

MOYNE SHIRE COUNCIL ANNUAL REPORT

FOR THE YEAR ENDING 30 JUNE, 2012



MOYNE
SHIRE



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INTRODUCTION

This annual report covers the period from 1 July 2011 until 30 June, 2012. It is prepared for the Minister for Local Government under the provisions of the Local Government Act 1989.

Moyne Shire Council's annual report for 2011/12 details the Council's activities and performance for the past financial year, demonstrating how the organisation has worked to meet its strategic objectives as outlined in the Council Plan.

Moyne uses the opportunity of compiling its annual report to objectively appraise the past year with all of its achievements and challenges.

We endeavour to make it a user-friendly document that will be read by a variety of stakeholders, from our residents and ratepayers to government agencies.

We hope you enjoy reading this document and look forward to again providing the services and infrastructure that Moyne residents, ratepayers, industry, business, visitors and organisations need and expect throughout the coming year.

A SAFE, VIBRANT AND PROSPEROUS COMMUNITY

From the rolling green pastures that support the thriving dairy industry to the stunning coastline beaten by waves for thousands of years, Moyne Shire in the Great South Coast region of Victoria is a diverse and exciting location.

Our stunning landscape is a drawcard for visitors and Moyne is increasingly becoming a home of choice for the many new residents we welcome every year.

Moyne Shire is an area in which our residents feel at home in a spectacular natural landscape, with the convenience of larger rural towns on their doorsteps.

The shire's community members are its heart. Strong and dedicated, they come together whether times are good or bad to support each other and ensure their townships thrive.

Working with the community to deliver the services it needs and expects is one of Moyne Shire Council's main objectives and this is achieved with the continued co-operation and help of our residents.

OUR VISION

Moyne – a safe, vibrant and prosperous community

Moyne Shire Council's vision statement is a commitment to all residents and ratepayers. Our values and decision-making principles listed below guide us when making important decisions that aim to deliver a safe, vibrant and prosperous community.

OUR VALUES

Leadership – we will provide leadership for the community.

Teamwork – we will work together for the whole shire and recognise our accountability to the whole shire.

Being involved – we will consult with the community and fellow Councillors and communicate effectively.

Practising fairness – we will act with a strong sense of fairness and balance in our decision-making.

Striving for quality – we will seek to improve service quality and access.

Respecting views – we will respect alternative views both within the Council and the community.

Recognising diversity – we acknowledge the diversity of the shire and the varied needs of its different communities.

OUR DECISION-MAKING PRINCIPLES

Social responsiveness – meeting community needs and expectations.

Environmental soundness – caring for the environment.

Financial prudence – being mindful of long-term viability.

Community engagement – providing opportunity for community input.

Performance scorecard

Moyne's performance reporting is based on three Key Result Areas (KRAs) outlined in the Council Plan. Each KRA has a set of objectives and strategies that guide our actions during the year. This page contains a snapshot of our performance with more detailed information from pages 25 to 52. Moyne Shire's Council Plan is available on our website www.moyne.vic.gov.au

Key Result Area	Community and Corporate Support	Physical Services	Sustainable Development
Goal	<ul style="list-style-type: none"> To strengthen the health and social wellbeing of the residents of the shire. Plan, lead and facilitate provision of high-quality services that meet the needs of the community. 	<ul style="list-style-type: none"> To ensure the shire is an attractive and desirable place to live and work. To provide a safer, more trafficable road system. To protect and preserve assets. 	<ul style="list-style-type: none"> To preserve and enhance our natural and built environment. To facilitate sustainable economic growth.
Achievements	<ul style="list-style-type: none"> Hosted the Rural Councils Victoria, Rural Summit Hosted Think Women for Local Government forum Launch of the Leadership Great South Coast program. Approved Child Care places at Hawkesdale and Chatsworth Occasional Child Care The Moyne Shire project: <i>Seven Artists, Seven Towns</i> exhibit. 	<ul style="list-style-type: none"> Completed construction of upgrade of the Sisters Hall as first stage of Halls Cluster Project Mount Shadwell Quarry sales of \$2,649,485 Undertaking external works to the value of \$4,620,000 Administration, design and reconstruction of 32km of local roads and intersection projects. 	<ul style="list-style-type: none"> Wangoom tip closed, kerb-side service implemented 2011 Glenelg Hopkins CMA Local Government and Business Partnerships Environmental Achievement Award Opening of the Port Fairy to Warrnambool Rail Trail Macarthur Wind Energy Facility – approval of plans and project management of council's responsibilities under Ministerial permit.
Challenges	<ul style="list-style-type: none"> Unfunded superannuation liability Attraction and retention of staff Facilitating various requirements placed on the organisation through Freedom of Information requests and internal/external audits. 	<ul style="list-style-type: none"> Administration, design and construction of 32km of local roads, three bridges and 1812m² of footpaths Continued wet weather hindered and delayed road works Meeting demand for the projected increases in sales of quarry materials, mainly to external clients, predominantly wind farm developments. 	<ul style="list-style-type: none"> Introduction of the Great Ocean Road Regional Tourism Board will change the landscape in which region's tourism is managed Registration of food premises into four food classes. Severe impact on councils local roads caused by major projects, due to the impacts being unprecedented in scope, and with inadequate resources.
The Future	<ul style="list-style-type: none"> Review Fleet Management and procurement to minimise environmental impact Review and upgrade of the Moyne Shire Council website Improve access and participation for people with a disability Develop new Municipal Early Years Plan Implementation of Universal Access (15 hours) kindergarten. 	<ul style="list-style-type: none"> Complete 200km of unsealed road reshaping and drainage improvements Completion of Wangoom Road upgrade works Commence implementation of the Public Halls Project at Purnim and Willatook Construction of a new pedestrian bridge at Reedy Creek, Port Fairy Significant bridge and major culvert works. 	<ul style="list-style-type: none"> Roadside weed control Upgrade Killarney waste facility Review general local laws Implement quarterly newsletter for food premises. Implement Rural Housing and Settlement Strategy and Land Capability and Biodiversity Strategy Complete implementation of the Port Fairy Floodplain Management Plan.

MESSAGE FROM THE MAYOR

MOYNE SHIRE MAYOR

JIM DOUKAS

On behalf of my fellow Councillors I am pleased to present Moyne Shire Council's Annual Report for the 2010/11 financial year. This is where we set out what we have achieved during the year and how we addressed the challenges that arose.

The Council's financial result for the year was an operating profit in 2011/12 was \$3.9 million which included a surplus of \$0.73 million from surplus from sales by the Mount Shadwell Quarry and \$1.58 million from external works.

INFRASTRUCTURE INROADS

In all, 92% of our capital works were completed with funds rolled forward for multi-year projects and that was \$11.7m worth of improvements to the Council's asset base. The \$8.24m spent on roads included reconstructing 32 kilometres of roads, resealing 581,120m², grading 2,066km of gravel roads and resheeting 163km of unsealed roads.

The Council also reconstructed 8.5km of roads after receiving a \$423,000 second claim Regional Development Victoria grant from the Roads to Markets program. That program addresses the maintenance of high-transit roads used by dairy and other industry's heavy transport vehicles.

Tankers are vital in supporting the local dairy industry but the added stress of timber trucks and heavy vehicles involved in building major wind energy projects in the shire have caused the condition of arterial roads to deteriorate further throughout the year.

The dairy sector is the largest agricultural industry in Moyne Shire and in Victoria and employs people on farms and in processing, manufacturing and distributing finished products. The Western District produces 23 per cent of Australia's milk which in 2010/11 totalled 9.1 billion litres worth \$3.9 billion. That's close to a billion dollars produced in our region alone and the government, knowing the value of the dairy industry to the economy, should be more forthcoming with funding to the shire. The government needs to realise that to maintain our position we need to share of funding, especially in roads and infrastructure. The Council has been waging an advocacy campaign to lobby state and federal governments to commit funding to improve the situation.

HALL RENOVATIONS

Our community halls have been winners during the past year. The \$160,000 upgrade of the Sisters Soldiers Memorial Hall was completed as part of the first stage of the Halls Cluster Project. Improvements are continuing at the Koroit Theatre and Port Fairy Lecture Hall. The State Government granted \$461,000 from the Regional and Local Community Infrastructure Program for upgrading halls at Grassmere, Purnim and Willatook.

COMMUNITY ASSISTANCE

During the years the Council allocated \$210,000 to various groups through the Community Assistance Fund. This is a great scheme to help groups undertake projects that might be out of their reach on their own. Some of the main grants in 2011/12 were: \$10,000 for establishment of the Mortlake Men's Shed, \$10,000 for netball courts at the Macarthur Recreation Reserve, \$10,000 for access to the Mortlake Bowls Club rooms, \$10k for a new shed at the Yambuk Recreation Reserve and \$8,000 for a new kitchen at the Bessiebelle hall.

EMERGENCY PLANNING

During the year the Council adopted new Municipal Emergency Management Plan and Municipal Fire Management Plan.

The fire plan incorporated recommendations from the Victorian Bushfire Royal Commission ensuring that all legislated requirements are met and that all planning for emergencies is current.

Steps include Township Protection Plans for designated high-risk communities (of which Peterborough is one), Neighbourhood Safer Places at Peterborough, Koroit, Mortlake, Panmure and Hawkesdale, listing details of vulnerable facilities such as aged-care facilities, hospitals, schools and child-care centres and details for maintenance of hazardous trees under power lines.

ENVIRONMENTAL CHALLENGES

In partnership with the Department of Sustainability and Environment and the Environment Protection Authority, the Council has been making inroads into erosion issues at East Beach in Port Fairy. A drilling survey was conducted to determine the depth of sand along the beach and part of the sea wall was excavated to work out how it was built so appropriate additional construction can be done. These investigations, along with continuing monitoring and progressive clean-up of the beach were part of a continuing project to protect and rehabilitate the area. Works to repair the end of the rock wall are about to commence.

TOURISM POTENTIAL

Deputy Premier Peter Ryan officially opened the Port Fairy to Warrnambool Rail Trail during a ceremony at Koroit Railway Station in May. The \$2.2 million rail trail covers 37-kilometres of scenic rural landscape Port Fairy, Koroit, Illowa and Warrnambool. It was jointly funded by Federal and State Government as well Moyne Shire, Warrnambool City and the Rail Trail committee of management. It is hoped that the rail trail attracts more visitors to the area and helps build the tourism economy.

REGIONAL PLANNING

About 200 delegates from Councils around the state came to Moyne Shire for the Rural Summit which was held in Port Fairy. Supported by Rural Councils Victoria the event focussed on building small-town prosperity. Inspirational speakers included Radio National's Science Show presenter Robyn Williams, Port Fairy Folk Festival Committee president Bruce Leishman and 2010 Victorian Rural Woman of the Year Alana Johnson. There was a great contribution by the Moyne Shire Youth Councillors who also launched their Uber Bus during the event. The mobile youth resources centre is finally on the road after six years of planning and fund-raising.

YOUNG ACHIEVERS

Another great achievement by the Youth Council was the launch of a For King and Country 120-page commemorative book about 140 of the 167 Mortlake men who enlisted to fight in World War I. On 11/11/11 the youth Councillors led the Remembrance Day ceremony with the Mortlake RSL Sub-Branch.

The youth Councillors also arranged new plaques to remember fallen soldiers and resurfacing of the war memorial area.



THE YEAR IN REVIEW

CHIEF EXECUTIVE OFFICER

DAVID MADDEN

It has been another good 12 months for Moyne Shire. We continue to consolidate a good financial position and work to develop our place in the Great South Coast regional group to attract more government support to our region. We are developing a 10-year financial plan to ensure long-term financial sustainability, address the demands of asset management and community services for our citizens.

Overall, financially we ended up \$118,000 better than forecast. In addition to this we used savings and profits from private works to fund an extra \$260,000 for township maintenance, provide \$25,000 per community totalling \$400,000 to implement their community plans and, on a very positive note, we were able to commit \$400,000 towards an expansion of the Koroit Kindergarten funded from savings in our budget. Collectively our financial position was some \$1,028,000 better than forecast.

The issue of road damage and wind farm construction is still affecting all our citizens. We are strongly advocating to the State Government for funding to fix the state's arterial road network. We are working with the Department of Planning and Community Development to ensure the wind farm companies repair and reconstruct the local roads as required in the state's planning permit. The work done around the Macarthur wind farm is not up to standard and we are urging the state to rectify this.

The study into Port Fairy's beaches and coastline is progressing well. The final report will be presented in the 2012/13 year. Work should commence soon on the rock wall repair, dune repairs and better beach access for the Surf Life Saving Club. The coastal erosion issue is a challenge that will need all levels of government to cooperate and work on.

The organisation is still focussed on continuous improvement and has created a "Can Do" committee to improve what we do and our responsiveness to the community. The communities are being well supported through the community engagement program and many good projects are under way or in the planning stage.

I would like to thank the Mayor and Councillors for their hard work over the last four-year term and wish all candidates good luck in the coming elections in October.

In closing, I want to acknowledge the good work of all the staff at Moyne Shire who deliver a whole range of services for the benefit of the citizens of Moyne. Without them the services and programs could not happen.

The community of Moyne continues to impress me and most of what happens across the shire would not be possible without the thousands of volunteers who give their time to the community's benefit. Well done.



THE YEAR IN REVIEW

FINANCIAL SUMMARY- MANAGER FINANCE

Moyne Shire Council has a Strategic Resource Plan that sets the financial direction of the Council. The key objective of this plan is to ensure that the Council remains financially sustainable.

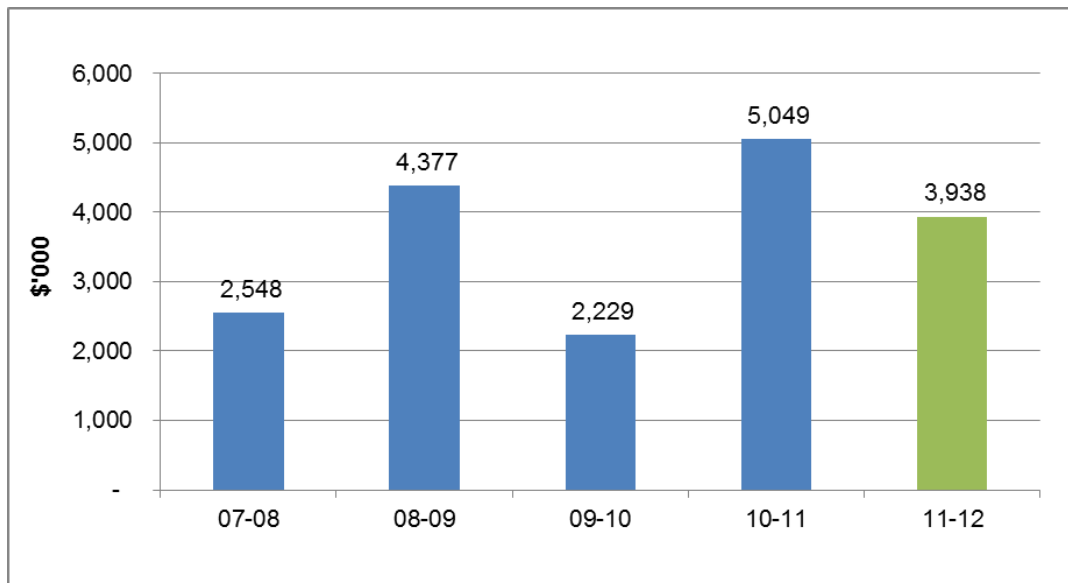
While this report focuses on the 2011/12 result, it is important to see this result in the context of the financial strategic objectives of the Council, which are:

- Establish and maintain a sustainable capital expenditure program that adequately funds the renewal of existing assets and responds to community needs for new and upgraded works.
- Maintaining a working capital ratio (current assets to current liabilities) above 1.2:1.
- Ensuring that net funds available at year end do not fall below \$750,000.

MOYNE SHIRE COUNCIL'S 2011/12 FINANCIAL RESULTS AT A GLANCE

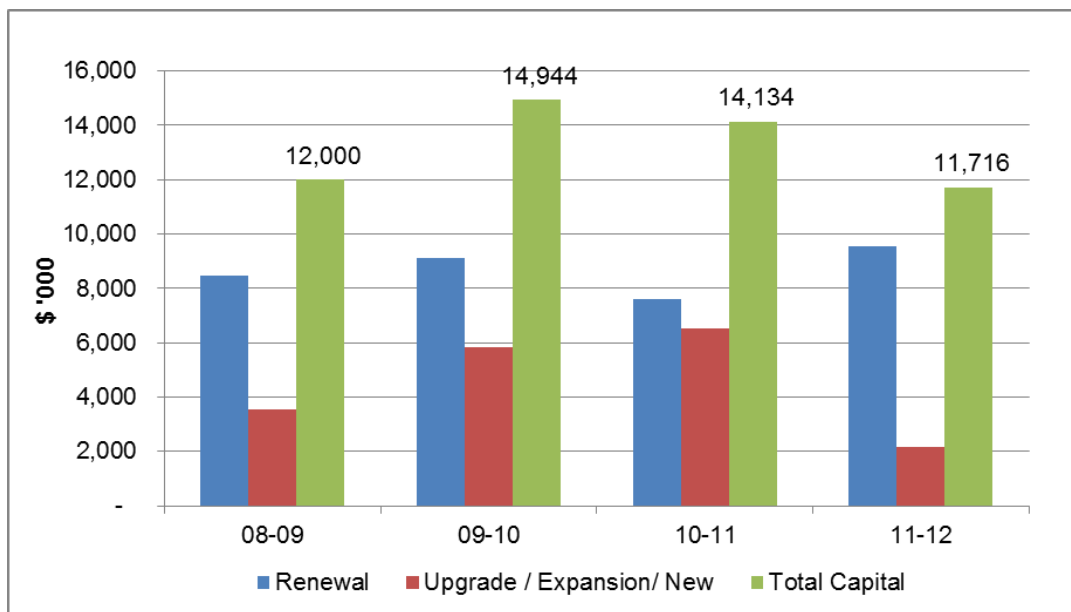
- Operating expenditure – \$42.6 million
- Rates and charges – \$15.4 million (33.3% of total income)
- Operating profit – \$3.9 million
- Cash and investments of \$15.2 million
- Net funds available – \$8.3 million
- Working capital – 1.82 current assets to 1.0 current liability
- Capital works program delivered – \$11.7 million

NET OPERATING RESULT



The operating profit in 2011/12 was \$3.9 million compared to \$5 million in 2010/11. Highlights of the operating result include a surplus to the Mount Shadwell Quarry of \$0.73 million and external works surplus of \$1.58 million.

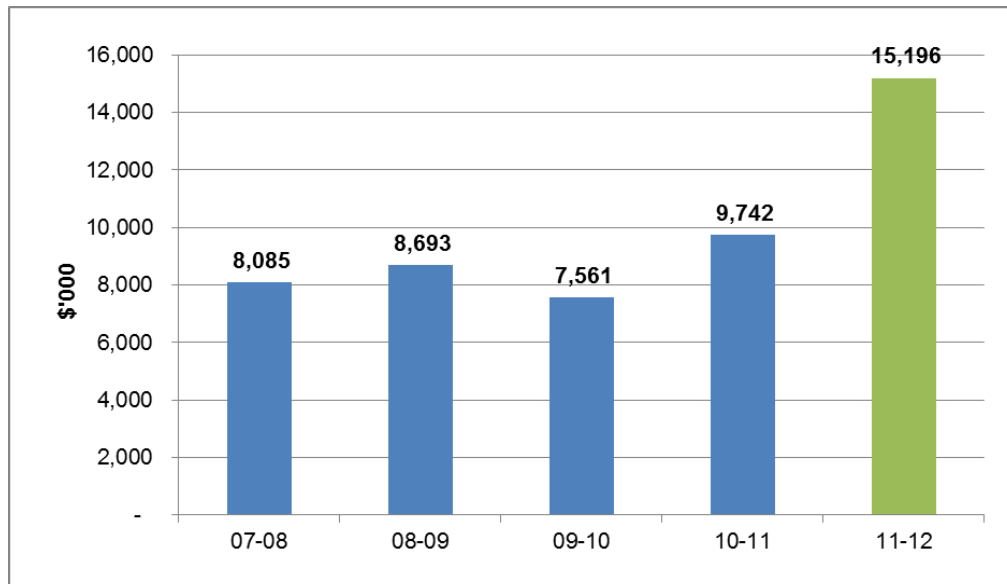
CAPITAL EXPENDITURE



The level of capital expenditure in 2011/12 continued to deliver on the challenge of managing the Council's extensive infrastructure network. Total expenditure on capital works expenditure decreased from \$14.1 million in 2010/11 to \$11.7 million in 2011/12, of which

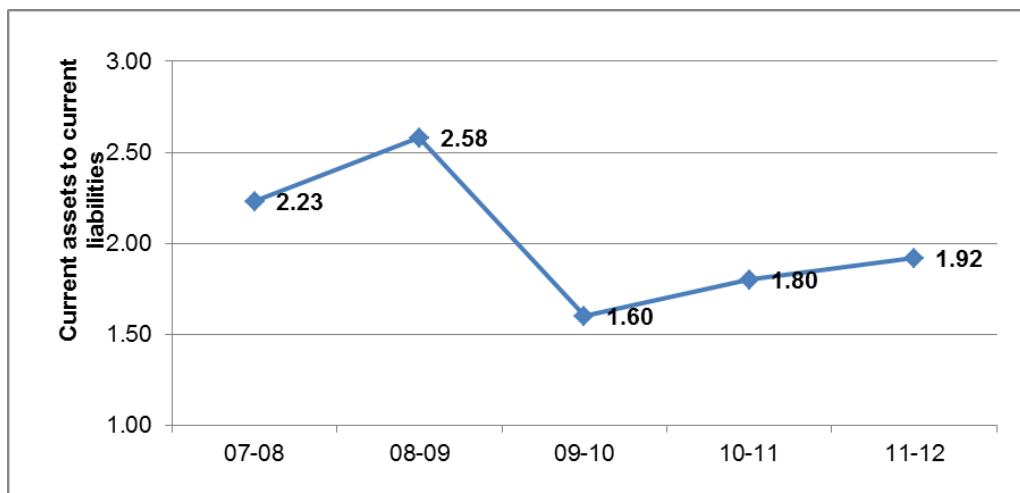
\$8.3 million went towards renewing and upgrading road infrastructure. As a whole, capital works expenditure included \$9.5 million on renewal works, \$1.3 million on upgrade/expansion and \$0.9 million on new assets.

CASH HOLDINGS



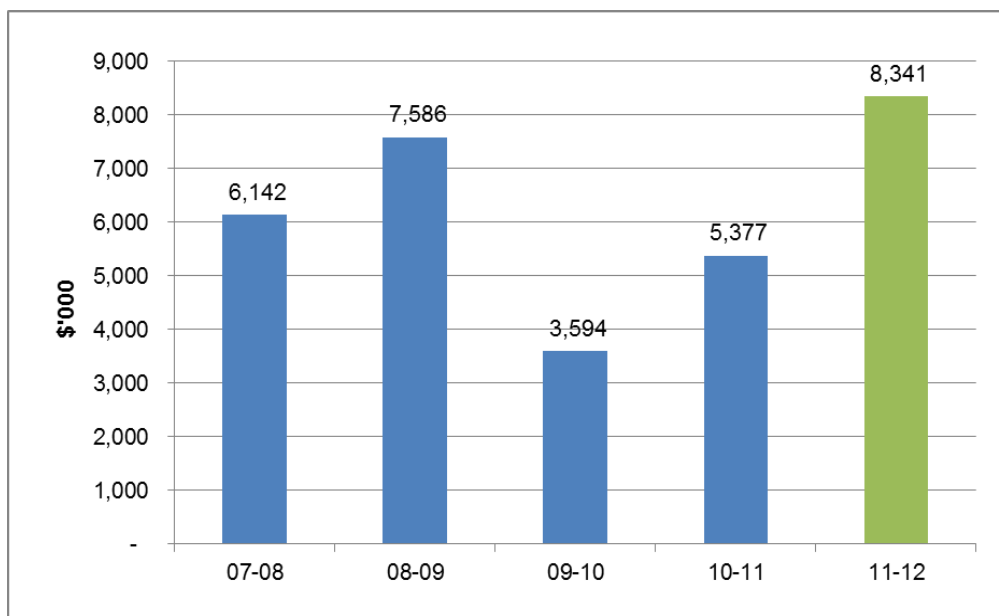
In total, the Council's cash holdings have increased during 2011/12 to \$15.2 million. However, included in this amount are funds required for works carried forward from 2011/12 to 2012/13 and also \$3.8 million of the Victoria Grants Commission 2012/13 allocation that was paid in advance.

WORKING CAPITAL



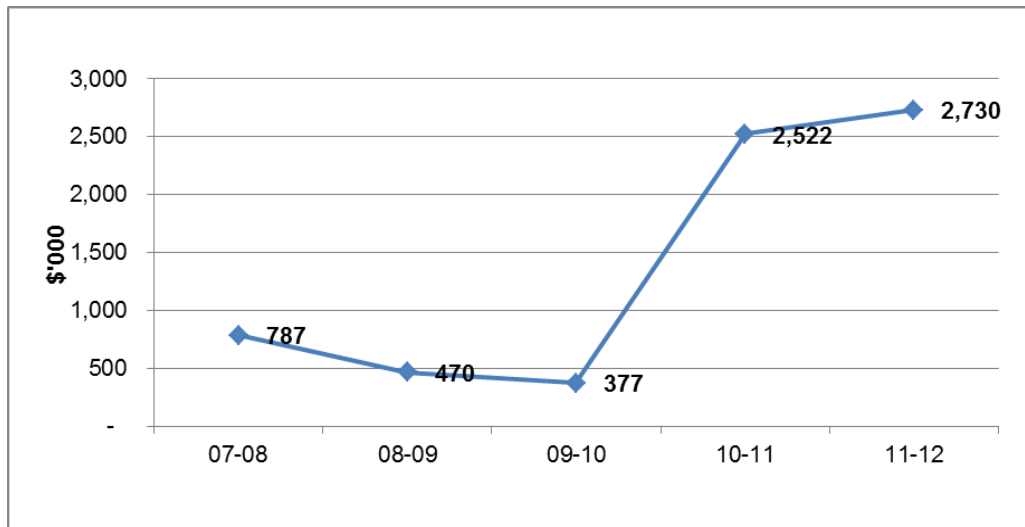
This graph demonstrates that the Council has the ability to discharge its short-term obligations as the value of current assets is in excess of the value of current liabilities. This indicator is in excess of the Council's minimum target of 1.2:1.0.

NET FUNDS AVAILABLE



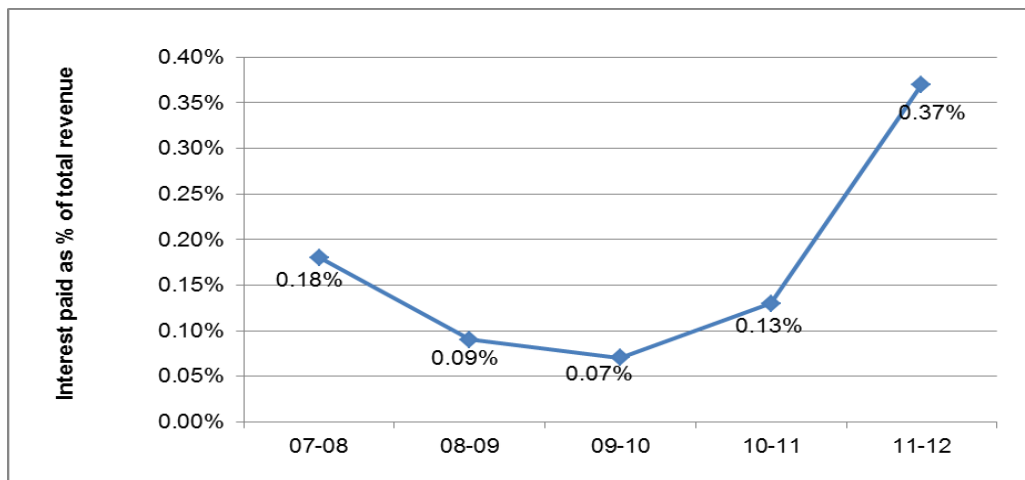
Net funds available are the Council's working capital (current assets less current liabilities) less non-current employee entitlements and any restricted cash reserves. One of the Council's financial parameters is to ensure net funds available do not fall below \$750,000.

DEBT LEVELS



The Council has borrowed \$0.5 million in 2011/12 for the Vision Super defined benefits scheme call. The Council's debt level of \$2.7 million is favourable compared to the average debt of \$6.9 million for the large rural Councils in 2010/11.

DEBT SERVICING RATIO



The debt servicing ratio identifies the capacity of the Council to service its outstanding debt. This ratio expresses the amount of interest paid as a percentage of the Council's total revenue. Interest expense for 2011/12 was \$172,000 up from \$56,000 in 2010/11 due to total new borrowings of \$2.8 million over the last two financial years. However, the Council's ratio is well below state government prudential guideline of 5%.

ABOUT MOYNE SHIRE

Population – 16,856

Location – south-west Victoria, Australia

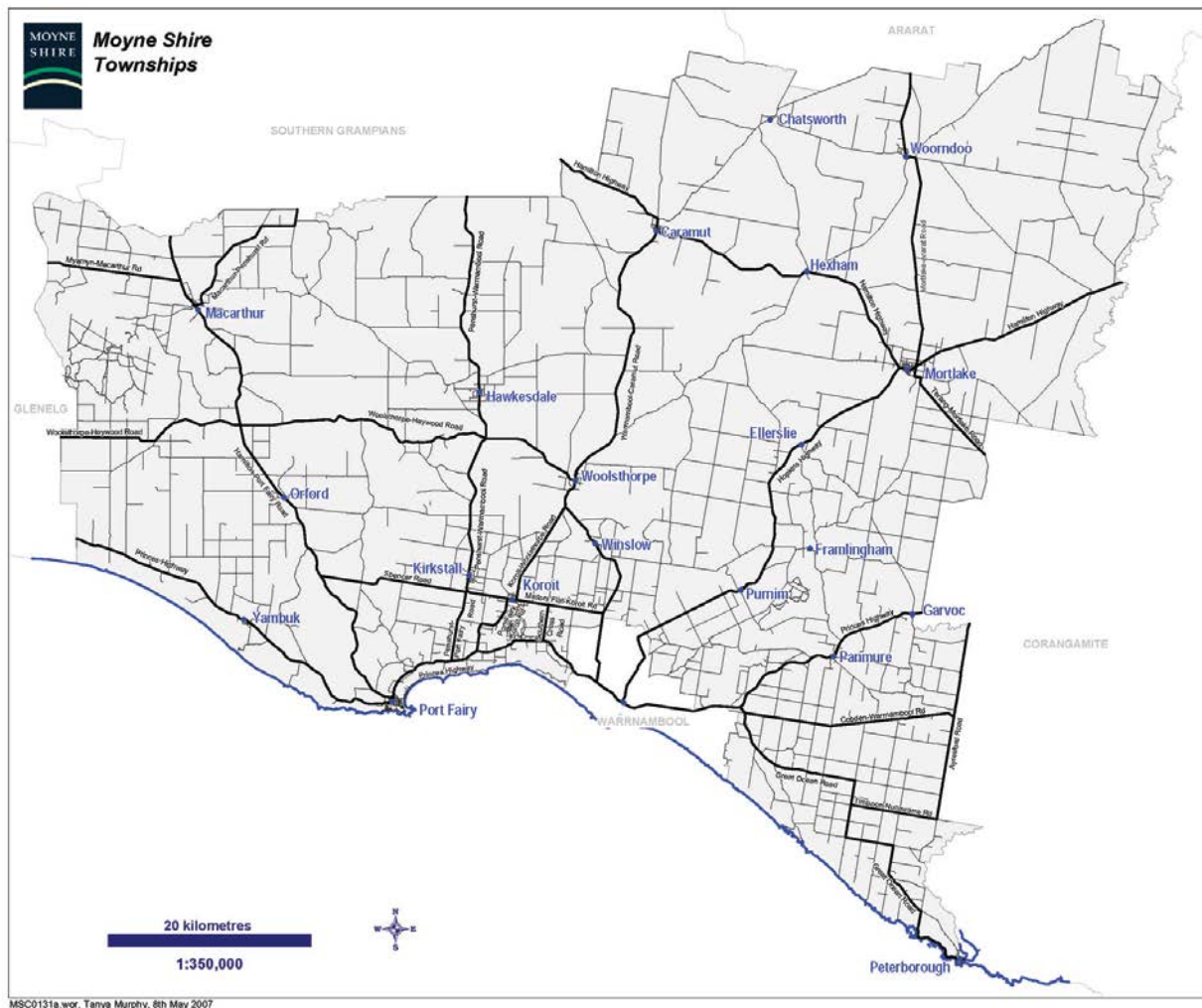
Area – 5478km²

Length of local roads – 3293km

Councillors – seven

Council employees – 326 (220 EFT)

Rateable properties – 11,615



COUNCIL HISTORY

Moyne Shire Council was created in 1994, as a result of amalgamations conducted by the State Government. The former shires of Belfast, Mortlake, Minhamite and Warrnambool, and the former Borough of Port Fairy, as well as small parts of the shires of Dundas, Hampden and Mount Rouse were all brought together and became the Moyne Shire.

MOYNE SHIRE BORDERS

Glenelg Shire in the west, Southern Grampians Shire and Ararat Rural City in the north, Corangamite Shire to the East. Moyne Shire encircles the Warrnambool City Council municipal area.

SERVICES OFFERED BY THE COUNCIL

Asset management, community development, engineering design, environment and sustainability initiatives, festival and events support, footpath and road maintenance and construction, home care, kindergartens, immunisations, libraries, local law enforcement, maternal and child health, preschools, public health, tourism, town planning, waste management, youth services... and many more.

TOWNSHIPS

Caramut, Ellerslie, Framlingham, Garvoc, Hawkesdale, Hexham, Kirkstall, Koroit, Macarthur, Mortlake, Nullawarre, Orford, Panmure, Peterborough, Port Fairy, Purnim, Winslow, Woolsthorpe, Woorndoo and Yambuk.

More information www.moyne.vic.gov.au/yourCouncil



COUNCIL OFFICES AND DEPOTS

Moyne Shire Council has offices in Port Fairy, Mortlake, Macarthur, and depots in Koroit, Macarthur, Mortlake, Naringal and Port Fairy.



ABORIGINAL HERITAGE

The Gunditjmara, Girai Wurrung and Djab Wurrung people are the traditional custodians of the land on which Moyne Shire is situated. Moyne Shire Council is committed to reconciliation with the Aboriginal people of the area and has adopted a Statement of Commitment, a pledge that ensures Moyne takes active steps towards reconciliation.

More information

www.moyne.vic.gov.au/arts



INDUSTRY AND ECONOMY

The shire is characterised by agriculture, fresh seafood, manufacturing and a healthy tourism industry. The dairy industry is a dominant industry but sheep production and cereal crops are growing in size. Manufacturing, retail and education are other important sectors. An estimated \$7 billion in major energy projects are in various stages of planning and development across the shire.



YOUR ELECTED REPRESENTATIVES



The Mayor

Cr Jim Doukas

First elected
November 2002

Mayoral Term 2011



Deputy Mayor

Cr James Purcell

First Elected
November 2008
Mayoral Term 2010



Cr Ken Gale

First elected
November 2004

Mayoral Terms 2008,
2009



Cr Bernie Harris

First Elected
November 2008



Cr Jill Parker

First Elected
November 2008



Cr Colin Ryan

First elected
November 2008



Cr Mick Wolfe

First elected
April 2009

OUR PERFORMANCE

- COMMUNITY & CORPORATE SUPPORT
- PHYSICAL SERVICES
- SUSTAINABLE DEVELOPMENT

KEY RESULT AREA 1 – COMMUNITY AND CORPORATE SUPPORT

OBJECTIVES

- To strengthen the health and social well-being of the residents of the shire.
- Plan lead and facilitate the provision of high-quality services that meet the needs of all sections of the community.

SERVICES PROVIDED UNDER THIS KEY RESULT AREA

- Home and Community Care (HACC) services
- Kindergartens
- Childcare
- Community engagement and support
- Youth services
- Libraries
- Finance
- Customer service
- Information Technology (IT) services
- Maternal and Child Health services
- Human resources
- Payroll
- Organisational development
- Risk and OH&S management and support
- Communications and public relations
- Records management
- Rural Access
- Recreation
- Arts and Culture

HIGHLIGHTS FOR THE YEAR

- Hosted the Rural Councils Victoria, Rural Summit
- Hosted the “Think Women for Local Government’ forum for the Barwon South West/Grampians Region
- Launch of the Leadership Great South Coast program – a leadership program meeting the needs to develop the regions aspiring leaders.
- Successfully applied for Approved Child Care places at Hawkesdale and District Family Services Centre and Chatsworth Occasional Child Care
- The Moyne Shire project: *Seven Artists, Seven Towns* was exhibited at Blarney Books and Art, as part of the Rural Summit 2012

CHALLENGES FOR THE YEAR

- Unfunded superannuation liability
- Attraction and retention of staff
- Facilitating various requirements placed on the organisation through Freedom of Information requests and Internal/External Audits

OUR STRATEGY STATEMENTS

Key:

- √ Complete / implemented
- ◇ Continuing / ongoing
- Incomplete
- Deferred to 2012/13

Strengthen the delivery of health services in the shire

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Provide a range of quality early years services	◇	Provides essential early years services to meet the needs of local communities	An integrated community services centre now operates in Port Fairy. This provides a range of services to children, families and the wider community.
Support preventative health activities for residents of Moyne Shire	◇	Achieves positive health outcomes	Provided scheduled and opportunistic immunisations to children and families
Continue the implementation of the revised Key Ages and Stages Framework for Maternal and Child Health Services	◇	Achieves positive health outcomes	Maternal and child health continue to provide a service that reflects the revised framework, which has a stronger health-promotion focus and is based on evidence based research and practice eg Sudden Unexpected Death in Infants, QUIT.

Maintain strong leadership and collaborative efforts in health programs across the region

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Support young children and their families to achieve positive health outcomes	◇	Achieves positive health outcomes	Increased the participation rates for the Maternal and Child Health Service
Maximise the opportunities for elderly people to stay at home	◇	Reduces burden on the aged care system	Increased the number of hours of home and community care services to support senior citizens
In partnership with neighbouring municipalities provide local professional development opportunities for early years staff	◇	Maximises return on employee investment	Participating in regional early years network, to develop professional training and networking across the region

Increase the diversity of, and satisfaction with, arts and cultural opportunities within the shire

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Review arts and culture strategy	√	Strategy indicates new focus for arts with regards to whole of Council approach and more strategic and developmental initiatives	Strategy adopted 24 January, 2012, and available online
Support artists and organisations in the shire	√	Create opportunities and skills development Generate new networks and communication	Support new partnership with Regional Arts Victoria via the Regional Arts Development Officer (expanded to 5 local governments, increasing access to support and opportunities) Provide workshops and initiatives to assist skills development for communities and encourage engagement and networking
Support local art projects across the shire	◇	Connect communities to artists, arts initiatives and relevant information	Assist with funding applications and work in an advisory capacity

Strengthen the Council's communication and consultation processes

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Establish Community Council meetings	◇	Community consultation aids with strategic long-term planning.	Provides opportunities for greater communication and consultation across the shire
Continue the community planning process across the shire	◇	Community consultation aids with strategic long-term planning.	Community members contributing to the planning and prioritisation of works to be done in their area.
Develop our potential managers	◇	Supporting staff retention and engagement in the organisation by providing skills development for existing workers. Maximising return on employee investment.	Three employees are undertaking the Great South Coast Executive Leadership program.
Maintain commitment to continuous improvement of the OH&S management system together with maintaining currency with all relevant legislation.	√	<ul style="list-style-type: none"> • Reduce workplace injuries/incidents • Promote and ensure organisational wide learning from Incident Investigations • Provide OH&S training for employees of Moyne Shire on an as needs basis • Maintain Moyne Shire's WorkSafe Premium Rate under Industry Rate 	Robust OH&S system that reports OH&S issues and allows for organisational learning, increased knowledge through training and promote a safer healthier workforce and work environments

Enhance the skills and well-being of employees (cont'd)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Provide well-being opportunities for employees	◇	Build resilience and teams, mitigate risk and support employees well-being in the workplace	The Council has co-ordinated a number of well-being initiatives including gym classes, independent health checks, meditation, mental health first aid and suicide assist training
Encourage senior management to participate in professional development training	◇	<ul style="list-style-type: none"> • Develop skills and competency • Focus on assessment strategies and proactive initiatives to build capacity and strength of the leadership team • Skilled managers are essential to underpinning the Council's economic growth and human capital 	Senior managers have completed coaching and mentorship programs

Improve our processes and operating systems

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Revise budgetary process	◇	Budgetary process is planned and considered	A balanced draft budget is provided to the Council to ensure that all decisions are financially sustainable.
Upgrade the electronic records management system.	√	Upgrades implemented regularly ensure we do not have major software upgrades that require massive change.	Allows for more automation in the collection of data.

Plan for and support the development of services for our young people

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Ensure that the views and needs of young people are taken into account in Council activities and policies.	◇	The views and needs of the youth are considered in reviewing the Strategic Long Term Plan.	<ul style="list-style-type: none"> Youth Council meets with senior Council on a regular basis to ensure that the views and needs of young people are taken into account in Council activities and policies. Youth Council representative in various Council committees e.g. Port Fairy and Mortlake Streetscape Committee
In conjunction with young people, develop, implement and support a range of recreation, leisure, arts and cultural opportunities across the shire.	◇	No impact on the Strategic Long Term Plan	<p>Youth Councillors presented seminars and led discussion groups at Rural Summit</p> <p>Youth Council published 120-page book about 140 Mortlake men who enlisted in World War I.</p> <p>Youth Councillors arranged new plaques for Mortlake Avenue of Honour and resurfacing of cenotaph area</p>

Plan for and support the development of services for our young people (cont'd)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Explore and develop the Mobile Youth Centre concept – The Uber Bus Project.	◇	No impact on the Strategic Long Term Plan	<ul style="list-style-type: none"> • Mobile youth centre Uber Bus launched. • Continue to engage various stakeholders to promote the project
Promote and improve community awareness and recognition of young people.	◇	No impact on the Strategic Long Term Plan	<ul style="list-style-type: none"> • Media releases for all Youth Council activities, projects and events. • Nomination of young people at the Annual Youth Achiever's Awards Ceremony has doubled from previous years.

PERFORMANCE INDICATORS

Indicator	2011/12	2010/11	2009/10	2008/09	2007/08
Community Satisfaction Survey (CSS) score – health and human services (score out of 100)	N/A not recorded in 2012 CSS ³	77	78	76	75
Number of Meals on Wheels meals delivered	13,214	11,670	9,610	12,010	17,580
Number of library items loaned	68,549	68,680	67,948	66,470	63,007
Number of home care hours provided	28,650	25,150	24,472	17,134	16,100
Amount allocated under the Community Assistance Fund	\$210,000	\$210,000	\$200,000	\$194,552	\$200,388
Number of Moyne Shire Youth Councillors	25	25	18	18	15
Number of residents naturalised	11	8	6	16	13
Grant monies obtained	\$4.2m	\$1.45m	\$1.47m	\$3.1m	\$2.4m
Number of children enrolled in Moyne Shire Council-run kindergartens	176	173	183	150	150
Community Satisfaction Survey results for overall performance (score out of 100)	57 (see note 3 below)	65	66	64	63
Number of press releases issued	75	97	147	139	155
Community Satisfaction Survey results for community engagement	61 ³	63	63	60	61

Indicator	2011/12	2010/11	2009/10	2008/09	2007/08
(score out of 100)					
JMapp building audit results (score out of 100)	91.33	91.33	98.7	98.7	95.6
WorkCover premium as a percentage of total wages. ¹	2.04%	1.86%	1.67%	1.77%	1.99%
CMP public liability audit (score out of 100).	78	72	67	N/A ²	84
Total number of staff.	326	329	316	305	286
Rate rise for the year.	5.0%	5.0%	4.8%	5.0%	5.1%

- 1** *WorkCover premium as a percentage of total wages has increased but remains below the industry average of 2.060.*
- 2** *CMP audit changed to biannual program.*
- 3** *Due to changes in survey methodology and content, the results for the community satisfaction are not directly comparable with previous years' results.*

NATIONAL ASSET MANAGEMENT ASSESSMENT FRAMEWORK REPORTING

Major changes in functions of the Council, organisation structure and/or policy initiatives and how these changes might impact on Council's Strategic Long-Term Plan

Major service changes	Impact
Funding received under through the Local Government Infrastructure Fund totalling \$2.1 m over 3 years	Provided additional resources to undertake required renewal and upgrade works
Advice received on Council unfunded Defined Benefits Superannuation liability (\$2.79 m) due 2013	Additional expenditure that adversely impacts on Council Long Term Financial Plan

THE FUTURE

MAJOR INITIATIVES FOR THE COMING YEAR

- Review Staff Code of Conduct
- Undertake Workforce/Human Capital Plan
- Comprehensive induction process for new term of Council
- Review and upgrade of the Moyne Shire Council website
- Improve access and participation for people with a disability
- Develop new Municipal Early Years Plan
- Assessment and rating of early childhood services in relation to National Quality Framework and implementation of identified improvements
- Implementation of Universal Access (15 hours) kindergarten commencing in 2013
- The continuing development of township community plans across the shire.

KEY RESULT AREA 2 – PHYSICAL SERVICES

OBJECTIVES:

- To ensure that the shire is an attractive and desirable place in which to live and work
- To provide a safer and more trafficable road system
- To protect and preserve assets which are demonstrably needed.

SERVICES PROVIDED UNDER THIS KEY RESULT AREA

- Roads, buildings, bridges, footpaths, playgrounds and drainage maintenance, renewal and new construction
- Township street facilities, parks and toilets maintenance
- Asset management
- Mount Shadwell Quarry management
- Design, contract management and project management

HIGHLIGHTS FOR THE YEAR

- Completed construction of upgrade of the Sisters Hall as first stage of Halls Cluster Project
- Received a Regional and Local Community Infrastructure Program grant of \$461,000 for upgrading Grassmere Hall, Purnim Hall and Willatook Hall with works to be carried out 2012/13 and 2013/14
- Selling \$2,649,485 worth of quarry material from Mount Shadwell Quarry (more than 50% above budget)
- Undertaking external works to the value of \$4,601,000 with a significant surplus benefitting the municipality
- Continued the Community Pathways Program, a Council-funded program that builds new footpaths totalling more than 1800m² of footpath in towns to benefit the whole community
- Reconstructing 8.5km of roads after receiving large second claim Regional Development Victoria grant – \$423,000 from the Roads to Markets program, which addresses the maintenance of high-transit roads used by dairy and other industry's heavy transport vehicles
- The administration, design and reconstruction of 32km of local roads and intersection projects

- Design and implementation of the Buildings Renewal Program
- Reconstruction of Purcells Road bridge at a cost of \$178,000
- Reconstruction of timber arch bridge at Southcombe Park at a cost of \$68,000
- Reconstruction of Watts Road and Greens Road bridge at a cost of \$138,000
- Implemented the installation of boom gates at Dwarroon Road, Cudgee and Heathmarsh Road, Panmure including road construction
- Construction of drainage, kerb and channel, footpath and parking arrangements in Station Street, Koroit and Commercial Road, Koroit at a combined cost of \$50,000
- Design and implementation of the footpath, bridges and drainage programs across the municipality
- Design, construction and project management of the Yambuk pontoon and associated ramp and carpark, at a cost of \$46,000
- Funding received under the Natural Disaster Relief Fund, enabled works to be carried out on the Gapes Road culvert, Panmure Diving Board and surrounding area, and Mortlake Framlingham Road culvert
- Reconstructed: 32km of roads
- Area resealed and final seal: 581,120m²
- Income from external works: \$4.62m
- Length of gravel roads graded: 2,066km
- Unsealed roads resheeted: 163km
- Sealed road verge slashing: 4,772km
- Unsealed road verge slashing: 1,006km
- Sealed road drain cleaning: 35km
- Unsealed road drain cleaning: 32km
- Proposed Unsealed drain cleaning 2012/2013 200km

Challenges for the year

- Achieving major project and program outcomes, such as completing the Port Fairy Community Services Centre and design and construction of roads footpaths, bridges, and playgrounds during a sustained wet period
- The administration, design and construction of 32kms of local roads, three bridges and 1812m² of footpath projects
- Continued wet weather hindered and delayed road construction, road maintenance and sealing works
- Meeting demand for the projected increases in sales of quarry materials, mainly to external clients, predominantly wind farm developments

OUR STRATEGY STATEMENTS

Key:

- √ Complete / implemented
- ◇ Continuing / ongoing
- Incomplete
- Deferred to 2012/13

Set and monitor service levels for the Council's assets

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Review the estimated asset renewal gap for key asset categories: sealed roads, unsealed roads, footpaths, bridges, drainage, buildings and playgrounds	◇	Knowing the gap will not impact on the plan other than to provide greater confidence in future renewal forecasts.	The review will inform the Council of predicted funding requirements to ensure the renewal of required assets when it is required.
Review and adopt the Council's Asset Management Policy and Asset Strategy	√	No impact on Strategic Long Term Plan.	The Council and the community have a clear understanding of direction regarding asset management.
Documented Service Plans for services that rely on assets as major part of service delivery	√	Crucial to the inception and regular review of the Council's Strategic Long Term Plan	Provides information which enables the formulation of the Council's Long Term Financial Plan
Undertake data and condition collection for sealed road network throughout the shire	√	No impact other than greater confidence.	Enables monitoring of assets, understanding of useful lives of assets, and basis for program of renewal works

Develop and implement townscape improvements

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Commence planning of Port Fairy CBD streetscape improvements	◇	Planning only. Will have no impact	Once adopted, the plans will enable township streetscape works to be undertaken
Commence implementation of Mortlake Streetscape improvements	◇	The renewal part of the works will improve the condition, thus reducing future renewal requirements. Upgrade works will add to renewal demand long term.	Improved amenity and access for Mortlake community



Develop and implement improvements to town entrances, recreation facilities and open space amenities

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Complete construction of the Garvoc tennis courts	√	Will add to future required maintenance and renewal demand	Completed works will provide a high standard recreation asset for the area
Construct Nirranda Recreation Reserve playground	►	Will add to future required maintenance and renewal demand	Delayed due to building planning, but will provide safer and more usable facilities for recreational users
Construct new playground at Caramut Recreation Reserve	■	Should have no impact on future renewal as it is not a Council asset	Provides play area for locals and visitors
Construct town entrance signs to Peterborough	√	Will add to future required maintenance and renewal demand	Better recognition of the town's tourist assets

Improve the condition of the road network – roads, bridges, streets and footpaths

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Reconstruct at least 30km of sealed municipal roads	√	Meets the required renewal for the sealed road network	Motorists have much safer and more driveable roads. Moyne crews rehabilitated 32km of municipal roads this financial year
Provide reseals and/or final seals to 7.6% of the sealed municipal road network	√	Meets the required renewal for the sealed road network	The wearing surface provides improved waterproofing of roads, improving the life of the asset and safety for all motorists.
Rehabilitate three municipal road bridges	√	Meets the required renewal for these bridges	Three bridges had load limits removed so large transport vehicles can better access properties in rural areas
Resheet 150km of unsealed resheeting	√	Will reduce the renewal gap for unsealed road network	Resheeting of 163km of unsealed road resheeting was carried out, providing safer access roads
Carry out 60km of drain restoration works	√	Will improve the life of the road assets	Improved drainage of roads leading to longer life and lower maintenance costs for 67km of the network
Complete 1000km of unsealed verge slashing and 4000km sealed road verge slashing	√	Will improve the life of the assets and improve safety	Slashed verges of 1006km of unsealed road and 4770km of sealed road, improving drainage and safety

Provide a strategic approach to the management of transport movement in the shire

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Monitor compliance of the Road Management Plan for Council-managed municipal roads	◇	No impact on Strategic Long Term Plan	The plan has been monitored for accountability of maintenance, ensuring a safer road network for users
Seek and receive additional funding for Country Roads and Bridges Program to enable drainage works and reshaping of unsealed roadsides	√	Will improve the life of the assets and improve safety, and reduce future demand for renewal	Sought and advised of success in receiving an additional \$750,000 to add to previous \$1m which will enable significant improvement of unsealed roads.
Reduce by three the number of bridges with load limits	√	Works have included some renewal so this will defer future renewal demand	Removing bridge load limits improves access for large transport vehicles that need to travel to farming properties.
Liaise with major transport industries and operators	◇	May indirectly have a reduction in future demand	Increased awareness of issues regarding transport industries and operators allows the Council to better address road maintenance and encourages reciprocal understanding of issues facing all parties
Join the MAV group of Councils to plan common strategic routes for south-west Victoria	◇	This will direct heavy road users to appropriate routes, thus reducing renewal long term.	Group established and has met several times with cross-Council discussion on preferred routes and upgrade requirements

Support the community to maintain and enhance community used facilities

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Complete concept and estimates and obtain funding for Public Local Halls Project	√	No impact for the Council because they are not Council assets	Upon completion of the works, the Purnim Hall, Willatook Hall and Grassmere Hall buildings will have significant renewal and upgrades for the respective users.
Complete and facilitate occupation of the upgraded The Sisters Soldiers Memorial Hall	√	Reduce need for immediate renewal costs	Renewal of the existing building and upgrade will increased amenity and an improved meeting venue



PERFORMANCE INDICATORS

Indicator	2011/12	2010/11	2009/10	2008/09	2007/08
Community satisfaction score for municipal roads and footpaths (score out of 100)	N/A not recorded in 2012 CSS ¹	46	47	43	42
Length of municipal road reconstructed	32km	40km	44.1km	42.5km	40km
Area of road resealed and final sealed	581,000m ²	356,00m ²	455,000m ²	440,000m ²	630,000m ²
Income generated from external road works awarded to the Council	\$4.62m	\$4.89m	\$2.43m	\$2.73m	\$2.31m
Length of gravel roads graded	2,066km	6,295km	2,684km	1,167km	1,419km
Mount Shadwell Quarry sales	\$2.6m	\$2.5m	\$1.63m	\$3.63m	\$1.20m
Community Satisfaction Survey score for appearance of public areas	N/A not recorded in 2012 CSS ¹	81	86	87	88
Municipal road Bridges reconstructed	3	3	3	5	4
Area of concrete footpath constructed under the Community Pathways program	1,812m ²	2,000m ²	11,200 m ²	2,500m ²	Program not yet established

¹ Due to changes in survey methodology and content, the results for the community satisfaction are not directly comparable with previous years' results.

NATIONAL ASSET MANAGEMENT ASSESSMENT FRAMEWORK REPORTING

Major changes in functions of the Council, organisation structure and/or policy initiatives and how these changes might impact on Council's Strategic Long-Term Plan

Major service changes	Impact
Funding non-Council owned capital works	Unknown
One-off VicRoads \$1.75m funding for roads and bridges – Road Drainage and Unsealed Road renewal.	Will save the Council the capital cost plus less frequent grading and resheeting works over total road length of approximately 160km
Additional funding received through the Natural Disaster Relief Funding program to a total amount of \$1.5m	<p>Will ensure the Council's bridge infrastructure has been adequately inspected after the flood event for damage, and periodic works achieved.</p> <p>This program will also see the replacement of Kents Ford Road Bridge which was significantly damaged in the floods, which takes pressure off the Council's long-term financial position.</p>

THE FUTURE

MAJOR INITIATIVES FOR 2012/2013

- Complete 200km of unsealed road reshaping and drainage improvements, consisting of 160km funded by VicRoads – Road and Bridge Fund and 30km as per the Council's normal annual works
- Consult and work towards the adoption of the "Infrastructure Design Manual" for development, construction and gifted assets
- Carry out additional unsealed roads drainage and shoulder reshaping works to the value of \$1.75m, some of which was delayed last year
- Completion of Wangoom Road upgrade works for \$471,700 for shoulder widening delineation and signage works
- Continue the implementation of the Halls Cluster Project by completing works at Koroit Theatre and commencing works at Port Fairy Lecture Hall
- Commence implementation of the Public Halls Project at Purnim and Willatook
- Construction of a new pedestrian bridge at Reedy Creek, Port Fairy including approach footpaths, at an estimated cost of \$180,000
- Significant bridge and major culvert works to the value of \$180,000
- Design and construction of the new kerb and channel on Albert Street, Port Fairy to a cost of \$50,000
- Drainage design for Mailors Flat and drainage design and construction for Phillips Street, Port Fairy at a cost of \$150,000
- Continue the Community Pathways Program which includes various footpath links in Port Fairy, Mortlake and Koroit
- Significant bridge works under the Natural Disaster Relief Funding which includes bridge inspection works, and the replacement of Kents Ford Road bridge

KEY RESULT AREA 3 – SUSTAINABLE DEVELOPMENT

OBJECTIVES:

- To preserve and enhance our natural and built environment.
- To encourage and promote development which is sensitive to its location and environment and which protects our cultural, heritage and indigenous assets.
- To facilitate sustainable economic growth

SERVICES PROVIDED UNDER THIS KEY RESULT AREA

- Strategic land use planning
- Statutory land use planning
- Local law enforcement
- Waste management
- Environment and sustainability initiatives
- Coastal hazards and impacts planning
- Environmental health
- Building
- Fire and emergency management
- Major projects and economic development
- Animal control
- Port of Port Fairy
- Tourism, festival and events
- Caravan parks
- School crossings
- Corporate business management
- Port of Port Fairy
- Killarney, Yambuk, Mortlake, Koroit and Port Fairy caravan parks
- Tourism including the Port Fairy and Region Visitor Information Centre
- Tourism marketing for Moyne Shire
- Festival and events support
- Special projects.

HIGHLIGHTS FOR THE YEAR

- Wangoom Transfer Station closed and a kerbside collection successfully implemented.
- The Council being acknowledged at the 2011 Glenelg Hopkins CMA Environmental Achievement Awards as the winner of the Local Government and Business Partnerships Award for its “positive contribution to the environment in the Glenelg Hopkins Region” over the past two years
- Completion of the South Beach Risk Mitigation project in Port Fairy
- Completion and official opening of the Port Fairy to Warrnambool Rail Trail
- Two pet microchipping days with 130 animals microchipped in Port Fairy and 88 in Mortlake.
- Macarthur Wind Energy Facility – final approval of plans and project management of the Council’s responsibilities under Ministerially-issued permit.
- Received funding from Department of Planning and Community Development for implementation of the Moyne Heritage Study and Port Fairy Heritage Precinct Review.

CHALLENGES FOR THE YEAR

- On-ground works often being delayed/prolonged due to wet weather
- Tourism marketing – the introduction of the Great Ocean Road Regional Tourism Board will change the landscape in which tourism is managed within the region
- The implementation of the registration of food premises into the four food classes
- The project management and planning aspects of the severe impact on the Councils local roads caused by major projects, due to the impacts being unprecedented in scope, and with inadequate resources.

STRATEGY STATEMENTS AND HOW WE MET THEM

Key:

√ Complete / implemented

◇ Continuing / ongoing

■ Incomplete

► Deferred to 2012/13

Provide a sound framework for orderly and strategic planning

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Complete a flood plain study for the Moyne River to address flooding issues in Port Fairy and surrounding catchment areas.	◇	Completion of this project will assist effective land use planning minimising risk due to flood hazard.	Better planning and protection for the community with respect to flood hazard
Commence the Koroit Strategic Plan including community engagement. The Plan will provide a strategic framework for the future development of Koroit.	◇	This will provide a framework for future growth of Koroit to meet current and forecasted demand.	Koroit Strategy is nearing completion with Council and the steering committee considering submissions to arrive at the final strategy to provide guidance for the future growth of Koroit.

Maintain and strengthen enterprises owned by the Council

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Increase the length of stay and frequency of visitations at Council-operated caravan parks by 10% by improving the customer loyalty program (discounts for longer stays and return visitations), holding annual campers meetings and improving park facilities	◇	Improves the Council's income-generating capacity	Campers will stay longer and come more frequently, helping to boost the parks reputation and income generated.
Encourage and maintain a vibrant working Port of Port Fairy by ensuring facilities are well maintained	◇	Maintains the shire's leading tourist attraction	The Port's popularity ensures that all permanent berths remain fully utilised and there is a waiting list for itinerant berths. It also serves as a local recreation and tourism resource.

Encourage greater pride and care in the appearance of urban and rural areas

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Solar-powered bins which compact waste introduced for public places	◇	Provides detail to inform future provision of services	Public places will have fewer but more attractive bins in place
Upgrade of the Macarthur Transfer station	√	The transfer station is compliant and running costs should be minimised for the future.	Safe and environmentally sound waste practices for Macarthur
Former landfills sites capped to Environmental Protection Authority standards	√	Future running costs are now minimised.	The Council is fulfilling its obligation to minimise impacts of closed landfills on the environment and human health.
In partnership, the Council is acting to address the environmental impacts of the former landfill sites in the dunes along East Beach.	◇	Significant impact depending on Environmental Audit outcomes; substantial costs likely	Improved environmental management
Closure of Yambuk Transfer Station and rollout of kerbside service to this community	√	Minimal cost to Council due to elimination of Transfer station running costs	Environmentally sound waste practices for Yambuk; increased recycling
Encourage community involvement in Clean up Australia Day / National Tree Day / World Environment Day	√	None	Increased pride in the appearance of public land

Encourage greater pride and care in the appearance of urban and rural areas (cont'd)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Install and monitor the use of Seal the Loop fishing tackle bins at eight key locations across the shire	√	The Council may wish to pursue similar monitoring programs.	Increased awareness of the negative impacts of fishing tackle waste on the environment; reduced litter
Actively control fox numbers on Griffiths Island, Port Fairy	◇	Depending on success of early activities, the Council may wish to continue or extend these kinds on pest control actions.	Removal of known fox habitat, den fumigation, increased number of fox shoots, overall reduction in reports of dead Shearwaters

Support businesses and industries to increase employment opportunities in the shire (Sustainable Development – Economic Development Unit)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Support the implementation of the Westvic Dairy Down The Track Dairy 2020 strategy.	◇	Growth of the dairy industry will require strategic investment in Council infrastructure such as roads.	The Council contributed \$5,000 towards the implementation of priority actions from the Down The Track Dairy 2020 strategy. Through these sponsorships, the Council continued to demonstrate its support for one of our key industries

Increase opportunities for local business engagement and local employment in emerging major industries (Sustainable Development – Economic Development Unit)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Communicate with businesses about the status of energy projects in Moyne	◇	No impact	Regular updates about the status of projects were provided to businesses
Organise a major projects forum outlining the upcoming major energy projects in the region	■	Local business growth may have an impact on Council infrastructure in the future.	Give local businesses up to date information about the definite and expected energy projects that will be constructed in Moyne, in order for our businesses and our workforce to make the most of the engagement and employment opportunities they may present

Encourage additional uses of the rich agricultural assets of the shire (Sustainable Development – Economic Development Unit)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Support the West Vic Dairy Regional Dairy Awards	◇	No impact	The Council sponsors the Young Farm Leader Award category in the prestigious Westvic Dairy Regional Dairy Awards (\$5,000)

Improve waste management practices

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Extended kerbside service to Panmure, Garvoc and Wangoom and additional properties along existing rural kerbside routes	◇	Minimal impact due to the 100% cost recovery of the kerbside service	Reducing impact on environment by recovering and recycling more and reducing landfill; financially more sustainable to operate for the Council
Improved resource recovery and recycling available at transfer stations	◇	Is likely to impact, however, will depend on developing partnerships and providing some operational investment	Increasing resource recovery and moving towards zero waste

Support businesses opportunities and advantages (Sustainable Development – Economic Development Unit)

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Implement selected priority actions from the Warrnambool Moyne Economic Development and Investment Strategy	◇	Local business growth may have an impact on Council infrastructure in the future.	In partnership with Warrnambool City Council, the Industry Capability Networks and other project partners, Moyne assisted with planning the inaugural Warrnambool Moyne Region Business Festival 2012. The festival will include a wide range of events of interest to business people, including a major projects forum outlining the upcoming construction projects in the region.

Support and implement improvements to the environment and natural attractions

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Building sand dune and shell midden protection fencing at Killarney Recreation Reserve	√	Once-off cost to the Council	Known sites of environmental and cultural value no longer under pressure from vehicle or foot erosion
Construct a designated viewing area at the base of Hopkins Falls within R A Crothers Reserve	√	Once-off cost to the Council	Safer and more enjoyable location to view waterfall; improved visitor infrastructure
Treatment of 114.5km of priority roadsides for priority weeds such as gorse, boxthorn and blackberry	√	Minimal impact due to recent State Government funding.	Reduced incidence of regionally controlled weeds on roadsides; increased amenity

Encourage and assist communities to adopt a self-help approach to local advancement

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Support community-managed festivals and events financially and in kind, including professional advice and facilities such as the Moyne Shire marquee, public address system and rubbish bins	◇	Promotes self-sustaining events	The community is encouraged to organise “self-sustaining” events that add vibrancy and economic benefits to the shire as a whole.
Offer the shire’s community arts and sporting groups funding through the Community Assistance Fund	◇	Encourages and supports local community groups	Local community groups are given the opportunity to obtain funds to complete projects they might not otherwise be able to achieve.
Work with major industry and energy project proponents to facilitate private-sector funding for community-based projects.	◇	Private sector funding towards locally based infrastructure projects may enable increased Council investment in other community assets.	Moyne facilitated a collaborative arrangement with Macarthur Wind Farm proponent AGL to administer the Macarthur Wind Farm Community Fund. AGL and Meridian made \$100,000 available during construction of the wind farm for community projects and 19 projects were funded under this program. The Council is also discussing community investment options with other proponents that have current permits for energy projects in Moyne Shire, including Union Fenosa and Origin.

Develop policies and controls for the protection of places of cultural, heritage and indigenous value

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
To prepare exhibit amendments to incorporate the Moyne Shire Heritage Study Stage 2 and the Port Fairy Heritage Review into the Moyne Planning Scheme (\$60,000)	◇	This will provide a framework for management of significant heritage assets and will require additional resourcing to continue to manage this resource.	This year the Council managed to complete 90% of the Port Fairy Heritage Precincts Review and to secure funding from Department of Planning and Community Development to prepare a planning scheme amendment to assist in implementing the recommendations of the Moyne and Port Fairy Heritage Studies. Such amendment will recognise a range of heritage buildings, sites and precincts that are valued widely by the community.

Promote the shire's tourism opportunities and advantages

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Utilisation of the Port Fairy and Region Visitor Information Centre as a vehicle to promote tourism throughout the Moyne Shire	◇	No impact on Strategic Long Term Plan	VIC staff encourage visitors to venture further afield from Port Fairy and discover Moyne Shire's inland towns and attractions such as Mt. Eccles, Peterborough and Tower Hill.
Identify opportunities to help develop tourism marketing initiatives	◇	No impact on Strategic Long Term Plan	The Council is actively working with local tourism bodies to promote greater tourism visitation and yield in the region; promoting the new tourism web site; participating at camping shows and promoting the shire in the Melbourne Metro trains and in commercial television and radio campaigns
Conduct familiarisation tours for the Port Fairy and Region Visitor Information Centre volunteers	◇	No impact on Strategic Long Term Plan	Our volunteers (tourism ambassadors) have a good understanding of the region's tourism product, allowing them to better inform visitors about accommodation, food and attraction options.

Educate key stakeholders and the community about planning, environmental and waste management and regulatory matters and processes

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Have the Waste Reduction Group's waste education trailer taken to local schools	◇	Minimal on-going impact	Children can educate their parents.
Have the Waste Wise trailer taken to local meetings and sporting events	◇	Minimal on-going impact	Moyne supports local groups.
Mail-out of calendars	◇	Minimal on-going impact	Information for the public
Hold Coastal Focus to gain feedback from the community on coastal change	√	Externally funded; no impact	Community engaged and understanding the Coastal Hazard Assessment for Port Fairy
Make a community presentation on adaptation to coastal impacts of climate change	√	Externally funded; minimal impact	Increased understanding of Local Coastal Hazard Assessment for Port Fairy
Continue to engage the community in tree-planting through the Council – Community Carbon Offset Program	◇	Small annual commitment by the Council	Increased awareness around carbon emissions and offsetting involvement in grant application process

Support community events and festivals throughout the shire

What we said we would do to meet this strategic statement	Status	Impact on Strategic Long Term Plan	What it means
Continue to financially support festivals and events across Moyne Shire	◇	Promotes self-sustaining events	In 2011/12 Moyne Shire financially supported 22 festivals and events across the shire totalling \$90,000. Events supported included Koroit Irish Festival, Mortlake Muster, Moyneyana Festival and Woorndoo Country Music Festival.
Provide local committees with advice and in-kind support and encourage meetings with other festivals to share ideas, resources and equipment	◇	No impact on Strategic Long Term Plan	Moyne Shire encourages festivals and events to grow by providing advice and equipment, thereby encouraging new and vibrant arts and cultural activities.



PERFORMANCE INDICATORS

Indicator	2011/12	2010/11	2009/10	2008/09	2007/08
Community satisfaction score for town planning policy and approvals (score out of 100).	N/A not recorded in 2012 CSS ¹	54	56	55	52
Number of building permits issued.	96 issued by the Council- 265 by private building surveyors	95 issued by the Council 283 by private building surveyors	115 Council-issued 280 by private building surveyors	373	392
Number of planning permits issued compared to those received.	303 - 355	326 - 343	384-327	319 – 293	333 - 400
Number of fire prevention notices issued.	260	335	538	232	434
Amount of ECO-Buy recycled products purchased	\$191,396	\$737,719	\$281,018	\$244,498	\$358,473
Community Satisfaction Score for waste management (score out of 100)	N/A not recorded in 2012 CSS ¹	68	63	64	65
Number of septic permits issued	92	109	113	101	112
Community satisfaction score – economic development (score out of 100)	N/A not recorded in 2012 CSS ¹	63	66	63	65

Indicator	2011/12	2010/11	2009/10	2008/09	2007/08
Amount of financial support provided to local festivals	\$90,000	\$90,000	\$96,400	\$86,400	\$86,400
Income generated from Council-owned caravan parks	\$2.7m	\$2.5m	\$2.5m	\$2.3m	\$2.1m
Percentage of the 66 permanent berths rented at the Port of Port Fairy	100%	100%	100%	100%	100%
Number of visitors through the Port Fairy Visitor Information Centre	70,791	72,288	71,696	72,167	73,869

1 Due to changes in survey methodology and content, the results for the community satisfaction are not directly comparable with previous years' results.

NATIONAL ASSET MANAGEMENT ASSESSMENT FRAMEWORK REPORTING

Major changes in functions of the Council, organisation structure and/or policy initiatives and how these changes might impact on the Council's Strategic Longer Term Plan

Major service changes	Impact
Beach renourishment and other coastal hazard works at Port Fairy	Arising from the findings of the Coastal Hazard Research to be completed in 2012, there will be a need for ongoing annual sand renourishment and seawall repair works.

THE FUTURE

MAJOR INITIATIVES FOR THE COMING YEAR

- Roadside weed control – likely to require the creation of a roadside weed management plan in partnership with DPI
- Upgrade Killarney waste facility
- Review general local laws
- Implement a quarterly newsletter for food premises.
- Implement through an amendment to the Moyne Planning Scheme the adopted Rural Housing and Settlement Strategy and Land Capability and Biodiversity Strategy
- Complete implementation of the Port Fairy Floodplain Management Plan by amending the Moyne Planning Scheme to reflect the recommendations of the study.

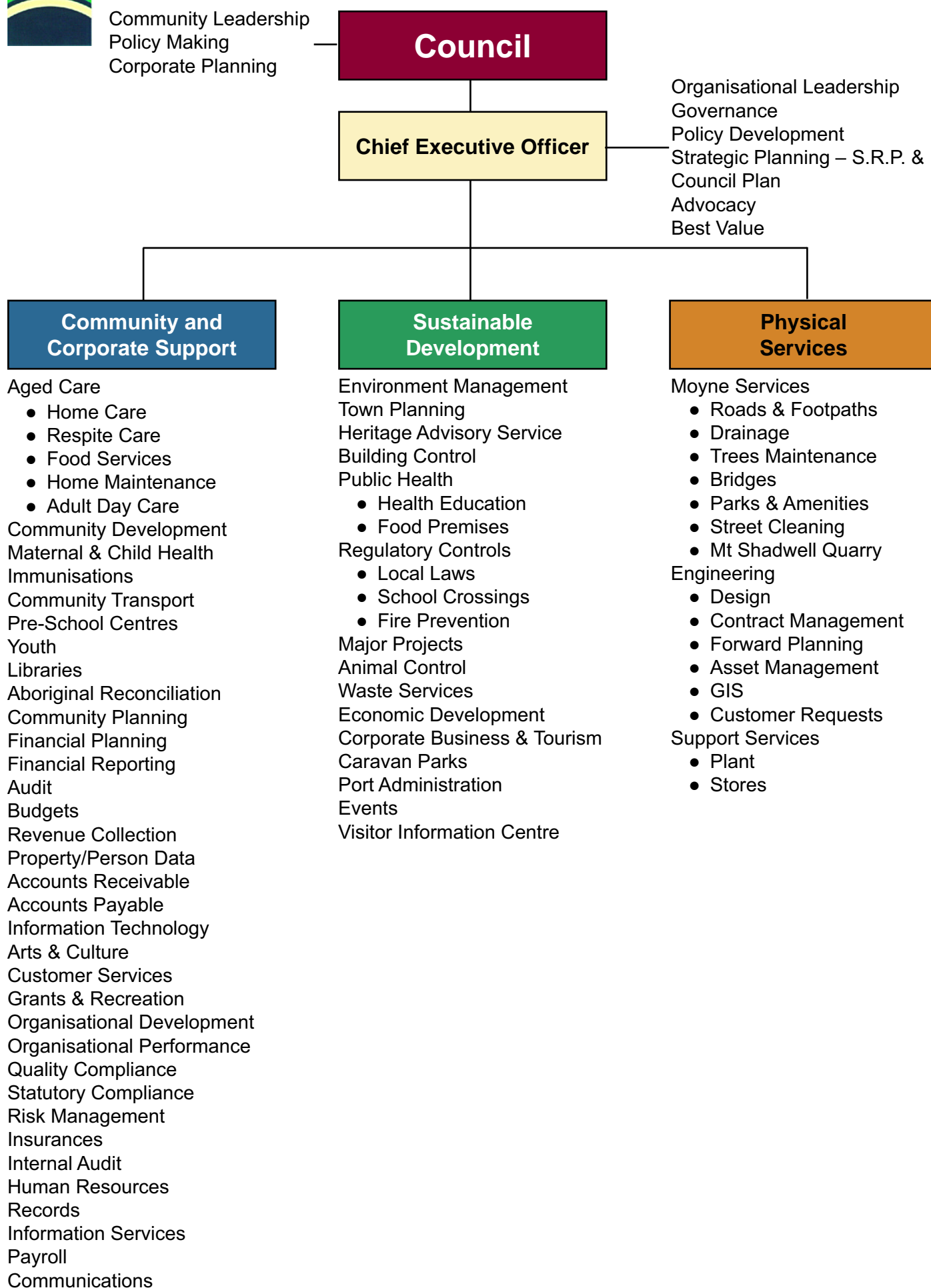
OUR PEOPLE

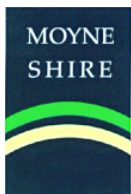




Organisational structure

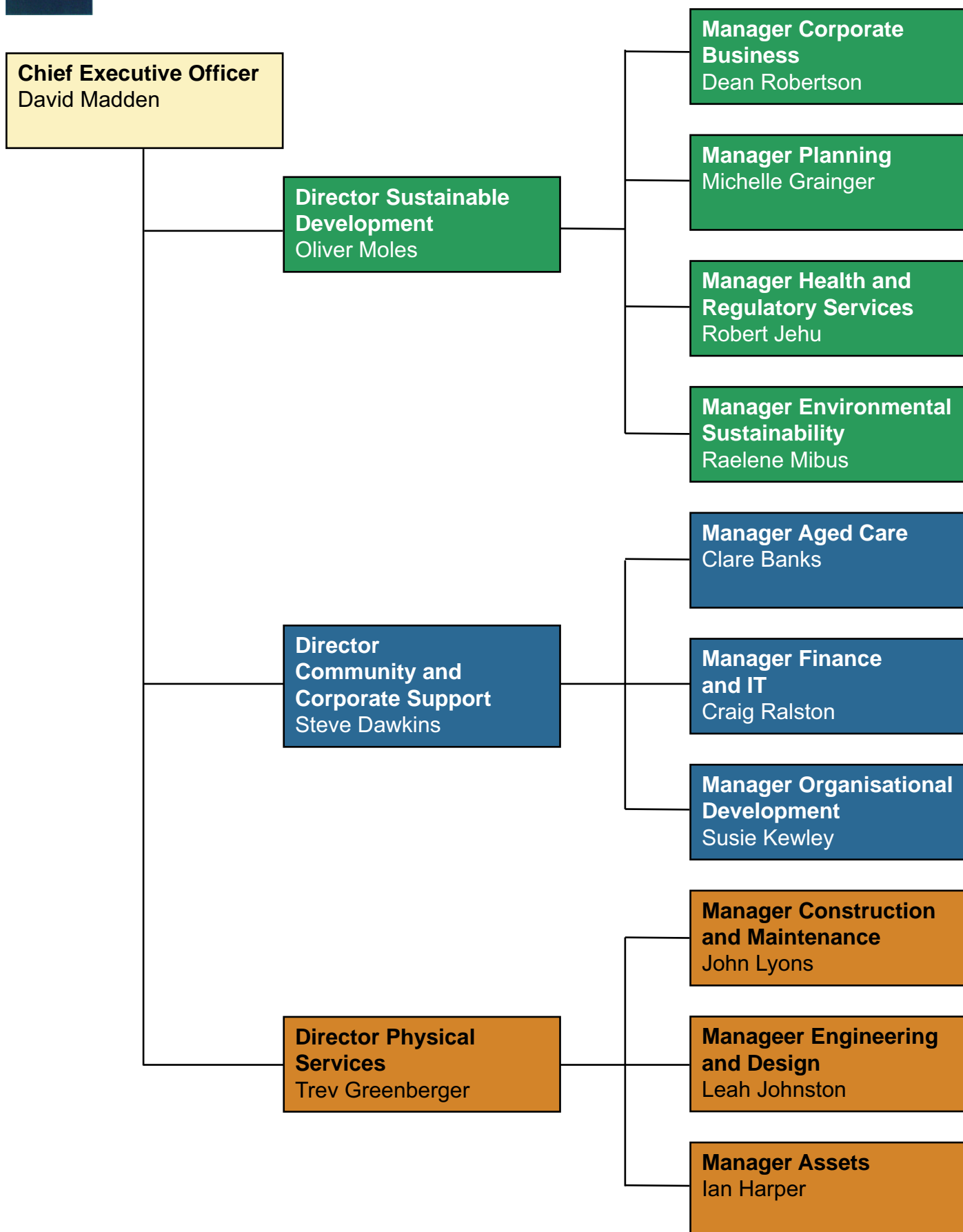
as at 30 June, 2012





Management structure

as at 30 June 2012



EXECUTIVE MANAGEMENT TEAM

Moyne Shire Council's Executive Management Team comprises the CEO and three directors who meet fortnightly. The organisation's other managers make up the Senior Management Team.

DAVID MADDEN CHIEF EXECUTIVE OFFICER

Mr Madden began his four-year term as Chief Executive Officer on Monday, 31 January, 2011, bringing a strong focus on service delivery and community engagement.

Previously he was Director Technical Services at Golden Plains Shire Council for fifteen years. His duties at Golden Plains include planning, building, local laws, roads, contracts and waste management.

Mr Madden holds a Bachelor in Civil Engineering and a Graduate Diploma in Municipal Engineering and Management. He has been Vice President of Regional Arts Australia and Chairman of Regional Arts Victoria.

STEVE DAWKINS DIRECTOR COMMUNITY AND CORPORATE SUPPORT

Mr Dawkins started with Moyne Shire Council in July 2008 after serving nearly four years as Manager Family and Children's Services at Greater Shepparton City Council. Mr Dawkins oversaw the areas of community support and development, home care, maternal and child health, kindergartens, the arts, youth and libraries, and internal services including finance, IT and customer service.

Mr Dawkins is a qualified kindergarten teacher and over his career has worked in Local and State Government, as a lecturer at TAFE and has run his own consultancy and child care businesses. He has a wealth of experience in community and children's services, engagement and community development.

He holds a Bachelor of Arts (Politics), Graduate Diploma Early Childhood Education, and a Graduate Diploma Special Education. Mr Dawkins is a member of the Local Government Professionals Association (LGPro) and sits on a number of statewide advisory boards in the human and community services areas.

Mr Dawkins resigned from the Moyne Shire on April 20, 2012, to explore other opportunities.

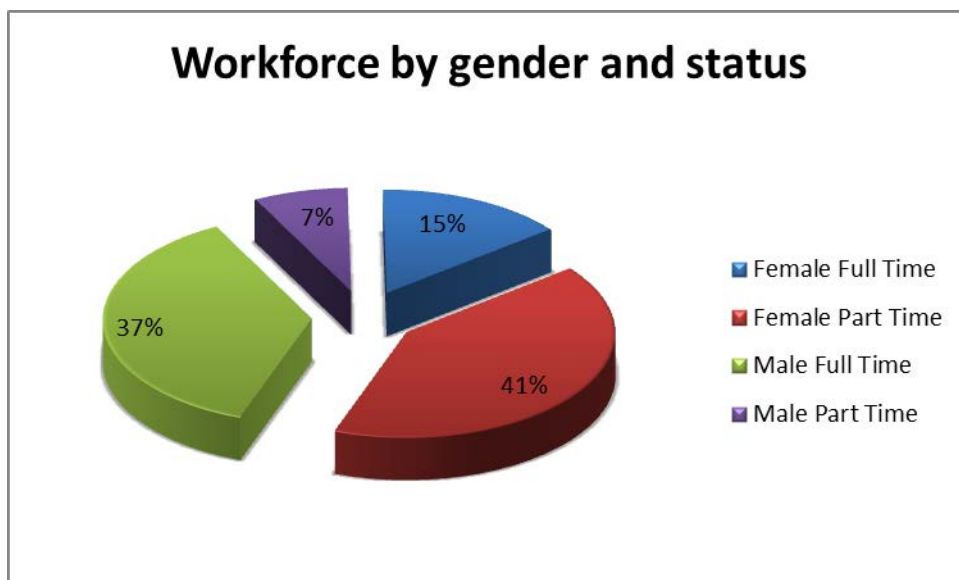
WORKPLACE PROFILE

Diverse and highly skilled, Moyne Shire Council is proud of its staff members who boast a variety of skill sets across a broad range of disciplines. From town planning to road maintenance crews, parks and gardens, accounting, community development, organisational administration and public relations, the Council offers fantastic career opportunities for local people and is one of the largest employers within Moyne Shire.

In 2011/12 Moyne Shire Council employed 326 people in the equivalent of 220 full-time positions.

Workforce by gender and status

Note – 'part-time' includes temporary, seasonal and casual staff



Staff numbers by gender and status

	Physical Services	Community & Corporate Support	Sustainability	Total
Female - Full Time	6	26	16	48
Female – Part Time	7	89	13	109
Female – Casual	2	19	4	25
Male - Full Time	88	13	19	120
Male – Part Time	3	0	6	9
Male – Casual	1	3	11	15
TOTAL	107	150	69	326

Staff numbers by business unit

	Full Time	Part Time	Casual & Temporary	Total
Physical Services	94	10	3	107
Community and Corporate Support	39	89	22	150
Sustainability	35	19	15	69
TOTAL	168	118	40	326

LEARNING AND DEVELOPMENT

Learning and development programs continue to offer our people the opportunity to build on skill sets in a number of critical areas including professional development and occupational health and safety.

Employee and elected member training is an important organisational priority at Moyne Shire Council and is a necessary precursor to productivity improvements, enhanced efficiency, legislative compliance, continual improvement and improved business performance.

Council offers all staff a training program in each year. This program is informed by needs analysis, training identified in annual performance appraisals and discussions with management

Some of the training completed included:

- certificate 3 and 4 courses
- diplomas
- post-graduate studies
- traineeships
- cadetships
- management training schemes
- health and well-being training
- technology and database systems

EMPLOYEE SUPPORT

The Moyne Shire Employee Assistance Program offers support strategies to assist employees with people-related issues within the organisation. It is specifically designed to support people with either personal or work-related issues that are impacting on their well-being and work performance.

Moyne Shire Council provides staff a **Health and Well-being Program** in an effort to assist staff make sound lifestyle decisions. Some of the initiatives over the past 12 months included:

- Work health checks
- Well at Work publications
- Fitness/gymnasium group
- Immunisation program
- Meditation workshop
- Health heart challenge

WOMEN IN LOCAL GOVERNMENT

Furthering Moyne's commitment to the Victorian Local Government Women's Charter a Great South West Councils' Women in Local Government Steering Committee was established, which includes employee representation from the six Great South Coast Councils.

The committee's terms of reference and action plan include reference to providing advice and guidance to the Great South Coast executives/Councils on strategies which aim to promote, develop and coordinate regional Women in Local Government network and career development events and opportunities.

To achieve a key step in the action plan, the committee undertook a survey of female Council employees to collectively gain information to best meet the terms of reference outcomes, action plan and employee requirements.

Taking into account the survey outcomes, the committee hosted a Women in Local Government event in March 2012. The key theme was 'finding the right path: growing your career with the support of others'.

Moyne Shire Council also was a host for the Think Women for Local Government campaign which was primarily funded by the Victorian Government, with support from local government and community partners.

The campaign aims to build the numbers and diversity of women candidates in the Victorian local government elections in October 2012. In May 2012 Moyne hosted to a regional forum for the Barwon South West/Grampians region.

STAFF SERVICE AWARDS:

Years of service	Name
45 years	John Lyons
35 years	Don Thulborn
30 years	Kevin Edwards
15 years	Clare Banks
	Max Dumesny
	David Little
	Kerry Pimblett
	Sandra Shanahan
10 years	Rhonda Allardice
	Sandra Batten
	Joanne Brozinski
	Tony Coolahan
	Cheryl Gardiner
	Brett Anders
	Russell Guest
	Bryan Parker
	Ian Porter
	Craig Ralston
5 years	Gail Burrow
	Andrew Gilmore
	Wayne Jenkins
	Peter Keen
	Adele Krepp
	Barry McCosh
	John McGuigan
	Tracy O'Connor
	Gavan Sharp
	Joanne Stafford
	Susan Summers

VOLUNTEERS

Moyne Shire Council is proud to have many local people contribute their time and skills as volunteers, helping us deliver much-needed services to the community and the many people who visit our shire each year.

Moyne uses the services of 25 volunteers at the Port Fairy and Region Visitor Information Centre (VIC) advising tourists about what to see and do in the shire. VIC volunteers are provided with familiarisation tours of local accommodation houses, restaurants and attractions so they are well educated and can provide accurate advice.

The Council also has 20 telecarers who volunteer to provide a telephone support services to aged residents who live alone. Telecarers work on a roster system and phone clients five days a week to check on their health and well-being, which also provides an important social outlet. Our volunteers help provide essential services and make an important contribution to Moyne Shire's social fabric.

We gratefully acknowledge their dedication and thank them for their hard work during 2011/12.

CUSTOMER SERVICE COMMITMENT

Moyne Shire Council staff members are committed to ensuring our customers receive responsive, courteous and efficient service. In conducting the business of the Council we aim to:

- make our customers and visitors feel welcome;
- provide friendly, courteous, accurate, reliable and professional service;
- provide inclusive and accessible customer service;
- listen to and understand the real needs of our customers;
- endeavour to fairly meet customer and community expectations;
- empower our staff to make decisions and take responsibility for responding to customer requests; and
- recognise that complaints are an opportunity to improve service.

The full Moyne Customer Service Commitment document is available on the Council's website at www.moyne.vic.gov.au/documents

WORKPLACE RELATIONS

Moyne Shire Council's Staff Consultative Committee (SCC) meets regularly to discuss workplace issues. The committee is made up of management and union representatives.

Moyne Shire will enter into negotiations for a new Enterprise Bargaining Agreement in 2013. This agreement outlines employee pay and conditions and protects workers' workplace rights.

EQUAL EMPLOYMENT OPPORTUNITY

Moyne Shire Council is fully committed to the principles of Equal Employment Opportunity (EEO), ensuring all employees and job applicants are treated on their ability to carry out the functions of a position and not on any presumed or real attributes that may be thought to affect job performance. This is implemented by non-discriminatory processes in all areas of Human Resources, including, but not limited to, recruitment and selection, conditions of employment and termination of employment.

The Council's policy provides that all employees are entitled to work in an environment free from sexual harassment, bullying and discrimination. No person shall be discriminated against on the grounds of sex, age, marital status, national or ethnic origin, physical disability, socio-economic status, sexual preference, political or religious beliefs.

As part of the EEO program the Moyne Shire Council Staff Consultative Committee (SCC) meets regularly to discuss any issues relating to EEO, including any issues of sexual harassment or discrimination. The SCC ensures that all staff have access to a fair and efficient grievance review process, which addresses breaches of meritocracy and equity.

OCCUPATIONAL HEALTH AND SAFETY (OH&S)

OH&S PERFORMANCE

In 2011/2012 there were 56 reported incidents compared to 55 in the previous year. They included five lost-time injuries compared to 10 in 2010/2011. The amount of reported incidents is related to a robust system which has been promoted by the work of the OH&S/Risk Officer and Field Safety Officer in educating our workforce about safety in the workplace. Reporting of all incidents and investigations shows the Council's commitment to manage health and safety through all Council activities and rectify safety issues from reporting and a proactive inspection regime.

OH&S UNIT

The OH&S Unit has two full-time permanent staff members and works closely with employees and management on a daily basis ensuring policies and procedures are followed, safety training is updated and education and awareness are ongoing.

Moyne Shire is an active member of WASH (Warrnambool Area Safety Health Group Inc.) and participates in safety events and presentations to the wider safety community within the district.

OH&S COMMITTEE

The Council has an OH&S committee made up of management and employee representatives. The committee meets every two months to review policy, raise issues and ensure the whole organisation works safely. In 2011/12, the committee met six times, with outcomes including OH&S policy reviews, identification of required training, incident reporting and investigations, plant risk assessment developments, updates on the safety plan calendar and SafetyMAP action plans to name a few.

In December 2011 the OH&S Committee and CEO performed an annual review of performances for the previous year and establish Key Performance Indicators (KPIs) for the next 12 months.

This included increasing the reporting on the safety performances to EMT and managers on a monthly basis.

OH&S TRAINING

The Council is committed to ongoing OH&S training. The OH&S and Risk Officer and the Field Safety Officer continually discuss issues of concern with staff and identify areas that need attention. During 2011/12 the Council provided staff with training in manual handling, asbestos awareness, stress in the workplace, model work Health and Safety Act (Managers), mental health awareness, OH&S representation, fire warden training, first aid/CPR level two, anaphylaxis awareness and numerous internal OH&S policy training sessions.

CORPORATE GOVERNANCE REPORTING

GOALS AND THE STRATEGIES
TO MEET THEM

OUR GOVERNANCE SYSTEMS

Moyne Shire Council's corporate governance systems are in place to ensure that the organisation operates within the intent and spirit of legislation that outlines its authorities. The term "corporate governance" refers to the aim of instilling corporate fairness, transparency and accountability. It is the structure through which an organisation sets its goals and the strategies to reach those goals. It also determines performance monitoring guidelines and encourages the efficient use of resources.

Many of these corporate governance processes – whether internal or guided by Acts of Parliament – interrelate with one another with the requirements embedded in the organisational culture and overseen by the Council.

This section of Moyne Shire Council's 2011/12 annual report outlines our corporate governance systems and performance for the year.

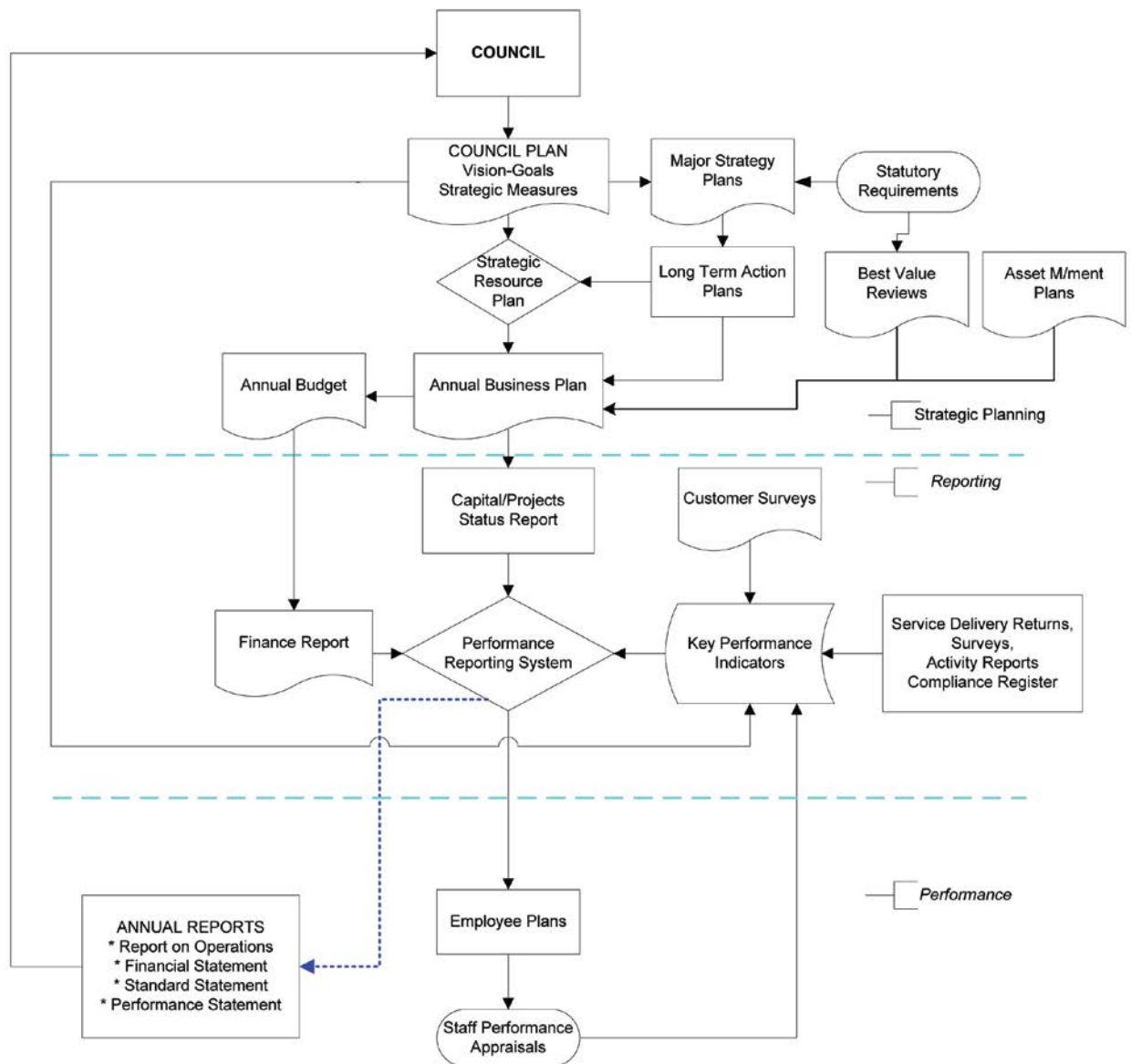
MOYNE'S STRATEGIC PLANNING FRAMEWORK

The Moyne Shire Council Plan is the key document that drives the strategic direction of the Council. It is on the Council Plan that this annual report is based to ensure we report on how we have performed against our core organisational goals.

The Strategic Resources Plan contained in the Council Plan identifies the financial and non-financial resources available for the next four years to achieve the strategic objectives. A copy of the Council Plan is available on our website at www.moyne.vic.gov.au/documents.

The framework for the Council Plan includes a series of strategic planning tools as outlined in the flowchart on the following page.

STRATEGIC PLANNING FRAMEWORK



INDICATORS

The Victorian Local Government Indicators are standard markers Councils are required to measure and report on each year. The indicators aim to establish clearly defined benchmarks which enable comparisons of data between Councils, and over time. They comprise community satisfaction ratings and financial ratios, which are set to represent a Council's overall health.

Category	Indicator	2012 Result
Overall Performance	Community satisfaction rating for the Council's overall performance	57
Advocacy	Community satisfaction rating for the Council's lobbying on behalf of the community	56
Community Consultation	Community satisfaction rating for the Council's community consultation and engagement	61

*Note – due to changes in survey methodology and content, the results for the community satisfaction are not directly comparable with previous years' results

Category	Indicator	2012 Result	2011 Result
All rates	Average rates and charges per assessment	\$1,291	\$1,224
Residential rates	Average residential rates and charges per residential assessment	\$1,093	\$987
Operating costs	Average operating expenditure per assessment	\$3,704	\$3,351
Capital expenditure	Average capital expenditure per assessment	\$1,019	\$1,243
Infrastructure	<i>Renewal</i> – spending on capital renewal of infrastructure as a percentage of the depreciation value <i>Renewal and maintenance</i> – spending on capital renewal and maintenance of infrastructure as a percentage of the depreciation value plus maintenance	97%	72%
Debts	Average liabilities per assessment	\$1,192	\$958
Operating result	Operating result per assessment	\$343	\$444

ORGANISATIONAL PROCESSES

GOVERNANCE MANUAL

The Council maintains a comprehensive and regularly updated Governance Manual that details how the Council is governed. The manual can be obtained from Council offices in Mortlake, Port Fairy and Macarthur (see back page for addresses). The manual defines the role and functioning of the Council, accountability and reporting standards, decision-making processes and the support available to Councillors.

POLICY MANUAL

Policy “A general guideline to regulate the organisation’s actions and conduct, and to provide the philosophical standard of criterion to help users exercise good judgement and discretion in the management of daily affairs.”

The Council uses a Policy Manual to help encourage the most effective and efficient use and management of the Council’s resources. The Policy Manual also helps staff and the Council maintain a fair decision-making process. This manual is available for inspection at all Council offices (addresses on back page of this report).

Policy statements and delegation authorities allow for most of the Council’s day-to-day business to be handled by the administration, freeing up the time of the elected members to determine major policy and resource allocation issues. Generally, policies evolve as issues come before the Council and should continue to evolve through a process of review and refinement.

FUNCTION CHANGES

The Council is constantly reviewing the staff structure to ensure that we have our human resources maximised. Only minor changes have occurred with changes in the management level of the town planning unit. The audit functions of Council now sit under the Manager Finance, while Continuous Improvement and Change Management sit under the Manager Organisational Development.

LEGISLATIVE CHANGES

The Council is mindful of the importance of remaining compliant with the many legislative amendments that occur. Moyne Shire Council undertook a desktop audit and policy review to be ready for the implementation of the Occupational Health and Safety Act Harmonisation.

The Council has continued the role of the Emergency Management (fire) Coordinator as a shared resource with Warrnambool City Council to meet requirements from the 2009 Victorian Bushfires Royal Commission. The 2012 Long Service Leave Regulations have replaced the 2002 regulations. The local government sector is seeking clarification from the Department of Planning and Community Development (DPCD) to work through some of the ambiguity of the new regulations.

INTERNAL AUDIT

The internal audit program, in conjunction with external audit programs, links closely with the Council's risk management policy in aiming to identify areas of risk, assess existing controls and implementing actions to further minimise risk exposure. The internal audit program is determined through consultation with the Moyne Shire Audit Advisory Committee and the Chief Executive Officer. Primarily, an audit program is designed to review the areas of highest risk, but consideration is also given to ensure a periodic review of all Council processes. Interaction between the Audit Advisory Committee, internal audit contractors and external auditors ensures that a comprehensive audit program mitigates all areas of risk.

The current committee consists of two independent members and two Councillors: The committee also has in attendance the Chief Executive Officer, three Directors and the Manager of Finance. The Audit Committee has played an important role in monitoring and promoting high standards of corporate governance of the Council. Moyne Shire Council has contracted an internal auditor to conduct scheduled audits every year. The internal audit program focuses on medium to high risk areas of Council operations, and includes internal service delivery. The internal audits identify improvement actions that will improve operational efficiency and maximise service delivery while minimising organisational risk.

Moyne's internal auditors conducted audits and prepared recommendations on a range of issues in 2011/12, including:

- Scrap metal review
- Profitability of external works
- Accounts payable review
- Records management review
- Employee costs increase review
- Risk registers

The annual review of outstanding recommendations was also submitted.

FREEDOM OF INFORMATION REQUESTS

The Freedom of Information Act 1982 provides the opportunity for public access to Council documents, subject to various exemptions and exceptions. The Act establishes a legally enforceable right for the community to access information in document form held by the Council.

Moyne Shire Council received 10 new Freedom of Information applications during 2011/12, two were granted full access and eight were granted partial access.

Requests for access to information under Freedom of Information are lodged with the Council's Freedom of Information Officer. Publications under Sections 7 and 8 of the Freedom of Information Act are available to the public and can be obtained by contacting the Freedom of Information Officer.

WHISTLEBLOWER PROTECTION

The Whistleblowers Protection Act 2001 aims to protect people who disclose information about serious wrong-doing within the Victorian public sector, and to provide a framework for the investigation of these matters. The Council has detailed procedures for dealing with any disclosures it may receive.

The Act requires the Council to report on any whistleblower activity. No disclosures were made under this provision during 2011/12.

INFORMATION PRIVACY

The Information Privacy Act 2000 sets standards for the way Councils collect and handle personal information.

Moyne Shire Council believes that the responsible handling of personal information is a key aspect of democratic governance and the Council is strongly committed to protecting an individual's right to privacy.

Individuals can lodge a complaint with Privacy Victoria if they believe a privacy breach has occurred. No complaints were received in 2011/12.

INFORMATION AVAILABLE FOR PUBLIC INSPECTION

In accordance with Section 11 of the Local Government (General) Regulations 2004, the following documents are available for public inspection:

1. details of current allowances fixed for the mayor and Councillors;
2. details of senior officers' total salary packages for the current financial year and previous year;
3. details of overseas or interstate travel undertaken in an official capacity by Councillors or any Council staff in the previous 12 months;
4. names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
5. names of Councillors who were required to submit a return of interest during the financial year and the dates the returns were submitted;
6. agendas for and minutes of ordinary and special meetings held in the previous 12 months;
7. a list of all special committees established by the Council and the purpose for which each committee was established;
8. a list of all special committees established by the Council that were abolished or ceased to function during the financial year;
9. minutes of meetings of special committees established under Section 86 of the Local Government Act 1989 and held in the previous 12 months;
10. register of delegations;
11. submissions received under Section 223 of the Local Government Act 1989 during the previous 12 months;
12. agreement to establish a regional library;
13. details of all property, finance and operating leases entered into by Council as lessor or lessee;
14. register of authorised officers appointed under Section 224 of the Local Government Act 1989;
15. list of donations and grants made by the Council during the financial year;
16. list of names of the organisations of which the Council was a member during the financial year; and
17. a list of contracts valued at \$100,000 or more which the Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in Section 186 (5) of the Local Government Act 1989.

COUNCIL PROCESSES

COUNCIL MEETINGS

Moyne Shire Council ordinary meetings are held on the fourth Tuesday of each month and alternate between Port Fairy and Mortlake.

In 2011/12 the Council held 14 major meetings – 12 ordinary Council meetings and two special Council meetings.

MEETING ATTENDANCE JULY 2011–JUNE 2012

Councillor	Ordinary Meetings	Special Meetings
Cr Jim Doukas	12	2
Cr Ken Gale	11	2
Cr Bernie Harris	11	2
Cr Jill Parker	12	2
Cr James Purcell	11	2
Cr Colin Ryan	12	2
Cr Mick Wolfe	12	2

DECLARATIONS OF INTEREST

Moyne Shire Council is committed to making all decisions impartially and in the best interests of the whole community. It therefore recognises the importance of fully observing the requirements of the Local Government Act in regard to disclosures of interest and conflicts of interest.

Councillors must declare direct and indirect interests in any matter – and the nature of the interest – before a matter is to be discussed, and remove themselves from both the discussion and voting.

Councillors declaring an interest at a Council meeting or special committee meeting complete a disclosure form which states the type of interest and the nature of the interest. These details are recorded in the minutes of the meeting.

During the year all Councillors are required to submit an “ordinary interest” return in a prescribed form. The returns are kept in a register, which is available for public scrutiny under a process established in the Local Government Act.

COUNCILLOR CODE OF CONDUCT

The Councillor Code of Conduct sets the standards expected of Councillor behaviour and disclosure, and identifies a process for resolving complaints. There were no complaints made under the code in 2011/12.

COUNCIL SPECIAL AND ADVISORY COMMITTEES

Special committees of the Council are appointed under Section 86 of the Local Government Act 1989. These committees are established for a range of reasons, but mainly when the Council is sure that a committee is the most efficient way to review policy and/or monitor and assess the performance of a specific function of the Council, and manage and/or advise on the operation and maintenance of a Council property or service.

Advisory Committees are established by the Council to help in the consultative process and to provide valuable information to support the decision making of the Council. Both special and advisory committees are made up of Council and community representatives, but special committees have more decision-making powers.

Moyne Shire Council had nine special committees and 21 advisory committees active at the end of 2011/12.

Special Committees of Council (Section 86) at 30 June, 2012.

Special Committee name	Councillor membership
Business Enterprises and Tourism Aims – to enhance the development of business and tourism in the shire; to implement strategies to increase employment and encourage economic growth.	Cr Ken Gale Cr Jill Parker Cr Colin Ryan
CEO Performance Review Aim – to undertake performance reviews of the Chief Executive Officer.	Cr Jill Parker Cr Jim Doukas Cr James
Conservation and Environment Aims – to raise the awareness of environmental issues within Moyne Shire; to oversee the development of strategies that will lead to increased protection and enhancement of the environment.	Cr Jill Parker Cr Mick Wolfe Cr Colin Ryan
Koroit Theatre Aims – to co-ordinate and control the management of the Koroit Theatre; to act as a liaison advisory, promoting and co-ordinating body for the use and further development of the Koroit Theatre.	Cr Ken Gale Cr Colin Ryan
Port of Port Fairy Aim – to control and manage the operation and development of the Port of Port Fairy.	Cr James Purcell Cr Mick Wolfe
Reardon Theatre Aims – to control and manage the theatre; to act as a consulting liaison, advisory, promoting and co-ordinating body for the development of the theatre.	Cr Colin Ryan Cr Mick Wolfe
Southcombe Park Sports Aims – to control and manage the sports complex; to act as a consulting liaison, advisory, promoting and co-ordinating body for the development of the sports complex for the foundation and benefit of approved indoor/outdoor sports and recreation.	Cr Mick Wolfe
Sport and Recreation Aims – to give guidance and advice to the Council on sport and recreation;	Cr Bernie Harris

Special Committee name	Councillor membership
<p>to act as a consultation, liaison, advisory, promotion and co-ordination body for the development of sport and recreation across Moyne Shire; to encourage and foster a sport and recreation network in Moyne Shire; to inform and educate the community and promote sport and recreation activities; to develop the Sport and Recreation Strategy and oversee its implementation.</p>	
<p>Victoria Park Koroit</p> <p>Aims – to co-ordinate and control the management of the park; to maximise the shared-use and multi-use of existing and proposed new facilities and spaces at the park; to maximise the broad community use of existing facilities and spaces at the park; to maximise the input of the local community in the planning and management of the park; to co-ordinate the use of the reserve by regular user groups, casual user groups, and by the community for informal/unstructured activities; to exercise all of the contractual rights under the licence agreement between the Koroit Agricultural Society Inc. and the Council in respect of the society's lands at the park.</p>	<p>Cr Jim Doukas Cr Ken Gale</p>

Advisory Committees at 30 June, 2012.

Advisory Committee name	Councillor membership
Audit Aims – to enhance the credibility and objectivity of financial reports; to overview the organisation's response to audit reports; to provide a safeguard from exposures; to overview the scope, quality and outcome of the internal audit and the outcome of the external audit.	Cr Jim Doukas Cr Jill Parker
Arts and Culture Aims – to give guidance to the Council on arts and culture; to inform, educate and promote arts and cultural activities; to encourage and foster an arts network in Moyne Shire.	Cr Jim Doukas
Community Assistance Fund Aims – to prioritise applications received from community organisations for funding under the Council's Community Assistance Fund program; committee minutes including recommendations reported to the Council for determination on a quarterly basis.	Cr Ken Gale Cr Mick Wolfe Cr Colin Ryan
Community Safety Aims – to facilitate the development and implementation of a "living" Moyne Shire Community Safety Plan; to monitor progress and developments of the Moyne Shire Community Safety Plan; to foster and facilitate community safety planning at the local level; to provide a forum to support improved co-ordination of innovative local safety programs aimed at increasing the safety of shire residents, workers and visitors; to contribute to identification of community safety issues, needs and trends that affect the safety of all residents, workers and visitors to the shire; to identify, promote and implement, in partnership with other groups, programs designed to achieve measurable improvements in community safety, including the perception and the reality of being safe; to encourage enhanced partnerships between the Council and other stakeholders across all sectors of the community.	Cr Jill Parker (substitute Cr Mick Wolfe)
Hawkesdale and District Family Services Centre Management Advisory Group Aim – to provide the Council with strategic advice relating to the ongoing operation of the centre, work to ensure the centre meets users' needs, undertake social and fundraising activities and gather input from the Council, staff, parents and the community.	Cr Colin Ryan
Hawkesdale, Ryan Corner and Tarrone Wind Farm Projects Charter being prepared	Cr Colin Ryan

Advisory Committee name	Councillor membership
Koroit Geothermal Project Community Engagement Charter being prepared	Cr Jim Doukas Cr Ken Gale Cr Colin Ryan
Macarthur/Hawkesdale Wind Farm Consultative Aim – to establish a community engagement mechanism to be utilised during the pre-construction, construction and, if necessary, during the operational phase of major private sector projects.	Cr Jim Doukas Cr Ken Gale Cr Colin Ryan
Major Projects Aims – to oversee and review progress with major industrial developments within Moyne Shire; to recommend to the Council strategies to facilitate and maximise economic benefits for Moyne Shire and region as a consequence of major developments; to recommend to the Council responses to state and regional strategic planning initiatives.	Cr Jim Doukas Cr Ken Gale Cr Colin Ryan
Mortlake Power Station Community Engagement Aim – to establish a community engagement mechanism to be utilised during the pre-construction, construction and if necessary, during the operational phase of major private sector projects.	Cr Jim Doukas Cr Ken Gale Cr Colin Ryan
Mt Shadwell Quarry Consultative Aims – to provide a forum at which community representatives can raise issues regarding the operations of the quarry and the direction the Council is taking to develop the quarry; to assist the Council in decision-making about operational and strategic matters.	Cr Bernie Harris Cr Jill Parker
Port Fairy Community Services Centre Management Advisory Group Aim – to provide advice to the Council in relation to operational issues which may include but are not limited to the following areas: <ul style="list-style-type: none"> • Service delivery • Facility management • Fees and budget • Community participation • Fundraising • Service development 	Cr James Purcell
Port Fairy Lifeboat Aims – To develop a plan of conservation for the Port Fairy Lifeboat Station; to accept responsibility for the buildings and artefacts of the station, thereby recognising the value of this collection for Australian maritime history.	Cr Mick Wolfe

Advisory Committee name	Councillor membership
<p>Roads Focus Group</p> <p>The group's role is to gain an understanding of Moyne Shire's road practices and policies, provide a forum on the Council's road network practices, policies, and generic issues and to act as a conduit for questions from and dissemination of information to the community regarding levels of service and service delivery, including VicRoads responsibilities within Moyne Shire, for management of the Moyne Road Network.</p>	<p>Cr Jim Doukas Cr Bernie Harris Cr Mick Wolfe</p>
<p>Shaw River Power Station Community Engagement</p> <p>Aim – to establish a community engagement mechanism to be utilised during the pre-construction, construction and, if necessary, during the operational phase of major private sector projects.</p>	<p>Cr Jim Doukas Cr Ken Gale Cr Colin Ryan</p>
<p>Tarrone Power Station Proposal Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Ken Gale Cr Colin Ryan</p>
<p>Willatook Wind Farm Proposal Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Ken Gale Cr Colin Ryan</p>
<p>Halladale Black Watch Project Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Bernie Harris Cr Mick Wolfe</p>
<p>Mortlake South Wind Farm Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Bernie Harris Cr Jill Parker</p>
<p>Penshurst Wind Farm Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Colin Ryan</p>
<p>Woolsthorpe Wind Farm Proposal Community Engagement Committee</p>	<p>Cr Jim Doukas Cr Ken Gale Cr Colin Ryan</p>

BEST VALUE

The Best Value program is a key component of the Council's continuous improvement plan – to ensure it continually finds ways to improve its service and ensure it is addressing the community's changing needs.

The Best Value principles allow the Council to benchmark services, assess their efficiency and gauge the extent to which they meet community needs. The aim is to improve the responsiveness, quality, efficiency, accessibility and value of the services the Council provides to the community.

The State Government introduced Best Value legislation in 1999 to replace Compulsive Competitive Tendering.

The Best Value program aims to ensure local government services are the best available and meet the needs of the community.

THE BEST VALUE FRAMEWORK

The Local Government (Best Value Principles) Act 1999 required the six Best Value principles to be applied to all Council services by 31 December 2005. The legislation also required Councils to review all their services by the same date, and continue to review services against the Best Value principles after this date. All of Moyne Shire Council's Best Value service reviews were completed by December 2005.

The Best Value principles are:

1. best quality and value-for-money
2. responsiveness to community needs
3. accessibility of services to those who need them
4. continuous improvement of services
5. community consultation on all services and activities
6. regular community reporting on Council achievements.

Moyne Shire Council has embraced all of these principles by incorporating them into its management planning process to ensure it provides the services that best reflect the needs of our community.

MOYNE'S YEAR IN REVIEW

The Council continues to apply Best Value principles to its services in accordance with the *Local Government Act*. The program of Service Reviews continued during 2011-2012 to address both cost effectiveness and service quality.

In 2011/12, Moyne Shire Council continued to use the Best Value principles and legislation as a framework for striving for best practice in service provision. Since the introduction of Best Value, all Victorian Councils have been required to report annually to the Best Value Commission (BVC) on their processes that help meet their commitments. The State Government removed this requirement in 2006 and replaced it with a requirement to report to the community on its Best Value progress. Moyne Shire Council believes it is appropriate that the reporting of Best Value processes now form part of its Annual Report.

The following demonstrate the Council's Best Value regime, which has been structured to show results against the Best Value principles.

THE PRINCIPLES – HOW WE MEET THEM

1. All services provided by a Council must meet quality and cost standards

Moyne Shire Council has developed Key Performance Indicators (KPIs) for the majority of its services in an effort to monitor service performance against the standards that have been set. The 2011/12 KPI results are listed in the table on page 97.

2. All services must be responsive to the needs of the community

Moyne Shire Council's commitment to its Community Engagement Framework ensures the Council continues to improve its responsiveness to its community, and continues to better understand community needs. The establishment of special committees, with community representation, for major projects such as the Origin Energy Gas Fired Power Station and the Hawkesdale Wind Farm are examples of the Council's intent to develop the shire in a way that is in keeping with the intent of the community.

3. Each service must be accessible to those members of the community that the service was intended for

Whether it be via technological advances or physical access improvements, the Council is constantly looking for improved ways to deliver services to its customers. The Council has developed a free online artists register to provide access to the Council's arts and culture services, the continuation of the community planning process which conducts strategic planning meetings within the townships is ensuring that local decision making is far more accessible. The development of the Uber Bus Project is an effort to create outreach services for young people in the municipality.

4. A Council must achieve continuous improvement in the provision of services

All Moyne Shire Council services are required to prepare continuous improvement plans to document processes that can be enhanced. The most important of those improvement initiatives are documented on the following page.

5. A Council must develop a program of regular consultation with its community in relation to the services it provides

Moyne Shire Council is always looking for opportunities to consult and engage with the community. To reinforce the importance of community engagement, the Moyne Shire

Local Roads Focus Group was established to work with the community to identify improvements that can be made to our road construction and maintenance systems.

6. A Council must report regularly to its community regarding Best Value achievements

Apart from this formal Best Value Report, Moyne Shire Council regularly publicises outcomes that are as a result of the Best Value principles. Media releases, Council reports, the Council's corporate website, its *Country to Coast* community newsletter and the Moyn-eNews email bulletin are some of the vehicles used to inform the community about service improvements.

CONTINUOUS IMPROVEMENT SUMMARY 2011/12 – BEST VALUE ACHIEVEMENTS

This list includes major achievements that indicate the ongoing implementation of a significant number of improvements in process and productivity across the organisation. The application of Best Value Principles (mandated by legislation) requires a commitment to continuous improvement.

- Port Fairy Streetscape – community consultation and concept plans developed. *Best Value Principles Section 208B (e) Community Consultation process*
- Hosted the Think Women for Local Government forum for the Barwon South West/Grampians Region. *Best Value Principles Section 208B (b) Responsive to needs of its community*
- Participant Council in the Regional Victoria Living Expo held at the Melbourne Convention and Exhibition Centre. *Best Value Principles Section 208C (f) Potential partnerships*
- Adopted the Moyne Shire Arts and Culture Strategy 2012. *Best Value Principles Section 208B (b) Responsive to the needs of its community*
- Employment Program partnership between Western District Employment Access and the Council providing short-term employment program to assist long term unemployed. *Best Value Principles Section 208C (e) Potential for employment Growth or retention*
- Carbon Emissions offset project – community groups received Council funds to plant trees in shared public areas to offset the carbon emissions of the Council's fleet vehicles. *Best Value Principles Section 208C (g) Environmental advantages for the Council's municipal district*
- Official opening of the Port Fairy to Warrnambool Rail Trail. *Best Value Principles Section 208B (c) Improved Access*
- Host of the 2012 Rural Summit attendance of over 200 delegates. *Best Value Principles Section 208C (f) Potential partnerships*
- Launch of the Leadership Great South Coast program – a leadership program meeting the needs to develop the regions aspiring leaders. *Best Value Principles Section 208C (e) opportunities for employment retention*
- Upgrade of The Sisters Soldiers Memorial Hall. *Best Value Review Principles Section 208B (d) Continuous Improvement*
- Completion and launch of the Uber Bus mobile youth centre. *Best Value Principles Section 208B (c) Improved Access*

BEST VALUE QUALITY AND COST STANDARDS

Best Value legislates that quality and cost standards are set to make sure the Council is providing a reasonable service to the community. The table below outlines targets Moyne Shire Council has set for each of its three Key Result Areas.

Key:

Target met



Target not met



Key Result Area	INDICATOR	Quantum	STANDARDS					
			Quality			Cost		
			Standard	Target	Result	Standard	Target	Result
1. Infrastructure and Assets	No. of km of grading completed	2066	Annual Budget submissions	2500	2066	Cost of grading per km	<\$330	\$304.00
2. Sustainable Development	No. of local laws infringements issued	108	Community Satisfaction Survey - enforcement of by-laws	n/a	n/a	Unit costs local laws per capita	<\$5.58	\$23.14
3. Community and Corporate Services	No. of work cover related claims (both minor and standard) processed	16	Community Satisfaction Survey - overall	56	57	Unit cost ratio - workcover premium/total remuneration	<2.061%	2.04%

Notes

Targets for customer satisfaction are based on comparison results with large rural shires from DPCD survey

Target for workcover premium rate is based on industry rate

Due to new methodology of Community Satisfaction Survey there are no results for enforcement of by-laws. This will need to be reviewed.

The strategic indicators will be reviewed with the adoption of a new Council Plan with the new term of council 2012 to 2016

ANNUAL FINANCIAL REPORT FOR THE YEAR ENDED 30 JUNE , 2012



Moyne Shire Council
Financial Report
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Comprehensive Income Statement For the Year Ended 30 June 2012

	Note	2012 \$'000	2011 \$'000
Income			
Rates and charges	2	15,417	14,213
Statutory fees, fines and user fees	3	12,451	12,292
Grants - Recurrent	4	14,584	11,618
Grants - Non-recurrent	4	2,746	3,432
Contributions - Cash	5 (a)	519	447
Contributions - Non-monetary assets	5 (b)	-	769
Net gain/(loss) on disposal of property, plant and equipment, infrastructure	6	221	(10)
Other income	7	585	389
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	12	-	26
Total income		46,523	43,176
Expenses			
Employee benefits	8	(17,095)	(13,661)
Materials and services	9	(15,419)	(14,727)
Depreciation and amortisation	10	(9,899)	(9,683)
Finance costs	11	(172)	(56)
Total expenses		(42,585)	(38,127)
Profit/(loss)		3,938	5,049
Other comprehensive income			
Net asset revaluation increment(decrement)	22	20,139	-
Comprehensive result		24,077	5,049

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

Balance Sheet As at 30 June 2012

	Note	2012 \$'000	2011 \$'000
Assets			
Current assets			
Cash and cash equivalents	13	8,196	7,492
Financial assets	13	6,000	2,250
Trade and other receivables	14	3,000	2,964
Inventories	15	465	580
Other assets	16	164	330
Total current assets		17,825	13,616
Non-current assets			
Trade and other receivables	14	56	74
Financial assets	13	1,000	-
Investments in associates accounted for using the equity method	12	333	333
Property, plant and equipment, infrastructure	17	347,098	325,285
Total non-current assets		348,487	325,692
Total assets		366,312	339,308
Liabilities			
Current liabilities			
Trade and other payables	18	2,863	3,334
Trust funds and deposits	19	332	218
Provisions	20	4,165	3,685
Interest-bearing loans and borrowings	21	2,424	2,321
Total current liabilities		9,784	9,558
Non-current liabilities			
Provisions	20	3,950	1,354
Interest-bearing loans and borrowings	21	306	201
Total non-current liabilities		4,256	1,555
Total liabilities		14,040	11,113
Net Assets		352,272	328,195
Equity			
Accumulated surplus		189,907	186,171
Reserves	22	162,365	142,024
Total Equity		352,272	328,195

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

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

	Note	Total 2012 \$'000	Accumulated Surplus 2012 \$'000	Asset Revaluation Reserve 2012 \$'000	Other Reserves 2012 \$'000
2012					
Balance at beginning of the financial year		328,195	186,171	138,931	3,093
Profit/(loss)		3,938	3,938	-	-
Net asset revaluation increment(decrement)	22(a)	20,139	-	20,139	-
Transfers to other reserves	22(b)	-	(235)	-	235
Transfers from other reserves	21(b)	-	33	-	(33)
Balance at end of the financial year		352,272	189,907	159,070	3,295

		Total 2011 \$'000	Accumulated Surplus 2011 \$'000	Asset Revaluation Reserve 2011 \$'000	Other Reserves 2011 \$'000
2011					
Balance at beginning of the financial year		323,142	182,330	138,931	1,881
Profit/(loss)		5,049	5,049	-	-
Net asset revaluation increment(decrement)	22(a)	-	-	-	-
Transfers to other reserves	22(b)	-	(1,212)	-	1,212
Transfers from other reserves	22(b)	4	4	-	-
Balance at end of the financial year		328,195	186,171	138,931	3,093

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

Cash Flow Statement For the Year Ended 30 June 2012

		2012 Inflows/ (Outflows) \$'000	2011 Inflows/ (Outflows) \$'000
Cash flows from operating activities	Note		
Rates		15,304	14,173
Statutory fees and fines and user fees (including GST)		12,295	11,666
Grants (including GST)		17,328	15,249
Contributions (including GST)		519	453
Interest		644	431
Net GST refund/payment		210	293
Payments to suppliers (including GST)		(15,677)	(15,288)
Payments to employees (including redundancies)		(13,877)	(13,216)
Net cash provided by (used in) operating activities	23	<u>16,746</u>	<u>13,761</u>
Cash flows from investing activities			
Payments for property, plant and equipment, infrastructure	37	(11,716)	(14,134)
Proceeds from sale of property, plant and equipment, infrastructure		373	418
Payments for other financial assets		(7,000)	(5,250)
Proceeds from sale of other financial assets		2,250	3,000
Loans and advances to community organisations		(10)	-
Repayment of loans and advances from community organisations		25	40
Net cash provided by (used in) investing activities		<u>(16,078)</u>	<u>(15,926)</u>
Cash flows from financing activities			
Finance costs		(172)	(49)
Proceeds from interest bearing loans and borrowings		535	2,319
Repayment of interest bearing loans and borrowings		(327)	(174)
Net cash provided by (used in) financing activities		<u>36</u>	<u>2,096</u>
Net increase (decrease) in cash and cash equivalents		704	(69)
Cash and cash equivalents at the beginning of the financial year		7,492	7,561
Cash and cash equivalents at the end of the financial year	24	<u>8,196</u>	<u>7,492</u>
Financing arrangements	25		
Restrictions on cash assets	26		

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

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

Introduction

- (a) The Moyne Shire Council was established by an Order of the Governor in Council on 22nd September 1994 and is a body corporate.
The Council's main office is located at Princes Street, Port Fairy.
- (b) The purpose of the Council is to:
- provide for the peace, order and good government of its municipal district;
 - to promote the social, economic and environmental viability and sustainability of the municipal district;
 - to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
 - to improve the overall quality of life of people in the local community;
 - to promote appropriate business and employment opportunities;
 - to ensure that services and facilities provided by the Council are accessible and equitable;
 - to ensure the equitable imposition of rates and charges; and
 - to ensure transparency and accountability in Council decision making.

External Auditor - VAGO
Internal Auditor - Grant Thornton
Bankers -CBA Bank
Website address - www.moyne.vic.gov.au

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

Note 1 Significant accounting policies

(a) Basis of accounting

This financial report has been prepared on the accrual and going concern bases.

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

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

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

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

Note 1 Significant accounting policies (cont.)

(b) Change in accounting policies

There have been no changes in accounting policy during the financial year.

(c) Revenue recognition

Rates, grants and contributions

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

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

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

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

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 4. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

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

User fees and fines

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

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

Sale of property, plant and equipment, infrastructure

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

Rental

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

Interest

Interest is recognised progressively as it is earned.

Dividends

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

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

Note 1 Significant accounting policies (cont.)

(d) Trade and other receivables and inventories

Trade and other receivables

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

Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential.

Other inventories are measured at the lower of cost and net realisable value.

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

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

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

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

Artworks are not depreciated.

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

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

Period 2012

Buildings

Buildings	25 -120 years
-----------	---------------

Plant and equipment

Plant & Equipment	2 - 20 years
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Furniture and fittings	3 - 10 years
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Infrastructure

Roads	
-------	--

- Pavement	40 - 50 years
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- Seal	10 - 15 years
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Drainage	
----------	--

- Pits	70 years
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- Pipes	120 years
---------	-----------

Bridges	30 -110 years
---------	---------------

Ancillary infrastructure assets	10 - 50 years
---------------------------------	---------------

Other

Other structures	33 - 50 years
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Playgrounds	3 - 40 years
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Waste facilities	7 - 50 years
------------------	--------------

Recreation	10 - 50 years
------------	---------------

(f) Repairs and maintenance

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

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

Note 1 Significant accounting policies (cont.)

(g) Borrowing costs

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

Borrowing costs include interest on bank overdrafts, interest on borrowings, and finance lease charges.

(h) Recognition and measurement of assets

Acquisition

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

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

The following classes of assets have been recognised in note 17. In accordance with Council's policy, the threshold limits detailed below have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	<u>Threshold Limit</u> \$'000
Land	2
Buildings	2
<u>Plant and Equipment</u>	
plant, machinery and equipment	2
fixtures, fittings and furniture	2
<u>Infrastructure</u>	
Roads	
road pavements and seals	5
road substructure	5
Bridges	5
Drainage	5
Ancillary Infrastructure Assets	5
Other Structures	5
Playgrounds	2
Recreation	5
Waste facilities	5

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

Note 1 Significant accounting policies (cont.)

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

Revaluation

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

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 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.

Land under roads

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

(i) Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments net of outstanding bank overdrafts.

(j) Investments

Investments, other than investments in associates, are measured at cost.

(k) Accounting for investments in associates

Council's investment in associates is accounted for by the equity method as the Council has the ability to influence rather than control the operations of the entities. The investment is initially recorded at the cost of acquisition and adjusted thereafter for post-acquisition changes in the Council's share of the net assets of the entities. The Council's share of the financial result of the entities is recognised in the comprehensive income statement.

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

Note 1 Significant accounting policies (cont.)

(l) Tender deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 19).

(m) Employee benefits

Wages and salaries

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

Annual leave

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

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

Long service leave

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

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

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

Classification of employee benefits

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

Superannuation

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees together with any movements (favourable/unfavourable) in the position of any defined benefits schemes. Details of these arrangements are recorded in note 27.

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

Note 1 Significant accounting policies (cont.)

(n) Leases

Operating leases

Lease payments for operating leases are recognised as an expense in the years in which they are incurred as this reflects the pattern of benefits derived by the Council.

(o) Allocation between current and non-current

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

(p) Agreements equally proportionately unperformed

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

(q) Web site costs

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

(r) Goods and Services Tax (GST)

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

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

(s) Impairment of assets

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

(t) Rounding

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

(u) Financial guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(v) Contingent assets and contingent liabilities and commitments

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

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

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

(w) Pending Accounting Standards

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

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

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

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

	2012 \$'000	2011 \$'000
Note 2		
Rates and charges		
Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its defined under the Valuation of Land Act 1960 as:		
"..the sum which land, if it were unencumbered by any lease, mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on any reasonable terms and conditions which a genuine seller might in ordinary circumstances be expected to require."		
The valuation base used to calculate general rates for 2011/2012 was \$5.962 billion (2010/2011 \$5.913 billion). The 2011/2012 rate in the CIV dollar was 0.0018131 (2010/2011, 0.0017281).		
Residential	3,536	3,541
Commercial/Industrial	505	485
Farm/Rural	8,695	8,061
Supplementary rates and rate adjustments	68	7
Garbage charge	2,143	1,977
Revenue in lieu of rates	470	142
	<u>15,417</u>	<u>14,213</u>
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation first applied in the rating year commencing 1 July 2012.		
The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2010, and the valuation first applied to the rating period commencing 1 July 2010.		
Note 3		
Statutory fees, fines and user fees		
<i>Statutory fees, fines and user fees include:</i>		
Aged & Disability Services Fees	494	421
Childcare / Preschool Fees	454	138
Corporate Fees and Charges	13	16
Dog and Cat Charges	102	88
Health Licences and Fees	78	95
Port Fees and Charges	145	151
Private Works	1,398	1,465
Arterial Roads	3,203	3,427
Property Rentals	34	35
Quarry Fees and Charges	2,649	2,507
Refuse Operations	277	340
Regulation Fees and Permits	18	42
Stock Charges	10	10
Building Fees	105	135
Town Planning Fees & Certificates	156	137
Tourism Fees and Charges	24	23
Caravan Park/Lodge Fees	2,709	2,504
Southcombe Park	40	67
Valuation Data	6	104
Other Fees and Charges	536	587
	<u>12,451</u>	<u>12,292</u>

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

		2012 \$'000	2011 \$'000
Note 4	Grants		
	Grants were received in respect of the following :		
	Summary of grants		
	Federally funded grants	(2,089)	2,759
	State funded grants	(15,241)	12,291
	Total	(17,330)	15,050
	Recurrent		
	Commonwealth Government - Roads to recovery	1,963	1,963
	Victoria Grants Commission - unallocated	* 4,634 ^	3,487
	Victoria Grants Commission - local roads	* 4,593 ^	3,654
	Aged Care	1,031	981
	Port of Port fairy	408	355
	Community Services	346	187
	Development Approvals	33	69
	Environment	53	20
	Family & Children	844	838
	Governance	44	5
	Parks and Amenities	29	-
	Recreation	182	-
	Regulatory Services	154	33
	Waste Management	18	26
	Tourism	150	-
	Other	102	-
	Total recurrent	14,584	11,618
	Non-recurrent		
	Community Services	-	175
	Port of Port Fairy	-	526
	Environment	3	58
	Parks and Amenities	-	350
	Recreation	447	269
	Family & Children	-	797
	Roads and Streets	2,176	1,182
	Waste Management	120	75
	Total non-recurrent	2,746	3,432

* An amount of \$3.766 million of the 2012/13 grants commission allocation has been received in the 2011/12 financial year.

^ An amount of \$1.813 million of the 2011/12 grants commission allocation has been received in the 2010/11 financial year.

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

		2012 \$'000	2011 \$'000
Note 4	Grants (cont.)		
	Conditions on Grants		
	Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
	Port of Port Fairy	-	476
	Aged Care	-	90
	Family & Children	-	13
	Environment	-	46
	Waste Management	38	75
	Recreation	52	25
	Roads and Streets	735	-
		<u>825</u>	<u>725</u>
	Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
	Port of Port Fairy	476	38
	Aged Care	90	
	Family & Children	13	572
	Environment	46	24
	Waste Management	75	-
	Parks and Amenities	-	253
	Recreation	25	-
		<u>725</u>	<u>887</u>
	Net increase (decrease) in restricted assets resulting from grant revenues for the year:	<u>100</u>	<u>(162)</u>
Note 5	Contributions		
	(a) Cash		
	Capital	223	203
	Aged Care	42	12
	Community Services	83	28
	Development Approvals	43	-
	Family & Children	83	86
	Parks and Amenities	5	-
	Recreation	40	-
	Tourism	-	100
	Other	-	18
		<u>519</u>	<u>447</u>
	(b) Non-monetary assets		
	Buildings	-	769
		<u>-</u>	<u>769</u>
	Total	<u>519</u>	<u>1,216</u>
Note 6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	373	418
	Write down value of assets disposed	(152)	(428)
	Total	<u>221</u>	<u>(10)</u>

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

		2012	2011
		\$'000	\$'000
Note 7	Other income		
	Interest on investments	524	336
	Interest on loans and advances	2	3
	Interest on rates	59	50
		<u>585</u>	<u>389</u>
Note 8	Employee benefits		
	Wages and salaries	11,502	10,605
	Annual leave and long service leave	1,364	1,202
	Superannuation	1,067	993
	Superannuation - additional call	2,794	535
	Fringe benefits tax and work cover	368	326
		<u>17,095</u>	<u>13,661</u>
	During the period Council was required to make an additional contribution to Vision Super to meet our obligations in relation to members of the defined benefit plan		
Note 9	Materials and services		
	External Contracts	8,161	6,951
	Vehicle Operating Costs	2,230	2,088
	Utilities	846	702
	Insurance	391	336
	Computer & Software Maintenance	522	538
	Donations/Contributions	905	517
	Other Materials & Services	2,364	3,595
		<u>15,419</u>	<u>14,727</u>
Note 10	Depreciation and amortisation		
	Buildings	810	795
	Plant and machinery	1,411	1,488
	Furniture, equipment, and computers	175	140
	Playgrounds	110	98
	Road pavements	4,379	4,298
	Road seals	1,548	1,509
	Drains	79	77
	Bridges	304	303
	Ancillary Infrastructure	721	711
	Other Structures	147	122
	Recreation	91	63
	Waste	124	79
		<u>9,899</u>	<u>9,683</u>
Note 11	Finance costs		
	Interest - Borrowings	172	56
		<u>172</u>	<u>56</u>

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

	2012 \$'000	2011 \$'000
Note 12		
Investment in associates		
Corangamite Regional Library Corporation		
<i>Background</i>		
The Corangamite Regional Library Corporation was formed under section 196 of the Local Government Act 1989 on the 01/01/1996. The library receives funding from four municipalities: Colac Otway Shire, Corangamite Shire, Warrnambool City Council and Moyne Shire Council. Council has a 18.6% ownership share of the Corporation as at 30 June 2011.		
<i>Council's share of accumulated surplus(deficit)</i>		
Council's share of accumulated surplus(deficit) at start of year	(12)	(38)
Reported surplus(deficit) for year	-	26
Council's share of accumulated surplus(deficit) at end of year	(12)	(12)
<i>Council's share of reserves</i>		
Council's share of reserves at start of year	345	345
Transfers (to) from reserves	-	-
Council's share of reserves at end of year	345	345
<i>Movement in carrying value of specific investment</i>		
Carrying value of investment at start of year	333	307
Share of surplus(deficit) for year	-	26
Carrying value of investment at end of year	333	333
<i>Council's share of expenditure commitments</i>		
Operating commitments	251	249
	251	249

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

	2012 \$'000	2011 \$'000
Note 13		
Cash and cash equivalents		
Cash on hand	3	3
Cash at bank	493	1,889
Money market call account	5,000	2,600
Term Deposits	2,700	3,000
	<u>8,196</u>	<u>7,492</u>
Financial Assets		
Current		
Term Deposits	6,000	2,250
Non-current		
Term Deposits	1,000	-
	<u>7,000</u>	<u>2,250</u>
Total	<u>15,196</u>	<u>9,742</u>
Councils cash and cash equivalents and financial assets are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
- Reserve funds allocated for specific future purposes (Note 22)	3,295	3,093
- Trust funds and deposits (Note 19)	332	218
Restricted Funds	<u>3,627</u>	<u>3,311</u>
Total unrestricted cash	<u>11,569</u>	<u>6,431</u>
Note 14		
Trade and other receivables		
Current		
Rates debtors	656	544
Government debtors	904	709
Home care debtors	63	69
Quarry debtors	154	522
Building and planning debtors	19	36
Loans and advances to community organisations	140	137
Other debtors	1,038	758
Provision for doubtful debts - other debtors	(184)	(104)
Net GST receivable	210	293
	<u>3,000</u>	<u>2,964</u>
Non-current		
Loans and advances to community organisations	56	74
	<u>56</u>	<u>74</u>
Total	<u>3,056</u>	<u>3,038</u>
Note 15		
Inventories		
Inventories held for distribution	221	229
Inventories held for sale	244	351
	<u>465</u>	<u>580</u>
Note 16		
Other assets		
Current		
Prepayments	114	222
Accrued income	50	108
	<u>164</u>	<u>330</u>

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

Note 17 *Property, plant, equipment and infrastructure*

	2012 \$'000	2011 \$'000
Summary		
at cost	48,930	51,741
Less accumulated depreciation	13,123	11,883
	<u>35,807</u>	<u>39,858</u>
at Council valuation as at 30 June 2012	148,693	
Less accumulated depreciation		
at Council valuation as at 30 June 2010	943	77,242
Less accumulated depreciation	184	1,093
at Council valuation as at 30 June 2009	158,230	158,229
Less accumulated depreciation	14,662	9,718
at Council valuation as at 30 June 2008	20,080	59,637
Less accumulated depreciation	1,809	5,278
at Council valuation as at 30 June 2007		6,674
Less accumulated depreciation	-	266
	<u>311,291</u>	<u>285,426</u>
Total	<u>347,098</u>	<u>325,285</u>
Property		
Land		
at cost	-	476
at Council valuation as at 30 June 2010	-	39,081
at Council valuation as at 30 June 2012	39,481	
	<u>39,481</u>	<u>39,557</u>
Land under roads		
at deemed cost	255	255
	<u>255</u>	<u>255</u>
Total Land	<u>39,736</u>	<u>39,812</u>
Buildings		
at cost	-	5,340
Less accumulated depreciation	-	126
	<u>-</u>	<u>5,214</u>
at Council valuation as at 30 June 2010	-	37,218
at Council valuation as at 30 June 2012	42,171	
Less Accumulated depreciation	-	997
	<u>42,171</u>	<u>36,221</u>

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

Note 17 Property, plant, equipment and infrastructure (cont)

	2012 \$'000	2011 \$'000
Total Buildings	42,171	41,435
Total Property	81,907	81,247

Valuation of land (excluding land under roads) and buildings were undertaken by a qualified independent valuer, Barrie Walder, Certified Practising Valuer of Western district Valuation Services. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued at a discount of 70 percent to market value based on legal precedents.

Land under roads is valued at deemed cost. Deemed cost is based on the cost at the date acquired for subsequent acquisitions using site values adjusted for englobo (undeveloped and/or unserved) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.

Plant and Equipment

Plant, machinery and equipment

at cost	14,278	13,742
Less accumulated depreciation	7,885	7,179
	6,393	6,563

Fixtures, fittings and furniture

at cost	3,888	3,718
Less accumulated depreciation	3,384	3,210
	504	508

Total Plant and Equipment

	6,897	7,071
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Notes to the Financial Report
For the Year Ended 30 June 2012

Note 17 *Property, plant, equipment and infrastructure (cont)*

	2012 \$'000	2011 \$'000
Infrastructure		
Roads		
at cost	21,010	14,822
Less accumulated depreciation	391	199
	<u>20,619</u>	<u>14,623</u>
at Council valuation as at 30 June 2012	15,671	
	<u>15,671</u>	<u>-</u>
at Council valuation as at 30 June 2009	158,230	158,229
Less accumulated depreciation	14,662	9,718
	<u>143,568</u>	<u>148,511</u>
at Council valuation as at 30 June 2008	12,920	30,131
Less accumulated depreciation	-	2,353
	<u>12,920</u>	<u>27,778</u>
Bridges		
at cost	-	1,762
Less accumulated depreciation	-	23
	<u>-</u>	<u>1,739</u>
at Council valuation as at 30 June 2012	39,000	-
	<u>39,000</u>	<u>-</u>
at Council valuation as at 30 June 2008	-	19,247
Less accumulated depreciation	-	864
	<u>-</u>	<u>18,383</u>
Drainage		
at cost	-	1,307
Less accumulated depreciation	-	20
	<u>-</u>	<u>1,287</u>
at Council valuation as at 30 June 2012	6,817	-
	<u>6,817</u>	<u>-</u>
at Council valuation as at 30 June 2007	-	6,674
Less accumulated depreciation	-	266
	<u>-</u>	<u>6,408</u>
Ancillary Infrastructure		
at cost	390	1,953
Less accumulated depreciation	22	72
	<u>368</u>	<u>1,881</u>
at Council valuation as at 30 June 2012	5,553	-
	<u>5,553</u>	<u>-</u>
at Council valuation as at 30 June 2008	7,160	10,259
Less accumulated depreciation	1,809	2,061
	<u>5,351</u>	<u>8,198</u>

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

Note 17 Property, plant, equipment and infrastructure (cont)

	2012 \$'000	2011 \$'000
Other Structures		
at cost	3,329	3,068
Less accumulated depreciation	737	588
	<u>2,592</u>	<u>2,480</u>
Playgrounds		
at cost	349	331
Less accumulated depreciation	25	2
	<u>324</u>	<u>329</u>
at Council valuation as at 30 June 2010	943	943
Less accumulated depreciation	184	96
	<u>759</u>	<u>847</u>
Recreation		
at cost	1,436	1,273
Less accumulated depreciation	347	256
	<u>1,089</u>	<u>1,017</u>
Waste		
at cost	3,470	3,122
Less accumulated depreciation	332	208
	<u>3,138</u>	<u>2,915</u>
Total Infrastructure	<u>257,769</u>	<u>236,394</u>
Valuation of unsealed road pavement has been determined in accordance with an independent valuation undertaken by Peter Moloney, DIP CE. EWS. MIE Aust at 30th June 2012.		
Valuation of bridges, drainage and footpaths has been determined in accordance with a valuation undertaken by the council's engineering unit at 30th June 2012.		
Valuation of Playgrounds has been determined in accordance with a valuation undertaken by the council's engineering unit at 30th June 2010.		
Valuation of sealed road pavements and seals has been determined in accordance with an Independent valuation undertaken by Ashay Prabhu, Bachelor in Engineering (Civil), I.E (Aust) membership:MIE (Aust), Chartered Professional Engineer, Member of NPER - civil college of ACEAM Pty Ltd at 30th June 2009.		
Valuation of sealed road formation and ancillary infrastructure has been determined in accordance with an Independent valuation undertaken by Ashay Prabhu, Bachelor in Engineering (Civil), I.E (Aust) membership:MIE (Aust), Chartered Professional Engineer, Member of NPER - civil college of ACEAM Pty Ltd at 30th June 2008.		
The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.		
Works in progress		
Land at cost	419	418
Buildings at cost	37	53
Road Pavements at cost	1	1
Bridges at cost	-	2
Recreation at cost	56	57
Waste at cost	6	42
Drainage at cost	6	
Total Works in progress	<u>525</u>	<u>573</u>
Total Property, Plant and Equipment, Infrastructure	<u>347,098</u>	<u>325,285</u>

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

Note 17 *Property, plant and equipment, infrastructure (cont.)*

2012	Balance at beginning of financial year \$'000	Acquisition of assets \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Transfers \$'000	Balance at end of financial year \$'000
Property							
land	39,557	64	(140)	-	-	-	39,481
land under roads	255	-	-	-	-	-	255
Total land	39,812	64	(140)	-	-	-	39,736
buildings	41,434	936	611	(810)	-	-	42,171
Total buildings	41,434	936	611	(810)	-	-	42,171
Total property	81,246	1,000	471	(810)	-	-	81,907
Plant and Equipment							
plant, machinery and equipment	6,563	1,393	-	(1,411)	152	-	6,393
fixtures, fittings and furniture	508	171	-	(175)	-	-	504
Total plant and equipment	7,071	1,564	-	(1,586)	152	-	6,897
Infrastructure							
roads	190,911	7,573	221	(5,927)	-	-	192,778
bridges	20,122	531	18,651	(304)	-	-	39,000
drainage	7,695	115	(914)	(79)	-	-	6,817
ancillary infrastructure	10,079	202	1,712	(721)	-	-	11,272
other structures	2,480	259	-	(147)	-	-	2,592
playgrounds	1,176	17	-	(110)	-	-	1,083
recreation	1,017	163	-	(91)	-	-	1,089
waste	2,915	347	-	(124)	-	-	3,138
Total infrastructure	236,395	9,207	19,670	(7,503)	-	-	257,769
Works in progress							
land	418	-	-	-	-	-	418
buildings	53	7	-	-	-	(23)	37
roads	1	-	-	-	-	-	1
bridges	2	-	-	-	-	(2)	-
recreation	57	57	-	-	-	(57)	57
drainage	-	6	-	-	-	-	6
waste	42	6	-	-	-	(42)	6
Total works in progress	573	76	-	-	-	(124)	525
Total property, plant and equipment, infrastructure	325,285	11,847	20,141	(9,899)	152	(124)	347,098

(a) Impairment losses

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

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

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

Note 17 *Property, plant and equipment, infrastructure (cont.)*

2011	Balance at beginning of financial year \$'000	Acquisition of assets \$'000	Revaluation increments (decrements) \$'000	Depreciation and amortisation \$'000	Written down value of disposals \$'000	Transfers \$'000	Balance at end of financial year \$'000
Property							
land	39,107	122	-	-	26	354	39,557
land under roads	255	-	-	-	-	-	255
land improvements	6,326	-	-	-	196	(6,130)	-
Total land	45,688	122	-	-	222	(5,776)	39,812
buildings	36,366	3,593	-	(795)	-	2,270	41,434
Total buildings	36,366	3,593	-	(795)	-	2,270	41,434
Total property	82,054	3,715	-	(795)	222	(3,506)	81,246
Plant and Equipment							
plant, machinery and equipment	6,517	1,738	-	(1,488)	204	-	6,563
fixtures, fittings and furniture	320	328	-	(140)	-	-	508
Total plant and equipment	6,837	2,066	-	(1,628)	204	-	7,071
Infrastructure							
roads	189,647	6,629	-	(5,807)	-	442	190,911
bridges	19,919	506	-	(303)	-	-	20,122
drainage	7,621	151	-	(77)	-	-	7,695
ancillary infrastructure	10,327	366	-	(711)	-	97	10,079
other structures	1,502	243	-	(122)	-	857	2,480
playgrounds	942	326	-	(98)	-	6	1,176
recreation	-	170	-	(63)	-	910	1,017
waste	-	672	-	(79)	-	2,322	2,915
Total infrastructure	229,958	9,063	-	(7,260)	-	4,634	236,395
Works in progress							
land	418	-	-	-	-	-	418
buildings	1,128	31	-	-	-	(1,106)	53
other structures	22	-	-	-	-	(22)	-
roads	-	1	-	-	-	-	1
bridges	-	2	-	-	-	-	2
recreation	-	57	-	-	-	-	57
waste	-	42	-	-	-	-	42
Total works in progress	1,568	133	-	-	-	(1,128)	573
Total property, plant and equipment, infrastructure	320,417	14,977	-	(9,683)	426	-	325,285

(a) Impairment losses

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

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

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

	2012 \$'000	2011 \$'000
Note 18 Trade and other payables		
Trade payables	2,593	3,217
Accrued expenses	270	117
	<u>2,863</u>	<u>3,334</u>
Note 19 Trust funds and deposits		
Refundable contract deposits	309	181
Trust funds - drainage	7	7
Trust funds - other	16	30
	<u>332</u>	<u>218</u>

Contract deposits are held for the purpose of depositors meeting certain conditions on permits/applications. Drainage trust funds are held for the purpose of maintaining drainage areas within council. Other trust funds are held for the purpose of GlaxoSmithKline scholarships and maintenance and operations of the Port Fairy Lifeboat.

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

Note 20 Provisions

	Annual leave	Long service leave	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2012					
Balance at beginning of the financial year	1,596	2,108	1,185	150	5,039
Additional provisions	905	203	10	263	1,381
Amounts used	(784)	(124)		(247)	(1,155)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	56	-	-	56
Balance at the end of the financial year	1,717	2,243	1,195	166	5,321
2011					
Balance at beginning of the financial year	1,559	2,130	1,109	119	4,917
Additional provisions	866	143	76	270	1,355
Amounts used	(829)	(147)	-	(239)	(1,215)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	(18)	-	-	(18)
Balance at the end of the financial year	1,596	2,108	1,185	150	5,039

	2012 \$'000	2011 \$'000
(a) Employee benefits		
Current		
Annual leave	1,717	1,595
Long service leave	2,091	1,939
Other	166	151
	<u>3,974</u>	<u>3,685</u>
Non-current		
Long service leave	152	169
Unfunded superannuation liability	2,794	-
	<u>2,946</u>	<u>169</u>
Aggregate carrying amount of employee benefits:		
Current	3,974	3,685
Non-current	2,946	169
	<u>6,920</u>	<u>3,854</u>
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	4.31%	4.60%
Weighted average discount rates	2.62%	4.84%

(b) Land fill restoration

Under Council undertaking Council is obligated to restore landfill sites to a particular standard. 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.

Council does not expect to receive reimbursement from a third party.

Landfill restoration		
Current	191	-
Non-current	1,004	1,185
Total	<u>1,195</u>	<u>1,185</u>

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

	2012 \$'000	2011 \$'000
Note 21 Interest-bearing loans and borrowings		
<i>Current</i>		
Borrowings - secured	2,424	2,321
	<u>2,424</u>	<u>2,321</u>
<i>Non-current</i>		
Borrowings - secured	306	201
	<u>306</u>	<u>201</u>
Total	<u>2,730</u>	<u>2,522</u>
The maturity profile for Council's borrowings is:		
Not later than one year	448	327
Later than one year and not later than five years	1,489	1,459
Later than five years	793	736
	<u>2,730</u>	<u>2,522</u>

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

Note 22 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation by an associate	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000	\$'000
2012				
Property				
Land	32,347	(140)	-	32,207
Buildings	17,334	611	-	17,945
	49,681	471	-	50,152
Infrastructure				
Roads	65,436	221	-	65,657
Bridges	11,672	18,651	-	30,323
Ancillary Infrastructure	7,655	1,711	-	9,366
Drainage	4,057	(915)	-	3,142
	88,820	19,668	-	108,488
Plant and Equipment	430	-	-	430
Total Asset revaluation reserves	138,931	20,139	-	159,070
2011				
Property				
Land	32,347	-	-	32,347
Buildings	17,334	-	-	17,334
	49,681	-	-	49,681
Infrastructure				
Roads	65,436	-	-	65,436
Bridges	11,672	-	-	11,672
Ancillary Infrastructure	7,655	-	-	7,655
Drainage	4,057	-	-	4,057
	88,820	-	-	88,820
Plant and Equipment	430	-	-	430
Total Asset revaluation reserves	138,931	-	-	138,931

The Asset Revaluation reserve is held for the purpose of revaluation increments/decrements to assets values.

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

Note 22 Reserves (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2012				
Business enterprise reserve	944	138	-	1,082
Southcombe park sporting complex	65	4	-	69
Heritage loan reserve	108	-	-	108
Subdivision reserve	399	41	-	440
Quarry reserve	946	-	(33)	913
Waste facilities reserve	631	52	-	683
Total Other reserves	3,093	235	(33)	3,295
2011				
Business enterprise reserve	412	532	-	944
Southcombe park sporting complex	61	4	-	65
Heritage loan reserve	108	-	-	108
Subdivision reserve	308	91	-	399
Quarry reserve	579	367	-	946
Waste facilities reserve	413	218	-	631
Total Other reserves	1,881	1,212	-	3,093

Business enterprise reserve funds are used for the Council's major caravan parks and the Port of Port Fairy capital works programs.

Southcombe park sporting complex funds are used for capital works at the Southern Park stadium.

The Heritage loan reserve expenditure is restricted to funding of low interest Heritage loans.

The Subdivision reserve is used to develop strategically located parks and reserves for the benefit of residents in the general area, as provided in the Subdivision Act 1988 and Planning and Environment Act 1987.

Quarry reserve funds are used for capital works to the Mount Shadwell Quarry.

Waste facilities reserve funds are used for maintenance, development and rehabilitation works at waste facility sites.

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

	2012 \$'000	2011 \$'000
Note 23 Reconciliation of cash flows from operating activities to surplus (deficit)		
Comprehensive result	24,077	5,049
Depreciation/amortisation	9,899	9,683
Finance costs	172	56
(Profit)/loss on disposal of property, plant and equipment, infrastructure	(221)	10
Net asset revaluation increment(decrement)	(20,139)	-
Contributions - Non-monetary assets	-	(769)
Corangamite Regional Library	-	-
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(42)	(820)
Increase/(decrease) in trade and other payables	(357)	713
(Increase)/decrease in other assets	281	(181)
Increase in provisions	3,076	46
Net cash provided by/(used in) operating activities	<u>16,746</u>	<u>13,787</u>
Note 24 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 13)	8,196	7,492
	<u>8,196</u>	<u>7,492</u>
Note 25 Financing arrangements		
Bank loans (Note 21) are secured over the general rates of the Council and the interest rates are fixed. Council borrowings during 2011/12 were \$0.535 million. (2010/11 \$2.319 million).		
Note 26 Restricted assets		
Council has cash and cash equivalents (note 13) that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to employee entitlements (Long Service Leave) and reserve funds (Heritage Loan Reserve).		
Trust funds and deposits (note 19)	332	218
Reserve funds (note 22)	108	108
	<u>440</u>	<u>326</u>

The Heritage Loan reserve is restricted to funding of low interest Heritage Loans.

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

Note 27 Superannuation

Council made contributions to the following funds:

	2012	2011
	\$'000	\$'000
Defined benefit funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	693	157
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	799	736
Employer contributions to ARF Superannuation Fund	175	157
Employer contributions to Hesta Superannuation	51	36
	<u>1,025</u>	<u>929</u>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date.	-	-
Employer contributions payable to ARF Superannuation Fund at reporting date.	-	-
Employer contributions payable to Hesta Superannuation at reporting date.	-	-
	<u>-</u>	<u>-</u>

The Local Authorities Superannuation Fund latest 31 December 2011 actuarial investigation identified an unfunded liability of \$406m excluding the contributions tax in the defined benefit fund of which we are a member. Council was made aware of the expected shortfall through out the year and was informed formally of their share of the short fall on 31/7/2012, which amounted to \$2.79 million. It is anticipated that the shortfall will be paid in a lump sum in the 2013-14 year. Council has accounted for the short fall in the Comprehensive Income Statement in Employee Benefit (see Note 8) and in the Balance Sheet in Provisions Employee Benefits (See Note 20a).

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

Note 28 Commitments

The Council has entered into the following commitments

	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	Total
	\$'000	\$'000	\$'000	\$'000
2012				
Operating				
Caravan Park Management	78	45	-	123
Cleaning contracts for council buildings	130	134	-	264
Home Maintenance services	165	-	-	165
Meals for delivery	89	-	-	89
Waste Collection & Sorting	898	565	565	2,028
Quarry Services	401	-	-	401
Supply & delivery of fuel	1,200	-	-	1,200
Haulage and loading roadmaking materials	1,977	-	-	1,977
Hire of plant and equipment	500	-	-	500
Swimming Pools	96	-	-	96
Internal Audit	65	-	-	65
Financial services	28	28	28	84
Valuation Services	33	-	-	33
Other	130	-	-	130
	5,790	772	593	7,155
Capital	-	-	-	-
Total	5,790	772	593	7,155
2011				
Operating				
Caravan Park Management	78	78	46	202
Cleaning contracts for council buildings	98	100	103	301
Home Maintenance services	160	165	-	325
Meals for delivery	87	89	-	176
Waste Collection & Sorting	565	565	1,129	2,259
Quarry Services	420	-	-	420
Port of Port Fairy	40	-	-	40
Supply & delivery of fuel	1,200	1,200	-	2,400
Haulage and loading roadmaking materials	1,890	1,977	-	3,867
Hire of plant and equipment	500	-	-	500
Swimming Pools	92	-	-	92
Internal Audit	55	-	-	55
Financial services	59	59	59	177
Valuation Services	192	-	192	384
	5,436	4,233	1,529	11,198
Capital	-	-	-	-
Total	5,436	4,233	1,529	11,198

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

	2012 \$'000	2011 \$'000
Note 29 Operating leases		
Operating lease commitments		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	98	101
Later than one year and not later than five years	190	66
	<u>288</u>	<u>167</u>

Note 30 Contingent liabilities and contingent assets

Contingent liabilities

The Council is presently involved in confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial report.

Council has provided a financial guarantee of \$29,500 as a surety for compliance for rehabilitation and stabilisation of land used for quarry operations.

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

Note 31 Financial Instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	13	<p>Cash on hand and at bank and money market call account are valued at face value.</p> <p>Interest is recognised as it accrues.</p> <p>Investments and bills are valued at cost.</p> <p>Investments are held to maximise interest returns of surplus cash.</p> <p>Interest revenues are recognised as they accrue.</p>	<p>On call deposits returned a floating interest rate of 4.18% (5.18% in 2010/2011). The average interest rate at balance date was 5.23% (5.97% in 2010/2011).</p> <p>Funds returned fixed interest rate of between 4% (4.5% in 2010/2011), and 6.4% (7% in 2010/2011) net of fees.</p>
Trade and other receivables			
Other debtors	14	<p>Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.</p> <p>Collectability of overdue accounts is assessed on an ongoing basis.</p>	<p>General debtors are unsecured. Credit terms are based on 30 days.</p>
Financial Liabilities			
Trade and other payables	18	<p>Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.</p>	<p>General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.</p>
Interest-bearing loans and borrowings	21	<p>Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.</p>	<p>Borrowings are secured by way of mortgages over the general rates of the Council.</p> <p>The weighted average interest rate on borrowings was 6.34% (7.16% in 2010/2011).</p>

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

Note 31 Financial instruments (cont.)

(b) Interest Rate Risk

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

2012

	Floating interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash and cash equivalents	5,493	2,700	-	-	3	8,196
Other financial assets	-	6,000	1,000	-	-	7,000
Trade and other receivables	-	23	47	-	2,330	2,400
Total financial assets	5,493	8,723	1,047	-	2,333	17,596
Weighted average interest rate	4.68%	5.37%	5.89%			4.44%
Financial liabilities						
Trade and other payables	-	-	-	-	2,863	2,863
Trust funds and deposits	-	-	-	-	332	332
Interest-bearing loans and borrowings	-	447	1,490	793	-	2,730
Total financial liabilities	-	447	1,490	793	3,195	5,925
Weighted average interest rate		5.55%	5.09%	7.36%		
Net financial assets (liabilities)	5,493	8,276	(443)	(793)	(862)	11,671

2011

	Floating Interest rate \$'000	Fixed interest maturing in:			Non-interest bearing \$'000	Total \$'000
		1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000		
Financial assets						
Cash and cash equivalents	4,489	3,000	-	-	3	7,492
Other financial assets	-	2,250	-	-	-	2,250
Trade and other receivables	-	-	63	7	2,424	2,494
Total financial assets	4,489	5,250	63	7	2,427	12,236
Weighted average interest rate	5.18%	5.97%	3.50%	3.75%		
Financial liabilities						
Trade and other payables	-	-	-	-	3,334	3,334
Trust funds and deposits	-	-	-	-	218	218
Interest-bearing loans and borrowings	-	326	1,459	737	-	2,522
Total financial liabilities	-	326	1,459	737	3,552	6,074
Weighted average interest rate		6.96%	7.16%	7.36%		
Net financial assets (liabilities)	4,489	4,924	(1,396)	(730)	(1,125)	6,162

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

Note 31 Financial Instruments (cont.)

(c) Net Fair Values

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2012 \$'000	2011 \$'000	2012 \$'000	2011 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	8,196	7,492	8,196	7,492
Other financial assets	7,000	2,250	7,000	2,250
Trade and other receivables	2,400	2,494	2,400	2,494
<i>Total financial assets</i>	<u>17,596</u>	<u>12,236</u>	<u>17,596</u>	<u>12,236</u>
<i>Financial liabilities</i>				
Trade and other payables	2,863	3,334	2,863	3,334
Trust funds and deposits	332	218	332	218
Interest-bearing loans and borrowings	2,730	2,522	2,730	2,522
<i>Total financial liabilities</i>	<u>5,925</u>	<u>6,074</u>	<u>5,925</u>	<u>6,074</u>

(d) Credit Risk

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

(e) Risks and mitigation

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

Market risk

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

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

Note 31 Financial Instruments (cont.)

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

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

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

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

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

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

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

Credit risk

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

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

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

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 30.

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

Note 31 Financial Instruments (cont.)

Movement in Provisions for Doubtful Debts	2012 \$'000	2011 \$'000
Balance at the beginning of the year	104	101
New Provisions recognised during the year	82	3
Amounts already provided for and written off as uncollectible	2	-
Balance at end of year	184	104

Ageing of Trade and Other Receivables

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

	2012 \$'000	2011 \$'000
Current (not yet due)	2,180	2,211
Past due by up to 30 days	645	442
Past due between 31 and 180 days	46	80
Past due between 181 and 365 days	11	158
Past due by more than 1 year	174	147
Total Trade & Other Receivables	3,056	3,038

Liquidity risk

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

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

To help reduce these risks we:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- have a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal

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

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

Note 31 Financial Instruments (cont.)

(f) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 5.23%.

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

		Interest rate risk			
		-1 %		+1%	
		-100 basis points		+100 basis points	
2012	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	8,196	(82)	(82)	82	82
Other financial assets	7,000	(70)	(70)	70	70

		Interest rate risk			
		-2 %		+1%	
		-200 basis points		+100 basis points	
2011	\$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	7,492	(150)	(150)	75	75
Other financial assets	2,250	(45)	(45)	23	23

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

Note 32 Auditors' remuneration	2012	2011
	\$'000	\$'000
Audit fee to conduct external audit - Victorian Auditor-General	30	30
Internal audit fees - Grant Thornton	147	43
	<u>177</u>	<u>73</u>

Note 33 Events occurring after balance date

There have been no events occurring after the balance date that have a material impact on the financial report.

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

Note 34 Related party transactions

(i) Responsible Persons

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

Councillors Councillor James Purcell
Councillor Ken Gale
Councillor Jim Doukas
Councillor Bernie Harris
Councillor Jill Parker
Councillor Colin Ryan
Councillor Mick Wolfe

Chief Executive Officer David Madden

(ii) Remuneration of Responsible Persons

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

	2012 No.	2011 No.
\$20,000 - \$29,999	6	5
\$30,000 - \$39,999	-	1
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	1	-
\$80,000 - \$89,999	-	1
\$200,000 - \$209,999	1	1
	<u>8</u>	<u>9</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	414	480

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

(iv) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2010/11, nil).

(v) Other Transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2010/11, nil).

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council whose total annual remuneration exceeds \$127,000, or if remuneration is less than \$127,000 has management responsibilities and reports directly to the Chief Executive Officer

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

	2012 No.	2011 No.
Income Range:		
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	2	1
\$150,000 - \$159,999	1	1
	<u>3</u>	<u>3</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	442	431

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

Note 35 Income, expenses and assets by function/activities

	Leadership & Governance		Infrastructure & Assets		Sustainable Development		Community & Corporate Support		Other non-attributable *		Total	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME	-	-	16,627	15,550	7,287	7,350	9,335	8,039	13,274	12,237	46,523	43,176
EXPENSES	(1,167)	(1,071)	(20,506)	(20,999)	(8,090)	(7,226)	(12,822)	(8,831)	-	-	(42,585)	(38,127)
PROFIT (LOSS) FOR THE YEAR	(1,167)	(1,071)	(3,879)	(5,449)	(803)	124	(3,487)	(792)	13,274	12,237	3,938	5,049
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	15,875	10,600	309,155	287,748	23,138	22,903	17,278	17,221	866	836	366,312	339,308

*For the purpose of Assets Attributed to Functions General Rates Receivable and GST Receivable have not been attributed to functions.

*For the purpose of Revenue General Rates have not been attributed to functions.

Leadership and Governance

The Leadership and Governance area covers the administration of Council , Community Leadership, Policy Development and Procedure, Strategic Planning, Advocacy, Corporate Planning, and Executive Administration.

Infrastructure and Assets

Infrastructure and Assets includes the areas of Local and Main Road Maintenance, Footpaths, Drainage, Trees Maintenance, Bridges, Parks & Amenities, Street Cleaning, Mt Shadwell Quarry, Design & Contracts, Asset Management, GIS, Plant and Stores.

Sustainable Development

Sustainable Development includes the areas of Environment Management, Economic Development, Town Planning, Building Control, Waste Services, Public Health, Local Laws, Fire Prevention, Emergency Management, Animal Control, Port of Port Fairy, Caravan Parks, Tourism, Festivals and Major events.

Community & Corporate Support

Community Services embraces the areas of Aged Services, Community Development, Maternal & Child Health, Community Transport, Pre-School Centres, Youth Services, Libraries, Recreation, Swimming Pools, Community Halls and Grants, Financial Planning & Reporting, Information Technology, Customer Service, Records and Information Services, Organisational Development, Quality Compliance, Statutory Compliance, Risk Management, Insurance, Internal Audit and Communications.

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

Note 36	Financial ratios (Performance indicators)	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)
(a)	Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)						
	<u>Debt servicing costs</u>	172		56		28	
	Total revenue	46,523	= 0.37%	43,176	= 0.13%	38,199	= 0.07%
	Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft.						
	The ratio expresses the amount of interest paid as a percentage of Council's total revenue.						
(b)	Debt commitment ratio (to identify Council's debt redemption strategy)						
	<u>Debt servicing & redemption costs</u>	499		230		121	
	Rate revenue	15,417	= 3.24%	14,213	= 1.62%	13,270	= 0.91%
	The strategy involves the payment of loan principal and interest, finance lease principal and interest.						
	The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.						
(c)	Revenue ratio (to identify Council's dependence on non-rate income)						
	<u>Rate revenue</u>	15,417		14,213		13,270	
	Total revenue	46,523	= 33.14%	43,176	= 32.92%	38,199	= 34.74%
	The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.						
(d)	Debt exposure ratio (to identify Council's exposure to debt)						
	<u>Total indebtedness</u>	13,600		8,897		5,890	
	Total realisable assets	106,990	= 12.71%	99,537	= 8.94%	98,562	= 5.98%
	For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.						
	Any liability represented by a restricted asset (note 26) is excluded from total indebtedness.						
	The following assets are excluded from total assets when calculating Council's realisable assets:						
	land and buildings on Crown land; restricted assets; heritage assets; total infrastructure assets; and Council's investment in associate.						
	This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage of total liabilities for each dollar of realisable assets.						

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

Note 36	Financial ratios (Performance indicators) (cont.)	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)	2010 \$'000	2010 (%)
	(e) Working capital ratio (to assess Council's ability to meet current commitments)						
	<u>Current assets</u>	17,825		13,616		10,443	
	<u>Current liabilities</u>	9,784	= 182.19%	9,558	= 142.46%	6,543	= 159.61%
	The ratio expresses the level of current assets the Council has available to meet its current liabilities.						

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

	Note	2012 \$'000	2011 \$'000
Note 37 Capital expenditure			
Capital expenditure areas			
Roads		8,262	6,946
Drainage		121	117
Parks, open space and streetscapes		671	1,843
Buildings		958	3,167
Plant and equipment		1,704	2,061
Total capital works		<u>11,716</u>	<u>14,134</u>
Represented by:			
Renewal	(a)	9,562	7,606
Upgrade / Expansion	(b)	1,288	4,898
New infrastructure		649	1,522
New buildings		79	65
New plant and equipment		138	43
Total capital works		<u>11,716</u>	<u>14,134</u>

Property, plant and equipment, infrastructure movement

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

Total capital works		11,716	14,134
Landfill Provision		10	75
Contributions - non-monetary assets	5(b)	-	769
Asset revaluation movement	21(a)	20,139	-
Depreciation/amortisation	9	(9,899)	(9,683)
Written down value of assets sold	16	(152)	(426)
Net movement in property, plant and equipment, infrastructure	16	<u>21,814</u>	<u>4,869</u>

(a) Renewal

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

(b)

Upgrade

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

Expansion

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

Note 38 Special committees and other activities

Council has control of the Mortlake Recreation Reserve and the Koroit Victoria Park Reserve which are managed through special committee's. The financial transactions of these Reserve's are not material.

Certification of the Financial Report

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

Craig Ralston (Bbus, CPA)
Principal Accounting Officer



Date : 11 September 2012
Port Fairy

In our opinion the accompanying financial statements present fairly the financial transactions of Moyne Shire Council for the year ended 30 June 2011 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 on the 28th of August 2012 to certify the financial statements in their final form.

James Doukas
Mayor



Date : 11 September 2012
Port Fairy

Jill Parker
Councillor



Date : 11 September 2012
Port Fairy

David Madden
Chief Executive Officer



Date : 11 September 2012
Port Fairy

STANDARD STATEMENTS

A rusted metal ring, possibly a piece of jewelry or a ring from a broken object, lies on a dark, textured surface. The ring is heavily corroded, showing a mix of brown, orange, and grey tones. A bundle of dried, light brown grass or straw is tangled around the bottom of the ring. The background is dark and out of focus.

FOR THE YEAR ENDED
30 JUNE, 2012

Notes to the Standard Statements

1. Basis of preparation of Standard Statements

Council is required to prepare and include audited Standard Statements within its Annual Report.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the Local Government Act 1989 and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on accounting bases consistent with those used for General Purpose Financial Report and the Budget. The result reported in these statements are consistent with those reported in the General Purpose Financial Report.

The Standard Statements are not a substitute for the General Purpose Financial Report, which are included on pages 1 to 48 of the Annual Report. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of 10 per cent. 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 included in the Standard Statements are those adopted by Council on 5 July 2011. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results are contained in the General Purpose Financial Statements Report on pages 1 to 48. The detailed budget can be obtained by contacting council or through the council's website. The Standard Statements must be read with reference to these documents.

STANDARD INCOME STATEMENT

For the year ending 30 June 2012

	Budget 2011/2012 \$'000	Variances \$'000	%	Ref	Actuals 2011/2012 \$'000
Revenue					
Rates and charges	15,394	23	0.1		15,417
User fees and fines	9,803	2,648	27.0	1	12,451
Contributions - Operating	279	17	6.1		296
Contributions - Capital	288	(65)	(22.6)	2	223
Grants - Operating	10,250	4,334	42.3	3	14,584
Grants - Capital	943	1,803	191.2	4	2,746
Other revenue	402	183	45.5	5	585
Total revenue	37,359	8,943			46,302
Expenses					
Employee benefits	13,474	(3,621)	(26.9)	6	17,095
Materials and services	13,621	(1,798)	(13.2)	7	15,419
Depreciation	9,408	(491)	(5.2)		9,899
Finance costs	218	46	0.2		172
Total expenses	36,721	(5,864)			42,585
Net gain (loss) on disposal of assets	-	221	-	8	221
Surplus (deficit) for the period	638	3,300			3,938

STANDARD INCOME STATEMENT

For the year ending 30 June 2012

Variance Explanation Report

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
1	User fees and fines (revenue)	Significant increases include: Vic Roads maintenance contract works of \$1.5 million, increased quarry sales of \$900,000 and additional external works of \$400,000.
2	Contributions - Capital (revenue)	Contributions for Woolsthorpe carpark and Nirranda playground to be received in 2012/13.
3	Grants - Operating (revenue)	Half of the Victoria Grants Commission for 2012/13 was brought forward to the 2011/12 year (\$3.8 million) and \$640,000 Public Halls funding was reclassified as "operating" as the halls were not owned by Council.
4	Grants - Capital (revenue)	\$1 million drainage funding from Vicroads was not included in the budget, \$400,000 Roads to Market funding was a "carry over" from 2010/11, \$680,000 Flood relief and \$360,000 Local Government Infrastructure grants were not included in the budget. \$640,000 Public Halls funding was reclassified as "operating".
5	Other Revenue	Additional interest income received from more than anticipated cash holdings.
6	Employee benefits (expenses)	Significant variances include: Council was required to make an additional contribution of \$2.8 million to Vision Super to meet obligations in relation to members of the defined benefit superannuation plan, increased Vic Roads maintenance contract works which resulted in an increase to employee costs, increased in house labour to complete local roads maintenance program and increase in aged care due to additional service delivery hours and travel costs.
7	Materials and Service (expenses)	Significant variances include: Increase in quarry production which was offset by quarry sales refer note 1, completion of the Port Fairy Rail Trail which was a carry over from 2010/11 and less plant operating costs attributed to capital than budgeted.
8	Net gain (loss) on disposal of assets	Profit on sale of plant and equipment.

STANDARD BALANCE SHEET

As at 30 June 2012

	<i>Budget</i> 2011/2012 \$'000	<i>Variances</i> \$'000 %		<i>Ref</i>	<i>Actuals</i> 2011/2012 \$'000
Current assets					
Cash and cash equivalents	2,853	5,343	187.3	9	8,196
Financial assets	2,250	3,750	166.7	10	6,000
Trade and other receivables	2,847	153	5.4		3,000
Other financial assets	772	143	18.5	11	629
Total current assets	8,722	9,103			17,825
Non-current assets					
Financial assets	-	1,000	-	10	1,000
Trade and other receivables	51	5	9.8		56
Property, plant and equipment, infrastructure	328,406	18,692	5.7		347,098
Other	370	(37)	(10.0)	12	333
Total non-current assets	328,827	19,660			348,487
Total assets	337,549	28,763			366,312
Current liabilities					
Trade and other payables	2,593	(602)	(23.2)	13	3,195
Interest bearing loans and borrowings	448	(2,067)	(461.4)	14	2,515
Provisions	4,038	(127)	(3.1)		4,165
Total current liabilities	7,079	(2,796)			9,875
Non-current liabilities					
Interest bearing loans and borrowings	2,173	1,958	90.1	14	215
Provisions	1,332	(2,618)	196.5	15	3,950
Total non-current liabilities	3,505	660			4,165
Total liabilities	10,584	(3,456)			14,040
Net assets	326,965	25,307			352,272
Equity					
Accumulated surplus	185,666	4,241	2.3		189,907
Asset revaluation reserve	138,931	20,139	14.5	16	159,070
Other reserves	2,368	927	39.1	17	3,295
Total equity	326,965	25,307			352,272

STANDARD BALANCE SHEET

As at 30 June 2012

Variance Explanation Report

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
9	Cash assets and cash equivalents	The increase to the cash position is primarily due to the following significant variances, 50% or \$3.8 million of the 2012/13 Victoria Grants Commission paid in June 2012, \$0.68 million flood relief grants received in advance, delayed expenditure for capital works, and increase in external works surplus of \$1.0 million.
10	Financial Assets	Surplus cash invested in Term Deposits on a rolling schedule of 4 to 12 months. Term deposit reinvested for 24 months (\$1m) and classified as non-current.
11	Other financial assets	Actual inventory and prepayments were less than forecast.
12	Other (non current asset)	This relates to the movement in the carrying value in the Corangamite Regional Library. Budget based on prior years actual carrying value.
13	Trade and other payables	Increased trade creditors of \$0.39 million, accrued expenses of \$0.09 million, and trust deposits \$0.12 million compared to budget.
14	Interest bearing loans and borrowings	Two Council loans now treated as a current liability due to periodic review clause in loan agreements.
15	Provisions	Unfunded superannuation contribution of \$2.79 million taken up as a provision following notification from Vision Super in August 2012.
16	Asset revaluation reserve	No reliable estimate able to be budgeted.
17	Other reserves	Significant increases relate to the Quarry and Port of Port Fairy reserve.

STANDARD CASH FLOW STATEMENT

For the year ending 30 June 2012

	Budget 2011/2012 \$'000	Variances \$'000 %	Ref	Actuals 2011/2012 \$'000
Cash flows from operating activities				
Receipts				
General rates	15,359	(55)	0.4	15,304
Operating grants	10,250	4,305	42.0	14,555
Contributions	567	(132)	23.3	435
Capital grants	942	1,484	157.5	2,426
Interest	400	244	61.0	644
Fees and charges	9,564	3,400	35.5	12,964
	37,082	9,246		46,328
Payments				
Employee costs	(13,737)	(140)	1.0	(13,877)
Materials and services	(13,638)	(2,067)	15.2	(15,705)
	(27,375)	(2,207)		(29,582)
Net cash inflow (outflow) from operating activities	9,707	7,039		16,746
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment, infrastructure	486	(113)	(23.3)	373
Payments for property, plant and equipment, infrastructure	(12,718)	1,002	7.9	(11,716)
Payments for other financial assets	(2,250)	4,750	211.1	(7,000)
Proceeds from sale of other financial assets	2,250	-	-	2,250
Loans and advances		10	-	(10)
Repayment of loans and advances	28	3	10.7	25
Net cash inflow (outflow) from investing activities	(12,204)	3,874		(16,078)
Cash flows from financing activities				
Finance Costs	(218)	46	21.1	(172)
Proceeds from interest bearing loans and borrowings	535	-	-	535
Repayment of interest bearing loans and borrowings	(417)	90	21.6	(327)
Net cash inflow (outflow) from financing activities	(100)	136		36
Net Increase (decrease) in cash and cash equivalents	(2,597)	3,301	127.1	704
Cash and cash equivalents at the beginning of the year	5,450	2,042	37.5	7,492
Cash and cash equivalents at the end of the year	2,853	5,343		8,196
Reconciliation of Surplus (Deficit) and Net Cash Flows from Operating Activities				
For the year ending 30 June 2012				
Surplus (deficit)	5,103			3,938
Depreciation and amortisation	9,408	491	5.2	9,899
Contributions - Non-monetary assets		-	-	
Net movement in current assets and liabilities	(4,804)	7,713	160.6	2,909
Net cash inflow (outflow) from operating activities	9,707	7,039		16,746

STANDARD CASH FLOW STATEMENT

For the year ending 30 June 2012

Variance Explanation Report

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
18	Operating Grants	Half of the Victoria Grants Commission for 2012/13 was brought forward to the 2011/12 year (\$3.8 million).
19	Contributions	Contributions for road rehabilitation project was not received in the current year.
20	Capital grants	\$1 million drainage funding from Vicroads was not included in the budget, \$680,000 Flood relief and \$360,000 Local Government Infrastructure grants were not included in the budget.
21	Interest	Additional interest income received from more than anticipated cash holdings
22	Fees and Charges	Significant increases include: Vic Roads maintenance contract works of \$1.5 million, increased quarry sales of \$900,000 and additional external works of \$400,000. Payment of significant prior year debtor.
23	Materials and Services	Significant variances include: Increase in quarry production which was offset by quarry sales refer note 1, completion of the Port Fairy Rail Trail which was a carry over from 2010/11 and less plant operating costs attributed to capital than budgeted. Accrued expenses were less in current year compared to 2010/11.
24	Proceeds from sale of property, plant and equipment, infrastructure	Plant trade-ins less than expected and some plant sales deferred.
25	Payments for other financial assets	Surplus cash invested in Term Deposits on a rolling schedule of 4 to 12 months.
26	Loans and advances	New community loan commenced in June 2011.
27	Finance Costs	Borrowings of \$0.53 million not drawn until June and therefore less interest incurred in the current year.
28	Repayment of interest bearing loans and borrowings	Borrowings of \$0.53 million not drawn until June and therefore less repayments required in the current year

STANDARD STATEMENT OF CAPITAL WORKS

For the year ending 30 June 2012

Capital Works Areas	Budget 2011/2012 \$'000	Variances \$'000	%	Ref	Actuals 2011/2012 \$'000
Roads	7,949	313	3.9		8,262
Drainage	170	(49)	28.8	27	121
Open space	864	(193)	22.3	28	671
Buildings	1,709	(751)	43.9	29	958
Plant and equipment and other	2,025	(321)	15.9	30	1,704
Total capital works	12,717	(1,001)			11,716
Represented by:					
Asset Renewal	9,790	(228)	2.3		9,562
New Assets	2,927	(773)	26.4	31	2,154
Total capital works	12,717	(1,001)			11,716

Property, plant and equipment, infrastructure movement	Budget 2011/2012 \$'000	Variances \$'000	%		Actuals 2011/2012 \$'000
The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Balance Sheet links to the net of the following items:					
Total capital works	12,717	(1,001)	7.9		11,716
Asset revaluation movement	-	(20,139)	-	32	20,139
Landfill Rehabilitation Provision	-	10	-		10
Depreciation and amortisation	(9,408)	(491)	5.2		(9,899)
Written down value of assets sold	(486)	334	(68.7)	33	(152)
Net movement in property, plant and equipment, infrastructure	2,823	18,991			21,814

STANDARD STATEMENT OF CAPITAL WORKS

For the year ending 30 June 2012

Variance Explanation Report

<u>Ref.</u>	<u>Item</u>	<u>Explanation</u>
27	Drainage	Completion of Philip Street Drainage has been carried forward to 2012/13
28	Open Space	Mailors Flat Land Purchase has been carried forward to 2012/13.
29	Buildings	Grassmere, Willatook and Purnim halls incorrectly classified as a Council asset. On crown land and Council is not committee of management. Project reclassified as "operating".
30	Plant and equipment and other	2 staff vehicles and 2 patching trucks were not changed over during the year as budgeted.
31	New Assets	New drainage, land purchases and footpaths carried forward
32	Asset Revaluation Movement	Not included in budget
33	Written down value of assets sold	Result of Plant and equipment changeovers not occurring.

CERTIFICATION OF STANDARD STATEMENTS

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

Craig Ralston
Principal Accounting Officer
Dated 11 September 2012
Port Fairy



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

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

We have been authorised by the Council on the 28th of August 2012, to certify the standard statements in their final form.

Jim Doukas
Mayor
Dated 11 September 2012
Port Fairy



Jill Parker
Councillor
Dated 11 September 2012
Port Fairy



David Madden
Chief Executive Officer
Dated 11 September 2012
Port Fairy



INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moyne Shire Council

The Financial Report and Standard Statements

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

The accompanying standard statements for the year ended 30 June 2012 of the Council which comprises the standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

The Councillors of the Moyne Shire Council are responsible for the preparation and the fair presentation of:

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

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)

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

Independence

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

Opinion

In my opinion:

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

Basis of Accounting for Standard Statements

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

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

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

MELBOURNE
14 September 2012


D D R Pearson
Auditor-General

PERFORMANCE STATEMENT – 2012

Council's actual indicator results compared to targets set for 2012 are detailed below.

Key Result Area: Governance

Strategic Activity	Key Performance Indicator	Target 2012	Result 2012	Achieved /Not Achieved	Comment
Advocacy and leadership	Community Satisfaction Rating - advocacy	>62	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.
Community engagement	Community Satisfaction Rating - community engagement	>62	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.

Key Result Area: Infrastructure and Assets

Strategic Activity	Key Performance Indicator	Target 2012	Result 2012	Achieved /Not Achieved	Comment
Safer and more trafficable road system	Community Satisfaction Rating - Roads and Footpaths	>53	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.
Creation of an attractive and desirable place to live	Community Satisfaction Rating - Recreational facilities	>66	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.

Key Result Area: Environment, Planning and Regulation

Strategic Activity	Key Performance Indicator	Target 2012	Result 2012	Achieved /Not Achieved	Comment
Promoting sustainable development	Community Satisfaction Rating - Town Planning	>53	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.
Waste management	Community Satisfaction Rating - Waste management	>66	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.

Key Result Area: Community Services

Strategic Activity	Key Performance Indicator	Target 2012	Result 2012	Achieved /Not Achieved	Comment
Providing quality community services	Community Satisfaction Rating - Health & Human Services	>77	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.
Aged & Disability Care	Percentage of assessments completed within 7 days	>90%	93%	Achieved	

Key Result Area: Business and Tourism

Strategic Activity	Key Performance Indicator	Target 2012	Result 2012	Achieved /Not Achieved	Comment
Economic development	Community Satisfaction Rating - Economic Development	>59	Unable to measure	Not Achieved	Changes to the methodology and content of the 2012 Community Satisfaction Survey data collection.
Caravan Parks	Return visitation @ Moyne Port Fairy managed caravan parks during peak holiday period	>60%	64%	Achieved	

PERFORMANCE STATEMENT FOR THE YEAR ENDING 30 JUNE 2012

CERTIFICATION OF PERFORMANCE STATEMENT

In our opinion, the accompanying performance statement of the Moyne Shire Council in respect of the 2011-12 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance indicators and targets set out in relation to the achievement of the goals and strategies in respect of the year described in Council's 2011-12 Budget and describes the extent to which those goals and strategies were met in that year having regard to those indicators.

As at the time of signing, we are not aware of any circumstances which would render any particular in the statement to be misleading or inaccurate.

Jim Doukas
Mayor
Date: 11 September 2012
Port Fairy



Jill Parker
Councillor
Date: 11 September 2012
Port Fairy



David Madden
Chief Executive Officer
Date: 11 September 2012
Port Fairy



INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moyne Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2012 of the Moyne Shire Council which comprises the statement, the related notes and the certification of performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Moyne Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

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

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Moyne Shire Council in respect of the 30 June 2012 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Moyne Shire Council for the year ended 30 June 2012 included both in the Moyne Shire Council's annual report and on the website. The Councillors of the Moyne Shire Council are responsible for the integrity of the Moyne Shire Council's website. I have not been engaged to report on the integrity of the Moyne Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
14 September 2012


D D R Pearson
Auditor-General

GLOSSARY

Advisory committee – established to help Council in the consultative process and to provide valuable information to support decision making.

Advocacy – lobbying for the needs of the community through reasoned argument to authorities such as State and Federal governments.

Asset – a physical component of a facility that has a value, enables a service to be provided, and has an economic life greater than 12 months.

Auditor General – an independent officer of the Parliament appointed under legislation to examine and report to Parliament and the community on the efficient and effective management of public sector resources, and provide assurances on the financial integrity of Victoria's system of government.

Benchmark – a desirable level or standard that is used as a measurable target to reach or better.

Best Value – best-on-offer services that meet the needs of the community encouraged by State Government legislation that required Councils to review all their services.

Capital works – work undertaken on Council-owned assets including new, expansion, upgrade, renewal or disposal.

Code of Conduct – a statement of how Councillors will interact and work with colleagues, Council staff and the community.

Community – members of the public, residents and ratepayers who make up the population of Moyne Shire and who have the potential to use Council services.

Community Satisfaction Survey – an annual survey undertaken by the State Government to measure the community's perception of how its local Council is performing in key service areas.

Continuous improvement – the process by which Council ensures its services are relevant, up-to-date and meet the needs of all people who use them.

Corporate governance – the aim of instilling corporate fairness, transparency and accountability; the structure through which an organisation sets its goals and how it will reach those goals, determines performance monitoring guidelines, and encourages the efficient use of resources.

Councillor (Cr) – a member of The Council, elected by the residents who live in their municipality.

Council Plan – a document that guides The Council's activities for a four-year

period, with strategic statements that define what it aims to achieve and how it will achieve them.

Continuous improvement – the process of ensuring that review and improvement practices are built into operational activities.

Eco-Buy – a local government scheme to encourage purchases of environmentally friendly products and services such as recycled paper for photocopiers.

HACC – an abbreviation of “home and community care” services.

Infrastructure – the physical assets required to enable the community to be connected and operational. This includes roads, drains, footpaths, public open spaces and public buildings.

Integrated – a term used to describe when a variety of services, plans or actions are designed to work together to add up to a better outcome.

Internal audit – an independent appraisal function to examine and evaluate The Council’s financial, management and internal control systems. Audits are carried out on many areas of The Council from finance to Occupational Health and Safety and Home and Community Care services.

IT – information technology.

Local Government Act 1989 – an Act of the State Parliament that governs the operations of local government throughout Victoria.

Networking – describes the beneficial communication opportunities between parties whether social or business related. All parties gain by learning from each other and improving their relationships for the future.

Occupational Health and Safety (OH&S) – the process by which Council creates a safe environment for its employees, contractors, visitors and customers, as well as encouraging healthy work habits.

Organisational Development – a unit of Council that services internal needs such as organisational and staff health and well-being, Occupational Health and Safety, records management, communications, payroll and human resources.

Performance statement – the audited statement showing results against key strategic activities and indicators.

Policy – a written document that sets out the rules by which a certain topic or issue is dealt with by The Council.

Procedure – a written document that specifies the way in which employees are to carry out certain tasks.

Risk – refers to the hazards and threats to safety that occur within an organisation. Risks are addressed through Council's Occupational Health and Safety (OH&S) policies and procedures.

SafetyMAP – an audit tool used to test the organisation's OH&S policies and procedures to ensure they and other legislation is being followed. The audit leads to The Council being re-accredited through the Victorian Workplace Authority.

Senior management team – the senior staff at The Council including the Chief Executive Officer, directors and managers. This team meets regularly to discuss issues affecting the organisation.

Special Committee – a committee established under Section 86 of the Local Government Act 1989 to help manage Council-owned facilities or to advise Council on specific subjects. A

Section 86 Committee is able to make recommendations to The Council.

Stakeholders – individuals, groups or organisations that have an interest in the outcome of a project or issue. Stakeholders can be internal (Council staff) or external such as government departments, suppliers, community groups, residents and ratepayers.

Strategic Indicator (SI) – required by the Local Government Act, strategic indicators show progress against the objectives of the four-year Council Plan.

Sustainability – the ability to provide for the needs of the current community without damaging the ability of future generations to provide for themselves. When a process is sustainable, it can be carried out over and over without negative environmental effects or impossibly high costs to anyone involved.

ACRONYMS AND ABBREVIATIONS

CEO – Chief Executive Officer, the head of the organisation.

CFA – Country Fire Authority, a volunteer-based emergency service that responds to fire emergencies.

CMA – Catchment Management Authority, an authority established to manage waterways and water catchments.

CMP – Civic Mutual Plus, an organisation that conducts public liability risk audit for The Council.

DHS – Department of Human Services, a State Government department involved in community and health services.

DPCD – the Department of Planning and Community Development, a State Government department that leads and supports the development of liveable communities.

DSE – Department of Sustainability and Environment, a State Government department involved in natural resource management.

EEO – Equal Employment Opportunity, the process whereby all employees and applicants are treated on their ability, not any presumed or real attributes that may be thought to affect job performance.

EFT – equivalent full time, used in relation to staffing numbers.

GIS – Geographical Information System, an electronic mapping system that captures, stores, retrieves, analyses and displays spatial data.

HACC – Home and Community Care, a service The Council provides to elderly residents and residents with a disability.

IT – Information Technology, computers, technology and their associated software and operating systems.

JMAPP – Jardine-Lloyd-Thompson Municipal Asset Protection Plan, a property risk management audit that tests Council's procedures when dealing with the management and maintenance of our assets.

KRA – key result area, as outlined in the Moyne Shire Council Plan.

LGPro – Local Government Professionals Association, the peak body of local government professionals in Victoria.

MAV – Municipal Association of Victoria, a body established protect the interests, rights and privileges of local government. Moyne Shire Council is an MAV member.

MCH – Maternal and Child Health, a service The Council offers to ensure the health and well-being of our youngest residents and their parents.

MECC – Municipal Emergency Coordination Centre, set up at the direction of the police and/or other emergency services in times of emergencies such as fire or flood.

OH&S – Occupational Health and Safety, the process by which Council creates a safe environment for its employees, the community, contractors, and visitors.

RADO – Regional Arts Development Officer, a staff position funded by Regional Arts Victoria to provide support to the arts community.

RAV – Regional Arts Victoria, a State Government department aimed at promoting and supporting the arts in regional and rural Victoria.

SCC – Staff Consultative Committee, a committee made up of staff members and management that meets to discuss employee-related issues.

UDF – Urban Design Framework, a strategic document used to plan for future development in a town.

VIC – Visitor Information Centre, where visitors are given information and advice about attractions to see in our shire. The Council operates the Port Fairy VIC.

VLGA – Victorian Local Government Association, a lobbying body for the local government sector. Moyne Shire Council is a VLGA member.

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