</b>
<b>Intangible</b>					
Software		116	121	116	121
<b>Total intangible</b>		<b>116</b>	<b>121</b>	<b>116</b>	<b>121</b>
<b>Total capital works expenditure</b>		<b>31,152</b>	<b>46,886</b>	<b>25,459</b>	<b>26,852</b>
<b>Represented by:</b>					
New asset expenditure		6,740	1,535	6,504	1,535
Asset renewal expenditure		15,866	15,334	14,047	15,088
Asset expansion expenditure		2,786	15,913	967	6,019
Asset upgrade expenditure		5,644	13,983	3,825	4,089
Intangible asset		116	121	116	121
<b>Total capital works expenditure</b>		<b>31,152</b>	<b>46,886</b>	<b>25,459</b>	<b>26,852</b>

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

## Notes to the Financial Report For the Year Ended 30 June 2018

### OVERVIEW

#### Introduction

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 Mildura Rural City Council's main office is located at 108 - 116 Madden Avenue, Mildura.

#### 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 the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

#### 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.

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 5.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 5.1)
- the determination of employee provisions (refer to note 4.5)
- the determination of landfill provisions (refer to note 4.5)
- other areas requiring judgments

The consolidated results in the financial report include all entities controlled and all funds through which the Mildura Rural City Council (Council) controls resources to carry on its functions, such as special committees of management. 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.

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

## Notes to the Financial Report For the Year Ended 30 June 2018

### (b) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2018, 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.

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
- Mildura Tourism and Economic Development Ltd trading as Mildura Regional Development

## Notes to the Financial Report For the Year Ended 30 June 2018

### Note 1 Performance against budget

The performance against budget 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 and \$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 29 June 2017. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for income 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*.

1.1 Income and expenditure	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
<b>Income</b>				
Rates and charges	66,550	66,919	369	1
Statutory fees and fines	2,147	2,528	381	2
User fees	6,237	6,828	591	3
Grants - operating	21,423	33,122	11,699	4
Grants - capital	4,254	5,322	1,068	5
Contributions - monetary	869	1,329	460	6
Contributions - non monetary	-	3,813	3,813	7
Net gain/(or loss) on disposal of property, infrastructure, plant and equipment	310	(1,932)	(2,242)	8
Other income	4,739	7,127	2,388	9
Asset recognition	-	2,008	2,008	10
<b>Total income</b>	<b>106,529</b>	<b>127,064</b>	<b>20,535</b>	
<b>Expenses</b>				
Employee costs	(45,673)	(45,547)	126	
Materials and services	(40,566)	(36,133)	4,433	11
Depreciation and amortisation	(19,663)	(18,642)	1,021	12
Bad and doubtful debts	(85)	(216)	(131)	
Borrowing costs	(1,151)	(1,155)	(4)	
Other expenses	(1,111)	(4,974)	(3,863)	13
<b>Total expenses</b>	<b>(108,249)</b>	<b>(106,667)</b>	<b>1,582</b>	
<b>Surplus/(deficit) for the year</b>	<b>(1,720)</b>	<b>20,397</b>	<b>22,117</b>	

## Notes to the Financial Report For the Year Ended 30 June 2018

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Rates and charges	Supplementary rates was above original forecast.
2	Statutory fees and fines	Receipts from planning permits and infringements were above budget forecast due to a significant increase in statutory fees charged by Council which is mandated by the State government.
3	User fees	Mildura Landfill received additional waste fees over and above budget expectations. Private works income was also higher than anticipated due to receiving additional Vic Roads contracts.
4	Grants - operating	Timing of receipt of grant funding for the Mildura Airport Runway project as well as forward payment of Financial assistance grants funding.
5	Grants - capital	Additional grant funding received for capital projects unknown at time of completion of budget.
6	Contributions - monetary	Developer contributions exceeded our original forecast due to an increase in residential development throughout the municipality.
7	Contributions - non monetary	Non monetary contributions are volatile and difficult to predict and being non cash in nature are not traditionally budgeted for. It is due to works completed in lieu of cash contribution for infrastructure, predominantly residential sub divisions. These assets are recognised in to Council's asset register when they are considered 'handed over' to Council, and are considered to be under the control of Council.
8	Net gain/(or loss) on disposal of property, infrastructure, plant and equipment	Council is required to recognise a disposal of assets when those assets are sold, renewed or replaced, or become decommissioned.
9	Other income	Variance predominantly due to reimbursements received being higher than original budget forecast. This is due to a number of different programs and projects throughout Council.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

(i) Explanation of material variations (cont'd)

Variance Ref	Item	Explanation
10	Asset recognition	This includes asset recognised during the upgrade of our asset management system.
11	Materials and services	Timing of payments in relation to the Mildura Airport Runway project.
12	Depreciation and amortisation	Variance due to recognition of asset and revaluations during the year.
13	Other expenses	The accounting treatment for our landfill provision resulted in a increase in the provision for future landfill rehabilitations works which required a recognition of an expense. This is non cash and not something traditionally budget for.

Notes to the Financial Report  
For the Year Ended 30 June 2018

1.2 Capital works	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
<b>Property</b>				
Land	944	2,215	1,271	1
<b>Total land</b>	<b>944</b>	<b>2,215</b>	<b>1,271</b>	
Buildings	2,087	2,122	35	
<b>Total buildings</b>	<b>2,087</b>	<b>2,122</b>	<b>35</b>	
<b>Total property</b>	<b>3,031</b>	<b>4,337</b>	<b>1,306</b>	
<b>Plant and equipment</b>				
Plant, machinery and equipment	2,220	3,183	963	2
Fixtures, fittings and furniture	181	514	333	3
Computers and telecommunications	848	242	(606)	4
Library books	325	340	15	5
<b>Total plant and equipment</b>	<b>3,574</b>	<b>4,279</b>	<b>705</b>	
<b>Infrastructure</b>				
Roads	13,688	9,060	(4,628)	6
Bridges	229	-	(229)	
Footpaths and cycleways	1,114	381	(733)	7
Drainage	6,773	3,515	(3,258)	8
Recreational, leisure and community facilities	530	635	105	
Waste management	2,332	826	(1,506)	9
Parks, open space and streetscapes	2,139	2,108	(31)	
Off street car parks	280	202	(78)	10
<b>Total infrastructure</b>	<b>27,085</b>	<b>16,727</b>	<b>(10,358)</b>	
<b>Total capital works expenditure</b>	<b>33,690</b>	<b>25,343</b>	<b>(8,347)</b>	
<b>Represented by:</b>				
New asset expenditure	7,194	6,504	(690)	
Asset renewal expenditure	17,329	14,047	(3,282)	
Asset expansion expenditure	7,775	967	(6,808)	
Asset upgrade expenditure	1,392	3,825	2,433	
<b>Total capital works expenditure</b>	<b>33,690</b>	<b>25,343</b>	<b>(8,347)</b>	

## Notes to the Financial Report For the Year Ended 30 June 2018

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Previous years land acquisitions delayed negotiations were finished in this current year.
2	Plant, machinery and equipment	Income from sale of fleet is additional to capital budget.
3	Fixtures, fittings and furniture	Central business district (CBD) development works program has been delayed so as to not interfere with heated outdoor area during winter.
4	Computers and telecommunications	Part of capital expenditure for this class of assets is currently sitting in intangible assets.
6	Roads	Works were delays due to unexpected plant breakdown, inclement weather and the availability of contractors.
7	Footpaths and cycleways	Delay in final footpath designs.
8	Drainage	Council delayed beginning projects due to multiple major drainage projects to be jointly tendered early in the 2018-2019 year.
9	Waste management	Projects are subject to Environmental Protection Authority (EPA) review prior to tendering.
10	Off street car parks	Project delayed due to Victorian Civil and Administration Tribunal.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

Consolidated		Council	
2018	2017	2018	2017
\$'000	\$'000	\$'000	\$'000

**Note 2 Funding for the delivery of our services**

**2.1 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 2017/18 was \$8,107 million (2016/17 \$7,979 million).

General rates	42,807	41,381	42,934	41,507
Municipal charge	2,768	2,739	2,768	2,739
Waste management charge	8,392	8,170	8,392	8,170
Cultural/recreational land	17	17	17	17
Mildura City Heart special rate	574	554	574	554
Business differential rate	12,234	11,874	12,234	11,874
<b>Total rates and charges</b>	<b>66,792</b>	<b>64,735</b>	<b>66,919</b>	<b>64,861</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2018.

Annual rates and charges are recognised as revenues when Council issues annual rates notices.

Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

**2.2 Statutory fees and fines**

Infringements and costs	885	884	885	884
Land information certificates	117	124	117	124
Permits	327	326	327	326
Other statutory fees and fines	166	130	166	130
Valuations database	267	237	267	237
Statutory planning fees	766	587	766	587
<b>Total statutory fees and fines</b>	<b>2,528</b>	<b>2,288</b>	<b>2,528</b>	<b>2,288</b>

Statutory 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.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>2.3 User fees</b>				
Aged and health services	1,027	1,204	1,027	1,204
Child care/children's programs	323	331	323	331
Waste management services	1,216	1,080	1,216	1,080
Other fees and charges	537	210	537	210
Rent/lease fees	1,077	954	685	563
Animal control and local laws	452	444	452	444
Environmental health services	265	242	265	242
Airport fees and charges	5,230	4,765	-	-
Swimming pool fees	96	98	96	98
Contract works	1,504	1,193	1,504	1,193
Entrance charges	531	562	531	562
Commission/agency fees	192	187	192	187
<b>Total user fees</b>	<b>12,450</b>	<b>11,270</b>	<b>6,828</b>	<b>6,114</b>

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

**2.4 Funding from other levels of government**

Grants were received in respect of the following:

**Summary of grants**

Commonwealth funded grants	30,071	28,087	30,071	28,087
State funded grants	8,373	11,136	8,373	11,136
<b>Total grants received</b>	<b>38,444</b>	<b>39,223</b>	<b>38,444</b>	<b>39,223</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>2.4 Funding from other levels of government (cont'd)</b>				
<b>(a) Operating grants</b>				
<i><b>Recurrent - Commonwealth government</b></i>				
Family services	240	240	240	240
Aged and disability services	2,031	2,008	2,031	2,008
Financial assistance grants - general purpose	11,025	15,113	11,025	15,113
Financial assistance grants - local roads	4,145	5,655	4,145	5,655
<i><b>Recurrent - State government</b></i>				
Primary care partnerships	398	394	398	394
Aged care	813	843	813	843
Libraries	365	361	365	361
Maternal and child health	765	693	765	693
Family services	293	256	293	256
Youth services	290	284	290	284
Environmental health	34	45	34	45
Social development and projects	143	136	143	136
Local laws	310	100	310	100
Arts and culture	190	190	190	190
Road construction and maintenance	129	129	129	129
<b>Total recurrent operating grants</b>	<b>21,171</b>	<b>26,447</b>	<b>21,171</b>	<b>26,447</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>2.4 Funding from other levels of government (cont'd)</b>				
<i><b>Non-recurrent - Commonwealth government</b></i>				
Airport operations	9,000	-	9,000	-
Primary Care Partnership	10	-	10	-
Social development and projects	-	5	-	5
<i><b>Non-recurrent - State government</b></i>				
Airport operations	1,262	3,738	1,262	3,738
Youth services	5	14	5	14
Primary Care Partnership	10	15	10	15
Community development	16	12	16	12
Social development and projects	536	481	536	481
Environment	224	146	224	146
Planning and development	734	75	734	75
Emergency management	120	120	120	120
Arts and culture	-	37	-	37
Aged and disability services	5	103	5	103
Recreation and sport	27	-	27	-
Family services	2	9	2	9
<b>Total non-recurrent operating grants</b>	<b>11,951</b>	<b>4,755</b>	<b>11,951</b>	<b>4,755</b>
<b>Total operating grants</b>	<b>33,122</b>	<b>31,202</b>	<b>33,122</b>	<b>31,202</b>
<b>(b) Capital grants</b>				
<i><b>Recurrent - Commonwealth government</b></i>				
Roads to recovery	3,620	4,063	3,620	4,063
<i><b>Recurrent - State government</b></i>				
Libraries	11	11	11	11
Maternal and child health	-	3	-	3
<b>Total recurrent capital grants</b>	<b>3,631</b>	<b>4,077</b>	<b>3,631</b>	<b>4,077</b>
<i><b>Non-recurrent - Commonwealth government</b></i>				
Recreation and sport	-	1,003	-	1,003
<i><b>Non-recurrent - State government</b></i>				
Environment	-	138	-	138
Libraries	313	19	313	19
Recreation and sport	895	2,574	895	2,574
Road construction and maintenance	483	210	483	210
<b>Total non-recurrent capital grants</b>	<b>1,691</b>	<b>3,944</b>	<b>1,691</b>	<b>3,944</b>
<b>Total capital grants</b>	<b>5,322</b>	<b>8,021</b>	<b>5,322</b>	<b>8,021</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>2.4 Funding from other levels of government (cont'd)</b>				
<b>(c) Unspent grants received on condition that they be spent in a specific manner</b>				
Balance at start of year	4,072	2,559	4,072	2,559
Received during the financial year and remained unspent at balance date	1,670	3,510	1,670	3,510
Received in prior years and spent during the financial year	(2,172)	(1,997)	(2,172)	(1,997)
Balance at year end	<u>3,570</u>	<u>4,072</u>	<u>3,570</u>	<u>4,072</u>

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

**2.5 Contributions**

Monetary	1,329	1,501	1,329	1,501
Non-monetary	3,813	2,596	3,813	2,596
<b>Total contributions</b>	<u>5,142</u>	<u>4,097</u>	<u>5,142</u>	<u>4,097</u>
<i>Contributions of non-monetary assets were received in relation to the following asset classes.</i>				
Roads	913	-	913	-
Kerb and channel	701	-	701	-
Footpaths and cycleways	447	-	447	-
Drainage	1,752	2,596	1,752	2,596
<b>Total non-monetary contributions</b>	<u>3,813</u>	<u>2,596</u>	<u>3,813</u>	<u>2,596</u>

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>				
Proceeds of sale	946	584	946	572
Written down value of assets disposed	(2,878)	(2,434)	(2,878)	(2,418)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(1,932)</b>	<b>(1,850)</b>	<b>(1,932)</b>	<b>(1,846)</b>

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

**2.7 Other income**

Interest	1,041	950	1,182	993
Interest on rates	360	322	360	322
Sales	1,210	1,076	451	387
Other income	462	150	10	25
Child care reimbursement	1,385	1,413	1,385	1,413
Fuel tax rebate	219	221	219	221
WorkCover costs reimbursements	315	246	315	246
Legal costs recouped	259	216	259	216
Airport reimbursement	-	-	10	131
Aged care package reimbursement	-	214	-	214
Cemetery reimbursement	403	377	403	377
Utilities reimbursement	187	250	187	250
Youth case management reimbursement	435	378	435	378
Insurance reimbursement	455	-	517	-
Other costs reimbursed	1,348	626	1,394	626
<b>Total other income</b>	<b>8,079</b>	<b>6,439</b>	<b>7,127</b>	<b>5,799</b>

Interest is recognised as it is earned.

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.

**2.8 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	2,008	5,861	2,008	5,861
<b>Total asset recognition</b>	<b>2,008</b>	<b>5,861</b>	<b>2,008</b>	<b>5,861</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Note 3 The cost of delivering services</b>				
<b>3.1 Employee costs</b>				
Wages and salaries	44,583	41,619	41,617	39,460
Payroll tax	16	22	16	22
Superannuation	3,928	3,913	3,709	3,710
Fringe benefits tax	205	193	205	193
<b>Total employee costs</b>	<b>48,732</b>	<b>45,747</b>	<b>45,547</b>	<b>43,385</b>
<b>(b) Superannuation</b>				
Council made contributions to the following funds:				
<b>Defined benefit fund</b>				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	365	424	365	424
<b>Total defined benefit fund contributions</b>	<b>365</b>	<b>424</b>	<b>365</b>	<b>424</b>
<b>Accumulation funds</b>				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,957	2,082	1,957	2,082
Employer contributions - other funds	1,312	1,407	1,312	1,204
<b>Total accumulation funds contributions</b>	<b>3,269</b>	<b>3,489</b>	<b>3,269</b>	<b>3,286</b>
Employer contributions payable at reporting date.	82	95	82	95

Refer to note 8.3 for further information relating to Council's superannuation obligations.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>3.2 Materials and services</b>				
Contract payments	8,643	9,535	8,405	9,507
General maintenance	403	419	403	419
Environmental protection waste levy	1,155	1,173	1,155	1,173
Grants, contributions and donations	2,691	2,813	11,587	13,936
Utilities	3,216	3,275	3,001	3,098
Office administration	1,340	1,411	833	1,185
Materials purchased	3,765	4,081	3,465	3,777
Plant and vehicle costs	2,616	2,242	2,247	1,934
Information technology	1,020	1,162	937	1,117
Insurance	966	895	966	841
Consultants	2,085	2,499	1,796	2,326
Training	1,054	994	953	907
Other materials and contractors	534	413	385	200
<b>Total materials and services</b>	<b>29,488</b>	<b>30,912</b>	<b>36,133</b>	<b>40,420</b>
<b>3.3 Depreciation and amortisation</b>				
Buildings	2,614	2,451	2,404	2,245
Plant and equipment	3,185	3,301	2,921	3,032
Infrastructure	13,736	13,792	13,098	13,358
<b>Total depreciation</b>	<b>19,535</b>	<b>19,544</b>	<b>18,423</b>	<b>18,635</b>
Intangible assets	219	214	219	214
<b>Total depreciation and amortisation</b>	<b>19,754</b>	<b>19,758</b>	<b>18,642</b>	<b>18,849</b>

Refer to note 4.2 (c) and 5.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>3.4 Bad and doubtful debts</b>				
Parking fine debtors	210	173	210	173
Other debtors	6	29	6	29
<b>Total bad and doubtful debts</b>	<b>216</b>	<b>202</b>	<b>216</b>	<b>202</b>
<b>Movement in provisions for doubtful debts</b>				
Balance at the beginning of the year	1,307	1,125	1,307	1,125
New provisions recognised during the year	216	202	216	202
Amounts already provided for and written off as uncollectible	(6)	(20)	(6)	(20)
<b>Balance at end of year</b>	<b>1,517</b>	<b>1,307</b>	<b>1,517</b>	<b>1,307</b>
Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.				
<b>3.5 Borrowing costs</b>				
Interest - borrowings	1,136	1,141	1,129	1,134
Interest - finance leases	26	28	26	28
<b>Total borrowing costs</b>	<b>1,162</b>	<b>1,169</b>	<b>1,155</b>	<b>1,162</b>
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.				
<b>3.6 Other expenses</b>				
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	66	69	66	56
Auditors' remuneration - internal	106	117	94	117
Councillors' allowances	305	312	305	312
Directors' fees	82	83	-	-
Refunds	15	54	15	54
Operating lease rentals	215	120	125	120
Increase in landfill provision discounted amount	3,995	565	3,995	565
Others	374	447	374	394
<b>Total other expenses</b>	<b>5,158</b>	<b>1,767</b>	<b>4,974</b>	<b>1,618</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

Consolidated		Council	
2018	2017	2018	2017
\$'000	\$'000	\$'000	\$'000

**Note 4 Our financial position**

**4.1 Financial assets**

**(a) Cash and cash equivalents**

Cash on hand	35	56	11	11
Cash at bank	11,894	18,869	10,980	17,320
Term deposits	44,292	27,837	43,000	26,071
<b>Total cash and cash equivalents</b>	<b>56,221</b>	<b>46,762</b>	<b>53,991</b>	<b>43,402</b>

**(b) Other financial assets**

Term deposits - current	2,879	2,782	2,879	2,782
Floating notes - non-current	1,750	1,750	1,750	1,750
<b>Total other financial assets</b>	<b>4,629</b>	<b>4,532</b>	<b>4,629</b>	<b>4,532</b>
<b>Total financial assets</b>	<b>60,850</b>	<b>51,294</b>	<b>58,620</b>	<b>47,934</b>

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

- Trust funds and deposits (note 4.3)	1,849	1,681	1,849	1,673
- Statutory reserve funds (note 8.1)	1,988	2,838	1,996	2,846
<b>Total restricted funds</b>	<b>3,837</b>	<b>4,519</b>	<b>3,845</b>	<b>4,519</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>52,384</b>	<b>42,243</b>	<b>50,146</b>	<b>38,883</b>

**Intended allocations**

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

- Cash held to fund carried forward capital works	7,680	11,396	7,680	11,396
- Unexpended grants (note 2.4)	3,570	4,072	3,570	4,072
- Discretionary reserves (note 8.1)	23,982	14,165	23,982	14,165
- Long service leave 25% (note 4.5)	1,739	1,668	1,739	1,668
<b>Total funds subject to intended allocations</b>	<b>36,971</b>	<b>31,301</b>	<b>36,971</b>	<b>31,301</b>

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>4.1 Financial assets (cont'd)</b>				
<b>(c) Trade and other receivables</b>				
<b>Current</b>				
<i>Statutory receivables</i>				
Rates debtors	3,471	3,645	3,471	3,645
Infringement debtors	1,761	1,557	1,761	1,557
Provision for doubtful debts - infringements	(1,466)	(1,256)	(1,466)	(1,256)
<i>Non statutory receivables</i>				
General debtors	2,333	3,710	1,525	3,161
Accrued income	689	733	689	705
GST receivable	505	419	505	419
Provision for doubtful debts - other debtors	(51)	(51)	(51)	(51)
<b>Total current trade and other receivables</b>	<b>7,242</b>	<b>8,757</b>	<b>6,434</b>	<b>8,180</b>
<b>Non-current</b>				
<i>Non statutory receivables</i>				
Loan to Mildura Airport Pty Ltd	-	-	5,129	5,129
<b>Total non-current trade and other receivables</b>	<b>-</b>	<b>-</b>	<b>5,129</b>	<b>5,129</b>
<b>Total trade and other receivables</b>	<b>7,242</b>	<b>8,757</b>	<b>11,563</b>	<b>13,309</b>

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

**(a) Ageing of receivables**

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)	2,486	3,405	1,275	2,862
Past due by up to 60 days	151	261	145	254
Past due between 61 and 180 days	27	49	4	49
Past due between 181 and 365 days	101	199	101	199
Past due by more than 1 year	-	1,352	-	1,352
<b>Total trade and other receivables</b>	<b>2,765</b>	<b>5,266</b>	<b>1,525</b>	<b>4,716</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
4.1 Financial assets (cont'd)				

**(b) Ageing of individually impaired receivables**

At balance date, other debtors representing financial assets with a nominal value of \$5,079 (2017: \$20,410) were impaired. The amount of the provision raised against these debtors was \$5,079 (2017: \$20,410). They 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:

Past due between 31 and 180 days	6	25	6	25
Past due between 181 and 365 days	-	4	-	4
Past due by more than 1 year	210	173	210	173
<b>Total trade and other receivables</b>	<b>216</b>	<b>202</b>	<b>216</b>	<b>202</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>4.2 Non-financial assets</b>				
<b>(a) Inventories</b>				
Inventories held for distribution	569	587	569	577
Inventories held for sale	94	87	88	87
<b>Total inventories</b>	<b>663</b>	<b>674</b>	<b>657</b>	<b>664</b>
Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.				
<b>(b) Other assets</b>				
<b>Current</b>				
Prepayments	332	352	281	307
<b>Total</b>	<b>332</b>	<b>352</b>	<b>281</b>	<b>307</b>
<b>Non-current</b>				
Interest in Mildura Airport Pty Ltd	-	-	50,923	42,699
Interest in Mildura Regional Development	-	-	396	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>51,319</b>	<b>42,699</b>
<b>Total other assets</b>	<b>332</b>	<b>352</b>	<b>51,600</b>	<b>43,006</b>
<b>(c) Intangible assets</b>				
Software	1,017	1,059	1,017	1,059
Water rights at valuation 30 June 2017	-	5,063	-	5,006
Water rights at valuation 30 June 2018	7,038	-	6,965	-
<b>Total intangible assets</b>	<b>8,055</b>	<b>6,122</b>	<b>7,982</b>	<b>6,065</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**4.2 Non-financial assets (cont'd)**

**(c) Intangible assets**

	Software \$'000	Water right \$'000	Total \$'000
<b>Consolidated</b>			
<b>Gross carrying amount</b>			
Balance at 1 July 2017	2,106	5,063	7,169
Other additions	116	-	116
Transfer	729	-	729
Revaluation increment/(decrement)	-	1,975	1,975
Balance at 1 July 2018	<u>2,951</u>	<u>7,038</u>	<u>9,989</u>
<b>Accumulated amortisation and impairment</b>			
Balance at 1 July 2017	1,047	-	1,047
Amortisation expense	219	-	219
	668	-	668
Balance at 1 July 2018	<u>1,934</u>	<u>-</u>	<u>1,934</u>
Net book value at 30 June 2017	<u>1,059</u>	<u>5,063</u>	<u>6,122</u>
Net book value at 30 June 2018	<u>1,017</u>	<u>7,038</u>	<u>8,055</u>
<b>Council</b>			
<b>Gross carrying amount</b>			
Balance at 1 July 2017	2,106	5,006	7,112
Other additions	116	-	116
Transfer	729	-	729
Revaluation increment/(decrement)	-	1,959	1,959
Balance at 1 July 2018	<u>2,951</u>	<u>6,965</u>	<u>9,916</u>
<b>Accumulated amortisation and impairment</b>			
Balance at 1 July 2017	1,047	-	1,047
Amortisation expense	219	-	219
Transfer	668	-	668
Balance at 1 July 2018	<u>1,934</u>	<u>-</u>	<u>1,934</u>
Net book value at 30 June 2017	<u>1,059</u>	<u>5,006</u>	<u>6,065</u>
Net book value at 30 June 2018	<u>1,017</u>	<u>6,965</u>	<u>7,982</u>

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 4.2 Non-financial assets

#### (c) Intangible assets (cont'd)

Details of the Mildura Rural City Council's water rights; and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Water rights	-	7,022	-
<b>Total</b>	<b>-</b>	<b>7,022</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 2018.

	Consolidated		Council	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
<b>4.3 Payables</b>				
<b>(a) Trade and other payables</b>				
Trade payables	281	4,287	-	6,810
Accrued expenses	1,404	8,219	1,981	999
<b>Total trade and other payables</b>	<b>1,685</b>	<b>12,506</b>	<b>1,981</b>	<b>7,809</b>
<b>(b) Trust funds and deposits</b>				
Refundable contract deposits	103	108	103	108
Fire services levy	375	437	375	437
Refundable civic facilities deposits	2	4	2	4
Retention amounts	248	138	248	138
Income received in advance	7	8	-	-
Other refundable deposits	1,121	986	1,121	986
<b>Total trust funds and deposits</b>	<b>1,856</b>	<b>1,681</b>	<b>1,849</b>	<b>1,673</b>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

#### *Purpose and nature of items:*

Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

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.

Retention amounts - 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.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>4.4 Interest-bearing liabilities</b>				
<b>Current</b>				
Borrowings - secured	773	734	738	700
<b>Total current interest-bearing liabilities</b>	<b>773</b>	<b>734</b>	<b>738</b>	<b>700</b>
<b>Non-current</b>				
Borrowings - secured	19,733	20,574	19,733	20,471
Finance leases	68	-	-	-
<b>Total non-current interest-bearing liabilities</b>	<b>19,801</b>	<b>20,574</b>	<b>19,733</b>	<b>20,471</b>
<b>Total interest-bearing liabilities</b>	<b>20,574</b>	<b>21,308</b>	<b>20,471</b>	<b>21,171</b>

Borrowings are secured by borrowings security is over the general rates of the municipal enterprise as per s148 *Local Government Act 1989 (VIC)*.

**(a) The maturity profile for Council's borrowings is:**

Not later than one year	773	734	738	700
Later than one year and not later than five years	1,353	103	-	-
Later than five years	23,577	20,471	19,733	20,471
	<b>25,703</b>	<b>21,308</b>	<b>20,471</b>	<b>21,171</b>

Borrowings are initially measured at fair value, being the cost of the interest-bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest-bearing liabilities. The Council determines the classification of its interest-bearing liabilities at initial recognition.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**4.5 Provisions**

		Landfill	
	Employee	restoration	Total
Consolidated			
2018	\$ '000	\$ '000	\$ '000
Balance at beginning of the financial year	11,750	15,247	26,997
Additional provisions	6,607	3,995	10,602
Amounts used	(6,094)	-	(6,094)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(282)	-	(282)
Balance at the end of the financial year	11,981	19,242	31,223
2017			
Balance at beginning of the financial year	12,085	15,224	27,309
Additional provisions	6,044	566	6,610
Amounts used	(6,109)	(543)	(6,652)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(270)	-	(270)
Balance at the end of the financial year	11,750	15,247	26,997
Council			
2018			
Balance at beginning of the financial year	11,534	15,247	26,781
Additional provisions	6,481	3,995	10,476
Amounts used	(5,966)	-	(5,966)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(282)	-	(282)
Balance at the end of the financial year	11,767	19,242	31,009
2017			
Balance at beginning of the financial year	11,895	15,224	27,119
Additional provisions	5,919	566	6,485
Amounts used	(6,010)	(543)	(6,553)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(270)	-	(270)
Balance at the end of the financial year	11,534	15,247	26,781

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

4.5 Provisions (cont'd)	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>(a) Employee provisions</b>				
<b>Current provisions expected to be wholly settled within 12 months</b>				
Annual leave	2,765	2,732	2,644	2,592
Long service leave	4,915	804	4,915	804
Redundancy	108	272	108	272
Rostered day off and time off in lieu	756	743	756	743
<b>Total</b>	<b>8,544</b>	<b>4,551</b>	<b>8,423</b>	<b>4,411</b>
<b>Current provisions expected to be wholly settled after 12 months</b>				
Annual leave	1,304	1,254	1,304	1,254
Long service leave	795	4,852	786	4,845
<b>Total</b>	<b>2,099</b>	<b>6,106</b>	<b>2,090</b>	<b>6,099</b>
<b>Total current employee provisions</b>	<b>10,643</b>	<b>10,657</b>	<b>10,513</b>	<b>10,510</b>
<b>Non-current</b>				
Long service leave	1,338	1,093	1,254	1,024
<b>Total non-current employee provisions</b>	<b>1,338</b>	<b>1,093</b>	<b>1,254</b>	<b>1,024</b>
<b>Aggregate carrying amount of employee provisions:</b>				
Current	10,643	10,657	10,513	10,510
Non-current	1,338	1,093	1,254	1,024
<b>Total aggregate carrying amount of employee provisions</b>	<b>11,981</b>	<b>11,750</b>	<b>11,767</b>	<b>11,534</b>

The calculation of employee costs and 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 the 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.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 4.5 Provisions (cont'd)

#### (a) Employee provisions

##### *Long service leave*

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

	Consolidated		Council	
	2018	2017	2018	2017
Key assumptions:				
- discount rate	2.65%	2.61%	2.65%	2.61%
- wage inflation rate	3.88%	3.81%	3.88%	3.81%
- settlement period	12	12	12	12
	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
(b) Landfill restoration				
Non-current	19,242	15,247	19,242	15,247
<b>Total landfill restoration</b>	<b>19,242</b>	<b>15,247</b>	<b>19,242</b>	<b>15,247</b>

Under the Environmental Protection Act Council is obligated to restore the Mildura, Ouyen, Murrayville and Koorlong 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.

	Consolidated		Council	
	2018	2017	2018	2017
Key assumptions:				
- Rawinsons index rate	3.00%	2.51%	3.00%	2.51%
- wage inflation rate	3.88%	3.81%	3.88%	3.81%
- discount rate	2.65%	2.61%	2.65%	2.61%
	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>Total provisions</b>				
Current	10,643	10,657	10,513	10,510
Non-current	20,580	16,340	20,496	16,271
	<b>31,223</b>	<b>26,997</b>	<b>31,009</b>	<b>26,781</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

4.6 Financing arrangements	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
The Council has the following funding arrangements in place as at 30 June 2018.				
Credit card facilities	800	800	800	800
Total facilities	800	800	800	800

**4.7 Commitments**

The Council has entered into the following commitments. Commitments are not recognised in the balance sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2018</b>					
<b>Operating</b>					
Swimming pool management	1,807	1,500	1,500	1,500	6,307
Telecommunications	208	206	-	-	414
Waste management	2,185	1,869	5,262	1,752	11,068
Cleaning services	513	518	-	-	1,031
Security services	473	478	488	-	1,439
Corporate expenditure	4	-	-	-	4
Other	5,057	3,974	531	-	9,562
<b>Total</b>	<b>10,247</b>	<b>8,545</b>	<b>7,781</b>	<b>3,252</b>	<b>29,825</b>
<b>Capital</b>					
Fixtures, fittings and furniture	33	-	-	-	33
Buildings	370	-	-	-	370
Library books and artworks	115	-	-	-	115
Waste management	26	-	-	-	26
Plant machinery and equipment	2,487	-	-	-	2,487
Roads	572	-	-	-	572
Drainage	40	-	-	-	40
Parks, open spaces and streetscapes	341	-	-	-	341
<b>Total</b>	<b>3,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,984</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

4.7 Commitments (cont'd)

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated 2017</b>					
<b>Operating</b>					
Swimming pool management	1,124	284	-	-	1,408
Telecommunications	473	208	-	-	681
Waste management	3,120	1,724	5,026	1,407	11,277
Cleaning services	369	-	-	-	369
Security services	355	-	-	-	355
Project design	458	-	-	-	458
Other	3,122	269	97	-	3,488
<b>Total</b>	<b>9,021</b>	<b>2,485</b>	<b>5,123</b>	<b>1,407</b>	<b>18,036</b>
<b>Capital</b>					
Airport	12,149	-	-	-	12,149
Fixtures, fittings and furniture	44	-	-	-	44
Buildings	624	-	-	-	624
Library books and artworks	179	-	-	-	179
Land	63	-	-	-	63
Waste management	432	-	-	-	432
Plant machinery and equipment	2,162	-	-	-	2,162
Roads	575	-	-	-	575
Drainage	963	-	-	-	963
Carparks	19	-	-	-	19
Footpaths	6	-	-	-	6
Parks, open spaces and streetscapes	638	-	-	-	638
Recreational, leisure and community	852	-	-	-	852
<b>Total</b>	<b>18,706</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,706</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

4.7 Commitments (cont'd)

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2018</b>					
<b>Operating</b>					
Swimming pool management	1,807	1,500	1,500	1,500	6,307
Telecommunications	208	206	-	-	414
Waste management	2,185	1,869	5,262	1,752	11,068
Cleaning services	513	518	-	-	1,031
Security services	473	478	488	-	1,439
Corporate expenditure	4	-	-	-	4
Other	5,057	3,974	531	-	9,562
<b>Total</b>	<b>10,247</b>	<b>8,545</b>	<b>7,781</b>	<b>3,252</b>	<b>29,825</b>
<b>Capital</b>					
Fixtures, fittings and furniture	33	-	-	-	33
Buildings	370	-	-	-	370
Library books and artworks	115	-	-	-	115
Waste management	26	-	-	-	26
Plant machinery and equipment	2,487	-	-	-	2,487
Roads	572	-	-	-	572
Drainage	40	-	-	-	40
Parks, open spaces and streetscapes	341	-	-	-	341
<b>Total</b>	<b>3,984</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,984</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**4.7 Commitments (cont'd)**

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Council</b>					
<b>2017</b>					
<b>Operating</b>					
Swimming pool management	1,124	284	-	-	1,408
Telecommunications	473	208	-	-	681
Waste management	3,120	1,724	5,026	1,407	11,277
Cleaning services	369	-	-	-	369
Security services	355	-	-	-	355
Project design	458	-	-	-	458
Other	3,122	269	97	-	3,488
<b>Total</b>	<b>9,021</b>	<b>2,485</b>	<b>5,123</b>	<b>1,407</b>	<b>18,036</b>
<b>Capital</b>					
Fixtures, fittings and furniture	44	-	-	-	44
Buildings	624	-	-	-	624
Library books and artworks	179	-	-	-	179
Land	63	-	-	-	63
Waste management	432	-	-	-	432
Plant machinery and equipment	2,162	-	-	-	2,162
Roads	575	-	-	-	575
Drainage	963	-	-	-	963
Carparks	19	-	-	-	19
Footpaths	6	-	-	-	6
Parks, open spaces and streetscapes	638	-	-	-	638
Recreational, leisure and community	852	-	-	-	852
<b>Total</b>	<b>6,557</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,557</b>

***Operating lease commitments***

At the reporting date, the Council had no obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities).

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.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**Note 5 Assets we manage**

**5.1 Property, infrastructure, plant and equipment**

**Summary of property, infrastructure, plant and equipment**

	At fair value 30 June 2017	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	At fair value 30 June 2018
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	48,446	12,601	607	-	-	-	-	-	417	62,071
Buildings	113,318	-	719	-	-	(2,614)	(292)	-	936	112,067
Plant and equipment	46,582	-	3,306	-	-	(3,185)	(854)	-	84	45,933
Infrastructure	507,336	-	9,303	3,813	13,135	(13,736)	(1,730)	-	32,982	551,103
Work in progress	43,089	-	19,108	-	-	-	-	(395)	(34,589)	27,213
	758,771	12,601	33,043	3,813	13,135	(19,535)	(2,876)	(395)	(170)	798,387

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	301	3,057	(213)	(1,320)	1,825
Plant and equipment	379	1,363	-	(150)	1,592
Infrastructure	42,409	14,688	(222)	(33,079)	23,796
Total	43,089	19,108	(435)	(34,549)	27,213

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

5.1 Property, infrastructure, plant and equipment (cont'd)

Asset recognition thresholds and depreciation periods	Depreciation period	Threshold limit \$'000
Land and land improvements		
land	-	5
Buildings		
buildings	60 years	10
Plant and equipment		
plant and equipment	3 - 12 years	5
fixtures, fittings and furniture	4 - 10 years	5
artworks	-	0.5
library books	-	In aggregate
Infrastructure		
footpaths and cycleways	10 - 50 years	10
road kerb and channel	50 years	10
road pavements	20 - 50 years	10
road seals	5 - 50 years	10
Drainage	50 - 150 years	10
Waste management	10 - 30 years	10
Aerodromes	50 years	10
Off street carparks	50 years	10
Recreational, leisure and community	10 - 25 years	10
Parks, open spaces and streetscapes	10 - 50 years	10
Intangible assets		
software	3 - 15 years	1
Water rights	0	-

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)  
(a) Property

	Land - specialised	Land - non specialised	Land under roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>									
At fair value 1 July 2017	36,971	10,970	505	48,446	204,994	13,625	218,619	301	267,366
Accumulated depreciation at 1 July 2017	-	-	-	-	(101,515)	(3,786)	(105,301)	-	(105,301)
	36,971	10,970	505	48,446	103,479	9,839	113,318	301	162,065
First time recognition of assets	-	-	12,601	12,601	-	-	-	-	12,601
	36,971	10,970	13,106	61,047	103,479	9,839	113,318	301	174,666
<b>Movements in fair value</b>									
Additions	607	-	-	607	719	-	719	3,057	4,383
Disposal	-	-	-	-	(316)	(315)	(631)	-	(631)
Write-off	-	-	-	-	-	-	-	(173)	(173)
Transfers	417	-	-	417	936	-	936	(1,360)	(7)
	1,024	-	-	1,024	1,339	(315)	1,024	1,524	3,572
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(2,385)	(229)	(2,614)	-	(2,614)
Accumulated depreciation of disposals	-	-	-	-	73	266	339	-	339
	-	-	-	-	(2,312)	37	(2,275)	-	(2,275)
At fair value 30 June 2018	37,995	10,970	13,106	62,071	206,333	13,310	219,643	1,825	283,539
Accumulated depreciation at 30 June 2018	-	-	-	-	(103,827)	(3,749)	(107,576)	-	(107,576)
	37,995	10,970	13,106	62,071	102,506	9,561	112,067	1,825	175,963

*Change of Accounting Policy*

Land - Specialised: Includes the fair value of the pre July 2008 Land Under Roads (\$12,601,000) which has been recognised for the first time this year in line with guidance from Local Government Victoria. This has been adjusted against accumulated surplus as per AASB 1051.

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)

(b) Plant and Equipment

Consolidated	Plant machinery and equipment	Fixtures fittings and furniture	Fixtures fittings and furniture (leased)	Artwork	Library books	Total plant and equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	32,480	3,157	475	27,648	3,980	67,720	379	68,099
Accumulated depreciation at 1 July 2017	(16,251)	(1,852)	(475)	-	(2,560)	(21,138)	-	(21,138)
	16,229	1,305	-	27,648	1,400	46,582	379	46,961
<b>Movements in fair value</b>								
Additions	2,691	108	138	9	206	3,152	1,363	4,515
Recognitions	167	-	-	-	-	167	-	167
Disposal	(2,937)	(289)	-	-	-	(3,226)	-	(3,226)
Transfers	263	(2,473)	1,626	-	-	(584)	(150)	(734)
	184	(2,654)	1,764	9	206	(491)	1,213	722
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(2,577)	(85)	(262)	-	(261)	(3,185)	-	(3,185)
Accumulated depreciation of disposals	2,123	249	-	-	-	2,372	-	2,372
Accumulated depreciation of recognitions	(13)	-	-	-	-	(13)	-	(13)
Transfers	(23)	1,449	(758)	-	-	668	-	668
	(490)	1,613	(1,020)	-	(261)	(158)	-	(158)
At fair value 30 June 2018	32,664	503	2,239	27,657	4,166	67,229	1,592	68,821
Accumulated depreciation at 30 June 2018	(16,741)	(239)	(1,495)	-	(2,821)	(21,296)	-	(21,296)
	15,923	264	744	27,657	1,345	45,933	1,592	47,525

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)  
(c) Infrastructure

	Roads	Kerb and channel	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
Consolidated	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	414,610	59,133	46,660	144,724	52,490	13,228	14,289	17,933	18,091	781,158	42,409	823,567
Accumulated depreciation at 1 July 2017	(163,819)	(38,153)	(28,585)	(24,279)	(7,792)	(2,173)	(873)	(2,716)	(5,432)	(273,822)	-	(273,822)
	250,791	20,980	18,075	120,445	44,698	11,055	13,416	15,217	12,659	507,336	42,409	549,745
<b>Movements in fair value</b>												
Additions	4,926	9	215	1,164	287	-	647	-	202	7,450	14,688	22,138
Contributions	913	701	447	1,752	-	-	-	-	-	3,813	-	3,813
Recognitions	-	620	36	1,976	-	-	-	-	5	2,637	-	2,637
Revaluation	10,658	1,379	1,045	6,210	-	11	-	-	-	19,303	-	19,303
Disposal	(4,465)	(384)	(478)	(365)	-	-	-	-	-	(5,692)	-	(5,692)
Write-off	-	-	-	-	-	-	-	-	-	-	(222)	(222)
Transfers	3,136	952	278	3,564	-	-	198	24,852	2	32,982	(33,079)	(97)
	15,168	3,277	1,543	14,301	287	11	845	24,852	209	60,493	(18,613)	41,880
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(7,398)	(923)	(773)	(1,027)	(1,882)	(417)	(316)	(543)	(457)	(13,736)	-	(13,736)
Accumulated depreciation of disposals	3,198	279	400	85	-	-	-	-	-	3,962	-	3,962
Accumulated depreciation of recognitions	-	(337)	(6)	(436)	-	-	-	-	(5)	(784)	-	(784)
Accumulated depreciation of revaluations	447	(1,347)	(826)	(4,491)	-	49	-	-	-	(6,168)	-	(6,168)
	(3,753)	(2,328)	(1,205)	(5,869)	(1,882)	(368)	(316)	(543)	(462)	(16,726)	-	(16,726)
At fair value 30 June 2018	429,778	62,410	48,203	159,025	52,777	13,239	15,134	42,785	18,300	841,651	23,796	865,447
Accumulated depreciation at 30 June 2018	(167,572)	(40,481)	(29,790)	(30,148)	(9,674)	(2,541)	(1,189)	(3,259)	(5,894)	(290,548)	-	(290,548)
	262,206	21,929	18,413	128,877	43,103	10,698	13,945	39,526	12,406	551,103	23,796	574,899

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**5.1 Property, infrastructure, plant and equipment**

**Summary of property, infrastructure, plant and equipment**

Council	At fair value 30 June 2017	First time recognition of assets	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	At fair value 30 June 2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	48,310	12,601	607	-	-	-	-	-	417	61,935
Buildings	104,233	-	683	-	-	(2,404)	(292)	-	903	103,123
Plant and equipment	44,877	-	3,102	-	-	(2,921)	(854)	-	84	44,288
Infrastructure	489,482	-	9,239	3,813	13,135	(13,098)	(1,730)	-	8,090	508,931
Work in progress	23,033	-	13,720	-	-	-	-	(395)	(9,555)	26,803
	709,935	12,601	27,351	3,813	13,135	(18,423)	(2,876)	(395)	(61)	745,080

Summary of work in progress	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	410	3,048	(173)	(1,320)	1,965
Plant and equipment	379	1,331	-	(145)	1,565
Infrastructure	22,244	9,341	(222)	(8,090)	23,273
Total	23,033	13,720	(395)	(9,555)	26,803

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**5.1 Property, infrastructure, plant and equipment (cont'd)**

Asset recognition thresholds and depreciation periods	Depreciation period	Threshold limit \$'000
Land and land improvements		
land	0	5
Buildings		
buildings	60 years	10
Plant and equipment		
plant and equipment	3 - 12 years	5
fixtures, fittings and furniture	4 - 10 years	5
artworks	-	1
library books	-	In aggregate
Infrastructure		
footpaths and cycleways	10 - 50 years	10
road kerb and channel	50 years	10
road pavements	20 - 50 years	10
road seals	5 - 50 years	10
Drainage	50 - 150 years	10
Waste management	10 - 30 years	10
Aerodromes	50 years	10
Off street car parks	50 years	10
Recreational, leisure and community	10 - 25 years	10
Parks, open spaces and streetscapes	10 - 50 years	10
Intangible assets		
software	3 - 15 years	1
Water rights	0	-

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)

(a) Property

Council	Land - specialised	Land - non specialised	Land under roads	Total land and land improvement	Buildings - specialised	Buildings - non specialised	Total buildings	Work in progress	Total property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	36,971	10,834	505	48,310	195,506	12,999	208,505	410	257,225
Accumulated depreciation at 1 July 2017	-	-	-	-	(100,720)	(3,552)	(104,272)	-	(104,272)
	36,971	10,834	505	48,310	94,786	9,447	104,233	410	152,953
First time recognition of assets	-	-	12,601	12,601	-	-	-	-	12,601
	36,971	10,834	13,106	60,911	94,786	9,447	104,233	410	165,554
<b>Movements in fair value</b>									
Additions	607	-	-	607	683	-	683	3,048	4,338
Disposal	-	-	-	-	(316)	(315)	(631)	-	(631)
Write-off	-	-	-	-	-	-	-	(173)	(173)
Transfers	417	-	-	417	903	-	903	(1,320)	-
	1,024	-	-	1,024	1,270	(315)	955	1,555	3,534
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(2,218)	(186)	(2,404)	-	(2,404)
Accumulated depreciation of disposals	-	-	-	-	73	266	339	-	339
	-	-	-	-	(2,145)	80	(2,065)	-	(2,065)
At fair value 30 June 2018	37,995	10,834	13,106	61,935	196,776	12,684	209,460	1,965	273,360
Accumulated depreciation at 30 June 2018	-	-	-	-	(102,865)	(3,472)	(106,337)	-	(106,337)
	37,995	10,834	13,106	61,935	93,911	9,212	103,123	1,965	167,023

*Change of Accounting Policy*

Land - Specialised: Includes the fair value of the pre July 2008 Land Under Roads (\$12,601,000) which has been recognised for the first time this year in line with guidance from Local Government Victoria. This has been adjusted against accumulated surplus as per AASB 1051.

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)

(b) Plant and equipment

Council	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecommu- nications	Artwork	Library books	Total plant and equipment	Work in progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	29,548	2,987	-	27,648	3,960	64,143	379	64,522
Accumulated depreciation at 1 July 2017	(14,923)	(1,783)	-	-	(2,560)	(19,266)	-	(19,266)
	14,625	1,204	-	27,648	1,400	44,877	379	45,256
<b>Movements in fair value</b>								
Additions	2,595	-	138	9	206	2,948	1,331	4,279
Recognitions	167	-	-	-	-	167	-	167
Disposal	(2,937)	(180)	-	-	-	(3,117)	-	(3,117)
Transfers	263	(2,473)	1,626	-	-	(584)	(145)	(729)
	88	(2,653)	1,764	9	206	(586)	1,186	600
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation	(2,372)	(26)	(262)	-	(261)	(2,921)	-	(2,921)
Accumulated depreciation of disposals	2,123	140	-	-	-	2,263	-	2,263
Accumulated depreciation of recognitions	(13)	-	-	-	-	(13)	-	(13)
Transfers	(23)	1,449	(758)	-	-	668	-	668
	(285)	1,563	(1,020)	-	(261)	(3)	-	(3)
At fair value 30 June 2018	29,636	334	1,764	27,657	4,166	63,557	1,565	65,122
Accumulated depreciation at 30 June 2018	(15,208)	(220)	(1,020)	-	(2,821)	(19,269)	-	(19,269)
	14,428	114	744	27,657	1,345	44,288	1,565	45,853

Notes to the Financial Report  
For the Year Ended 30 June 2018

5.1 Property, infrastructure, plant and equipment (cont'd)  
(c) Infrastructure

Council	Roads	Kerb and channel	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Total infrastructure	Work in progress	Total infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	414,610	59,133	46,660	144,262	52,222	13,228	13,923	-	15,719	759,757	22,244	782,001
Accumulated depreciation at 1 July 2017	(163,819)	(38,153)	(28,585)	(24,208)	(7,726)	(2,173)	(674)	-	(4,937)	(270,275)	-	(270,275)
	250,791	20,980	18,075	120,054	44,496	11,055	13,249	-	10,782	489,482	22,244	511,726
<b>Movements in fair value</b>												
Additions	4,926	9	215	1,164	287	-	647	-	138	7,386	9,341	16,727
Contributions	913	701	447	1,752	-	-	-	-	-	3,813	-	3,813
Recognitions	-	620	36	1,976	-	-	-	-	5	2,637	-	2,637
Revaluation	10,658	1,379	1,045	6,210	-	11	-	-	-	19,303	-	19,303
Disposal	(4,465)	(384)	(478)	(365)	-	-	-	-	-	(5,692)	-	(5,692)
Write-off	-	-	-	-	-	-	-	-	-	-	(222)	(222)
Transfers	3,136	952	278	3,564	-	-	158	-	2	8,090	(8,090)	-
	15,168	3,277	1,543	14,301	287	11	805	-	145	35,537	1,029	36,566
<b>Movements in accumulated depreciation</b>												
Depreciation and amortisation	(7,398)	(923)	(773)	(1,027)	(1,882)	(417)	(290)	-	(388)	(13,098)	-	(13,098)
Accumulated depreciation of disposals	3,198	279	400	85	-	-	-	-	-	3,962	-	3,962
Accumulated depreciation of recognitions	-	(337)	(6)	(436)	-	-	-	-	(5)	(784)	-	(784)
Accumulated depreciation of revaluations	447	(1,347)	(826)	(4,491)	-	49	-	-	-	(6,168)	-	(6,168)
	(3,753)	(2,328)	(1,205)	(5,869)	(1,882)	(368)	(290)	-	(393)	(16,088)	-	(16,088)
At fair value 30 June 2018	429,778	62,410	48,203	158,563	52,509	13,239	14,728	-	15,864	795,294	23,273	818,567
Accumulated depreciation at 30 June 2018	(167,572)	(40,481)	(29,790)	(30,077)	(9,608)	(2,541)	(964)	-	(5,330)	(286,363)	-	(286,363)
	262,206	21,929	18,413	128,486	42,901	10,698	13,764	-	10,534	508,931	23,273	532,204

## Notes to the Financial Report For the Year Ended 30 June 2018

### 5.1 Property, infrastructure, plant and equipment (cont'd)

#### *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 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.

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.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

#### *Land under roads*

Council recognises land under roads it controls at fair value.

#### *Depreciation and amortisation*

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.

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

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

#### *Repairs and maintenance*

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.

#### *Valuation of land and buildings*

Valuation of land and buildings were undertaken by qualified valuer Mr Con Demis AAPI, Certified Practising 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.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 5.1 Property, infrastructure, plant and equipment (cont'd)

#### *Valuation of land and buildings (cont'd)*

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.

The date of the current valuation is detailed in the following table. A full revaluation of these assets will be conducted in 2018/19.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Land	-	10,834	37,995	Dec-16
Specialised land	-	-	13,106	Dec-16
Buildings	-	9,212	93,911	Dec-16
Total	-	20,046	145,012	

#### *Valuation of infrastructure*

Valuation of infrastructure assets has been undertaken by Danny Barnes, (B Env Mgmt.) (Council Officer)

The date of the current valuation is detailed in the following table. An index based revaluation was conducted in the current year, this valuation was based on Rawlinson's indexation.

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 2018 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	262,206	Jun-18
Kerb and channel	-	-	21,929	Jun-18
Footpaths and cycleways	-	-	18,413	Jun-18
Drainage	-	-	128,486	Jun-18
Recreational, leisure and community facilities	-	-	42,901	Jun-17
Waste management	-	-	10,698	Jun-18
Parks, open space and streetscapes	-	-	13,764	Jun-17
Off street car parks	-	-	10,534	Jun-17
Total	-	-	508,931	

## Notes to the Financial Report For the Year Ended 30 June 2018

### 5.1 Property, infrastructure, plant and equipment (cont'd)

#### *Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** 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 of 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.

**Specialised buildings** 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 \$6,184 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.

**Infrastructure asset** 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 year 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.

	2018	2017
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	13,106	505
Land	37,995	36,971
Total specialised land	<u>51,101</u>	<u>37,476</u>

## Notes to the Financial Report For the Year Ended 30 June 2018

### Note 6 People and relationships

#### 6.1 Council and key management remuneration

##### (a) Related parties

###### *Parent entity*

Mildura Rural City Council is the parent entity.

###### *Subsidiaries and associates*

Mildura Airport Pty Ltd and Mildura Regional Development are fully consolidated subsidiary and form part of Mildura Rural City Council financial statements.

##### (b) Key management personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

###### Councillors

Mark Eckel (Mayor)	2/11/2017	to	30/06/2018
Glenn Milne (Mayor)	1/07/2017	to	1/11/2017
Max Thorburn	1/07/2017	to	30/06/2018
Ali Cupper	1/07/2017	to	30/06/2018
Greg Brown	1/07/2017	to	30/06/2018
Simon Clemence	1/07/2017	to	30/06/2018
Anthony Cirillo	1/07/2017	to	30/06/2018
Min Poole	1/07/2017	to	30/06/2018
Jason Modica	1/07/2017	to	30/06/2018

###### Chief Executive Officer and key management personnel

Gerard José	Chief Executive Officer	1/07/2017	to	30/06/2018
Mandy Whelan	key management personnel	1/07/2017	to	30/06/2018
Chris Parham	key management personnel	1/07/2017	to	30/06/2018
Martin Hawson	key management personnel	1/07/2017	to	30/06/2018

	2018	2017
	No.	No.
Total number of Councillors	9	13
Chief Executive Officer and other key management personnel	4	5
<b>Total key management personnel</b>	<b>13</b>	<b>18</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**6.1 Council and key management remuneration (cont'd)**

(c) Remuneration of key management personnel	2018 \$'000	2017 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,268	1,279
Post employment benefits	88	109
Termination benefits	-	58
<b>Total</b>	<b>1,356</b>	<b>1,446</b>

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:	2018 No.	2017 No.
\$1 - \$9,999	-	4
\$20,000 - \$29,999	7	8
\$40,000 - \$49,999	1	-
\$60,000 - \$69,999	1	-
\$80,000 - \$89,999	-	1
\$90,000 - \$99,999	-	1
\$240,000 - \$249,999	1	1
\$250,000 - \$259,999	2	2
\$300,000 - \$309,999	-	1
\$310,000 - \$319,999	1	-
	<b>13</b>	<b>18</b>

**(d) Senior officer remuneration**

A senior officer is an officer of council, other than key management personnel, who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$145,000

The number of senior officers are shown below in their relevant income bands:

Income Range:		
\$150,000 - \$159,999	3	1
\$160,000 - \$169,999	4	4
\$170,000 - \$179,999	3	7
\$180,000 - \$189,999	4	1
\$220,000 - \$229,999	-	1
	<b>14</b>	<b>14</b>

	2018 \$'000	2017 \$'000
Total remuneration for the reporting year for senior officers included above, amounted to:	2,356	2,447

## Notes to the Financial Report For the Year Ended 30 June 2018

### 6.2 Related party disclosure

(a) Transactions with related parties	2018	2017
During the period Council entered into the following transactions with related parties.	\$'000	\$'000
Employee expenses for close family members of key management personnel *	32	41
	<u>32</u>	<u>41</u>

\* All close family members of key management personnel were employed through an arm's length process. They are paid in accordance with the award for the job they perform. Council employs 669 staff of which only 1 is a close family member of key management personnel.

#### (b) Outstanding balances with related parties

No expense has been recognised in the current year or prior year in respect of amounts owed by related parties.

#### (c) Loans to/from related parties

Council does not make loans to or receive loans from related parties. No guarantees have been provided.

#### (d) Commitments to/from related parties

Council has no outstanding commitments to/from other related parties

## Notes to the Financial Report For the Year Ended 30 June 2018

### Note 7 Managing uncertainties

#### 7.1 Contingent assets and liabilities

##### (a) Contingent assets

##### *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 consumer price index (CPI) based revision of the rental charge annually.

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

	Consolidated		Council	
	2018 \$'000	2017 \$'000	2018 \$'000	2017 \$'000
Not later than one year	670	570	334	294
Later than one year and not later than five years	1,481	1,572	700	745
Later than five years	699	1,202	531	549
	<u>2,850</u>	<u>3,344</u>	<u>1,565</u>	<u>1,588</u>

##### (b) Contingent liabilities

##### *Superannuation*

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable, respectively.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

#### *Financial Instruments - Disclosures (AASB 7) (applies 2018/19)*

This standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

#### *Financial Instruments (AASB 9) (applies 2018/19)*

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

#### *Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)*

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

#### *Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)*

This standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

#### *Leases (AASB 16) (applies 2019/20)*

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the balance sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

#### *Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)*

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 7.3 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 the notes 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 council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

#### *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. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council 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 rates.

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

- diversification of investment product;
- monitoring of return on investment; and
- 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 the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 7.3 Financial instruments (cont'd)

#### (c) Credit risk

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party.

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.

#### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements it will not have sufficient funds to settle a transaction when required or 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 Council:

- 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 on the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 7.3 Financial instruments (cont'd)

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 4.4.

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

#### (e) 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.

### 7.4 Fair value measurement

#### *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.

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.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 7.4 Fair value measurement (cont'd)

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.

#### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being 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. 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 of an asset result in changes to the permissible or practical highest and best use of the asset. 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 reserve 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 reserve 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.

#### *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 of disposal 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.

### 7.5 Events occurring after balance date

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

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

**Note 8 Other matters**

**8.1 Reserves**

**(a) Asset revaluation reserves**

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
<b>Consolidated</b>			
<b>2018</b>			
<b>Property</b>			
Land	15,878	-	15,878
Buildings	59,283	-	59,283
	<u>75,161</u>	<u>-</u>	<u>75,161</u>
<b>Plant and equipment</b>			
Artwork	14,595	-	14,595
	<u>14,595</u>	<u>-</u>	<u>14,595</u>
<b>Infrastructure</b>			
Roads	160,891	11,106	171,997
Drainage	53,874	1,720	55,594
Recreational, leisure and community facilities	41,346	-	41,346
Waste management	122	60	182
Parks, open space and streetscapes	3,624	-	3,624
Aerodromes	9,594	-	9,594
Offstreet car parks	8,496	-	8,496
Other infrastructure	38,853	250	39,103
	<u>316,800</u>	<u>13,136</u>	<u>329,936</u>
<b>Water rights</b>			
Water rights	3,040	1,959	4,999
	<u>3,040</u>	<u>1,959</u>	<u>4,999</u>
<b>Total asset revaluation reserves</b>	<b>409,596</b>	<b>15,095</b>	<b>424,691</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Consolidated</b>			
<b>2017</b>			
<b>Property</b>			
Land	17,128	(1,250)	15,878
Buildings	60,964	(1,681)	59,283
	<u>78,092</u>	<u>(2,931)</u>	<u>75,161</u>
<b>Plant and equipment</b>			
Artwork	14,595	-	14,595
	<u>14,595</u>	<u>-</u>	<u>14,595</u>
<b>Infrastructure</b>			
Roads	195,800	(34,909)	160,891
Drainage	45,196	8,678	53,874
Recreational, leisure and community facilities	46,515	(5,169)	41,346
Waste management	49	73	122
Parks, open space and streetscapes	8,686	(5,062)	3,624
Aerodromes	9,594	-	9,594
Offstreet car parks	9,328	(832)	8,496
Other infrastructure	-	38,853	38,853
	<u>315,168</u>	<u>1,632</u>	<u>316,800</u>
<b>Water rights</b>			
Water rights	3,171	(131)	3,040
	<u>3,171</u>	<u>(131)</u>	<u>3,040</u>
<b>Total asset revaluation reserves</b>	<u>411,026</u>	<u>(1,430)</u>	<u>409,596</u>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(b) Other reserves

Consolidated 2018	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>Non discretionary reserves</b>				
Apex Park reserve	277	92	(51)	318
Drainage	186	-	-	186
Developer contribution reserve	2,153	803	(1,532)	1,424
Library book bequest reserve	66	-	(50)	16
DGR donations reserve - MAC Theatre	138	3	(100)	41
Merbein Caravan Park reserve	18	34	(49)	3
Lake Cullulleraine Caravan Park reserve	-	9	(9)	-
<b>Total</b>	<b>2,838</b>	<b>941</b>	<b>(1,791)</b>	<b>1,988</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	46	107	(2)	151
Landfill redevelopment	4,330	9,323	(7,403)	6,250
Landfill rehabilitation reserve	591	165	(408)	348
Primary Care Partnership reserve	310	452	(446)	316
Small towns redevelopment reserve	523	65	(128)	460
Street light pole	8	-	-	8
VGC advance grants reserve	7,083	7,595	(7,083)	7,595
Land acquisition reserve	1,213	500	(1,296)	417
Water transfer proceeds reserve	61	-	-	61
Defined benefits reserve	-	500	-	500
Capital renewal reserve	-	7,876	-	7,876
<b>Total</b>	<b>14,165</b>	<b>26,583</b>	<b>(16,766)</b>	<b>23,982</b>
<b>Total other reserves</b>	<b>17,003</b>	<b>27,524</b>	<b>(18,557)</b>	<b>25,970</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(b) Other reserves

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
<b>Consolidated</b>				
<b>2017</b>				
<b>Non discretionary reserves</b>				
Apex Park reserve	221	66	(10)	277
Drainage	186	-	-	186
Developer contribution reserve	1,893	980	(720)	2,153
Library book bequest reserve	66	-	-	66
DGR donations reserve - MAC Theatre	113	25	-	138
Merbein Caravan Park reserve	-	33	(15)	18
Lake Cullulleraine Caravan Park reserve	-	9	(9)	-
<b>Total</b>	<b>2,479</b>	<b>1,113</b>	<b>(754)</b>	<b>2,838</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	58	30	(42)	46
Landfill redevelopment	7,334	8,246	(11,250)	4,330
Landfill rehabilitation reserve	1,059	165	(633)	591
Primary Care Partnership reserve	314	436	(440)	310
Small towns redevelopment reserve	461	65	(3)	523
Street light pole	8	-	-	8
VGC advance grants reserve	-	7,083	-	7,083
Land acquisition reserve	-	1,462	(249)	1,213
Water transfer proceeds reserve	-	61	-	61
<b>Total</b>	<b>9,234</b>	<b>17,548</b>	<b>(12,617)</b>	<b>14,165</b>
<b>Total other reserves</b>	<b>11,713</b>	<b>18,661</b>	<b>(13,371)</b>	<b>17,003</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Council</b>			
<b>2018</b>			
<b>Property</b>			
Land	15,878	-	15,878
Buildings	59,146	-	59,146
	<u>75,024</u>	<u>-</u>	<u>75,024</u>
<b>Plant and equipment</b>			
Artwork	14,595	-	14,595
	<u>14,595</u>	<u>-</u>	<u>14,595</u>
<b>Infrastructure</b>			
Roads	160,891	11,106	171,997
Drainage	53,874	1,720	55,594
Recreational, leisure and community facilities	41,346	-	41,346
Waste management	122	60	182
Parks, open space and streetscapes	3,624	-	3,624
Aerodromes	9,594	-	9,594
Offstreet car parks	8,496	-	8,496
Other infrastructure	38,853	250	39,103
	<u>316,800</u>	<u>13,136</u>	<u>329,936</u>
<b>Water rights</b>			
Water rights	3,040	1,959	4,999
	<u>3,040</u>	<u>1,959</u>	<u>4,999</u>
<b>Total asset revaluation reserves</b>	<u>409,459</u>	<u>15,095</u>	<u>424,554</u>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(a) Asset revaluation reserves

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Council</b>			
<b>2017</b>			
<b>Property</b>			
Land	17,128	(1,250)	15,878
Buildings	60,827	(1,681)	59,146
	<u>77,955</u>	<u>(2,931)</u>	<u>75,024</u>
<b>Plant and equipment</b>			
Artwork	14,595		14,595
	<u>14,595</u>	<u>-</u>	<u>14,595</u>
<b>Infrastructure</b>			
Roads	195,800	(34,909)	160,891
Drainage	45,196	8,678	53,874
Recreational, leisure and community facilities	46,515	(5,169)	41,346
Waste management	49	73	122
Parks, open space and streetscapes	8,686	(5,062)	3,624
Aerodromes	9,594	-	9,594
Offstreet car parks	9,328	(832)	8,496
Other infrastructure	-	38,853	38,853
	<u>315,168</u>	<u>1,632</u>	<u>316,800</u>
<b>Water rights</b>			
Water rights	3,171	(131)	3,040
	<u>3,171</u>	<u>(131)</u>	<u>3,040</u>
<b>Total asset revaluation reserves</b>	<b>410,889</b>	<b>(1,430)</b>	<b>409,459</b>

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(b) Other reserves

Council 2018	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>Non discretionary reserves</b>				
Apex Park reserve	277	92	(51)	318
Drainage	186	-	-	186
Developer contribution reserve	2,153	803	(1,532)	1,424
Library book bequest reserve	74	-	(50)	24
DGR donations reserve - MAC Theatre	138	3	(100)	41
Merbein Caravan Park reserve	18	34	(49)	3
Lake Cullulleraine Caravan Park reserve	-	9	(9)	-
<b>Total</b>	<b>2,846</b>	<b>941</b>	<b>(1,791)</b>	<b>1,996</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	46	107	(2)	151
Landfill redevelopment	4,330	9,323	(7,403)	6,250
Landfill rehabilitation reserve	591	165	(408)	348
Primary Care Partnership reserve	310	452	(446)	316
Small towns redevelopment reserve	523	65	(128)	460
Street light pole	8	-	-	8
VGC advance grants reserve	7,083	7,595	(7,083)	7,595
Land acquisition reserve	1,213	500	(1,296)	417
Water transfer proceeds reserve	61	-	-	61
Defined benefits reserve	-	500	-	500
Capital renewal reserve	-	7,876	-	7,876
<b>Total</b>	<b>14,165</b>	<b>26,583</b>	<b>(16,766)</b>	<b>23,982</b>
<b>Total other reserves</b>	<b>17,011</b>	<b>27,524</b>	<b>(18,557)</b>	<b>25,978</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

8.1 Reserves (cont'd)

(b) Other reserves

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
Council	\$'000	\$'000	\$'000	\$'000
<b>2017</b>				
<b>Non discretionary reserves</b>				
Apex Park reserve	221	66	(10)	277
Drainage	186	-	-	186
Developer contribution reserve	1,893	980	(720)	2,153
Library book bequest reserve	74	-	-	74
DGR donations reserve - MAC Theatre	113	25	-	138
Merbein Caravan Park reserve	-	33	(15)	18
Lake Cullulleraine Caravan Park reserve	-	9	(9)	-
<b>Total</b>	<b>2,487</b>	<b>1,113</b>	<b>(754)</b>	<b>2,846</b>
<b>Discretionary reserves</b>				
Artwork acquisition reserve	58	30	(42)	46
Landfill redevelopment	7,334	8,246	(11,250)	4,330
Landfill rehabilitation reserve	1,059	165	(633)	591
Primary Care Partnership reserve	314	436	(440)	310
Small towns redevelopment reserve	461	65	(3)	523
Street light pole	8	-	-	8
VGC advance grants reserve	-	7,083	-	7,083
Land acquisition reserve	-	1,462	(249)	1,213
Water transfer proceeds reserve	-	61	-	61
<b>Total</b>	<b>9,234</b>	<b>17,548</b>	<b>(12,617)</b>	<b>14,165</b>
<b>Total other reserves</b>	<b>11,721</b>	<b>18,661</b>	<b>(13,371)</b>	<b>17,011</b>

## Notes to the Financial Report For the Year Ended 30 June 2018

### 8.1 Reserves (cont'd)

Name of reserve	Nature and purpose
<b>Non discretionary reserves</b>	
Apex Park reserve	Set up under a Committee of Management agreement, 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.
Merbein Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
Lake Cullulleraine Caravan Park reserve	Set up where surplus funds are to be set aside for improvements to the park lands.
<b>Discretionary reserves</b>	
Artwork acquisition reserve	A reserve created 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.
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.
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.

## Notes to the Financial Report For the Year Ended 30 June 2018

### 8.1 Reserves (cont'd)

Name of reserve	Nature and purpose
<b>Discretionary reserves</b>	
VGC advance grants reserve	Reserve created to hold financial assistance grant funding received in advance.
Land acquisition reserve	The reserve was created to allow for the purchase of land identified for a strategic purpose.
Water transfer proceeds reserve	The reserve was established to hold proceeds from the sale of permanent and temporary water for future water purchases.
Defined benefits reserve	This reserve was established to hold rates fund allocate from surplus to be used in the advent of another defined benefits call.
Capital renewal reserve	This reserve was established to hold rates funded capital works projects that weren't started in that year and were to be resubmitted.

### (c) Financial assets revaluation

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation by an associate \$'000	Balance at end of reporting period \$'000
<b>Council</b>				
<b>2018</b>				
Interest in Mildura Airport Pty Ltd	25,426	8,224	-	33,650
Interest in Mildura Regional Development	-	396	-	396
	<u>25,426</u>	<u>8,620</u>	<u>-</u>	<u>34,046</u>
<b>Total financial assets revaluation</b>	<u>25,426</u>	<u>8,620</u>	<u>-</u>	<u>34,046</u>
<b>2017</b>				
Interest in Mildura Airport Pty Ltd	13,683	11,743	-	25,426
	<u>13,683</u>	<u>11,743</u>	<u>-</u>	<u>25,426</u>
<b>Total financial assets revaluation</b>	<u>13,683</u>	<u>11,743</u>	<u>-</u>	<u>25,426</u>

**Notes to the Financial Report  
For the Year Ended 30 June 2018**

	Consolidated		Council	
	2018	2017	2018	2017
	\$'000	\$'000	\$'000	\$'000
<b>8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>				
Surplus/(deficit) for the year	29,017	32,504	20,397	20,761
Depreciation/amortisation	19,754	19,758	18,642	18,849
Profit/(loss) on disposal of property, infrastructure, plant and equipment	1,932	1,850	1,932	1,846
Impairment losses	(16)	4	-	-
Gain/(loss) on recognition of non current assets	(2,008)	(5,861)	(2,008)	(5,861)
Contributions - non-monetary assets	(3,813)	(2,596)	(3,813)	(2,596)
Interest expense	1,136	1,229	1,155	1,208
Accrued expenses on capital purchases	-	(7,134)	-	-
(Increase)/decrease in landfill provision discount amount	3,995	568	3,995	568
<i>Change in assets and liabilities:</i>				
(Increase)/decrease in trade and other receivables	1,515	(1,889)	1,746	(4,886)
(Increase)/decrease in prepayments	20	249	26	229
Increase/(decrease) in trust fund deposits	175	(295)	176	(294)
Increase/(decrease) in trade and other payables	(10,821)	6,602	(5,828)	2,153
(Increase)/decrease in inventories	11	122	7	110
Increase/(decrease) in provisions	231	(335)	233	(361)
<b>Net cash provided by operating activities</b>	<b>41,128</b>	<b>44,776</b>	<b>36,660</b>	<b>31,726</b>

## Notes to the Financial Report For the Year Ended 30 June 2018

### 8.3 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 the comprehensive income statement when they are made or due.

#### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive 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 2018, this was 9.5% as required under Superannuation Guarantee legislation).

#### 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 Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### *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 Actuary.

As at 30 June 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa

Salary information 3.5% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 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.

## Notes to the Financial Report For the Year Ended 30 June 2018

### *Employer contributions*

#### *Regular contributions*

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, 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 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the 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.

#### *Funding calls*

If the Defined Benefit category is in an unsatisfactory financial position at an 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.

### **2017 triennial actuarial investigation surplus amounts**

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$69.8 million
- A total service liability surplus of \$193.5 million.
- A discounted accrued benefits surplus of \$228.8 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 2017. Council was notified of the 30 June 2017 VBI during August 2017.

### **2018 interim actuarial investigation**

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018. It is anticipated that this actuarial investigation will be completed in December 2018.

## Part 3: Performance Statement

# Mildura Rural City Council

## Performance Statement

For the year ended 30 June 2018



Mildura Rural City Council

## Performance Statement

For the year ended 30 June 2018

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### 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 22,330 square kilometres, making it the largest in Victoria and has an estimated resident population of 55,071 which is projected to grow to 59,400 by the year 2031.

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## Sustainable Capacity Indicators

For the year ended 30 June 2018

Indicator/measure	Results				Material Variations
	2015	2016	2017	2018	
Population					
Expenses per head of municipal population [Total expenses / Municipal population]	\$1,705.05	\$1,854.62	\$1,969.85	\$1,971.98	
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$11,439.02	\$12,354.94	\$12,125.67	\$12,404.80	Infrastructure will continue to increase due to population growth and expanding community needs.
Population density per length of road [Municipal population / Kilometres of local roads]	10.32	10.31	10.45	10.82	
Own-source revenue					
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,329.17	\$1,449.51	\$1,556.39	\$1,550.91	

**Recurrent grants**

<i>Recurrent grants per head of municipal population</i>	\$530.62	\$334.17	\$559.42	\$450.36	This indicator varies due to the timing of financial assistance grant funding.
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[Recurrent grants / Municipal population]

**Disadvantage**

<i>Relative socio-economic disadvantage</i>	3.00	1.00	1.00	1.00
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[Index of Relative Socio-economic Disadvantage by decile]

**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 above

"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 2018

	Results				
Service/indicator/measure	2015	2016	2017	2018	Material Variations
<b>Aquatic facilities</b>					
<b>Utilisation</b>					
Utilisation of aquatic facilities	9.71	9.60	8.72	8.71	
[Number of visits to aquatic facilities / Municipal population]					
<b>Animal management</b>					
<b>Health and safety</b>					
Animal management prosecutions	0.00	0.00	1.00	0.00	There were no prosecutions in 2017/2018, with one prosecution recorded in the previous year. It is Council's preference to work through situations and only progress to prosecution as a last resort.
[Number of successful animal management prosecutions]					
<b>Food safety</b>					
<b>Health and safety</b>					
Critical and major non-compliance notifications	74.00%	91.53%	87.50%	89.00%	
[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					

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**Governance****Satisfaction**

<i>Satisfaction with council decisions</i>	54.00	51.00	56.00	54.00
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[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]

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**Home and community care****Participation**

<i>Participation in HACC service</i>	31.00%	22.23%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
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[Number of people that received a HACC service / Municipal target population for HACC services] x100

**Participation**

<i>Participation in HACC service by CALD people</i>	33.00%	33.16%	Reporting Ceased 1 July 2016	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
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[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100

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**Libraries****Participation**

<i>Active library members</i>	19.00%	18.02%	12.93%	12.28%
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[Number of active library members / Municipal population] x100

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**Maternal and child health****Participation**

*Participation in the MCH service*      77.00%      77.39%      77.61%      79.90%

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

**Participation**

*Participation in the MCH service by Aboriginal children*      44.00%      51.47%      55.53%      58.96%

[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

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**Roads****Satisfaction**

*Satisfaction with sealed local roads*      58.00      54.00      56.00      57.00

[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]

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## Statutory Planning

### Decision making

<i>Council planning decisions upheld at VCAT</i>	82.00%	66.67%	85.71%	75.00%	The percentage of planning decisions upheld at VCAT has remained relatively consistent. The raw data puts the result into perspective - in 16/17 VCAT upheld 6 of 7 Council decisions, in 17/18 VCAT upheld 3 out of 4 Council decisions
[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					

## Waste Collection

### Waste diversion

<i>Kerbside collection waste diverted from landfill</i>	33.00%	32.99%	32.90%	32.25%
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100				

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## 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

"CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

"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 2018

Dimension/ indicator/ measure	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
<b>Efficiency</b>									
<b>Revenue level</b>									
Average residential rate per residential property assessment	\$1,436.85	\$1376.88	\$1554.70	\$1,917.78	\$1,956.13	\$1,995.26	\$1,950.38	\$1,989.38	As of 2017/18 Councils calculation is now including the waste charge that is shown as a separate line on the rates notice.
[Residential rate revenue / Number of residential property assessments]									
<b>Expenditure level</b>									
Expenses per property assessment	\$3,225.00	\$3,195.90	\$3,706.31	\$3,744.79	\$3,702.69	\$3,817.86	\$3,815.30	\$3,944.43	
[Total expenses / Number of property assessments]									
<b>Workforce turnover</b>									
Resignations and terminations compared to average staff	13.06%	11.35%	12.42%	14.59%	12.56%	12.56%	12.56%	12.56%	
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100									

<b>Liquidity</b>									
<b>Working capital</b>									
Current assets compared to current liabilities	263.14%	250.65%	267.42%	425.98%	239.07%	234.99%	206.95%	213.79%	This result is influenced by forward payment of 50% of the financial assistance grant funding. The forecast year's results are based on receipt of the funding in the periods they are due.
[Current assets / Current liabilities] x100									
<b>Unrestricted cash</b>									
Unrestricted cash compared to current liabilities	123.05%	119.21%	113.16%	257.91%	125.92%	136.41%	120.45%	120.10%	This result is influenced by forward payment of 50% of the financial assistance grant funding. The forecast year's results are based on receipt of the funding in the periods they are due.
[Unrestricted cash / Current liabilities] x100									

## Obligations

### Asset renewal

Asset renewal compared to depreciation	79.67%	78.11%	80.69%	75.35%	74.60%	91.97%	91.98%	91.94%
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[Asset renewal expenses / Asset depreciation] x100

### Loans and borrowings

Loans and borrowings compared to rates	35.93%	31.41%	32.92%	30.86%	28.56%	26.09%	23.69%	18.72%	There are no new or forecast borrowings over the next four years.
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[Interest bearing loans and borrowings / Rate revenue] x100

Loans and borrowings repayments compared to rates	5.31%	5.17%	7.11%	1.74%	1.62%	1.46%	1.34%	1.16%	There are no new or forecast borrowings over the next four years.
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[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100

<b>Indebtedness</b>									
<i>Non-current liabilities compared to own source revenue</i>	39.88%	48.17%	43.27%	47.10%	42.89%	41.02%	36.96%	35.23%	
[Non-current liabilities / Own source revenue] x100									
<b>Operating position</b>									
<b>Adjusted underlying result</b>									
<i>Adjusted underlying surplus (or deficit)</i>	9.52%	-3.26%	10.84%	11.44%	-7.30%	0.13%	1.46%	-0.68%	The underlying surplus is due to the forward payment of our financial assistance grant funding.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100									

<b>Stability</b>									
<b>Rates concentration</b>									
<i>Rates compared to adjusted underlying revenue</i>	59.40%	68.82%	53.35%	54.10%	69.06%	64.43%	63.50%	64.80%	
[Rate revenue / Adjusted underlying revenue] x100									
<b>Rates effort</b>									
<i>Rates compared to property values</i>	0.84%	0.85%	0.81%	0.82%	0.77%	0.78%	0.80%	0.82%	
[Rate revenue / Capital improved value of rateable properties in the municipality] x100									
									Mildura Rural City Council will tend to have higher rates compared to property values due to inherent factors of our municipality such as population size, population density, population dispersion and remoteness from a major population centre.

## 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 above

"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 2018

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### 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 27 June 2018 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.

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## Certification of the Performance Statement

In my opinion, the accompanying Performance Statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.



David Folvig, BBus  
Principal Accounting Officer

Date: 20 September 2018  
Mildura

In our opinion, the accompanying Performance Statement of the *Mildura Rural City Council* for the year ended 30 June 2018 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.

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

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this Performance Statement in its final form.

  
Cr Mark Eckel  
Councillor

Date: 20 September 2018  
Mildura



Cr Ali Cupper  
Councillor

Date: 20 September 2018  
Mildura

  
Gerard José  
Chief Executive Officer

Date: 20 September 2018  
Mildura

## Independent Auditor's Report

### To the Councillors of Mildura Rural City Council

<b>Opinion</b>	<p>I have audited the accompanying performance statement of Mildura Rural City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2018</li> <li>• sustainable capacity indicators for the year ended 30 June 2018</li> <li>• service performance indicators for the year ended 30 June 2018</li> <li>• financial performance indicators for the year ended 30 June 2018</li> <li>• other information and</li> <li>• the certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Mildura Rural City Council in respect of the year ended 30 June 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the performance statement</b>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<b>Auditor's responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
24 September 2018



Tim Loughnan  
as delegate for the Auditor-General of Victoria