

# Moyne Shire Council

## Annual report

### 2014-2015



## **Our vision**

Moyne – a safe, vibrant, liveable, and prosperous community.

## **Our purpose**

We will manage the opportunities and challenges for Moyne Shire to provide enhanced community wellbeing and a vibrant economy within a sustainable financial framework.

## **Our values**

The Council considers these important values when making strategic decisions that contribute to achieving the Moyne vision.

### **1. Providing community leadership**

We will provide leadership for the community and advocate on behalf of the community.

### **2. Teamwork**

We will work together for the whole Shire and recognise our accountability.

### **3. Being involved**

We will engage with the community and fellow Councillors and communicate effectively.

### **4. Practising fairness and balance**

We will act with fairness in all decision making.

### **5. Striving for quality**

We will seek to improve service quality and access.

### **6. Respecting views**

We will respect alternative views both within the Council and the community.

### **7. Recognising diversity**

We acknowledge the diversity of the Shire and the varied needs of its different communities.

## **About Moyne Shire**

Moyne Shire is located in south west Victoria and stretches from along the Shipwreck Coast in the south to the pastoral areas in the north.

Spanning an area of 5,478 km<sup>2</sup>, Moyne's communities include Caramut, Ellerslie, Framlingham, Garvoc, Hawkesdale, Hexham, Kirkstall, Koroit, Macarthur, Mortlake, Nullawarre, Orford, Panmure, Peterborough, Port Fairy, Purnim, Winslow, Woolsthorpe, Woorndoo and Yambuk.

Moyne Shire is characterised by agriculture, fresh seafood, manufacturing and a healthy tourism industry. The dairying industry is the dominant industry but sheep production and cereal crops are growing in size. Manufacturing, retail and education are other important sectors.

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

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

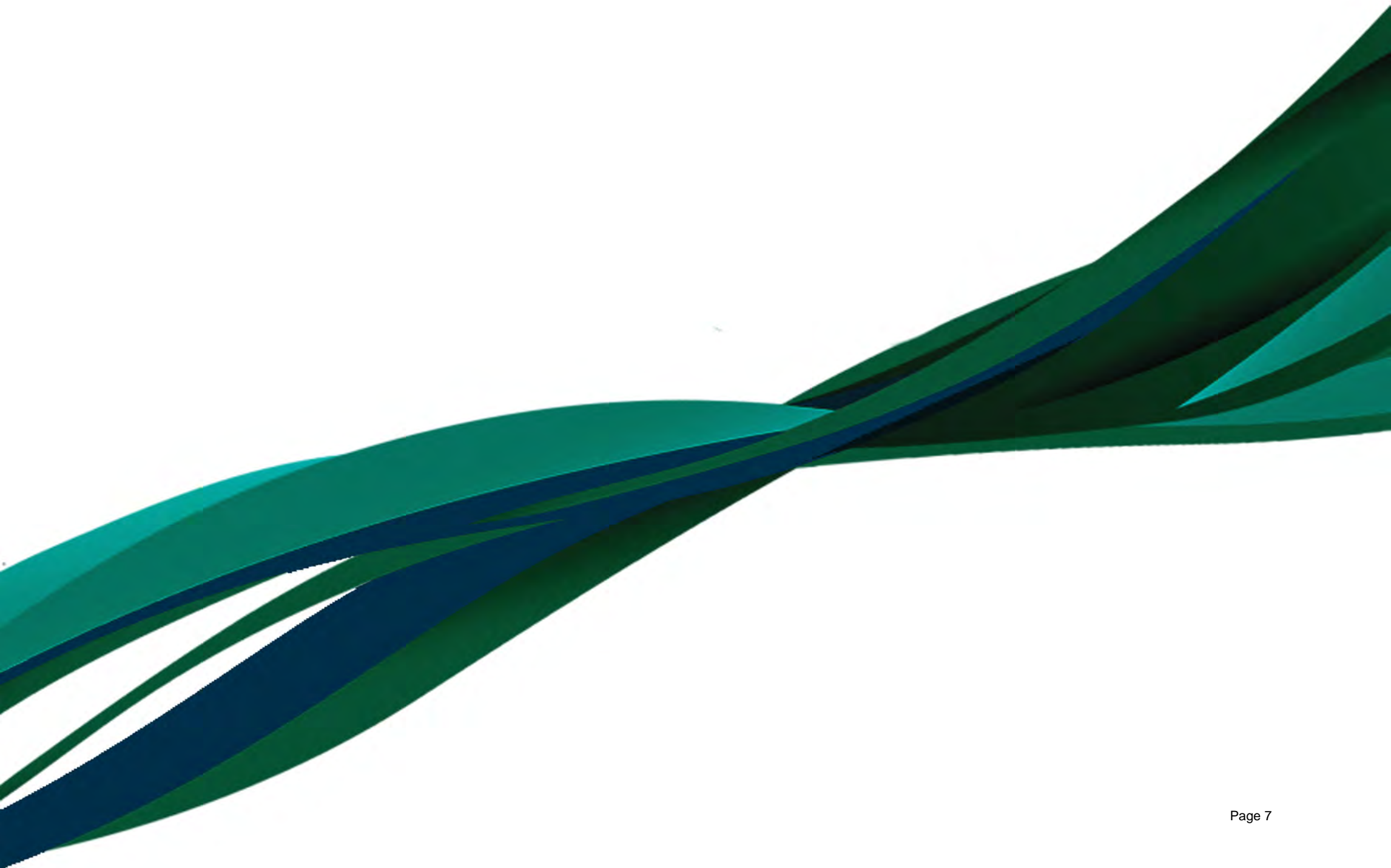


# Table of Contents

<b>The year in review .....</b>	<b>7</b>
Message from the Mayor .....	9
CEO 's Message .....	10
Finance summary .....	11
Description of Operations .....	15
<b>Our Council .....</b>	<b>17</b>
About the Shire .....	19
Moynes Shire Councillors.....	21
<b>Our people .....</b>	<b>23</b>
Executive Management Team.....	25
Management Structure.....	26
Organisational Structure .....	27
Workplace Profile .....	28
<b>Our performance .....</b>	<b>33</b>
Key Result Area 1 - Governance .....	39
Key Result Area 2 - Physical services.....	49
Key Result Area 3 - Sustainable development and planning.....	63
Key Result Area 4 - Community and Corporate Support .....	71
<b>Governance, management and other information.....</b>	<b>79</b>
Council Meetings .....	81
Special Committees of Council (Section 86).....	82
Advisory Committees .....	83
Audits .....	85
Governance and Management Checklist .....	86
Statutory information .....	90
<b>Performance statement.....</b>	<b>95</b>
<b>Financial report.....</b>	<b>109</b>



# The Year in Review







## Message from the Mayor

On behalf of my fellow Councillors I am proud to commend this Annual Report to the community as a demonstration of the hard work and professional service delivery provided by the staff and the elected representatives of the Moyne Shire Council throughout the 2014/15 period.

With our region's population expanding, and our community's expectations for high quality services increasing, Council has a challenging role to sustain the level of liveability, sustainability and productivity for our residents into the future.

Council continues to provide services and infrastructure for the community. Among the many highlights of the past financial year are the completion and opening of the Nullawarre and Nirranda Community Facility, finishing work on the Mailors Flat Community hub, and the upgrade of the Merri Kindergarten at Purnim. Each of these developments demonstrate Council's commitment to providing first class services and assets to the whole Shire.

Another highlight is the continuing work protecting the coastline around Port Fairy. Recent storm events have caused increased erosion that has threatened the old municipal tip at East Beach. Under considerable and understandable community scrutiny Council officers have designed and engineered world class solutions to prevent further erosion.

Challenges do exist on the short term horizon that has initiated considerable planning by Council. We are now facing many external funding challenges including the freeze on indexation to the Federal Financial Assistance Grants, the scrapped State Government Country Roads and Bridges program, and ongoing financial pressures from other levels of government. However the introduction of rate capping by the State Government is the issue that is causing the most concern to Councillors. As a rural Council, rate capping presents barriers to our capacity to provide basic services to residents.

Despite these hardships, Council has endeavoured to keep the rate increase low, while still delivering services including kindergartens, maternal and child health, home and community care, as well as maintaining an extensive road network.

We are committed to capital works in 2015/16 investing \$16.6 million including \$10.0 million on Council's road network. Among the planned projects are the installation of a new playground at Mailors Flat, an upgrade of the Yambuk Hall and streetscape improvement works in Nullawarre. These and many other projects will help shape the Shire as a safe, vibrant, liveable and prosperous community

It is appropriate that I take this opportunity to thank my fellow Councillors for their hard work and dedication to our community during the year. I would also like to express my appreciation to our Chief Executive Officer and Council staff for their assistance and efforts during the year.



Councillor Colin Ryan

## CEO's Message

The 2014/15 has been a successful year for Moyne Shire. Our financial position remains strong with an adjusted operational surplus of \$4.4 million. We completed \$16.5 million worth of capital works with \$10 million of that spent on roads and bridges.

Coastal erosion continues to be a challenge and the Wave Energy Dissipating structure was extended to protect all of the old East Beach Landfill. We will continue to work with the community to develop the 'Defend Port Fairy Strategy'. We continue to advocate to the State Government for support to help fund more works.

The organisation's Continuous Improvement Program is driving better outcomes and efficiencies right across our business. This has allowed us to put more effort into township maintenance. Our customer satisfaction results show the community's continued tick of approval for our work. Moyne's performance significantly exceeds the state-wide average for:

- Overall Performance
- Community consultation and engagement
- Advocacy
- Making community decisions and
- Overall council direction

Moyne Shire exceeds the Large Rural Shires' average in 5 of the 7 core measures. Overall performance is 5 points higher than the average. The sealed road core measure jumped from 33 to 40 this year.

The Great South Coast Group continues to advocate on the region's behalf to all levels of Government to make the region and Moyne a great place to live, work, holiday and invest. The whole region has replaced all the streetlights from Colac to the South Australian border which will lead to great savings in costs and carbon. It shows what we can achieve collectively. Moyne Mayor Cr Colin Ryan is the current Chair of this group.

Community volunteers are the backbone of community activity in Moyne Shire. They put in untold hours of work to make things happen in all of our towns and districts. Our Councillors work hard to support all of this activity. The Moyne staff team do all they can to support communities and make Moyne the great place it is.

I look forward to another successful year next year.



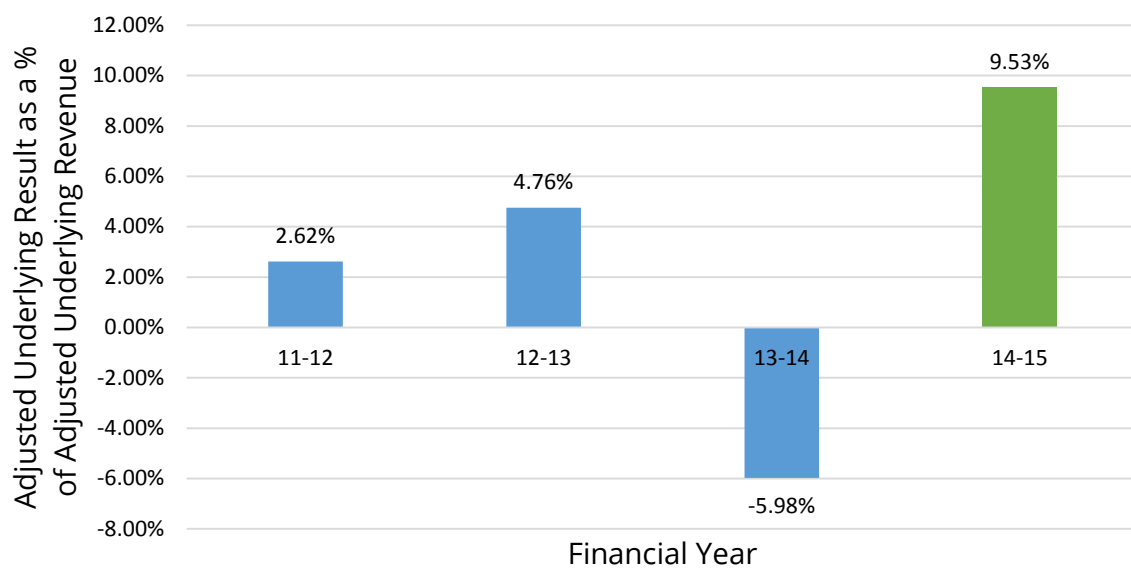
David Madden

## Finance summary

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

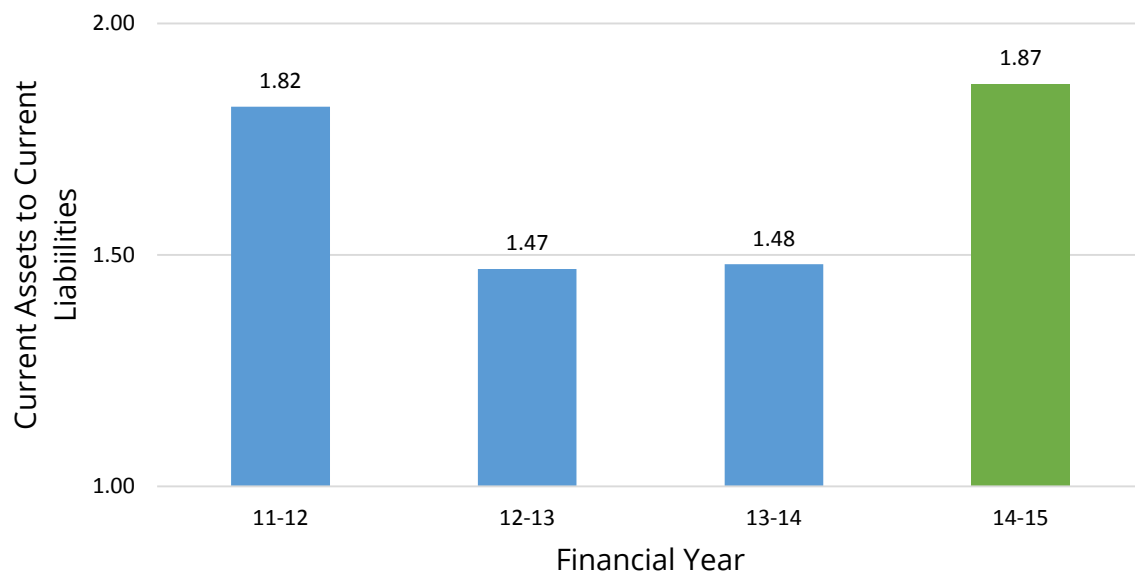
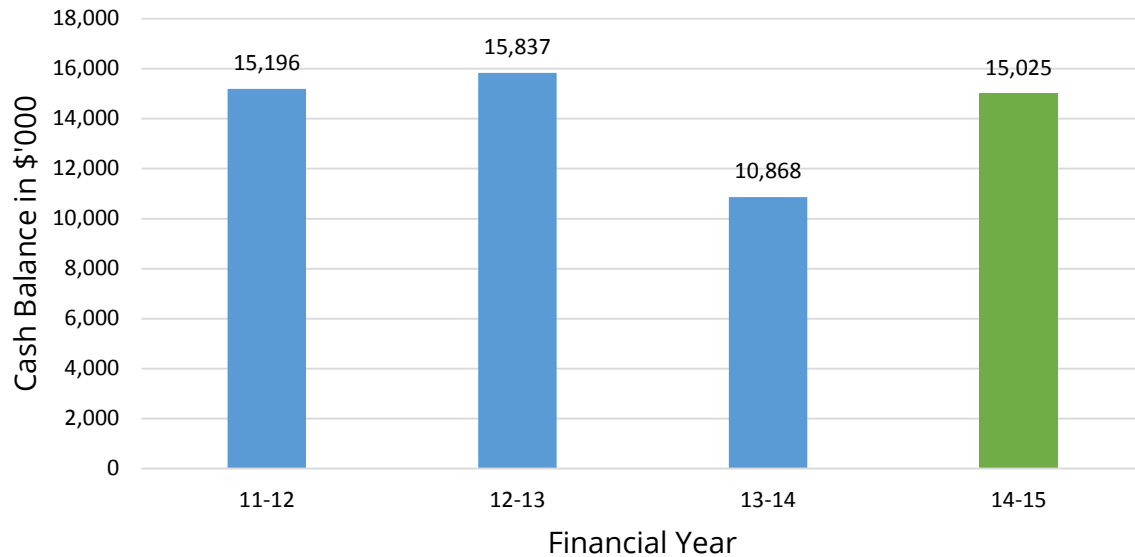
### Operating Position

Council achieved a surplus of \$12.31 million in 2014–15. This surplus compares favourably to the prior year surplus of \$1.46 million. As per the Comprehensive Income Statement in the Financial Report, the favourable variance is due mainly to the 50% advance payment from Victoria Grants Commission in 2015 and 2013. The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a surplus of \$4.36 million or 9.53% when compared to adjusted underlying revenue. This compares favourably to the expected target of >0%. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$611 million of community assets under Council's control.



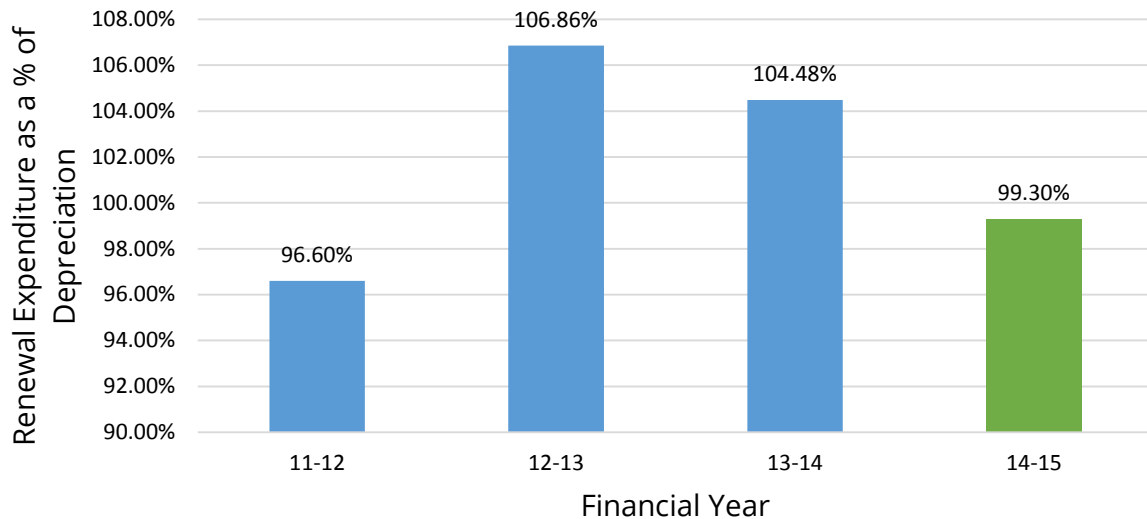
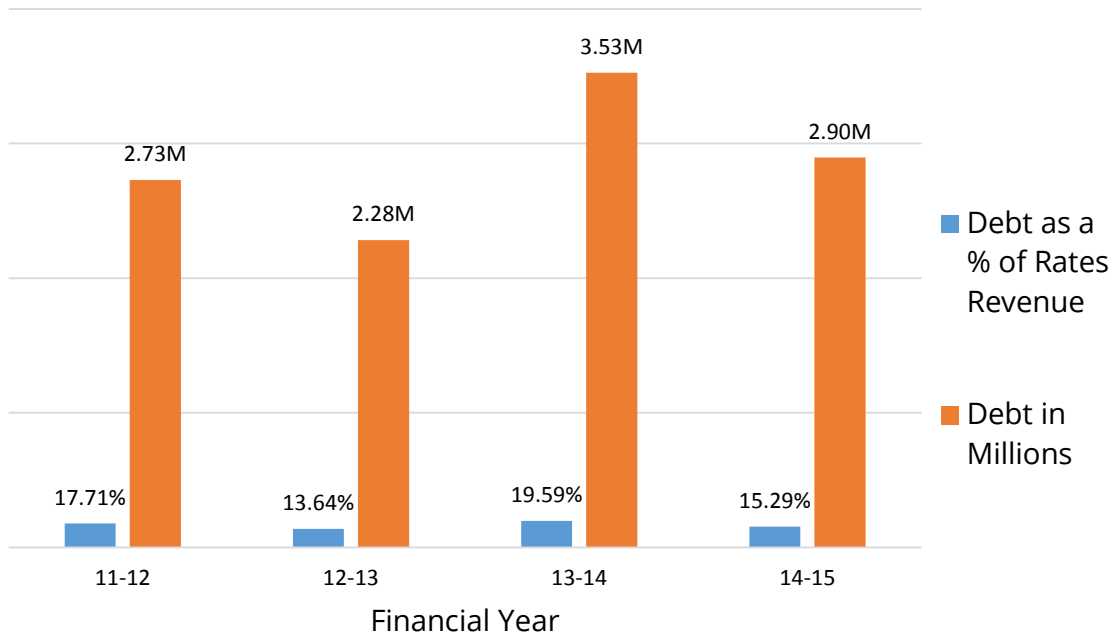
## Liquidity

Cash has increased by \$4.16 million from the prior year mainly due to the 50% advance payment from Victoria Grants Commission in June 2015. The working capital ratio which assesses Council's ability to meet current commitments is calculated by measuring Council's current assets as a percentage of current liabilities. Council's result of 187% is an indicator of satisfactory financial position and exceeds Council's minimum target of 100%.



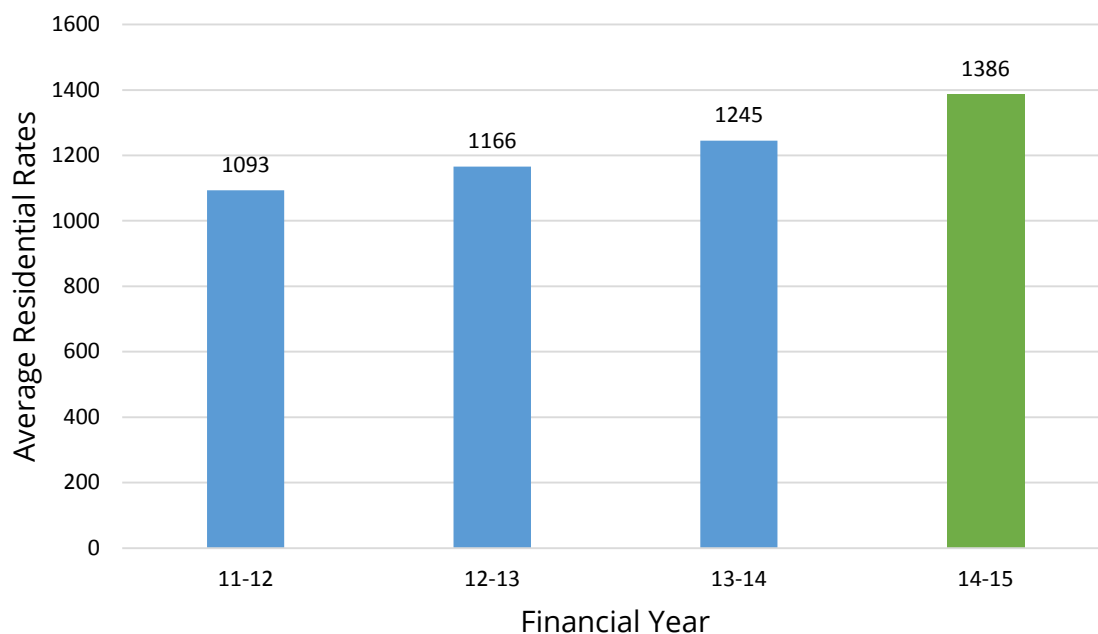
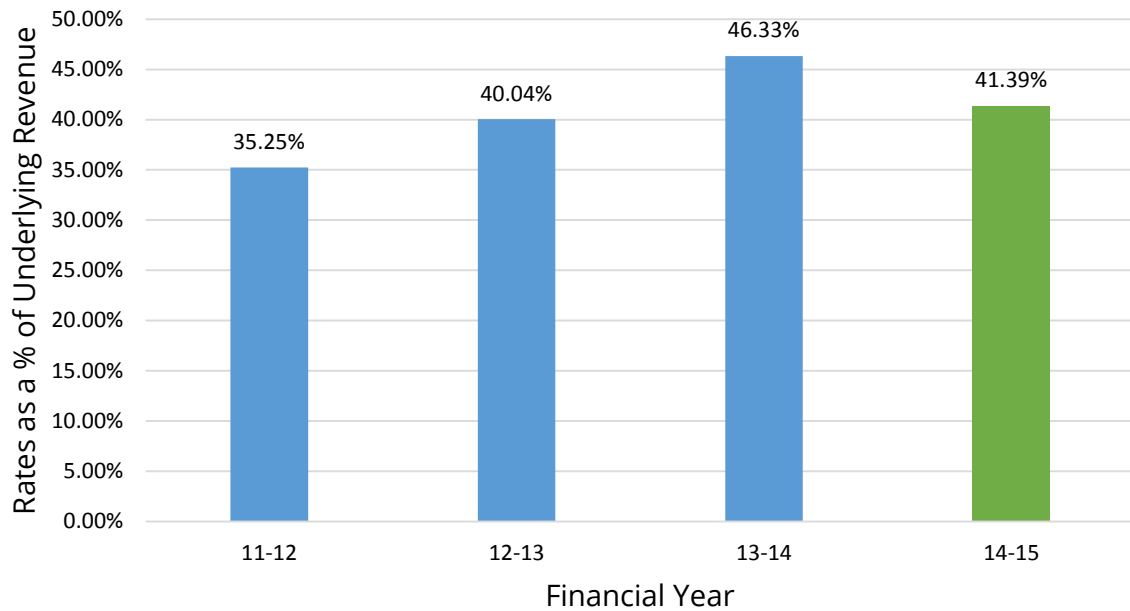
## Obligations

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$12.28 million in renewal works during the 2014/15 year. At the end of the 2014/15 year Council's debt ratio which is measured by comparing interest bearing loans and borrowings to rate revenue was 15.29% which was below the expected target band of 20%-60% due to Council's endeavour to maintain a low level of borrowings. Council's asset renewal ratio which is measured by comparing asset renewal expenditure to depreciation was 99.30% which was well within the expected target band of 90%-110%.



## Stability and Efficiency

Council raises a wide range of revenues including rates, user fees, grants and contributions. Despite this, Council's rates concentration which compares rate revenue to adjusted underlying revenue was 41.39% for the 2014/15 year which is toward the lower end of the expected target band of 40%-80%. Council has focussed on broadening its revenue base and for the 2014/15 year was able to keep its rate increase to 4.90%. This resulted in an average residential rate per residential assessment of \$1,386 which compares favourably to similar Councils in the large rural Shire's group.



## Description of Operations

Moyne Shire is located in Victoria's South West, 250 kilometres from Melbourne on the Great South Coast. The municipality stretches from the Great Ocean Road in the south to the pastoral area of Mortlake in the north.

Moyne takes its name from a place in Ireland or from an Aboriginal word meaning "covered with leaves or ferny hole". Moyne Shire is characterised by agriculture, fresh seafood, manufacturing and a healthy tourism industry.

The dairy industry is the dominant industry but sheep production and cereal crops are growing in size. Manufacturing, retail and education are other important sectors.

Council is responsible for more many services, from family and children's services, traffic regulation, open space, youth facilities, waste management and community building; to matters concerning business development, planning for appropriate development and ensuring accountability for Council's budget.

### Economic Factors

Council's financial position continues to remain sound, with a surplus of \$12.31 million in 2014-15. This surplus compares favourably to the prior year surplus of \$1.46 million.

Council aims to ensure that it is able to maintain its infrastructure assets at the expected levels, while at the same time continuing to deliver the services needed by the community. To bridge the infrastructure gap, Council invested \$12.28 million in renewal works during the 2014/15 year.

### Major Capital Works

During 2014-15 the major capital works included the following:-

- Port Fairy Streetscape
- Nullawarre and Nirranda Community Facility
- Mailors Flat Community Hub
- Major road improvement works carried out on the Macarthur Hawkesdale Road
- Construction and extension to create 300m of Wave Energy Dissipation Structure at the former tip site on East Beach.

### Major Changes

- The provision of building services to the community was reviewed.

### Major Achievements

- Successful launch of new Moyne Shire website
- Completion and opening of the Port Fairy Streetscape project
- Completion and opening of the Nullawarre and Nirranda Community Facility
- Planning Scheme Amendment C48 (Part 1) which implements the Mortlake Urban Design Framework (2010) was adopted by Council and lodged for Ministerial Approval. The Amendment will introduce updated planning policy and a framework plan for the Mortlake Township.





# Our Council



## About the Shire

Moyne Shire is located in Victoria's South West, 250 kilometres from Melbourne on the Great South Coast. The municipality stretches from the Great Ocean Road in the south to the pastoral area of Mortlake in the north.

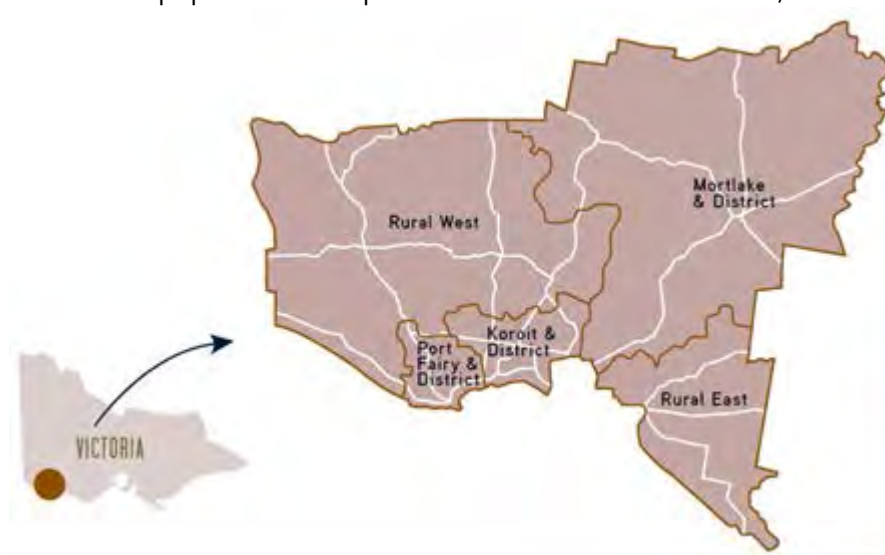
Moyne takes its name from a place in Ireland or from an Aboriginal word meaning "covered with leaves or ferny hole." Moyne Shire is characterised by agriculture, fresh seafood, manufacturing and a healthy tourism industry.

The dairying industry is the 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. Moyne offers untouched beaches, rugged coastline, volcanic lakes and craters and vast pastoral country.

### Population

Moyne has a total population of 15955 (Census 2011) residents. Most of the growth within the Shire is to the south in the coastal areas, with the entire population growing at approximately 0.5% per annum. It is projected by the State Government, that by 2021 the population will increase by 0.54% annually. Most of the population is dispersed in rural areas across the 5,478km<sup>2</sup> of the Shire.



Major Areas	Population (Census 2011)
Koroit & District	3804
Mortlake & District	3604
Port Fairy & District	3332
Rural East	2683
Rural West	2635

### 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 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.

### **Towns**

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

### **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.

### **Industry and Economy**

Moyne 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.

### **Council Offices and Depots**

#### **Port Fairy Office**

Princes Street, Port Fairy

#### **Mortlake Office**

1 Jamieson Avenue, Mortlake

#### **Macarthur Office**

28 High Street, Macarthur

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

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

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

Postal Address: PO Box 51, Princes Street, Port Fairy, VIC 3284

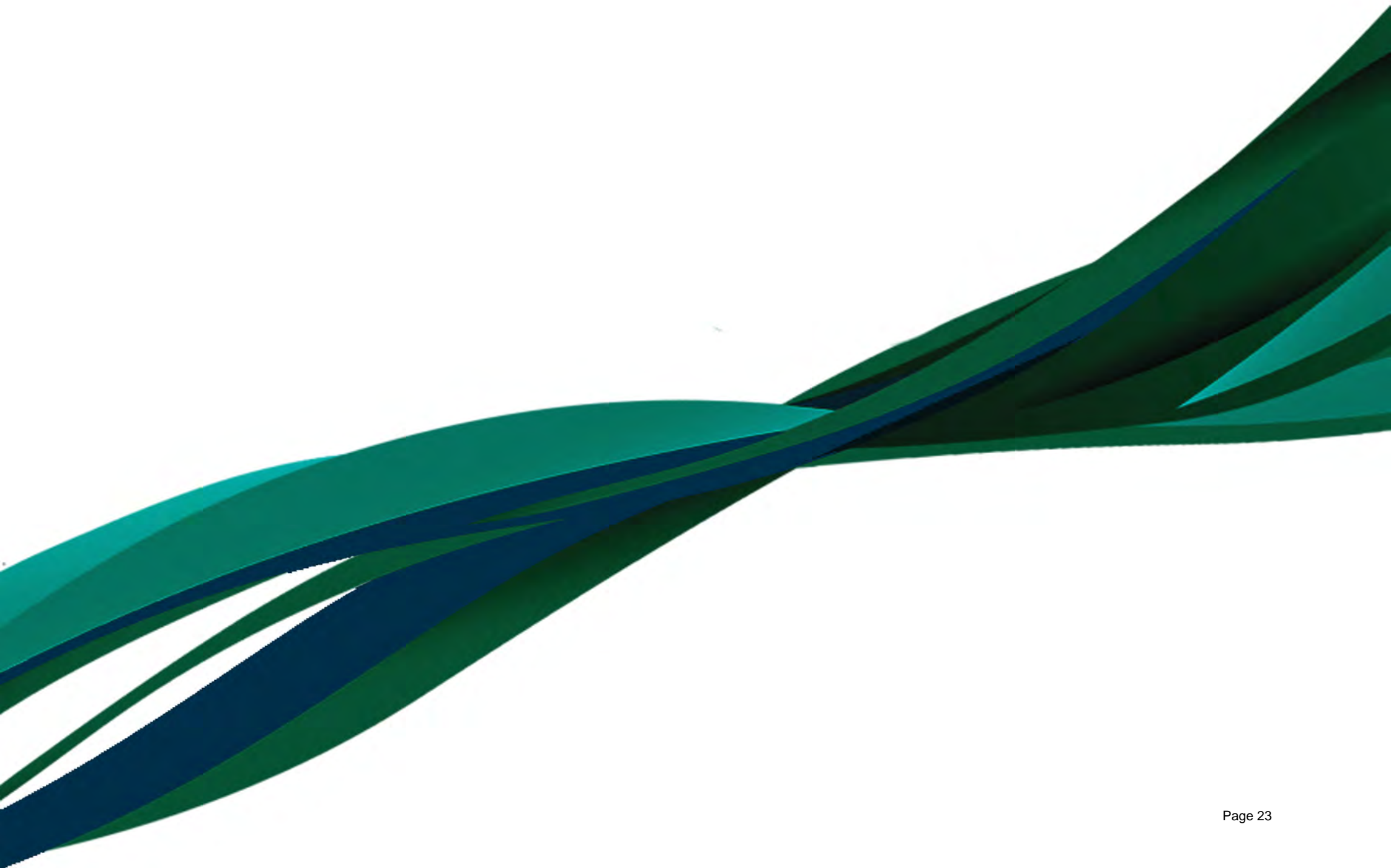
## Moyne Shire Councillors

Moyne Shire is represented by seven Councillors elected to represent an un-subdivided municipality. In October 2012 the Moyne Shire community elected this Council for a four year term. In December 2014 Cr Purcell resigned as Councillor and was replaced by Cr Goodall in January 2015.

Cr Jim Doukas	Date Elected: October 2012
Cr Kelvin Goodall	Date Elected: January 2015
Cr Anthony Keane	Date Elected: October 2012
Cr Ralph Leutton	Date Elected: October 2012
Cr Jill Parker	Date Elected: October 2012
Cr Colin Ryan	Date Elected: October 2012
Cr Mick Wolfe	Date Elected: October 2012
Cr James Purcell	Date Elected: October 2012 Date Resigned: December 2014



# Our People







## **Executive Management Team**

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Three Directors and the CEO form the Executive Management Team (EMT) and lead the organisation. Details of the CEO and directors reporting directly to the CEO are set out below.

### **David Madden, Chief Executive Officer**

Mr Madden began his four-year term as Chief Executive Officer in January, 2011, bringing a strong focus on service delivery and community engagement. He was re-appointed with a new contract in January 2015

Previously he was Director Technical Services at Golden Plains Shire Council for fifteen years.

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 and is currently a member of the Great South Coast Group.

### **Dean Robertson, Director Community and Corporate Support**

Mr Robertson commenced employment with Moyne Shire in 1994. He has strong ties to Moyne Shire having been raised and educated in Mortlake and the surrounding district and having involvement with various community organisations.

Mr Robertson completed a Bachelor of Business degree at Ballarat University College in 1991.

He commenced working in Local Government at the Shire of Mortlake in 1994 just prior to the Shire amalgamations that lead to the creation of the Moyne Shire.

Since 1994, Mr Robertson has held various positions within Moyne Shire across the finance and business and tourism portfolios, progressing to the appointment of Director – Community and Corporate Support in August 2013.

Mr Robertson is a member of LG Pro and a Committee member of Leadership Great South Coast.

Mr Robertson directorate covers the areas of aged care services, early years services, corporate business and tourism, organisational development and finance and information technology.

### **Oliver Moles, Director Sustainable Development**

Mr Moles started with Moyne Shire Council in October 2008, coming to Council from the State Government's Department of Planning and Community Development where he was Manager Planning and Development.

Mr Moles has over 30 years' experience in the planning field and has worked with Local Government both in Australia and overseas.

He has also worked in private practice, assisting a number of Victorian Councils with planning and other corporate issues, and he has been a Planning Panel Member appointed by the Victorian Planning Minister.

Mr Moles' qualifications include a Masters of Urban Planning and Bachelor of Arts (Geography), and he is a member of the Victorian Planning and Environmental Law Association.

### **Trevor Greenberger, Director Physical Services**

Prior to joining Moyne Shire Mr Greenberger spent 10 years at Corangamite Shire as the manager of recreation, culture and community facilities.

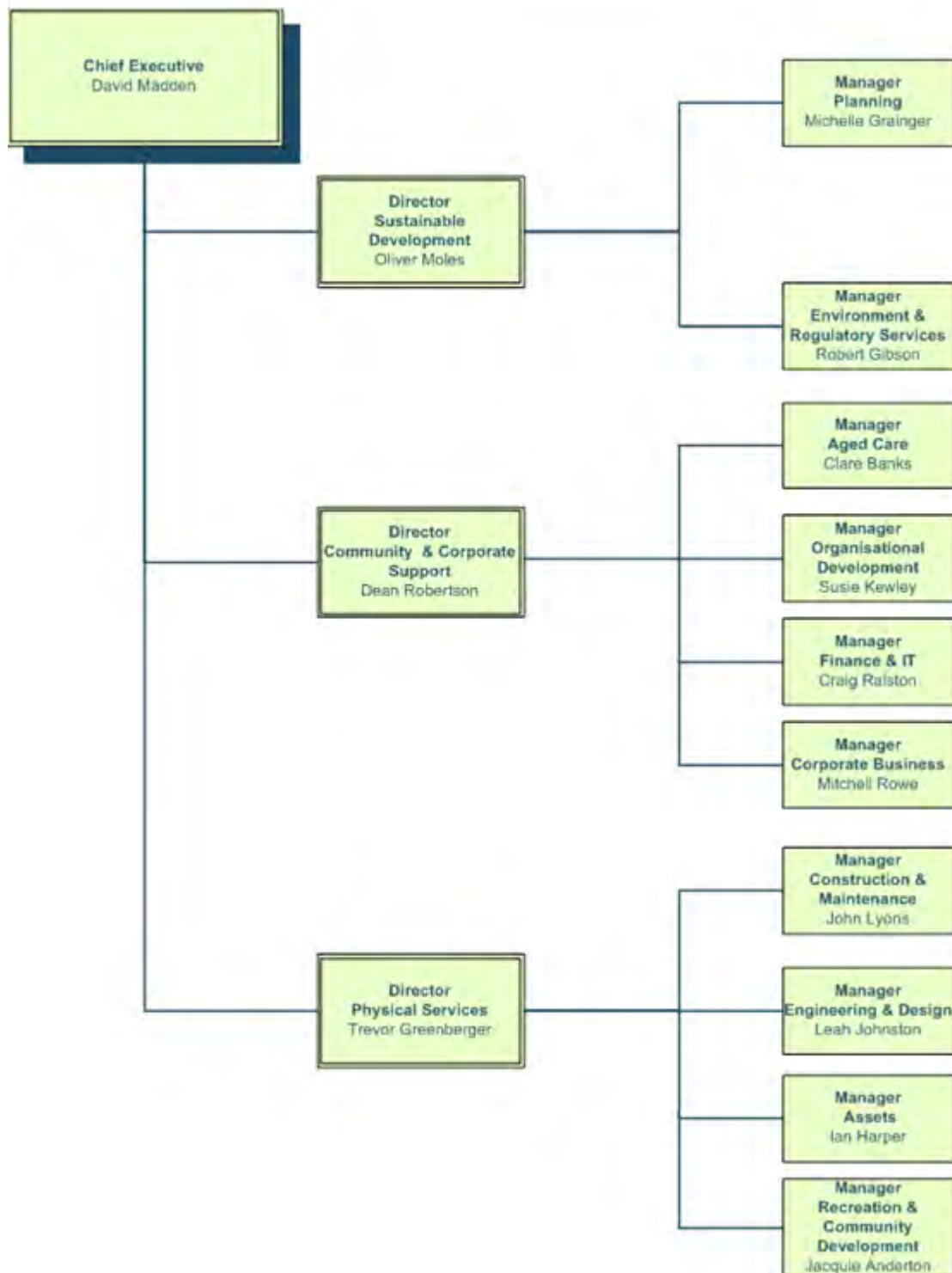
He started his career as a University of Ballarat-trained physical education teacher then moved on to managing facilities in Adelaide before being leisure services manager at Southern Grampians Shire Council for six years.

He has also earned qualifications including project management and business administration.

Mr Greenberger lives in Port Fairy and is a member of the Port Fairy Golf Club.

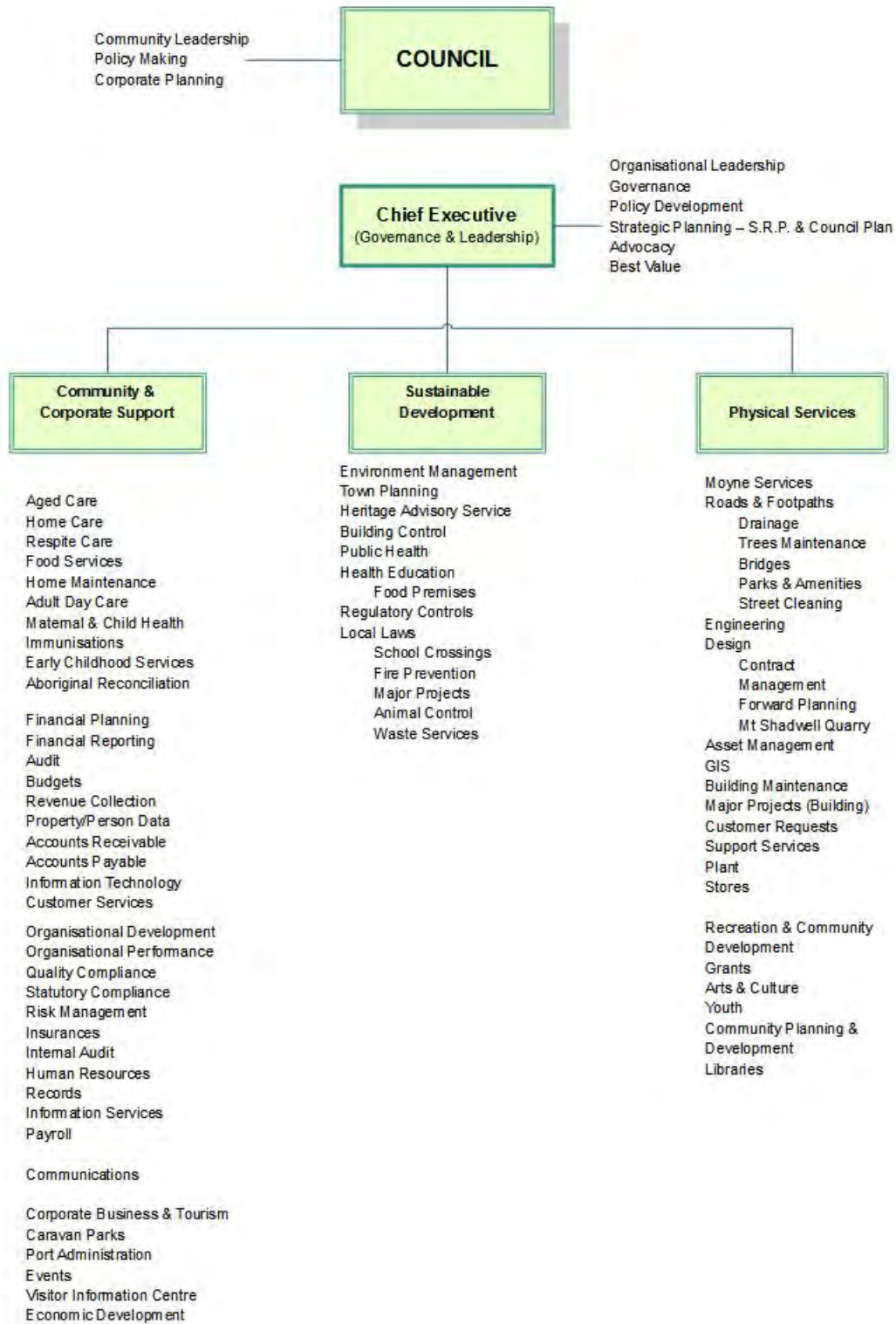
# Management Structure

(As of 30 June 2015)



# Organisational Structure

(As of 30 June 2015)



## Workplace Profile

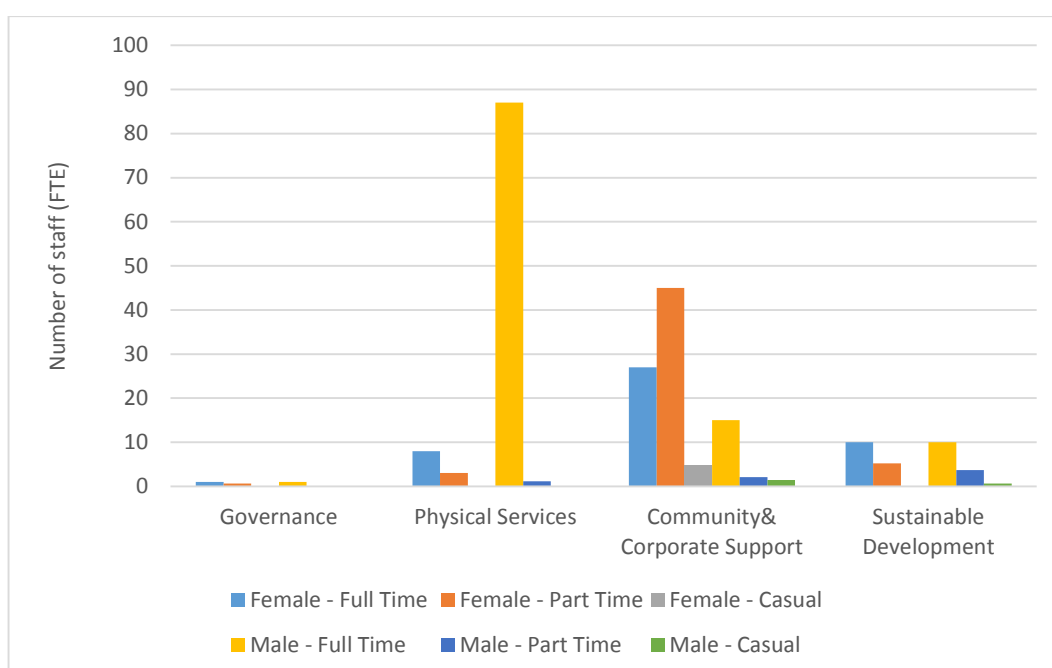
Diverse and highly skilled, Moyne Shire Council is proud of its staff members who boast a variety of skill sets across a broad range of disciplines. From town planning to road maintenance crews, parks and gardens, accounting, community development, organisational administration and public relations,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

In 2014/15 Moyne Shire Council employed the equivalent of 226.65 full-time positions (FTE).

### Council Staff

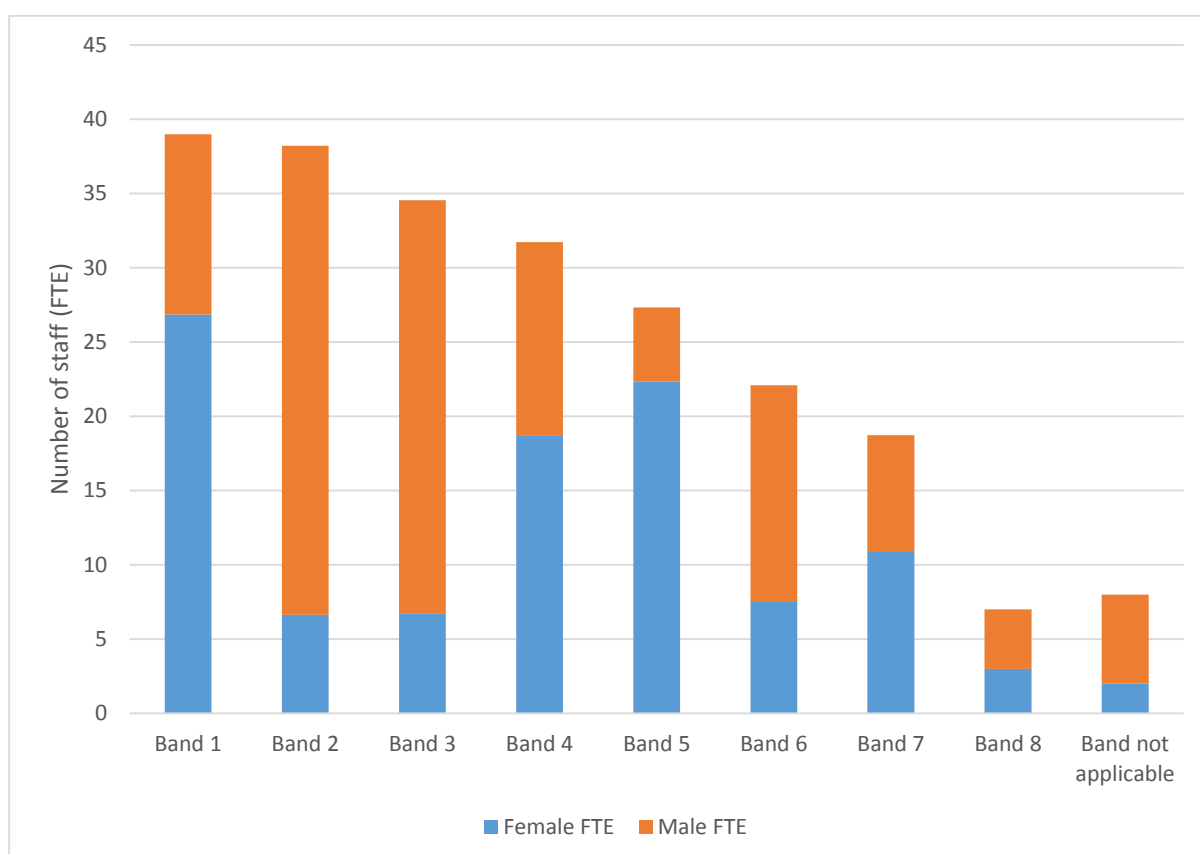
A summary of the number of full time equivalent (FTE) Council staff by organisational structure employment type and gender is set out below.

Employee type/gender	Governance FTE	Physical Services FTE	Community & Corporate Support FTE	Sustainable Development FTE	Total FTE
Female - Full Time	1	8	27	10	46
Female - Part Time	0.63	3.03	45.03	5.2	53.89
Female - Casual	0	0	4.77	0	4.77
Male - Full Time	1	87	15	10	113
Male - Part Time	0	1.12	2.1	3.66	6.88
Male - Casual	0	0	1.47	0.64	2.11
Total	2.63	99.15	95.37	29.5	226.65



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

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	26.85	12.15	39
Band 2	6.64	31.58	38.22
Band 3	6.7	27.85	34.55
Band 4	18.73	13	31.73
Band 5	22.33	5.01	27.34
Band 6	7.5	14.59	22.09
Band 7	10.92	7.8	18.72
Band 8	3	4	7
Band not applicable	2	6	8
Total	104.67	121.98	226.65



## **Equal employment opportunity**

Moyne Shire Council is fully committed to the principles of Equal Employment Opportunity (EEO), ensuring all employees and 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.

## **Learning and development (education & training)**

Learning and development programs continue to offer our people the opportunity to build on skills 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.

During the last year the following training was offered to relevant staff

- Excelling as a Manager/Supervisor Training
- Mad, Sad, Bad, Tears, Abuse and Threats Training
- Can Do Training
- Preventing Violence Against Women Training
- Disability Awareness Training

## **Employee support**

The Moyne Shire Employee Assistance Program offers support strategies to assist 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.

## **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 service to aged residents who live alone. Telecarers work on a roster and phone clients five days a week to check on their health and wellbeing, and provide 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 2014/15.

## **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:

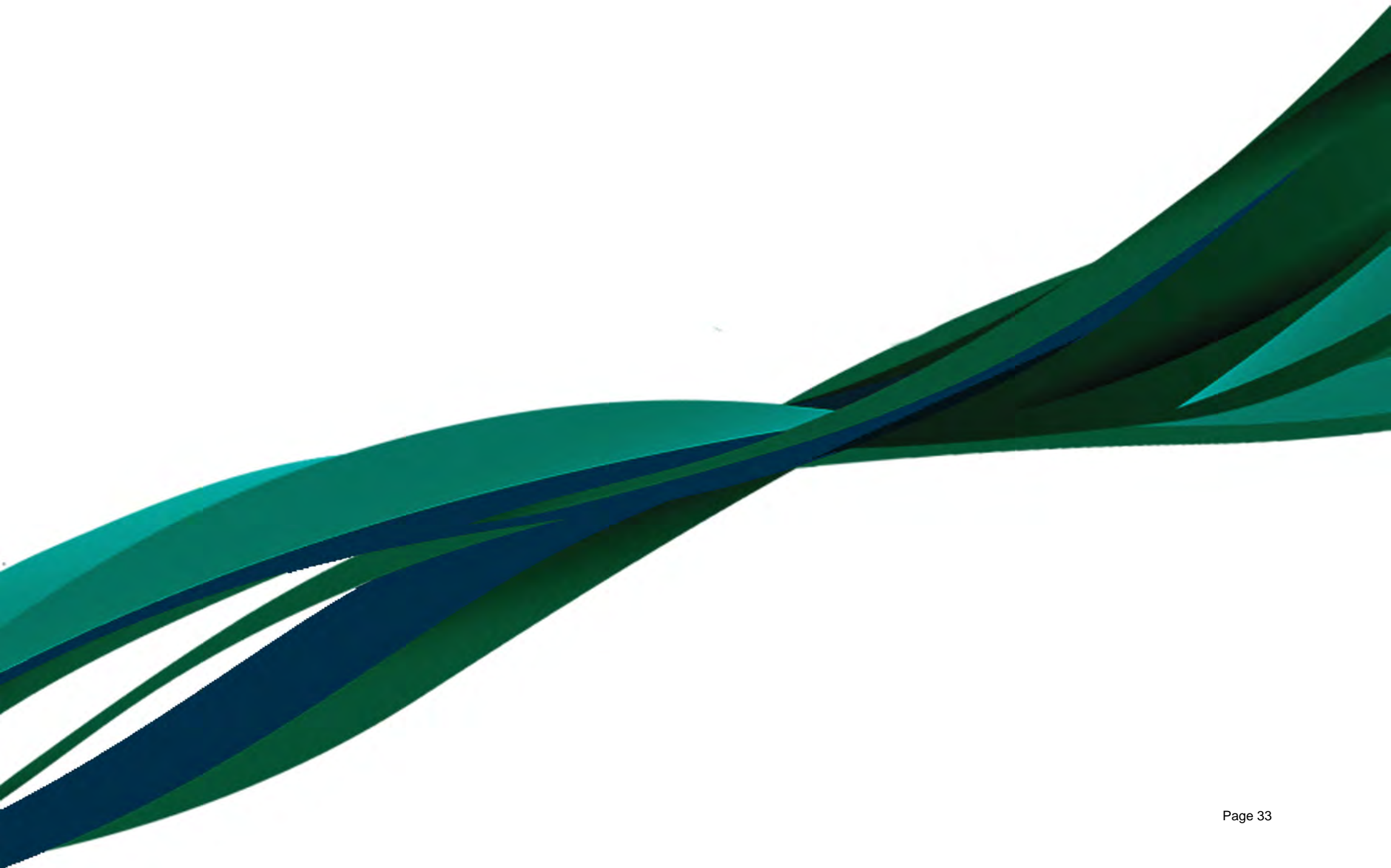
- make our customers and visitors feel welcome;

- 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.





# Our Performance





## **Strategic Planning and Reporting Framework**

Every Council is required to prepare and adopt a Council Plan by 30 June in the year following a general election, which is now conducted in October on a four-year cycle.

Moyne Shire's Council Plan 2013-2017 establishes Council's planning framework to the community for the next four years and is reviewed annually. The plan underpins and guides our work and actions. It establishes the direction and priorities for the organisation. We align our lower level plans and strategies to the Council Plan.

## **What this annual report contains**

The 2014/15 Annual Report describes Council's operations for the financial year from 1 July 2014 to 30 June 2015. It also presents our plans for the forthcoming financial year of 2015/16

## **The value of reporting**

As well as meeting the statutory requirement set out in the Victorian Local Government Act 1989, Council considers the annual report a vital tool to keep residents, businesses, employees and potential employees, state and federal politicians, peak bodies, community groups and organisations informed about our performance and future direction.

## **How to read this report**

The following section of the report contains a series of goals, outcomes and strategies that relate to Council's operations during 2014/15. Each outcome presents the achievements and challenges we experienced in delivering our objectives. It also sets out Council's plans for 2015/16.

## **How this annual report is used**

The performance of each outcome presented in the report is benchmarked against the Council Plan. This provides a measure of how effective we are in achieving our goals, budgeting efficiently and highlights where there is room for improvement. This strategic approach is designed to ensure Council continues to provide the best possible service for everyone in the municipality in future years.



## The Council Plan

The Council Plan is the four year strategy for the organisation and identifies the key priorities of the Council, the objectives and highlights activities that the organisation will carry out. It is a statutory requirement under the Local Government Act for the Council to prepare a new Council Plan following general elections, and then revise the plan once per annum.

## Strategic Objectives

Adopted in the Council Plan, Council is focused on the following key result areas and objectives. The objectives are reviewed annually to ensure they remain the priority of Council and will best meet the community's needs

<b>Key Result Area 1 Governance</b>	<ol style="list-style-type: none"><li>1. To achieve "best practice" in governance and administration in Moyne</li></ol>
<b>Key Result Area 2 Physical Services</b>	<ol style="list-style-type: none"><li>1. To ensure that the Shire continues to be an attractive and desirable place in which to live, work and visit.</li><li>2. To continuously improve our roads to ensure they are safe and trafficable.</li><li>3. To protect, preserve and improve required assets.</li></ol>
<b>Key Result Area 3 Sustainable Development and Planning</b>	<ol style="list-style-type: none"><li>1. To preserve and enhance our natural and built environment.</li><li>2. To encourage and promote development which is sensitive to its location and environment and which protects our cultural, heritage and indigenous assets.</li><li>3. To provide assurance that the community is adhering to federal, state and local laws.</li><li>4. To facilitate sustainable economic growth.</li><li>5. To ensure the health and well-being of our communities.</li></ol>
<b>Key Result Area 4 Community and Corporate Support</b>	<ol style="list-style-type: none"><li>1. Enhance the quality of resident's lives by facilitating and encouraging healthy lifestyles, a community in which it is safe to live and an environment that is diverse and sustainable.</li></ol>

## Performance

Council's performance for the 2014/15 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2013-17 Council Plan. Performance has been measured as follows:

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



## Key Result Area 1 - Governance

### Objective

*To achieve “best practice” in governance and administration in Moyne*

To do this we will

- Adhere to our values and decision-making principles.
- Provide support to develop the skills and knowledge of elected members and community representatives.
- Strengthen Council's communication and engagement processes.
- Foster leadership in the community.
- Maintain financial viability and accountability in budgeting and administration.
- Enhance the skills and well-being of employees.
- Improve our processes and operating systems.
- Commit to providing safe workplaces and community spaces.
- Encourage constructive dialogue with key stakeholders in our region.

### Highlights of the year

- Successful launch of new Moyne Shire website
- Increased use of social media as a communication tool

### Challenges of the year

- The Victorian State Government has announced that Local Government rates will be capped from 2016/17. Depending on the level at which rates are capped Council may need to undertake a review of services that are provided to the community with the aim of reducing the level of ratepayer subsidy for services undertaken by Local Government on behalf of the State and Federal Government.
- Commonwealth's decision to pause indexation of the national pool of financial assistance grants for the three years to the end of 2016/17

### Strategic Objectives

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

Strategic Indicator / Measure	Result
Community satisfaction rating for “Consultation and Engagement”	59
Community satisfaction rating for “Advocacy – Lobbying on behalf of the community”	57

### Major Initiatives 2014/15 - Progress

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

Initiative	Progress
Implement new Website and oversee project team. New website to deliver more online services and promote customer service, through online customer request forms	Completed and launched in March 2015
Implementation and completion of User Workspaces project.	Completed

### Major Initiatives for 2015/16

The following statements identify the major initiatives in the 2015-16 budget.

Initiative
Implement Work Cover Self Insurance including safety map accreditation across all Council (\$Nil net cost).



## Services

The following statements provides information in relation to the services funded in the 2014/15 budget and the persons or sections of the community who are provided the service.

Service	Description	Expenses (Income) Net Cost \$
<b>Governance</b> Administration of Executive services, Council, Councillor support and monitoring Council activities to ensure legislative compliance.	<ul style="list-style-type: none"> <li>• Statutory and corporate support services to Council</li> <li>• Mayoral and Councillor allowances, expenses, training, professional development and membership</li> <li>• Administration of Council meetings and workshops</li> <li>• Supervision of all Council activities to ensure accountability, probity and legislative compliance</li> <li>• Collaboration with other agencies in regional projects</li> <li>• Subscriptions to municipal affiliations and public liability insurance cover</li> <li>• Maintain an understanding of issues of local importance and provide leadership in tackling them</li> <li>• Where appropriate, advocate on behalf of our community and ensure that our community is represented in debates which affect us</li> <li>• Strategic planning activities such as Council Plan review and studies on future directions and initiatives, including contributions to regional planning and projects.</li> </ul>	1,245,049 (350) 1,244,699

Service	Description	Expenses (Income) Net Cost \$
<b>Communications</b> This service is responsible for the management and provision of external communication through various media, in consultation with relevant stakeholders, on behalf of Council.	<ul style="list-style-type: none"> <li>• Publishing of quarterly Country to Coast newsletters</li> <li>• Publishing of fortnightly electronic news updates to subscribers</li> <li>• Liaison with local media outlets and co-ordination of responses to media inquiries (approximately three to four times a week)</li> <li>• Coordination of all statutory and discretionary public advertising</li> <li>• Maintenance of internet and intranet content (as required)</li> <li>• Media releases (distribute as required, approximately ten a year)</li> <li>• Coordinate information, design and production of Annual report</li> <li>• Daily monitoring of press clippings</li> <li>• Coordinate monthly Mayor's message that appears the Warrnambool Standard</li> <li>• Coordinate weekly Mayors radio interview</li> <li>• Coordinate commercial printing such as letterhead, business cards etc.</li> <li>• Prepare the Moyne Shire Council Welcome Kit for new residents</li> </ul>	254,525 (204,268) 50,257

Service	Description	Expenses (Income) Net Cost \$
<p><b>Organisational Development</b> This service provides Council with strategic and operational organisational development support. The service develops and implements strategies, policies and procedures through the provision of performance management, benchmarking human resource management and risk management.</p>	<ul style="list-style-type: none"> <li>• Co-ordination of advertising, short listing, interview and selection for positions vacant</li> <li>• Induction of all new employees (Including caravan park &amp; road construction summer crews)</li> <li>• Delivery of training and professional development program</li> <li>• Administration of employee performance appraisal system for all employees</li> <li>• Industrial Relations management including enterprise bargaining</li> <li>• Development and review of Human Resources policies and procedures</li> <li>• Staff Health &amp; Wellbeing Program</li> <li>• Memberships to Meekin Apel (industrial Relations Services) and Australian Local Government Women's Association</li> <li>• Fortnightly payroll service</li> <li>• Implementation and maintenance of specific risk management &amp; reduction policies &amp; programs.</li> <li>• Work with Internal Audit on the Risk Assessment program. JMAPP, LMI and Fidelity Audits</li> <li>• Administration of the Council's insurance including Asset, Public Liability, Professional Indemnity and the WorkCover premium</li> <li>• Management of Work-cover claims and return to work obligations</li> <li>• Development of policies, systems and documentation to ensure safe work environments for employees, volunteers, contractors and the community</li> </ul>	<p>719,883 (646,881) 73,002</p>

Service	Description	Expenses (Income) Net Cost \$
<p><b>Financial Services</b></p> <p>This service predominately provides financial based services to both internal and external customers. This includes reporting, investment of surplus funds and accounts payable and receivable functions.</p>	<ul style="list-style-type: none"> <li>• Adequate internal control mechanisms are maintained at all times so as to record and control all Council's receipts and payments</li> <li>• Preparation and auditing of financial statements</li> <li>• Preparation of annual budget including capital works budget</li> <li>• Completion of statutory returns including Victorian Grants Commission and Fringe Benefits Tax return</li> <li>• Prepare reports to Council and Managers on a monthly basis highlighting budget variations in respect of Council's operations</li> <li>• Compile financial models to assist in financial planning including the preparation of long term financial and capital works plans</li> <li>• Accounts payable and receivable functions</li> <li>• Maximise investment income on surplus Council funds for both the short and intermediate term</li> <li>• Manage Council's loan portfolio and ensure funds are raised in accordance with Council's approved program.</li> <li>• Provide administrative support to the Audit and Risk Management Committee</li> </ul>	<p>1,132,930 (662,257) 470,673</p>

Service	Description	Expenses (Income) Net Cost \$
<b>Information Technology Services</b> This service provides, supports and maintains reliable and cost effective communications and computing systems to Council staff enabling them to deliver services in a smart, productive and efficient way.	<ul style="list-style-type: none"> <li>• Implement the ICT strategy and manage the Council's ICT system</li> <li>• Monitor and review the ICT strategy and activities</li> <li>• Recommend new capital purchases and hardware and software acquisitions</li> <li>• Ensure the integrity and confidentiality of data and manage information in accordance with established principles including relevant privacy principles and guidelines</li> <li>• Development and delivery of appropriate information technology tools to enable Council departments to meet the needs of their internal and external customers</li> <li>• Development and implementation of policies, standards, guidelines and operating instructions for information systems and operating procedures for all users of computer facilities</li> </ul>	765,568 (600,147) 165,421
<b>Property and Rating</b> Management of Council's rating system, including levying rates and charges, outstanding interest and valuations of rateable properties	<ul style="list-style-type: none"> <li>• Production of approximately 12,000 rate assessment notices per year</li> <li>• Management of bi-annual revaluation process</li> <li>• Management of supplementary rate process</li> <li>• Supervision and maintenance of approximately 12,400 property files</li> <li>• Issuing of approximately 800 Land Information Certificates per year</li> <li>• Compilation of statistical data for rate management and reporting purposes</li> <li>• Processing of pensioner and farm municipal exemption forms</li> </ul>	312,684 (111,420) 201,264

Service	Description	Expenses (Income) Net Cost \$
<b>Administrative Service</b> This service provides office accommodation for Port Fairy and Mortlake including customer service centres, as well as, document and information management support services to Council. This includes compliance with statutory obligations under freedom of information, public records and information privacy legislation	<ul style="list-style-type: none"> <li>• Office accommodation at Port Fairy, Mortlake and Macarthur</li> <li>• Provision of customer service function</li> <li>• Maintenance of the Council's Electronic Records Management System</li> <li>• Provision of records management policies and procedures</li> <li>• Training of employees in document management and retrieval</li> <li>• Maintenance of the Corporate Library</li> <li>• Compliance with Public Records Office Victoria standards in records management</li> <li>• Delivery and receipt of all physical correspondence – average of 50 documents scanned daily</li> <li>• Freedom of Information requests</li> <li>• Privacy inquiries</li> </ul>	956,858 (646,898) 309,960

## Service performance indicators

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

Service/ Indicator/Measure	Result	Material Variations
<b>Transparency</b> <i>Council decisions made at meetings closed to the public</i> Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special Committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special Committee consisting only of Councillors x100	15.43%	-
<b>Consultation and engagement</b> <i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	59	-
<b>Attendance</b> <i>Councillor attendance at Council meeting</i> The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election) x100	92.38%	-
<b>Service cost</b> <i>Cost of governance</i> Direct cost of the governance service / Number of Councillors elected at the last Council general election	\$44,087.29	-
<b>Satisfaction</b> <i>Satisfaction with Council decision</i> Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community	59	-

**Note:** The material variations comment has been left blank as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.





## Key Result Area 2 - Physical services

### Objectives

- 1. To ensure that the Shire continues to be an attractive and desirable place in which to live, work and visit.*
- 2. To continuously improve our roads to ensure they are safe and trafficable.*
- 3. To protect, preserve and improve required assets.*

### To do this we will

- Set and monitor service levels for Council's assets.
- Develop and implement improvements for our townships including town entrances, recreation facilities and open space amenities based on strategic direction.
- Continuously improve the condition of the road network (roads, bridges, streets and footpaths).
- Provide a strategic approach to the management of transport movement in the Shire.
- Support the community to maintain and enhance community-use facilities.
- Support an active and healthy community that is engaged in a broad range of artistic, cultural and recreational activities.
- Encourage and assist communities to adopt a 'self-help' approach to local advancement.

### Highlights of the year

- Completion and opening of the Port Fairy Streetscape project
- Completion and opening of the Nullawarre and Nirranda Community Facility
- Completion of Mailors Flat Community Hub project
- Upgrade of the Merri Kindergarten at Purnim
- Completion of new toilets at the Kirkstall Recreation area
- Upgrade to the filtration system at Hawkesdale Swimming Pool
- Securing of funds for the new community hall facility in Peterborough
- The administration, design and construction of the intersections of the Wangoom Road-Hopkins Falls Road and Staffords Road - St Marys Road
- Design and continued implementation of the Buildings Renewal program
- Completed a number of drainage projects to improve drainage in Moyne townships
- Re-construction of the dilapidated Minhamite-Caramut Road bridge
- Secured flood recovery funding to carry out repair works on the Martins Point footpath, Southcombe Park footpath, Moyne River levee bank and the Peasoup timber pathway
- Major road improvement works carried out on the Macarthur Hawkesdale Road
- Construction and extension to create 300m of Wave Energy Dissipation Structure at the former tip site on East Beach
- Construction of 65m of rock wall in front of Apex Park on East Beach
- Completed footpath works including:
  - Gipps Street, Port Fairy west side between Bank Street and the Botanic Gardens
  - Williams Street, Port Fairy, west Side, between Regent Street and Bank Street
  - Campbell Street, Port Fairy, south Side, between James Street and Sackville Street
  - High Street Koroit, east side, between Mill Street and the new kindergarten
  - Boundary Road (Terang - Mortlake Rd) Mortlake, between Church Street and Health Centre
  - Manifold Street, Woolsthorpe, between Heywood Road and 100 metres to the north
  - High Street, Yambuk, north side, between Princes Highway service road and Monck Street
- Council adoption of the Moyne Recreation Strategy

## Challenges of the year

- Road Rehabilitation and road maintenance were impacted by weather and the short summer period that was experienced in 2014/15.
- Failure to secure Federal Government funding for the Bridges to Recovery Program impacted on the ability to complete planned bridge improvement projects.
- Failure to secure State Government support for an open space strategy saw the project deferred for 12 months.
- Nullawarre and Willatook Tennis Courts reseal were impacted by heavy weather and poor ground conditions.

## Strategic Objectives

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

Strategic Indicator / Measure	Result
% of Capital Works completed each financial year	91% completed
Square metres of road rehabilitated each year	Rehabilitated 117,717 m2 of sealed roads Resheeted 516,000 m2 of gravel roads Resealed 480,154 m2 of the sealed road network
Square metres of new footpath constructed each year	Renewed 1,916 m2 of footpaths
Annual review of all Asset Management Plans including service levels	Service plans for all asset categories were reviewed.
Facilitation of public art in the Shire	Continued the Pitch Project program
Completion of key projects in the Shire	Port Fairy Streetscape project Nullawarre and Nirranda Community Facility Mailors Flat Community Hub project
Fully expending the Community Assistance Fund budget each year	100% allocated

## Major Initiatives 2014/15 - Progress

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

Initiative	Progress
Review 10 year rehabilitation and resealing programs after receipt of road rating report that will satisfy Council's objectives to continuously upgrade roads and meets its obligations under the Road Management Act	Completed
Review of Council's condition rating for local roads that will assist in making decisions regarding the protection, preservation and improvement of required assets.	Completed
Convert all street lights to LED that will provide for financial savings and environmental benefits.	Completed
Further encourage and assist communities to adopt a self-help approach through community planning processes for Woorndoo, Kirkstall and Ellerslie	Ellerslie Resident's Group has been established with Woorndoo to undertake planning in 2015
Adopt and commence implementation of the Recreation Strategy that will assist in maintaining and enhancing community use facilities and support the community to be an active and healthy community that is involved in a broad range of artistic, cultural and recreational activities.	Completed

## Major Initiatives for 2015/16

The following statements identify the major initiatives in the 2015-16 budget.

Initiative
Review of VicRoads contract works and efficiency assessment of Council's Road Patrol and maintenance activities (\$Nil net cost).
Apply for Federal Bridges to Recovery funding and implement associated works (\$0.50 million net cost)
Potentially expand on external works depending on VicRoads maintenance contract outcome (\$Nil net cost).
Undertake an open space plan to guide future management and development of Council's open space strategy (\$20,000 net cost).

## Services

The following statement provides information in relation to the services funded in the 2014/15 budget and the persons or sections of the community who are provided the service.

Service	Description	Expenses (Income) Net Cost \$
<b>Physical Services Directorate</b> Management and operation of Infrastructure and Assets Directorate at the Mortlake office.	<ul style="list-style-type: none"> <li>Directing Engineering and Design Unit, Assets Unit and Construction &amp; Maintenance Unit</li> <li>Managing Mount Shadwell Quarry</li> <li>Provision of VicRoads agency at Mortlake Office</li> <li>Liaison with various Government departments, proposed energy project, dairy industry and timber industry personnel</li> <li>Responding to infrastructure requests and complaints</li> <li>Memberships include Timber Towns Victoria</li> </ul>	467,914 - 467,914

Service	Description	Expenses (Income) Net Cost \$
<b>Engineering Design &amp; Contract Management</b> This service undertakes design and planning for various works within Council's capital works program including roads, footpaths, bridges, drainage and waterways infrastructure. This service also undertakes contract management and supervision of various works within Council's programs and provides specialist advice to other Council service units who are letting contracts.	<ul style="list-style-type: none"> <li>• Project management including programming of roads, road seals, bridges and footpaths</li> <li>• Maintaining the contract and quotation system for the entire organisation</li> <li>• Contract management including preparation of service specifications for majority of infrastructure projects and for other areas of Council as required</li> <li>• Management of the Mount Shadwell Quarry including the ongoing implementation of all recommendations of the quarry business plan</li> <li>• Grant application and administration for various projects, including Roads to Recovery and Flood Recovery as they become available</li> <li>• Work with proponents associated with Windfarm developments to ensure appropriate road design/construction issues</li> <li>• Assist all departments across the organisation with all engineering and infrastructure related works</li> <li>• Deal with enquiries, issue permits and advice on vehicle crossovers, b-double higher mass, works in road reserve, cattle underpasses, legal point of discharge, utility requests, signage, street lighting, bus routes, dial before you dig, traffic counts and miscellaneous customer requests</li> </ul>	809,803 (38,064) 771,739

Service	Description	Expenses (Income) Net Cost \$
<b>Parks and Amenities</b> This service involves the management of parkland areas, including other areas of environmental significance, and also provides management of all parks and gardens and infrastructure maintenance. Ensures the Shire's public toilets are kept clean to agreed standards and usable at all times. Undertakes maintenance of Council's footpath assets in an integrated and prioritised manner in order to optimise their strategic value and service potential.	<ul style="list-style-type: none"> <li>Lawn, gardens and tree maintenance at 28 township sites</li> <li>Site preparation/maintenance prior for local festivals/activities</li> <li>Cleaning and maintenance of 20 Public Toilets</li> <li>Cleaning and maintenance of 19 BBQ's</li> <li>Maintenance of 9 Playgrounds</li> <li>Clearing of street bins in 15 townships</li> <li>Port Fairy Folk Festival, provision and placing of bins, barriers, toilet cleaning, bin clearing and street/footpath sweeping</li> <li>Operation of Street Lights</li> </ul>	2,064,728 (5,593) 2,059,136
<b>Quarry Operations</b> This is one of Council's business enterprises and manages the operations of the Mount Shadwell Quarry at Mortlake providing a range of scoria materials to customers. The enterprise returns a 26% of gross sales dividend to Council's general revenue.	<ul style="list-style-type: none"> <li>Winning and screening of scoria</li> <li>Feeding and operating crusher making scoria limestone mix and aggregates</li> <li>Stockpiling - moving products to stockpiles away from production area</li> <li>Loading trucks from stockpiles</li> <li>Delivery to clients of small quantities of material</li> <li>Pit maintenance to ensure weed free and tidy quarry</li> <li>Quarry Management and supervision</li> <li>Crusher maintenance</li> <li>Plant maintenance</li> <li>Quarry dividend to Council of \$399,980</li> <li>Truck, Water Truck and Ute maintenance</li> <li>Weighbridge maintenance</li> </ul>	830,188 (1,596,643) (766,456)

Service	Description	Expenses (Income) Net Cost \$
<p><b>Asset Management</b></p> <p>This service prepares long term asset management programs for Council's property assets in an integrated and prioritised manner in order to optimise their strategic value and service potential. These are all non-road related assets and include municipal buildings, pavilions and other community buildings. The service ensures that buildings are to a standard specified by Council with advice from the functional manager of the facility. In addition the service is responsible for the coordination, management and strategic planning for Council's building, land and property leases and licenses as well as maintaining the GIS service.</p>	<ul style="list-style-type: none"> <li>• Maintain and populate asset registers and Asset Management System, including condition and compliance audits, and risk and maintenance inspections for non-roads assets.</li> <li>• Program and coordinate works for maintenance, renewal and upgrades for assets including playgrounds, buildings, structures and streetscapes, including maintenance on 280 buildings.</li> <li>• Project Management including design input, tender documentation, supervision and contract management for construction of annual capital works program for playgrounds, buildings, streetscapes, and special projects.</li> <li>• Formulate, make application for, administer and report on funding grants for projects under RLCIP, RDV and similar.</li> <li>• Manage GIS including creating, updating, improving, linking to asset management system, of all Councils spatial datasets. All dealings with Geographic Place Names.</li> <li>• Manage all land and dealings including, leases, licences, sales, purchases, adverse possession claims, and road status queries.</li> <li>• Dealing with infrastructure planning referrals including assessment, conditions, certification, and statement of compliance.</li> </ul>	<p>1,899,022 (234,187) 1,664,834</p>



Service	Description	Expenses (Income) Net Cost \$
<b>Local Roads &amp; Streets</b> This service undertakes maintenance programs for Council's civil infrastructure assets in an integrated and prioritised manner in order to optimise their strategic value and service potential, minimising risk to the community and meeting their expectations. These include roads, laneways, car parks and foot/bike paths, bridges, culverts, stormwater drainage. This service also competes for external works in the marketplace. Also included are works supervision and management and provision of works depots and stores. As well as, purchases and maintenance of Council vehicles, plant and equipment to meet functionality and safety needs and to maximise the performance and minimise operational cost of the fleet.	<ul style="list-style-type: none"> <li>Maintenance of approximately 1700km of local sealed road network, including pothole patching, shoulder sheeting, culvert maintenance, vegetation removal, major patching, bridge maintenance and verge slashing.</li> <li>Maintenance of approximately 1100km of unsealed road network including pavement grading, pavement sheeting, drain cleaning, verge slashing, bridge maintenance, vegetation clearing.</li> <li>Maintenance of approximately 240 Bridges and Culverts</li> <li>Bid for and carry out private works</li> <li>Provision and maintenance of 4 works depots.</li> <li>Supervision and administrative functions for 77 (EFT) staff plus temporary employees as required.</li> <li>Determine and cost 10 year plant replacement program.</li> <li>Ensure full cost recovery via plant hire rates.</li> <li>Maintain major plant, minor plant and sedan/utility holding.</li> </ul>	19,419,140 (15,019,340) 4,399,800
<b>Main Road Maintenance</b> This service prepares and conducts maintenance under contract for VicRoads for their arterial road network to specified standards.	<ul style="list-style-type: none"> <li>Contract for VicRoads maintenance to maintain arterial roads within Moyne Shire</li> </ul>	1,148,204 (1,229,698) (81,494)

Service	Description	Expenses (Income) Net Cost \$
<b>Youth Services</b> Facilitating the connection of young people of the Shire to their own local community by initiating and implementing projects and/or events that are of benefit to the whole community. This service encourages the participation of young people in all facets of community life thus promoting young people as integral members of the community.	<ul style="list-style-type: none"> <li>Increased participation of young people in the life of their local communities</li> <li>Development of responsive and supportive partnerships in order to build community; local service clubs, Vic Police, township progress associations, Local Government, schools and regional service providers are key stakeholders in the program</li> <li>Moyne Youth Council activities: leadership training, project planning and delivery</li> <li>Youth facilitation of major community activities and events, such as the Le Tour de Moyne, FReeZA Events and music festivals</li> <li>Our PlaYce Youth Leadership training program, delivering initiatives that add value to community heritage, recreation and commemoration</li> <li>Local Youth Action Groups, which facilitate projects like the Restoration of Mortlake War Memorial site and WW1 soldiers memorial plaques</li> </ul>	173,100 (60,370) 112,729
<b>Arts, Culture &amp; Library Services</b> This service provides support of the Shire's varied program of arts and cultural events and activities; plans and develops arts and cultural facilities and infrastructure in conjunction with community groups and develops policies and strategies to facilitate art practice through support of the Regional Arts Development Officer and the Arts & Culture Advisory Committee of Council. This service also provides public library services at Port Fairy, Koroit and Mortlake branches, outreach van service to Peterborough and Nullawarre and community libraries at Hawkesdale and Macarthur.	<ul style="list-style-type: none"> <li>Contribution to Regional Library Corporation.</li> <li>Building operations to Moyne Shire Branch libraries</li> <li>Contribution to Regional Arts Development Officer (RADO) position</li> <li>Support for Arts and Culture Strategy</li> <li>Support community's artists, not-for-profit groups and organisations to utilise the arts as a way of cultivating connection and wellbeing in the community</li> <li>Assist the community to source and achieve funding for Arts projects</li> </ul>	644,034 (45,015) 599,020

Service	Description	Expenses (Income) Net Cost \$
<b>Recreation &amp; Community Development</b> This service is Council's liaison with groups who operate from Council's sporting reserves and oversees maintenance of the Gardens Oval and Victoria Park Reserve as well as operation of the Southcombe Park Sporting Complex. Works with sporting groups to manage reserves and negotiates License Agreements. Provides community assistance fund, contributions to minor recreation reserves (based on the number of clubs - football, cricket, tennis, netball) and contributions to public halls. This service manages the operation of the Mortlake and Macarthur pools and contributes to the operation of the Hawkesdale pool and the Belfast Aquatic Centre (Port Fairy pool).	<ul style="list-style-type: none"> <li>• Community Assistance Fund</li> <li>• Contribution to 32 minor recreation reserves (based on number of clubs - football, cricket, tennis and netball)</li> <li>• Contribution to 37 public halls Support for Sport and Recreation Committees</li> <li>• Maintenance of Gardens Oval and Victoria Park Reserves</li> <li>• Contribution to the operating costs of DC Farren Oval Mortlake</li> <li>• Operation of Southcombe Park Sporting Complex</li> <li>• Operation of the Mortlake and Macarthur swimming pool</li> <li>• Contribution to the operation of the Hawkesdale and Port Fairy swimming pool</li> <li>• Provision of community planning support</li> <li>• Provision of rural access program</li> </ul>	1,627,787 (25,000) 1,602,787

## Service performance indicators

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

Service/ Indicator/Measure	Result	Material Variations
<b>Aquatic Facilities</b>		
<b>Service Standard</b> Health inspections of aquatic facilities Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities	1	-
<b>Service Cost</b> Cost of outdoor aquatic facilities Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities	\$17.10	-
<b>Utilisation</b> Utilisation of aquatic facilities Number of visits to aquatic facilities / Municipal population	0.51	-
<b>Libraries</b>		
<b>Utilisation</b> Library collection usage Number of library collection item loans / Number of library collection items	3.14	-
<b>Standard of library collection</b> Number of library collection items purchased in the last 5 years / Number of library collection items x100	82.89%	-
<b>Service cost</b> Cost of library service Direct cost of the library service / Number of visits	\$6.60	-
<b>Participation</b> Active library members Number of active library members / Municipal population x100	10.10%	-
<b>Roads</b>		
<b>Satisfaction of use</b> Sealed local road requests Number of sealed local road requests / Kilometres of sealed local roads x100	10.02	-
<b>Condition</b> Sealed local roads below the intervention level Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads x100	97.40%	-

Service/ <i>Indicator</i> /Measure	Result	Material Variations
<b>Service cost</b> Cost of sealed local road reconstruction Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed	\$52.64	-
<b>Service Cost</b> Cost of sealed local road resealing Direct cost of sealed local road resealing / Square metres of sealed local roads resealed	\$3.83	-
<b>Satisfaction</b> Satisfaction with sealed local roads Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads	40	-

**Note:** The material variations comment has been left blank as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.



## Key Result Area 3 - Sustainable development and planning

### Objectives

- 1. To preserve and enhance our natural and built environment.*
- 2. To encourage and promote development which is sensitive to its location and environment and which protects our cultural, heritage and indigenous assets.*
- 3. To provide assurance that the community is adhering to federal, state and local laws.*
- 4. To facilitate sustainable economic growth.*
- 5. To ensure the health and well-being of our communities*

### Highlights of the year

- Planning Scheme Amendment C48 (Part 1) which implements the Mortlake Urban Design Framework (2010) was adopted by Council and lodged for Ministerial Approval. The Amendment will introduce updated planning policy and a framework plan for the Mortlake Township.
- Amendment C55 which will update Port Fairy's heritage controls by implementing the findings and recommendations of the Port Fairy Heritage Review (2006-2012) and Review of the Moyne Shire Heritage Study Stage 2 2006 (2013) received Ministerial authorisation and has undergone formal public exhibition.
- The Port Fairy West Structure Plan has been adopted by Council and lodged for Ministerial Authorisation to enable Council to prepare the Planning Scheme amendment.
- Stage 3 of East Beach rock wall design completed near Apex Park Port Fairy
- Stage 2 of the Wave Energy Dissipation Structure (WEDS) in front of the old landfill site in dune along East Beach, Port Fairy designed and installed. The WEDS now covers the whole of the landfill site, is wider and stronger.

### Challenges of the year

- Progressing the Port Fairy Coastal and Structure Planning project which received funding from State Government.
- Finalising review of the Rural Housing and Settlement Strategy and Land Capability and Biodiversity Study to Council for adoption, prior to authorisation and formal exhibition as a Planning Scheme Amendment.
- Maintaining both decision making capacity and timeliness to provide high level service to all statutory planning customers.
- Exposure of a small section of a waste cell in the old landfill after a storm. This section was not protected by the WEDS at East Beach Port Fairy
- Avenues of Honour Tree Management Plan not yet released in draft form to the public.

### Strategic Objectives

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

Strategic indicator / Measure	Result
Community satisfaction rating for "town planning"	54
Process planning permit applications within the 60 day statutory time limit	59%
Inspection of all food premises within the Shire annually	62%

### Major Initiatives 2014/15 Progress

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

Initiative	Progress
Due to an increase in Council and community concern about compliance with planning requirements, additional resources to undertake investigations as well as assist with other planning work	Completed
East Beach seawall repairs (stage 3) and erosion mitigation actions	Completed

### Major Initiatives for 2015/16

The following statements identify the major initiatives in the 2015-16 budget.

Initiative
Port Fairy east beach rock wall refurbishment and erosion mitigation actions (\$75,000 net cost).



## Services

The following statement provides information in relation to the services funded in the 2014/15 budget and the persons or sections of the community who are provided the service.

Service	Description	Expenses (Income) Net Cost \$
<b>Sustainable Development Directorate</b> This service provides for the Director and Personal Assistant who are responsible for overall coordination and direction of directorate.	<ul style="list-style-type: none"> <li>• Provision of management and administrative support to the Sustainable Development Department</li> <li>• Oversee provision of Environment and Sustainability, Waste Management, Health, Building, Local Laws, Fire Management, Emergency Management, Animal Control, Statutory Planning, Strategic Planning and School Crossings.</li> <li>• Provision of administrative staff to support services provided by the Directorate</li> <li>• Provides for legal advice and specialist consultant advice.</li> </ul>	958,964 (346,622) 612,342
<b>Building Services</b> This service provides statutory building services to the Council community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.	<ul style="list-style-type: none"> <li>• Building inspections at progress stages including stump hole, footing, slab, frame and final stage</li> <li>• Pool inspections</li> <li>• Essential safety measure inspections</li> <li>• Temporary structure inspections</li> <li>• Notice inspections (illegal work)</li> </ul>	237,607 (102,246) (135,361)

Service	Description	Expenses (Income) Net Cost \$
<b>Health Services</b> This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities and infectious diseases control. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls. The unit undertakes some health education initiatives as well as supervising and advising on septic tank systems.	<ul style="list-style-type: none"> <li>• Registration of food and health premises, caravan parks and accommodation houses</li> <li>• Issue permits for installation and use of septic tanks</li> <li>• Implementation of the waste water management plan</li> <li>• Infectious disease control</li> <li>• Environmental health nuisance control</li> <li>• Respond to complaints and enquires on public health issues</li> <li>• Food surveillance and sampling</li> <li>• Monitoring Food Safety Plan</li> <li>• Tobacco legislation requirements</li> </ul>	255,153 (101,138) 154,014
<b>Local Laws and Animal Control</b> This service facilitates the smooth flow of traffic and parking in Port Fairy through the provision of safe, orderly and equitable parking enforcement and education. It also provides education, regulation and enforcement of the General Local Law and relevant State legislation and administers Council local laws including the issue of permits for grazing, droving and stock crossings. This service also provides services including a cat trapping program, a dog and cat collection service, a pound service, a registration and administration service, an after-hours service and an emergency service. Also implements the provisions of the Domestic Animals Act.	<ul style="list-style-type: none"> <li>• Administaring Council Local Laws</li> <li>• Issuing and enforcement of permits for grazing, droving stock crossings and activities on Council land.</li> <li>• Management of infringement notices including court proceedings</li> <li>• Responding to complaints related to animals including dogs and wandering stock</li> <li>• Implement provisions of the Domestic Animals Act</li> <li>• Issuing of animal registrations ( 4,500 per annum)</li> <li>• Supervision of safe school crossing points at Koroit, Mortlake and Port Fairy.</li> </ul>	685,602 (191,531) 494,071

Service	Description	Expenses (Income) Net Cost \$
<b>Emergency Management</b> This service meets Council's obligations under the Emergency Management Act and develops and maintains the Municipal Emergency Management Plan and Emergency Management Committee and works with other agencies to prepare for, respond to, and recover from emergencies. This service also manages fire prevention services and State Emergency Services contributions, including support for fire brigades, fire spotting services at Mt Rouse and Mt Warrnambool and maintenance of emergency fire equipment	<ul style="list-style-type: none"> <li>Emergency Management Act obligations</li> <li>Municipal Emergency Management Plan</li> <li>Fire prevention services and State Emergency Contributions</li> <li>Support of fire brigades</li> <li>Fire spotting services at Mt Rouse and Mt Warrnambool</li> <li>Maintenance of emergency fire equipment</li> </ul>	164,835 (82,998) 81,837
<b>Environmental Management</b> This service promotes environmentally sustainable development principles, coordinates and implements environmental projects and works with other services to improve Council's environmental performance.	<ul style="list-style-type: none"> <li>Council reserves - management and maintenance</li> <li>Weed management on Council managed land (including roadsides)</li> <li>East Beach coastal engineering studies and associated works</li> <li>Sustainability initiatives</li> <li>Policy and strategy development</li> <li>Referral responses to internal and external information requests</li> <li>Provision of advice and support to the public and community groups</li> <li>Lobbying, advocacy, promotion and education regarding sustainable practices</li> </ul>	515,267 (62,537) 452,730
<b>Waste Management</b> This service provides kerbside rubbish, recyclable materials and green waste from residential and commercial properties in the designated collection districts. The service also manages the waste transfer stations and landfills throughout the Shire	<ul style="list-style-type: none"> <li>Manage the Shire's residential and commercial kerbside collections</li> <li>Manage the Shire's waste transfer stations and landfill.</li> <li>Oversee a range of waste resource recovery services</li> <li>Partner with Regional Waste Reduction Group to implement regional waste reduction programs.</li> <li>Maintain and monitor the Shire's closed landfills.</li> <li>Promotion and education on sustainable waste management practices</li> </ul>	2,839,902 (2,916,361) (76,459)

Service	Description	Expenses (Income) Net Cost \$
<b>Statutory &amp; Strategic Planning</b> This service maintains Council's role under the Planning and Environment Act 1987 as a Responsible Authority, including dealing with planning permit applications and enforcement of the Shire Planning Scheme. Provides advisory service to residents and developers in regards to heritage matters in the built environment. This service also provides strategic planning and economic development functions including policy and scheme development and review, as well as liaison with major project developers	<ul style="list-style-type: none"> <li>• Development Approvals, 382 permit application decisions, previous financial year.</li> <li>• Enforcement of Planning Scheme</li> <li>• Developer and community education.</li> <li>• Advise Council in relation to its role as Responsible Authority</li> <li>• Forward planning policies and programs,</li> <li>• VCAT Hearings</li> <li>• Provision of Heritage Advisory Service</li> <li>• Forward planning policies and programs,</li> <li>• Major development proposals</li> <li>• Amendments to the Planning Scheme</li> <li>• Developing and implementing sustainable economic development programs for the Council that supports local enterprise and employment</li> </ul>	1,239,865 (673,980) 565,885

## Service performance indicators

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

Service/ Indicator/Measure	Result	Material Variations
<b>Animal Management</b>		
<b>Timeliness</b> Time taken to action animal management requests Number of days between receipt and first response action for all animal management requests / Number of animal management requests	1	-
<b>Service standard</b> Animals reclaimed Number of animals reclaimed / Number of animals collected x100	82.28%	-
<b>Service cost</b> Cost of animal management service Direct cost of the animal management service / Number of registered animals	\$38.65	-
<b>Health and safety</b> Animal management prosecutions Number of successful animal management prosecutions	No animal prosecutions during the yea	-
<b>Food Safety</b>		
<b>Timeliness</b> Time taken to action food complaints Number of days between receipt and first response action for all food complaints / Number of food complaints	1	-
<b>Service standard</b> Food safety assessments Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984 x100	70.27%	-
<b>Service cost</b> Cost of food safety service Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984	\$561.73	-
<b>Health and safety</b> Critical and major non-compliance outcome notifications Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises x100	37.50%	-

Service/ Indicator/Measure	Result	Material Variations
<b>Statutory Planning</b>		
<b>Timeliness</b> Time taken to decide planning applications The median number of days between receipt of a planning application and a decision on the application	73	-
<b>Service standard</b> Planning applications decided within 60 days Number of planning application decisions made within 60 days / Number of planning application decisions made x100	69.49%	-
<b>Service cost</b> Cost of statutory planning service Direct cost of the statutory planning service / Number of planning applications received	\$2,003.19	-
<b>Decision making</b> Council planning decisions upheld at VCAT Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications x100	50%	-
<b>Waste Collection</b>		
<b>Satisfaction</b> Kerbside bin collection requests Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households x1000	21.73	-
<b>Service standard</b> Kerbside collection bins missed Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts x10,000	2.17	-
<b>Service cost</b> Cost of kerbside garbage bin collection service Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins	\$133.16	-
<b>Service cost</b> Cost of kerbside recyclables collection service Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins	\$37.73	-
<b>Waste diversion</b> Kerbside collection waste diverted from landfill Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins x100	59.54%	-

**Note:** Where the material variations comment has been left blank as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.

## Key Result Area 4 - Community and Corporate Support

### Objective

*Enhance the quality of resident's lives by facilitating and encouraging healthy lifestyles, a community in which it is safe to live and an environment that is diverse and sustainable.*

### Highlights of the year

- Obtained \$1.4 million National Stronger Regions Funding for Port Fairy wharf redevelopment project
- Obtained State Government funding for Port Fairy childcare services upgrade and extension
- Completion of Merri Kindergarten redevelopment

### Challenges of the year

- Resolving kindergarten cluster management arrangement.
- Affordability and accessibility of HACC services
- Preparation of transition plan for HACC
- Completing Port Fairy wharf development milestones

### Strategic Objectives

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

Strategic Indicator / Measure	Result
Community satisfaction of "community and cultural activities"	68
Community satisfaction of "elderly support services"	74
Council's annual financial sustainability risk assessment will remain low	Low

### Major Initiatives 2014/15 Progress

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

Initiative	Progress
Additional resources for economic development to assist new and existing businesses	Completed
Port of Port Fairy Co-op building redevelopment and lease	Due for completion in 2016
Design and construction of Peterborough Community Meeting Place	Design completed, construction to begin in 2016

## Major Initiatives for 2015/16

The following statements identify the major initiatives in the 2015-16 budget.

Initiative
Increase in childcare placements (16 placements per day) at Port Fairy Community Service Centre to better address the childcare waiting list in Port Fairy & surrounding areas (\$170,500 net capital cost)



## Services

The following statement provides information in relation to the services funded in the 2014/15 budget and the persons or sections of the community who are provided the service.

Service	Description	Expenses (Income) Net Cost \$
<b>Community Support</b> This service combines a wide range of programs and services, which provide the opportunity for the community to participate in a variety of cultural, health, education, and leisure activities, which contribute to the general well-being of the community.	<ul style="list-style-type: none"> <li>Compliance with statutory obligations</li> <li>Policy review</li> <li>Oversee financial management</li> <li>Administrative operation of Directorate</li> <li>Continuous Improvement</li> <li>Scholarship coordination</li> <li>Provision of Australia Day ceremonial activities</li> <li>Coordination of citizenship ceremonies</li> <li>Delivery of actions associated with Health and Wellbeing</li> <li>Promotion of healthy lifestyle and well-being activities</li> </ul>	958,574 (262,832) 695,742
<b>Child Care Services</b> Provide occasional care through Hawkesdale and District Family Services Centre and long day care services at Port Fairy.	<ul style="list-style-type: none"> <li>Provision of long day care at the Port Fairy Community Services Centre</li> <li>Provision of occasional child care at Hawkesdale</li> <li>Provision of occasional child care at Chatsworth</li> </ul>	1,036,265 (754,884) 281,381
<b>Kindergartens &amp; Preschools</b> Group employer for kindergarten centres at Koroit, Merri, Macarthur, Hawkesdale, Port Fairy and Nullawarre and provides support for the pre-school at Mortlake. Support is also provided for pre-school and kinder Committees. Council is the cluster manager.	<ul style="list-style-type: none"> <li>A universal early childhood program, funded by the State Government on a per capita basis, for children in the year prior to commencing primary school. Children attending kindergarten receive a planned, developmentally appropriate program delivered by a qualified early childhood educator.</li> <li>Council is Cluster Manager of the following services: Koroit, Merri, Nullawarre, Macarthur, Hawkesdale and Port Fairy.</li> </ul>	1,330,709 (1,024,771) 305,938

Service	Description	Expenses (Income) Net Cost \$
<b>Maternal and Child Health</b> This service conducts sessions at Port Fairy, Koroit, Hawkesdale, Macarthur, Warrnambool, Yambuk and Mortlake providing immunisation advice, guidance and promotion and health care for infants as well as education for their parents.	<ul style="list-style-type: none"> <li>The universal Maternal and Child Health Service (MCH) delivers a free, universally accessible service for all families with children from birth to school age. Through the provision of ten "Key Age and Stage" visits, the Service supports families and their children with an emphasis on parenting, prevention and health promotion, developmental assessment, early detection and referral and social support.</li> <li>The MCH service also provides support to children and families in the provision of additional consultations, telephone support and parenting support groups.</li> <li>The enhanced MCH service responds assertively to the needs of children and families at risk of poor outcomes, in particular where there are multiple risk factors. It provides a more intensive level of support in a variety of settings, such as the family's home, MCH centre or another location within the community.</li> <li>Immunisation services</li> </ul>	453,593 (197,346) 256,247
<b>Aged and Disability Services</b> Provide aged care services including domestic assistance, personal care, respite, garden & property maintenance, meals on wheels, some transport and social support.	<ul style="list-style-type: none"> <li>Home and Community Care (HACC) provides services to maintain residents of the Shire in their homes for as long as possible. Council provides               <ul style="list-style-type: none"> <li>16,550 hours of homecare,</li> <li>9,650 hours of personal care,</li> <li>4,730 hours of respite,</li> <li>2,550 hours of home &amp; garden maintenance.</li> </ul> </li> <li>Community transport and social support.</li> <li>Deliver approximately 10,500 meals across the whole of the Shire.</li> </ul>	2,271,874 (1,662,289) 609,585
<b>Aged Support Services</b> This service provides a range of support for senior citizen clubs. Each conducts a program involving recreation, fitness, centre-based meals and social support. This service also provides planned activity groups (PAGs) and respite care for the frail or for those with a disability.	<ul style="list-style-type: none"> <li>Operation of four Senior Citizen facilities</li> <li>Annual Senior Citizens week Activity</li> </ul>	136,286 (67,127) 69,159

Service	Description	Expenses (Income) Net Cost \$
<b>Corporate Business</b> Provides management and administrative support service for the Shire caravan parks, Port of Port Fairy.	<ul style="list-style-type: none"> <li>• Management of Council Business Enterprise staff and contractors</li> <li>• Finance control of unit activities</li> <li>• Prepare funding applications and acquittals</li> <li>• Project management</li> <li>• Port Fairy Aerodrome maintenance</li> <li>• Shire marquee bookings</li> <li>• Event application coordination</li> <li>• Business &amp; Tourism Committee meetings</li> </ul>	247,229 (7,529) 239,700
<b>Caravan Parks</b> Operation and management of caravan parks at Port Fairy Gardens, Southcombe Park, Killarney, Koroit, Mortlake, Peterborough and Yambuk. Also includes operation of Southcombe Lodge. Major caravan parks return a dividend of 33% to general revenue	<ul style="list-style-type: none"> <li>• Port Fairy Gardens, and Southcombe Caravan Parks accommodating approximately 135,000 persons, per annum.</li> <li>• Management of site and cabin bookings</li> <li>• Enforcing compliance with ark conditions of entry</li> <li>• Maintain surrounds (mowing, gardens)</li> <li>• Cleaning of facilities (amenities and camp kitchens)</li> <li>• Project management of park improvements</li> <li>• Minor maintenance of facilities</li> <li>• Management of contracts for the operation of Killarney Beach Camping Reserve, Koroit / Tower Hill Caravan Park, Mortlake Caravan Park, Yambuk Caravan Park and ease of the Great Ocean Road Tourist Park at Peterborough</li> </ul>	1,959,267 (3,046,133) (1,086,867)

Service	Description	Expenses (Income) Net Cost \$
<b>Tourism</b> This service operates the Port Fairy Visitor Information Centre and also undertakes event promotion, souvenir sales and support for local tourism. Also provides support for festivals and administration of the Festivals Support Fund.	<b>Festivals &amp; Events</b> <ul style="list-style-type: none"> <li>Support provided to local community Festivals &amp; Events (\$130,000 festival funding and officer advice and support)</li> <li>Summer Cinema Program - provision of movies at Reardon Theatre / Village Green from Boxing Day to Australia Day</li> </ul> <b>Tourism Services</b> <ul style="list-style-type: none"> <li>Operation of the Port Fairy &amp; Region Visitor Information Centre</li> <li>Visitor Information Centre services approx. 70,000 visitors per annum.</li> <li>Provision of visitor information</li> <li>Promoting events</li> <li>Souvenir sales</li> </ul> <b>Promotion &amp; Marketing</b> <ul style="list-style-type: none"> <li>Support for the tourism industry in the Shire</li> </ul>	532,946 (49,982) 482,964
<b>Port of Port Fairy</b> This service includes the management of operations and maintenance of the Port of Port Fairy. This includes administration, navigation, vessel berthing, slipways and leisure activities around the port. The Port Board provides direction for the development and operation of the Port.	<ul style="list-style-type: none"> <li>Port administration</li> <li>Navigation aids maintenance</li> <li>Management of berths allocations (14 commercial &amp; 56 recreational)</li> <li>Visiting itinerant boat - berth and amenities facilities</li> <li>Maintain public boat ramp</li> <li>Slipway services</li> <li>Wharf and marina maintenance</li> <li>Training walls maintenance</li> <li>Dredging of the river channel</li> <li>Diesel refuelling facility</li> <li>Port Board meetings</li> <li>Lifeboat Committee meetings</li> </ul>	648,109 (773,757) (125,648)

## Service performance indicators

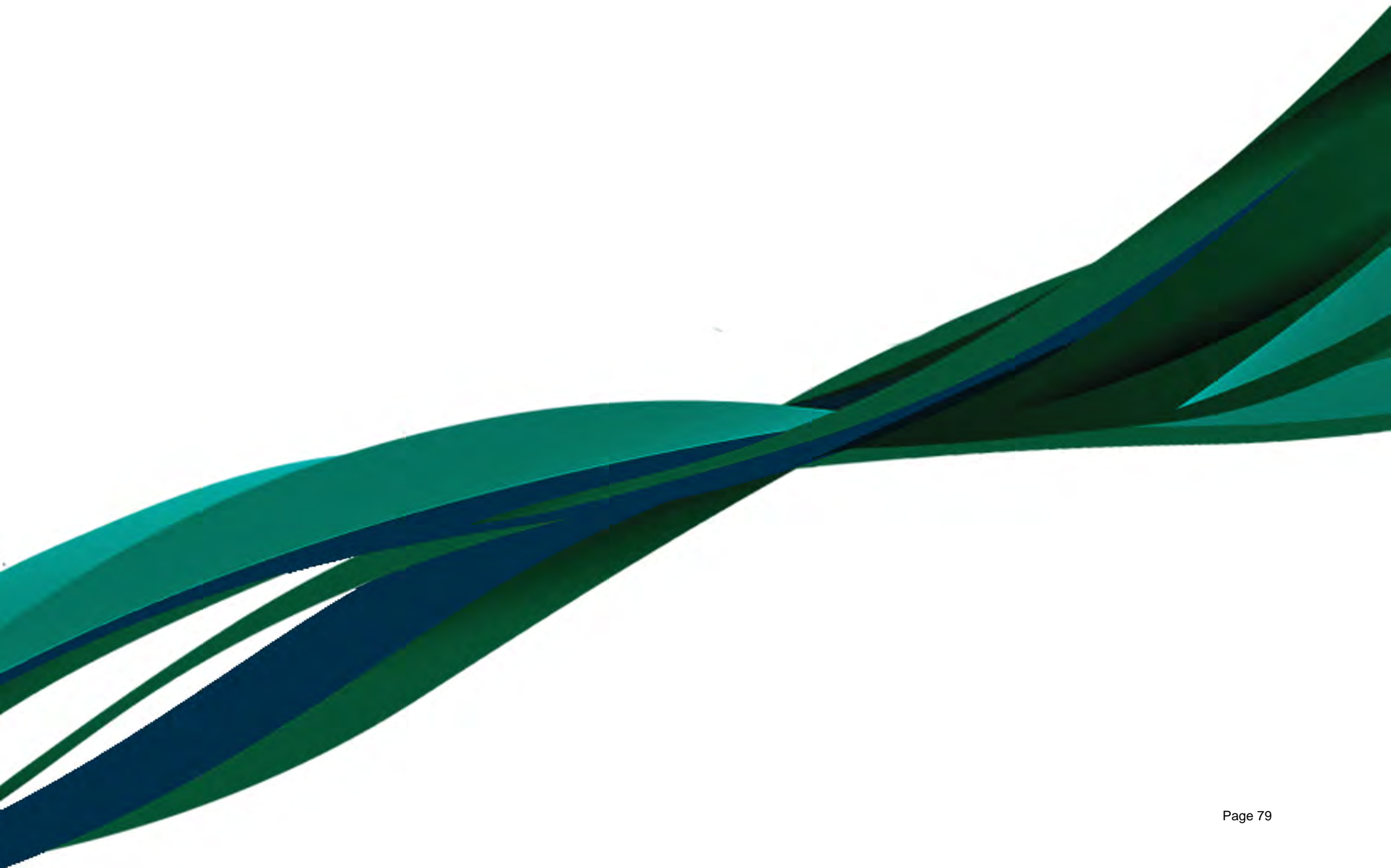
The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/ Indicator/Measure	Result	Material Variations
<b>Home and Community Care (HACC)</b>		
<b>Service standard</b> Compliance with Community Care Common Standards Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards x100	72.22%	-
<b>Participation</b> Participation in HACC service Number of people that received a HACC service / Municipal target population for HACC services x100	49.02%	-
<b>Participation</b> Participation in HACC service by CALD people Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services x100	6.78%	-
<b>Maternal and Child Health (MCH)</b>		
<b>Satisfaction</b> Participation in first MCH home visit Number of first MCH home visits / Number of birth notifications received x100	87.83%	-
<b>Service standard</b> Infant enrolments in the MCH service Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received x100	91.01%	-
<b>Participation</b> Participation in the MCH service Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service x100	71.11%	-
<b>Participation</b> Participation in the MCH service by Aboriginal children Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service x100	62.07%	-

**Note:** The material variations comment has been left blank as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.



# Governance, Management and other information







## Council Meetings

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

In 2014/15 the Council held 15 meetings – 12 ordinary Council meetings and 3 special Council meetings.

Councillor	Ordinary Meetings	Special Meetings	Total
Cr Jim Doukas	12	3	15
Cr Kelvin Goodall	5	2	7
Cr Anthony Keane	12	3	15
Cr Ralph Leutton	10	3	13
Cr Jill Parker	11	3	14
Cr James Purcell	4	1	5
Cr Colin Ryan	10	3	13
Cr Mick Wolfe	12	3	15

\* In December 2014 Cr Purcell resigned as a Councillor and was replaced by Cr Goodall in January 2015.

### 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 2014/15.

## Special Committees of Council (Section 86)

(As of 30 June, 2015)

Special Committee name	Councillor membership
<p>Business Enterprises and Tourism</p> <p>Aim – To enhance the development of business and tourism in the Shire; to implement strategies to increase employment and encourage economic growth.</p>	<p>Cr Leutton Cr Parker Cr Ryan</p>
<p>CEO Performance Review</p> <p>Aim – To undertake performance reviews of the Chief Executive Officer.</p>	<p>Cr Doukas Cr Goodall Cr Keane Cr Leutton Cr Parker Cr Ryan Cr Wolfe</p>
<p>Koroit Theatre</p> <p>Aim – 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.</p>	<p>Cr Keane</p>
<p>Mortlake Recreation Reserve</p> <p>Aim – To control and manage the operation and development of the Mortlake Recreation Reserve.</p>	<p>Cr Goodall Cr Parker</p>
<p>Nirranda Community Facility</p> <p>Aim – To co-ordinate and control the management of the reserve.</p>	<p>Cr Doukas</p>
<p>Port of Port Fairy Board</p> <p>Aim – To control and manage the operation and development of the Port of Port Fairy.</p>	<p>Cr Ryan Cr Wolfe</p>
<p>Southcombe Park Sports</p> <p>Aim – To control and manage the sports complex.</p>	<p>Cr Wolfe Cr Leutton (substitute)</p>
<p>Victoria Park (Koroit)</p> <p>Aim – To co-ordinate and control the management of the park;</p>	<p>Cr Keane Cr Doukas (substitute)</p>

## Advisory Committees

(As of 30 June, 2015)

Advisory Committee name	Councillor membership
<p><b>Audit and Risk</b></p> <p>Aim – 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.</p>	<p>Cr Leutton Cr Ryan</p>
<p><b>Conservation and Environment</b></p> <p>Aim – 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.</p>	<p>Cr Parker Cr Wolfe (substitute)</p>
<p>Halladale Black Watch Project Community Engagement Committee</p>	<p>Cr Doukas Cr Parker Cr Wolfe</p>
<p><b>Hawkesdale and District Family Services Centre Management Advisory Group</b></p> <p>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 activities and gather input from the Council, staff, parents and the community.</p>	<p>Cr Ryan</p>
<p>Hawkesdale, Ryan Corner and Tarrone Wind Farm Projects</p>	<p>Cr Doukas Cr Keane Cr Ryan</p>
<p><b>Macarthur Wind Farm Community Engagement</b></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 Doukas Cr Leutton Cr Ryan</p>
<p>Mortlake South Wind Farm Community Engagement Committee</p>	<p>Cr Doukas Cr Keane Cr Parker</p>
<p><b>Mt Shadwell Quarry Consultative</b></p> <p>Aim – 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.</p>	<p>Cr Goodall Cr Parker</p>
<p>Penshurst Wind Farm Community Engagement Committee</p>	<p>Cr Doukas Cr Ryan</p>

Advisory Committee name	Councillor membership
<p>Port Fairy Community Services Centre Management Advisory Group</p> <p>Aim – To provide advice to the Council in relation to operational issues which may include but are not limited to the following areas: Service delivery, Facility management, fees and budget, community participation, and service development</p>	Cr Leutton
<p>Port Fairy Lifeboat</p> <p>Aim – 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.</p>	Cr Wolfe
<p>Roads Focus Group</p> <p>Aim – 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.</p>	Cr Doukas Cr Keane Cr Wolfe
<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>	Positions vacant
Tarrone Power Station Proposal Community Engagement Committee	Cr Doukas Cr Keane
Willatook Wind Farm Proposal Community Engagement Committee	Cr Doukas Cr Leutton Cr Ryan
Woolsthorpe Wind Farm Proposal Community Engagement Committee	Cr Doukas Cr Keane Cr Ryan

## **Audits**

### **Internal Audit**

The internal audit program, in conjunction with the external audit program, 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 Audit and Risk Management Committee, senior management and is endorsed by Council. Primarily, an internal audit program is designed to review the areas of highest risk, but consideration is also given to ensure a periodic review of Council processes. Interaction between the Audit and Risk Management 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 and Risk Management 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.

### **External Audit**

Council is externally audited by the Victorian Auditor-General. For the 2014/15 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external audit management letter and responses are also provided to the Audit and Risk Management Committee.

## Governance and Management Checklist

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

Governance and Management Items	Assessment
1. <b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy  Date of operation of current policy: 18 December 2007
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Guidelines  Date of operation of current guidelines: 18 December 2007
3. <b>Strategic Resources Plan</b> (plan under section 126 of the Local Government Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act  Date of adoption: 23 June 2015
4. <b>Annual budget</b> (plan under section 130 of the Local Government Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with Section 130 of the Local Government Act  Date of adoption: 23 June 2015
5. <b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans  Date of operation of current plans: Buildings 1 May 2013 Roads 1 October 2012 Bridges 1 November 2012 Footpaths and Cycleways 1 November 2012 Drainage 1 November 2012 Recreation (playgrounds) 1 March 2012 Recreation (other) 1 May 2012
6. <b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Strategy  Date of operation of current strategy: 28 June 2005
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy  Date of operation of current policy: 28 June 2012
8. <b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy  Date of operation of current policy: 27 February 2014

Governance and Management Items	Assessment
9. <b>Municipal emergency management plan</b> (plan under section 20 of the Emergency Management Act for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986  Date of preparation: 10 November 2011
10. <b>Procurement policy</b> (policy under section 186A of the Local Government Act outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act  Date of approval: 23 June 2015
11. <b>Business continuity plan</b> (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan  Date of operation of current plan: 30 January 2014
12. <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan  Date of operation of current plan: 1 October 2013
13. <b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Framework  Date of operation of current framework: 28 June 2012
14. <b>Audit Committee</b> (advisory Committee of Council under section 139 of the Local Government Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with Section 139 of the Local Government Act  Date of establishment: 30 September 1999
15. <b>Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged  Date of engagement of current provider: 26 August 2014
16. <b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act)	Framework  Date of operation of current framework: 24 June 2014

Governance and Management Items	Assessment
17. <b>Council Plan reporting</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	No report  Reason for no report: Council reports on the Council Plan results are set out in the Annual Report. This was undertaken in the 2013/2014 Annual Report.
18. <b>Financial reporting</b> (quarterly statements to Council under section 138 of the Local Government Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Local Government Act  Date statements presented: Monthly Statements: 22 July 2014, 26 August 2014 23 September 2014 28 October 2014 25 November 2014 16 December 2014 27 January 2015 24 February 2015 24 March 2015 28 April 2015 26 May 2015 23 June 2015
19. <b>Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports  Date of reports: Quarterly: 18 August 2014 17 November 2014 25 March 2015 22 June 2015
20. <b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Local Government Act)	No Reports  Reason for no reports: New reporting framework commenced 1 July 2014, full year results will be reported in Council's 2015/16 Annual Report.
21. <b>Annual report</b> (annual report under sections 131, 132 and 133 of the Local Government Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of Council in accordance with section 134 of the Local Government Act  Date of consideration: 28 October 2014
22. <b>Councillor Code of Conduct</b> (Code under section 76C of the Local Government Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Local Government Act  Date reviewed: 27 August 2013



Governance and Management Items	Assessment
23. <b>Delegations</b> (a document setting out the powers, duties and functions Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Local Government Act  Date of review: 27 August 2013
24. <b>Meeting procedures</b> (a local law governing the conduct of meetings of Council and special Committees)	Meeting procedures local law made In accordance with section 91(1) of the Act  Date local law made: 27 September 2011

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



David Madden  
Chief Executive Officer  
Dated: 22 September 2015



Cr Colin Ryan  
Mayor  
Dated: 22 September 2015

## Statutory information

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

### 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:

- details of current allowances fixed for the mayor and Councillors;
- details of senior officers' total salary packages for the current financial year and previous year;
- details of overseas or interstate travel undertaken in an official capacity by Councillors or any Council staff in the previous 12 months;
- names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- names of Councillors who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- agendas for and minutes of ordinary and special meetings held in the previous 12 months;
- a list of all special Committees established by the Council and the purpose for which each Committee was established;
- a list of all special Committees established by the Council that were abolished or ceased to function during the financial year;
- minutes of meetings of special Committees established under Section 86 of the Local Government Act 1989 and held in the previous 12 months;
- register of delegations;
- submissions received under Section 223 of the Local Government Act 1989 during the previous 12 months;
- agreement to establish a regional library;
- details of all property, finance and operating leases entered into by Council as lessor or lessee;
- register of authorised officers appointed under Section 224 of the Local Government Act 1989;
- list of donations and grants made by the Council during the financial year;
- list of names of the organisations of which the Council was a member during the financial year;
- 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.

### 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 seven new Freedom of Information applications during 2014/15. Two were granted in full, and three were withdrawn. Two documents were provided outside the Act. 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.

### Protected Disclosure

Moyne Shire Council is committed to the aims and objectives of the Protected Disclosure Act 2012. It recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal improper conduct. It does not tolerate improper conduct by the organisation, its employees, officers, or Councillors, nor the taking of reprisals against those who come forward to disclose such conduct.

Moyne Shire Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person or body who is the subject of the disclosure.

### **Best Value**

The Local Government Act 1989 requires Councils to comply with six Best Value principles and to report to the community at least once a year on how they have achieved this.

These principles are relate to:

- Quality and cost standards.
- Responsiveness to community needs.
- Accessibility.
- Continuous improvement.
- Community consultation.
- Reporting to the community.

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.

### **Carers Recognition**

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

Distributing printed material through relevant Council services

Providing information to organisations represented in Council/community networks.

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

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

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

- recognising carers during National Carers Week.

### **Contracts**

During 2014/15 Moyne Shire Council did not enter into any contracts valued at \$150,000 or more without first engaging in a competitive process.

## **Disability Action Plan**

In accordance with section 38 of the Disability Act 2006, the Council must report on the implementation of the Disability Action Plan in its annual report.

Council has prepared a Disability Action Plan and implemented the following actions:

- Promoted and provided Disability Awareness Training for all staff members
- Promote events such as One & All Inclusive Events

## **Emergency Management Exercise**

Moynes Shire Municipal Emergency Resource Officer (MERO) participated in an anti-terrorism exercise hosted by Victoria Police. The exercise involved agencies from Ambulance Victoria, Country Fire Authority, State Emergency Service, Victoria Police Critical Incident Response Team (CIRT) South West Health Care, Department of Health and Human Services and local Council.

The scenario was performed in two stages including a table top discussion where there was a mock scenario involving a protest at the Warrnambool Aerodrome in Mailors Flat, which escalated when a canister containing a hazardous substance was thrown at a VIP arriving at the Aerodrome. The discussions focussed on how each agency including Council would respond to the situation and what actions they would take in the response and recovery of the incident.

The offenders then left the scene and were later found to be hiding in a remote rural property in Nirranda. The second stage based at Nirranda was a practical component where Victoria Police CIRT contained then apprehended the offenders who were covered in a chemical substance. With the assistance of the CFA Hazardous Material Response Unit and local brigades, the offenders and Victoria Police personnel were decontaminated.

The exercise allowed agencies together with Council to work together to respond to a challenging and dynamic emergency scenario in a rural environment.

## **Domestic Animal Management Plan**

An annual review of the Moynes Domestic Animal Management Plan 2013 (DAMP) has been conducted as required by the Domestic Animals Act 1994. There are no significant amendments required to be made to the current DAMP.

Officers are continually developing their skills and knowledge in relation to domestic animals and have attended training sessions offered by Department of Environment, Land, Water and Planning in relation to new legislative changes in regards to Restricted Breed Dogs. Liaison and joint training with neighbouring Councils has also continued to occur.

Identification and registration activities outlined in the DAMP are being followed and officers are promoting that registered animals found at large and not causing a nuisance are given a free ride home.

Registration and identification of pets remains a priority and Council will continue to reward owners of registered pets, while applying various strategies to encourage the registration of unregistered pets.

The aim is to enhance the identification of domestic animals in the municipality.

In the event that a stray dog or cat is found wandering and is not microchipped and registered and is impounded at the RSPCA it will be micro-chipped and registered before being released to their owner. Eight Domestic Animal Businesses in the municipality are all registered and conform to the provisions of the Domestic Animals Act 1994.

In March 2015 legislation was introduced to impose a moratorium on the destruction of Restricted Breed Dogs, while a Parliamentary Inquiry into the effectiveness of current legislative arrangements is underway.

There are no requirements to amend the DAMP and Council will continue to work towards achieving the objectives and targets set out in the plan.

**Food Act Ministerial Directions**

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

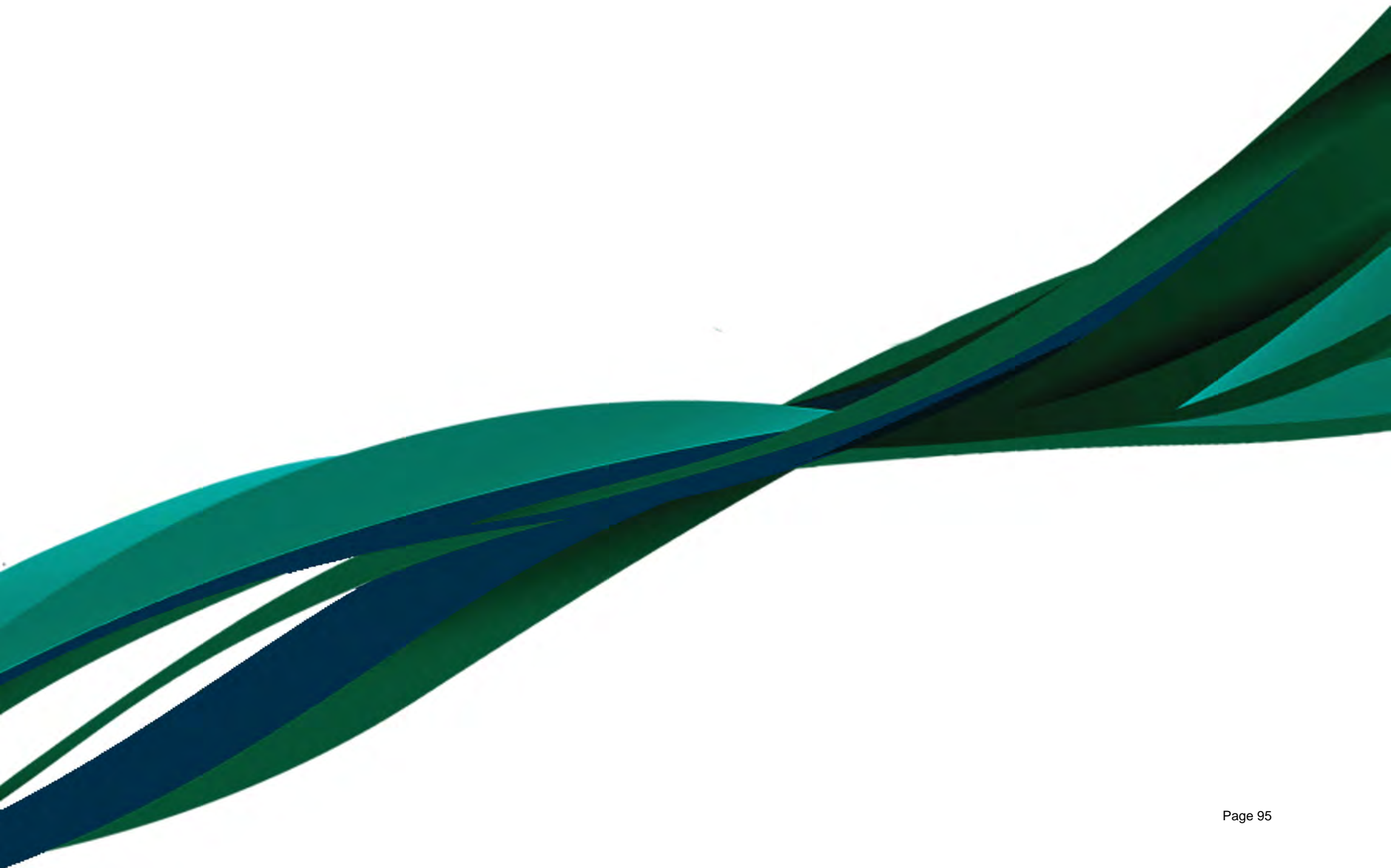
No such Ministerial Directions were received by Council during the financial year.

**Road Management Act Ministerial Direction**

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial Direction in its annual report. No such Ministerial Directions were received by Council during the financial year.



# Performance Statement







## Performance Statement

For the year ended 30 June 2015

Moyne Shire is located in Victoria's South West, 250 kilometres from Melbourne on the Great South Coast. The municipality stretches from the Great Ocean Road in the south to the pastoral area of Mortlake in the north.

Moyne takes its name from a place in Ireland or from an Aboriginal word meaning "covered with leaves or ferny hole". Moyne Shire is characterised by agriculture, fresh seafood, manufacturing and a healthy tourism industry.

The dairy industry is the dominant industry but sheep production and cereal crops are growing in size. Manufacturing, retail and education are other important sectors.

## Sustainable Capacity Indicators

For the year ended 30 June 2015

<i>Indicator/measure</i>	<b>Results 2015</b>	<b>Material variations</b>
<b><i>Own-source revenue</i></b>		
<i>Own-source revenue per head of municipal population</i>	\$1,737.33	
[Own-source revenue / Municipal population]		
<b><i>Recurrent grants</i></b>		
<i>Recurrent grants per head of municipal population</i>	\$1,035.36	
[Recurrent grants / Municipal population]		
<b><i>Population</i></b>		
<i>Expenses per head of municipal population</i>	\$2,534.39	
[Total expenses / Municipal population]		
<i>Infrastructure per head of municipal population</i>	\$23,796.99	
[Value of infrastructure / Municipal population]		
<i>Population density per length of road</i>	5.96	
[Municipal population / Kilometres of local roads]		
<b><i>Disadvantage</i></b>		
<i>Relative socio-economic disadvantage</i>	7	
[Index of Relative Socio-economic Disadvantage by decile]		

**Note:** The material variation comment has been left blank as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.

### Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by Council

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

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

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

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

## Service Performance Indicators

For the year ended 30 June 2015

<b>Service/indicator/measure</b>	<b>Results 2015</b>	<b>Material Variations</b>
<b>Governance</b>		
<b>Satisfaction</b>		
<i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	59	
<b>Statutory Planning</b>		
<b>Decision making</b>		
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	50%	
<b>Roads</b>		
<b>Satisfaction</b>		
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	40	
<b>Libraries</b>		
<b>Participation</b>		
<i>Active library members</i> [Number of active library members / Municipal population] x100	10.10%	
<b>Waste Collection</b>		
<b>Waste diversion</b>		
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	59.54%	
<b>Aquatic facilities</b>		
<b>Utilisation</b>		
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	0.51	
<b>Animal management</b>		
<b>Health and safety</b>		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]		No animal prosecution during the year
<b>Food safety</b>		
<b>Health and safety</b>		
<i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	37.50%	

<b>Service/indicator/measure</b>	<b>Results 2015</b>	<b>Material Variations</b>
<b>Home and community care</b>		
<b>Participation</b>		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	49.02%	
<b>Participation</b>		
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	6.78%	
<b>Maternal and child health</b>		
<b>Participation</b>		
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	71.11%	
<b>Participation</b>		
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	62.07%	

**Note:** The material variation comment has been left blank, except for animal management, as this is the first year of Local Government Performance Reporting and there is no base year to make comparisons.

#### **Definitions**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by Council

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

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

## Financial Performance Indicators

For the year ended 30 June 2015

Dimension/ <i>indicator/measure</i>	Results	Forecasts				Material Variations
	2015	2016	2017	2018	2019	
<b>Operating position</b>						
<b><i>Adjusted underlying result</i></b>						
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	9.53%	1.92%	-1.00%	-1.16%	-0.56%	Council received an advance payment of \$3.7Mil for the 2015/2016 grants commission funding at the end of the 2014/2015.
<b>Liquidity</b>						
<b><i>Working capital</i></b>						
Current assets compared to current liabilities [Current assets / Current liabilities] x100	186.56%	109.90%	108.51%	99.75%	100.22%	Council received an advance payment of \$3.7Mil for the 2015/2016 grants commission funding at the end of the 2014/2015.
<b><i>Unrestricted cash</i></b>						
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	51.95%	36.89%	36.03%	28.62%	30.33%	Council received an advance payment of \$3.7Mil for the 2015/2016 grants commission funding at the end of the 2014/2015.
<b>Obligations</b>						
<b><i>Loans and borrowings</i></b>						
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	15.29%	11.64%	8.83%	6.41%	3.84%	Council has no plans to borrow additional funds.
<i>Loans and borrowings repayments compared to rates</i>	4.28%	3.55%	3.46%	2.84%	2.80%	Council has no plans to borrow additional funds.

Dimension/ <i>indicator/measure</i>	Results	Forecasts				Material Variations
	2015	2016	2017	2018	2019	
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100						
<b>Indebtedness</b>						
<i>Non-current liabilities compared to own source revenue</i>	7.06%	8.24%	6.72%	5.02%	3.27%	Council has no plans to borrow additional funds.
[Non-current liabilities / Own source revenue] x100						
<b>Asset renewal</b>						
<i>Asset renewal compared to depreciation</i>	99.30%	100.37%	89.54%	101.53%	94.67%	No material variations
[Asset renewal expenses / Asset depreciation] x100						
<b>Stability</b>						
<b>Rates concentration</b>						
<i>Rates compared to adjusted underlying revenue</i>	41.39%	45.12%	47.18%	47.01%	47.33%	No material variations
[Rate revenue / Adjusted underlying revenue] x100						
<b>Rates effort</b>						
<i>Rates compared to property values</i>	0.32%	0.34%	0.34%	0.34%	0.34%	No material variations
[Rate revenue / Capital improved value of rateable properties in the municipality ] x100						
<b>Efficiency</b>						
<b>Expenditure level</b>						
<i>Expenses per property assessment</i>	\$3,486.11	\$3,663.31	\$3,563.78	\$3,568.87	\$3,543.49	No material variations
[Total expenses / Number of property assessments]						
<b>Revenue level</b>						

Dimension/ <i>indicator/measure</i>	Results	Forecasts				Material Variations
	2015	2016	2017	2018	2019	
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,386.31	\$1,372.99	\$1,384.89	\$1,397.26	\$1,410.08	No material variations
<b>Workforce turnover</b> <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	10.58%	16.67%	16.67%	16.67%	16.67%	No material variations

#### Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

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

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

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

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

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

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

"population "means the resident population estimated by Council

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

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



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

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

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

## Other Information

For the year ended 30 June 2015

### Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 28 June 2015 and which forms part of the Council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

## Certification of the performance statement

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



Craig Ralston (Bbus, CPA)  
**Principal Accounting Officer**  
**Dated:** 22 September 2015

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

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

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

We have been authorised by the council and by the Local Government (Planning and Reporting) Regulations 2014 to certify this performance statement in its final form.



Colin Ryan  
**Councillor**  
**Dated:** 22 September 2015



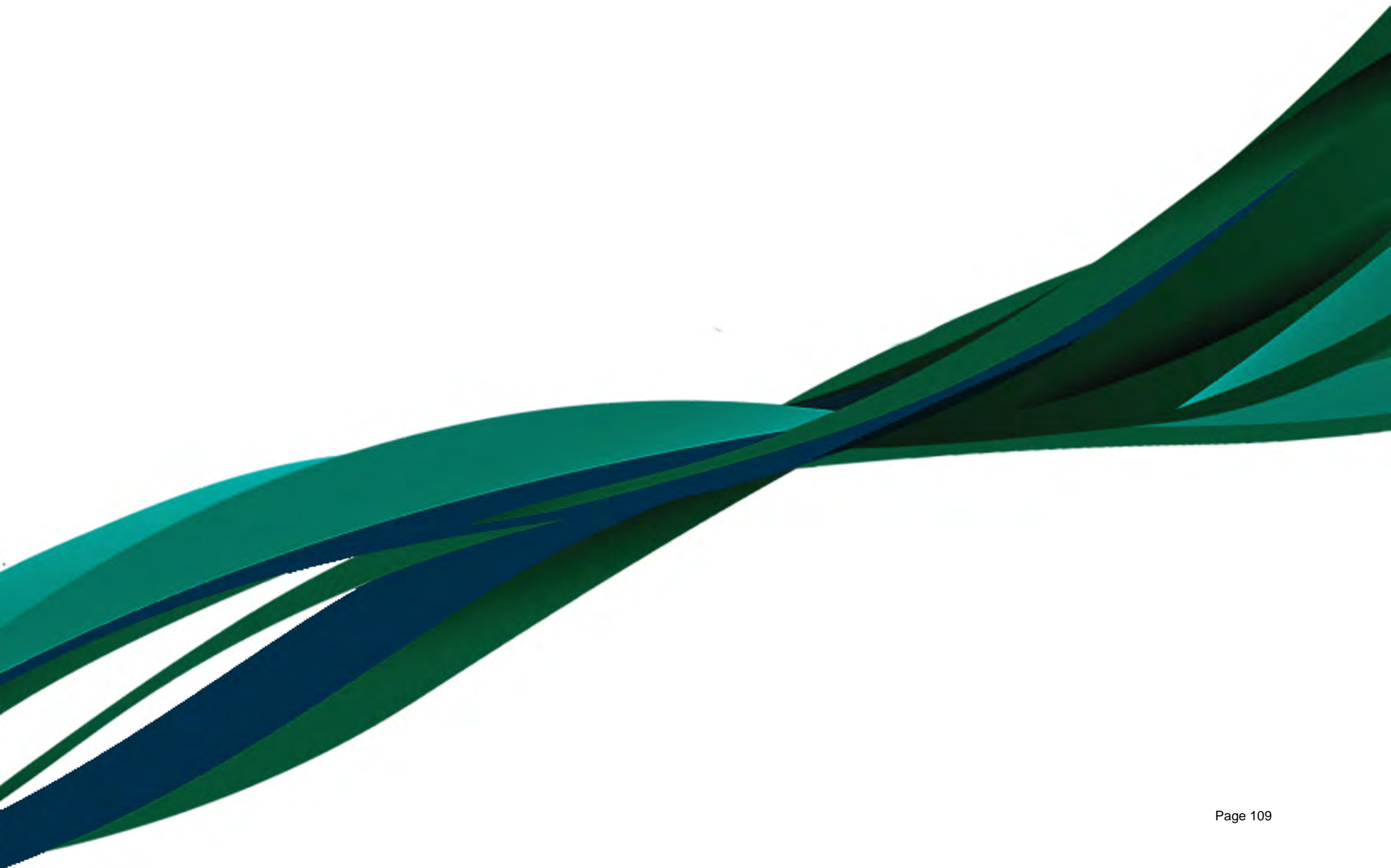
Ralph Leutton  
**Councillor**  
**Dated:** 22 September 2015



David Madden  
**Chief Executive Officer**  
**Dated:** 22 September 2015



# Financial Report





**Moyne Shire Council**  
**Financial Report**  
**Table of Contents**

<b>FINANCIAL REPORT</b>	<b>Page</b>
<b>Financial Statements</b>	
Comprehensive Income Statement	112
Balance Sheet	113
Statement of Changes in Equity	114
Statement of Cash Flows	115
Statement of Capital Works	116
<b>Notes to Financial Statements</b>	
Introduction	117
Note 1      Significant accounting policies	117
Note 2      Budget Comparison	128
Note 3      Rates and charges	130
Note 4      Statutory fees, fines and user fees	130
Note 5      Grants	131
Note 6      Contributions	132
Note 7      Net gain/(loss) on disposal of property, infrastructure, plant and equipment	132
Note 8      Other income	133
Note 9      Employee benefits	133
Note 10     Materials and services	133
Note 11     Depreciation and amortisation	133
Note 12     Borrowing costs	133
Note 13     Investments in associates	134
Note 14     Cash and cash equivalents	135
Note 15     Trade and other receivables	135
Note 16     Inventories	136
Note 17     Other assets	136
Note 18     Property, plant and equipment, infrastructure	137
Note 19     Trade and other payables	142
Note 20     Trust funds	142
Note 21     Provisions	143
Note 22     Interest bearing loans and borrowings	145
Note 23     Reserves	146
Note 24     Reconciliation of cash flows from operating activities to surplus or deficit	148
Note 25     Financing arrangements	148
Note 26     Commitments	149
Note 27     Operating leases	150
Note 28     Contingent liabilities and contingent assets	150
Note 29     Financial instruments	152
Note 30     Auditors' remuneration	154
Note 31     Events occurring after balance date	154
Note 32     Related party transactions	155
Certification of the Financial Report	157

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

	Note	2015 \$'000	2014 \$'000
<b>Income</b>			
Rates and charges	3	18,949	17,996
Statutory fees, fines and user fees	4	9,085	9,484
Grants - operating	5(a)	16,922	8,870
Grants - capital	5(b)	3,332	3,289
Contributions - monetary	6(a)	467	1,977
Contributions - non-monetary	6(b)	4,619	491
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	7	(4)	(50)
Share of net profits/(losses) of associates and joint ventures	13	(97)	34
Other income	8	462	534
<b>Total income</b>		<u>53,734</u>	<u>42,625</u>
<b>Expenses</b>			
Employee costs	9	(15,826)	(15,383)
Materials and services	10	(13,052)	(14,111)
Depreciation and amortisation	11	(12,362)	(11,529)
Borrowing costs	12	(182)	(143)
<b>Total expenses</b>		<u>(41,421)</u>	<u>(41,166)</u>
<b>Surplus/(Deficit)</b>		<u>12,313</u>	<u>1,459</u>
<b>Other comprehensive income</b>			
Net asset revaluation increment(decrement)	23	1,014	56,752
<b>Comprehensive result</b>		<u>13,327</u>	<u>58,211</u>

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



## Balance Sheet As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	14(a)	10,025	6,868
Trade and other receivables	15(a)	2,969	2,771
Other financial assets	14(b)	5,000	4,000
Inventories	16	488	394
Other assets	17	167	216
<b>Total current assets</b>		<u>18,649</u>	<u>14,249</u>
<b>Non-current assets</b>			
Trade and other receivables	15(b)	15	26
Investments in associates	13	216	312
Property, infrastructure, plant and equipment	18	436,207	426,926
<b>Total non-current assets</b>		<u>436,438</u>	<u>427,264</u>
<b>Total assets</b>		<u>455,087</u>	<u>441,513</u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	19	1,905	2,096
Trust funds and deposits	20	1,533	731
Provisions	21	4,816	4,683
Interest-bearing loans and borrowings	22(a)	1,742	2,113
<b>Total current liabilities</b>		<u>9,996</u>	<u>9,623</u>
<b>Non-current liabilities</b>			
Provisions	21	851	721
Interest-bearing loans and borrowings	22(b)	1,155	1,413
<b>Total non-current liabilities</b>		<u>2,006</u>	<u>2,134</u>
<b>Total liabilities</b>		<u>12,002</u>	<u>11,757</u>
<b>Net assets</b>		<u>443,084</u>	<u>429,756</u>
<b>Equity</b>			
Accumulated surplus		208,874	196,959
Reserves	23	234,211	232,797
<b>Total equity</b>		<u>443,084</u>	<u>429,756</u>

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

## Statement of Changes in Equity For the Year Ended 30 June 2015

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2015</b>					
Balance at beginning of the financial year		429,757	196,959	229,106	3,692
Surplus/(Deficit) for the year		12,313	12,313	-	-
Net asset revaluation increment(decrement)	23(a)	1,014	-	1,014	-
Transfers to other reserves	23(b)	-	(403)	-	403
Transfers from other reserves	23(b)	-	4	-	(4)
<b>Balance at end of the financial year</b>		<b>443,084</b>	<b>208,874</b>	<b>230,120</b>	<b>4,091</b>

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2014</b>					
Balance at beginning of the financial year		371,545	195,121	172,354	4,070
Surplus/(Deficit) for the year		1,459	1,459	-	-
Net asset revaluation increment(decrement)	23(a)	56,752	-	56,752	-
Transfers to other reserves	23(b)	-	863	-	(863)
Transfers from other reserves	23(b)	-	(484)	-	484
<b>Balance at end of the financial year</b>		<b>429,756</b>	<b>196,959</b>	<b>229,106</b>	<b>3,691</b>

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

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

		2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates		18,903	18,002
Statutory fees and fines and user fees		9,852	9,688
Grants - operating		16,922	8,870
Grants - capital		3,332	4,107
Contributions - monetary		467	2,175
Interest received		501	583
Net GST refund/(payment)		1,649	(345)
Materials and services		(15,177)	(15,797)
Employee costs		(15,479)	(17,814)
<b>Net cash provided by (used in) operating activities</b>	24	<u>20,970</u>	<u>9,469</u>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	2(b)	(16,497)	(16,161)
Proceeds from sale of property, infrastructure, plant and equipment		484	621
Payments for investments		(7,000)	(6,000)
Proceeds from the sale of investments		6,000	8,500
Loans and advances made		-	(16)
Payment of loans and advances		11	18
<b>Net cash provided by (used in) investing activities</b>		<u>(17,002)</u>	<u>(13,038)</u>
<b>Cash flows from financing activities</b>			
Finance costs		(182)	(143)
Proceeds from borrowings		-	1,660
Repayment of borrowings		(629)	(417)
<b>Net cash provided by (used in) financing activities</b>		<u>(810)</u>	<u>1,100</u>
Net increase (decrease) in cash and cash equivalents		3,157	(2,469)
Cash and cash equivalents at the beginning of the financial year		6,868	9,337
<b>Cash and cash equivalents at the end of the financial year</b>	25	<u>10,025</u>	<u>6,868</u>
Financing arrangements	26		
Restrictions on cash assets	27		

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

**Statement of Capital Works  
For the Year Ended 30 June 2015**

	2015 \$'000	2014 \$'000
<b>Property</b>		
Land	185	197
Buildings	1,489	2,804
<b>Total property</b>	<u>1,674</u>	<u>3,001</u>
<b>Plant and equipment</b>		
Plant, machinery and equipment	1,994	2,470
Fixtures, fittings and furniture	45	116
Computers and telecommunications	182	197
<b>Total plant and equipment</b>	<u>2,221</u>	<u>2,783</u>
<b>Infrastructure</b>		
Roads	9,718	8,685
Bridges	285	467
Footpaths and cycleways	1,059	198
Drainage	283	293
Recreational, leisure and community facilities	342	408
Waste management	269	95
Off street car parks	160	-
Other infrastructure	486	231
<b>Total infrastructure</b>	<u>12,601</u>	<u>10,376</u>
<b>Total capital works expenditure</b>	<u>16,497</u>	<u>16,161</u>
<b>Represented by:</b>		
New asset expenditure	1,006	2,354
Asset renewal expenditure	12,275	12,046
Asset expansion expenditure	40	-
Asset upgrade expenditure	3,176	1,761
<b>Total capital works expenditure</b>	<u>16,497</u>	<u>16,161</u>

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

**Introduction**

The Moyne Shire Council was established by an Order of the Governor in Council on 22 September 1994 and is a body corporate.

The Council's main office is located at Princess Street, Port Fairy.

**Statement of compliance**

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

**Note 1 Significant accounting policies**

**(a) Basis of accounting**

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (k) )
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (l) )
- the determination of employee provisions (refer to note 1 (q) )

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.

**(b) Changes in accounting policies**

There is no change in the accounting policies in 2014-15.

**(c) Committees of management**

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

**(d) Accounting for investments in associates and joint arrangements**

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

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Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

(i) Joint operations

Council recognises its direct right to the, and its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate headings.

(ii) Joint ventures

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

Note 1 Significant accounting policies (cont.)

(e) Revenue recognition

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.

*Rates and Charges*

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

*Statutory fees and fines*

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

*User fees*

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

*Grants*

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

*Contributions*

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

*Sale of property, infrastructure, plant and equipment*

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

*Interest*

Interest is recognised as it is earned.

*Other Income*

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

(f) Fair value measurement

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

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

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

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

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

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

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

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

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



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Note 1 Significant accounting policies (cont.)

(g) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

(h) **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.

(i) **Other financial assets**

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

(j) **Inventories**

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Inventories are measured at the lower of cost and net realisable value.

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

Where Inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(k) **Recognition and measurement of property, plant and equipment, infrastructure, intangibles**

*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.

In accordance with Council's policy, the threshold limits detailed in Note 1 (l) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

*Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

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

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Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 18, Property, infrastructure, plant and equipment, and infrastructure.

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 Fair Value. Council does not recognise land under roads that it controlled prior to that period in its financial report.

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

Note 1 Significant accounting policies (cont.)

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

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

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

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

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

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

*Asset recognition thresholds and depreciation periods*

	Depreciation Period Years	Threshold Limit \$'000
Property		
land	-	2
Buildings		
buildings	25-120	2
Plant and Equipment		
plant, machinery and equipment	2-20	2
fixtures, fittings and furniture	3-10	2
Infrastructure		
road pavements	50-80	5
road seals	10-15	5
bridges	30-110	5
footpaths	10-50	5
drainage pits	70	5
drainage pipes	120	5
recreational, leisure and community facilities	10-50	5
waste management	7-50	5
parks, open space and streetscapes	30-40	2
other structures	33-50	5

(m) 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 2015

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(n) 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.

(o) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 20).

Note 1 Significant accounting policies (cont.)

(p) Borrowings

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

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

*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.

(q) Employee costs and benefits

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

*Wages and salaries and annual leave*

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

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

*Long service leave*

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

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

The components of this current liability are measured at :

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

*Classification of employee costs*

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

**(r) Landfill rehabilitation provision**

Council is obligated to restore Wangoom Landfill and Badhams Lane Landfill to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

**(s) Leases**

*Operating leases*

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

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

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Note 1 Significant accounting policies (cont.)

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

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

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

(u) **Financial guarantees**

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 30 Contingent Liabilities and Contingent Assets.

(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 30 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.

(w) **Pending accounting standards**

Certain new AAS's have been issued that are not mandatory for the 30 June 2015 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

(x) **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.

## Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 24 June 2014. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

### a) Income and Expenditure

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
<b>Income</b>				
Rates and charges	18,972	18,949	(23)	
User fees	9,862	9,085	(777)	1
Grants - operating	14,464	16,922	2,458	2
Grants - capital	2,701	3,332	631	3
Contributions - monetary	307	467	160	
Contributions - non monetary	-	4,619	4,619	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	(4)	(4)	
Share of net profits/(losses) of associates and joint ventures	-	(97)	(97)	
Other income	400	462	62	
<b>Total income</b>	<b>46,706</b>	<b>53,735</b>	<b>7,029</b>	
<b>Expenses</b>				
Employee costs	15,604	15,826	(222)	
Materials and services	16,024	13,052	2,972	5
Depreciation and amortisation	11,294	12,362	(1,068)	6
Borrowing costs	183	182	1	
<b>Total expenses</b>	<b>43,105</b>	<b>41,422</b>	<b>1,683</b>	
<b>Surplus/(deficit) for the year</b>	<b>3,601</b>	<b>12,313</b>	<b>8,712</b>	

### (i) Explanation of material variations

Variance Ref	Item	Explanation
1	External private works less than anticipated.	
2	Half of the 2015-16 VGC allocation (\$3.7 million) received in advance. Funding of \$2 million to dredge sand from East Beach was not successful. Additional funding of \$0.4 million was secured for the Port Fairy Coastal Structure plan.	
3	Council received \$946,000 and \$517,000 in 2014-15 on account of carried forward grants for Port Fairy Streetscape and Nirranda Sports Complex respectively. Council budgeted \$960,000 under Bridge to Recovery Program and received \$200,000 in 2014-15.	
4	Crown land handed over to Council in 2014-15.	
5	The variance is primarily due to \$2 million budgeted for East Beach Sand Pumping project which didn't go ahead due to funding application being unsuccessful. In addition, \$500,000 was budgeted for Port of Port Fairy Co-operative Building upgrade and the works were not commenced in 2014-15.	
6	Council did an upward revaluation of its road and building assets for financial year 2013-14 after adopting the budget for 2014-15.	



Note 2 Budget comparison (cont)

b) Capital Works

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
<b>Property</b>				
Land	368	185	(183)	1
Buildings	1,548	1,489	(59)	
<b>Total Property</b>	<b>1,916</b>	<b>1,674</b>	<b>(242)</b>	
<b>Plant and Equipment</b>				
Plant, machinery and equipment	2,231	1,994	(237)	2
Fixtures, fittings and furniture	12	45	33	
Computers and telecommunications	162	182	20	
Library books	-	-	-	
<b>Total Plant and Equipment</b>	<b>2,405</b>	<b>2,221</b>	<b>(184)</b>	
<b>Infrastructure</b>				
Roads	8,556	9,718	1,161	3
Bridges	1,080	285	(795)	4
Footpaths and cycleways	229	1,059	830	5
Drainage	408	283	(125)	
Recreational, leisure and community facilities	260	342	82	
Waste management	48	269	221	6
Off street car parks	-	160	160	7
Other infrastructure	-	486	486	8
<b>Total Infrastructure</b>	<b>10,580</b>	<b>12,601</b>	<b>2,021</b>	
<b>Total Capital Works Expenditure</b>	<b>14,901</b>	<b>16,497</b>	<b>1,596</b>	
<b>Represented by:</b>				
New asset expenditure	1,507	1,006	(501)	
Asset renewal expenditure	10,927	12,275	1,348	
Asset expansion expenditure	-	40	40	
Asset upgrade expenditure	2,467	3,176	709	
<b>Total Capital Works Expenditure</b>	<b>14,901</b>	<b>16,497</b>	<b>1,596</b>	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Stage 3 of East beach Rockwall to be carried forward
2	Plant, machinery and equipment	Savings on 8 items of major plant, 2 purchases to be carried forward
3	Roads	Port Fairy Streetscape carried forward from 2013/14 not in adopted budget
4	Bridges	Bridges to Recovery funding not received so some budgeted works did not go ahead
5	Footpaths	4 additional footpaths were completed funded by Flood Recovery not budgeted. Port Fairy Streetscape carried forward from 2013/14.
6	Waste Management	Killarney Transfer Station Upgrade carried forward from 2013/14 not in adopted budget
7	Off street carparks	Budgeted under Roads
8	Other Infrastructure	Some works budgeted under Roads. Port Fairy Streetscape carried forward from 2013/14 not in adopted budget

		2015 \$'000	2014 \$'000
Note 3	<b>Rates and charges</b>		
	<p>Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is defined under the <i>Valuation of Land Act 1960</i> as:</p> <p>"..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."</p> <p>The valuation base used to calculate general rates for 2014/2015 was \$5.886 billion (2013-2014 \$6.142 billion). The 2014/2015 rate in the CIV dollar was 0.00218150 (2013-2014, 0.00196510).</p>		
	Residential	4,308	3,780
	Commercial/Industrial	705	605
	Farm/Rural	9,979	9,801
	Supplementary rates and rate adjustments	18	(2)
	Garbage charge	2,523	2,436
	Revenue in lieu of rates	1,415	1,376
		<u>18,949</u>	<u>17,996</u>
	<p>The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation first applied in the rating year commencing 1 July 2014.</p> <p>The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation first applied to the rating period commencing 1 July 2012.</p>		
Note 4	<b>Statutory fees, fines and user fees</b>		
	<i>Statutory fees, fines and user fees include:</i>		
	Aged & Disability Services Fees	634	622
	Building Fees	102	111
	Caravan Park/Lodge Fees	3,010	2,966
	Corporate Fees and Charges	16	23
	Dog and Cat Charges	107	112
	Health Licences and Fees	94	92
	Childcare / Preschool Fees	713	638
	Port Fees and Charges	123	166
	Private Works	491	445
	Property Rentals	57	34
	Quarry Fees and Charges	1,538	1,566
	Refuse Operations	282	242
	Regulation Fees and Permits	41	33
	Reimbursements	1,375	1,739
	Road Opening Fees	2	2
	Stock Charges	16	8
	Tourism Fees and Charges	25	24
	Town Planning Fees & Certificates	130	118
	Other	329	541
		<u>9,085</u>	<u>9,484</u>

Note 5

Grants

Grants were received in respect of the following :

**Summary of grants**

Federally funded grants	2,102	1,965
State funded grants	18,152	10,194

Total	<u>20,253</u>	<u>12,159</u>
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**(a) Operating grants**

Commonwealth Government - Roads to recovery	1,821	1,965
Victoria Grants Commission - unallocated	5,522	1,737
Victoria Grants Commission - local roads	5,551	1,757
Aged Care	1,074	1,062
Port of Port Fairy	508	408
Community Services	-	298
Development Approvals	500	28
Environment	62	148
Family & Children	1,144	1,074
Governance	30	21
Parks and Amenities	-	7
Recreation	-	87
Regulatory Services	100	164
Waste Management	80	50
Other	531	64

Total recurrent	<u>16,922</u>	<u>8,870</u>
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**(b) Capital grants**

Environment	61	75
Parks and Amenities	362	149
Recreation	1,144	396
Regulations	20	9
Family & Children	-	1,015
Roads and Streets	1,705	1,645
Waste Management	40	-

Total non-recurrent	<u>3,332</u>	<u>3,289</u>
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Note 5	Grants (cont.)		
	Conditions on Grants		
	Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
	Family & Children	-	450
	Environment	45	-
	Asset Management	100	-
	Parks and Amenities	117	125
	Roads and Streets	78	-
		<u>340</u>	<u>575</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:		
	Family & Children	450	183
	Recreation	-	46
	Parks and Amenities	125	-
		<u>575</u>	<u>229</u>
	Net increase (decrease) in restricted assets resulting from grant revenues for the year:	<u>(235)</u>	<u>346</u>
Note 6	(a) Contributions		
	Monetary	467	1,977
	Non-monetary	<u>4,619</u>	<u>491</u>
		<u>5,086</u>	<u>2,468</u>
	(b) Contributions of non-monetary assets were received in relation to the following asset classes:		
	Crown Land	4,542	-
	Land	-	223
	Infrastructure	77	266
	Other	-	2
		<u>4,619</u>	<u>491</u>
Note 7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	484	621
	Write down value of assets disposed	<u>(487)</u>	<u>(671)</u>
	Total net gain/(loss) on the disposal of property, infrastructure, plant and equipment	<u>(4)</u>	<u>(50)</u>

<b>Note 8</b>	<b>Other income</b>		
	Interest	462	534
		<u>462</u>	<u>534</u>
<b>Note 9</b>	<b>Employee benefits</b>		
	Wages and salaries	12,734	12,115
	Annual leave and long service leave	1,561	1,561
	Superannuation	1,161	1,198
	Fringe benefits tax and work cover	369	509
		<u>15,826</u>	<u>15,383</u>
<b>Note 10</b>	<b>Materials and services</b>		
	Contract payments	7,087	7,724
	Vehicle Operating Costs	1,954	2,216
	Utilities	877	908
	Insurance	430	463
	Computer & Software Maintenance	521	479
	Donations/Contributions	1,460	1,582
	Other Materials & Services	721	739
		<u>13,052</u>	<u>14,111</u>
<b>Note 11</b>	<b>Depreciation and amortisation</b>		
	Property	918	728
	Plant and equipment	1,840	1,803
	Infrastructure	9,604	8,998
		<u>12,362</u>	<u>11,529</u>
	<i>Refer to note 18 for a more detailed breakdown of depreciation and amortisation charges</i>		
<b>Note 12</b>	<b>Borrowing costs</b>		
	Interest - Borrowings	182	143
		<u>182</u>	<u>143</u>

Note 13

Investment in associates  
Corangamite Regional Library Corporation

*Background*

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 18.8% ownership share of the Corporation as at 30 June 2015 (18.8% as at 30 June 2014).

*Council's share of accumulated surplus(deficit)*

Council's share of accumulated surplus(deficit) at start of year	(88)	(120)
Reported surplus(deficit) for year	(114)	36
Transfers (to) from reserves	(6)	(3)
Council's share of accumulated surplus(deficit) at end of year	<u>(207)</u>	<u>(88)</u>

*Council's share of reserves*

Council's share of reserves at start of year	400	397
Transfers (to) from reserves	23	3
Council's share of reserves at end of year	<u>423</u>	<u>400</u>

*Movement in carrying value of specific investment*

Carrying value of investment at start of year	312	276
Share of surplus(deficit) for year	(120)	36
Share of asset revaluation	23	-
Distributions received	-	-
Carrying value of investment at end of year	<u>216</u>	<u>312</u>

*Council's share of expenditure commitments*

Operating commitments	310	310
	<u>310</u>	<u>310</u>

Note 14

(a) Cash and cash equivalents

Cash on hand	4	3
Cash at bank	4,172	853
Money market call account	4,850	5,000
Term Deposits	1,000	1,012
	<u>10,025</u>	<u>6,868</u>

(b) Financial Assets

<b>Current</b>		
Term Deposits	5,000	4,000
	<u>5,000</u>	<u>4,000</u>

<b>Total</b>	<u>15,025</u>	<u>10,868</u>
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Councils cash and cash equivalents and financial assets are subject to external restrictions that limit amounts available for discretionary or future use. These include:

- Trust funds and deposits (Note 20)	345	349
- Heritage loan reserve (Note 23)	104	108
Restricted funds	<u>449</u>	<u>457</u>

Total unrestricted cash	<u>14,577</u>	<u>10,411</u>
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**Intended allocations**

Although not externally restricted the following amounts have been allocated for specific

- Cash held to fund carried forward capital works	2,483	3,638
Total funds subject to intended allocations	<u>2,483</u>	<u>3,638</u>

Note 15

Trade and other receivables

*(a) Current*

Rates debtors	1,002	1,090
Government debtors	476	878
Home care debtors	85	103
Childcare debtors	47	43
Quarry debtors	99	100
Building and planning debtors	65	38
Loans and advances to community organisations	131	138
Other debtors	917	187
Provision for doubtful debts - other debtors	(160)	(154)
Net GST receivable	306	348
	<u>2,969</u>	<u>2,771</u>

*(b) Non-current*

Loans and advances to community organisations	15	26
	<u>15</u>	<u>26</u>

<b>Total</b>	<u>2,984</u>	<u>2,797</u>
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**a) Ageing of Receivables**

At balance date other debtors representing financial assets were past due but not impaired.

Current (not yet due)	1,453	1,271
Past due by up to 30 days	60	229
Past due between 31 and 180 days	318	498
Past due between 181 and 365 days	501	312
Past due by more than 1 year	637	333
Total trade & other receivables	<u>2,969</u>	<u>2,643</u>

**b) Movement in provisions for doubtful debts**

Balance at the beginning of the year	154	185
New Provisions recognised during the year	60	52
Amounts already provided for and written off as uncollectible	(54)	(83)
Balance at end of year	<u>160</u>	<u>154</u>

**c) Ageing of individually impaired Receivables**

At balance date, other debtors representing financial assets with a nominal value of \$160,340 (2014: \$153,723) were impaired. The amount of the provision raised against these debtors was \$160,340 (2014: \$153,723). The individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Past due by up to 30 days	-	52
Past due between 31 and 180 days	23	-
Past due between 181 and 365 days	30	-
Past due by more than 1 year	107	102
Total trade & other receivables	<u>160</u>	<u>154</u>

**Note 16**

**Inventories**

Inventories held for distribution	229	228
Inventories held for sale	<u>258</u>	<u>166</u>
	<u>488</u>	<u>394</u>

**Note 17**

**Other assets**

**Current**

Prepayments	103	112
Accrued income	<u>65</u>	<u>104</u>
	<u>167</u>	<u>216</u>



**Note 18 Property, infrastructure, plant and equipment**

<b>Land and Buildings</b>	Land - specialised	Land - non specialised	Land Under Roads	Total Land	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
Fair value at 1 July 2014	41,244	820	478	42,541	79,375	2,412	81,787	1,588	125,916
Accumulated depreciation at 1 July 2014	-	-	-	-	(33,910)	(1,627)	(35,537)	-	(35,537)
	41,244	820	478	42,541	45,464	785	46,250	1,588	90,379
<b>Movements in fair value</b>									
Acquisition of assets at fair value	4,728	-	-	4,728	661	-	661	443	5,832
Transfers	-	-	-	-	1,569	-	1,569	(1,569)	-
	4,728	-	-	4,728	2,230	-	2,230	(1,126)	5,832
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	-	(889)	(30)	(918)	-	(918)
	-	-	-	-	(889)	(30)	(918)	-	(918)
Fair value at 30 June 2015	45,972	820	478	47,269	81,605	2,412	84,017	462	131,748
Accumulated depreciation at 30 June 2015	-	-	-	-	(34,799)	(1,656)	(36,456)	-	(36,456)
	45,972	820	478	47,269	46,806	756	47,561	462	95,292

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

Note 18 Property, infrastructure, plant and equipment (cont'd)

Plant and Equipment	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Total plant and equipment
Fair value at 1 July 2014	16,641	803	1,930	19,373
Accumulated depreciation at 1 July 2014	(9,075)	(575)	(1,713)	(11,363)
	7,565	228	217	8,010
<b>Movements in fair value</b>				
Acquisition of assets at fair value	1,994	45	182	2,221
Fair value of assets disposed	(1,528)	-	-	(1,528)
	466	45	182	693
<b>Movements in accumulated depreciation</b>				
Depreciation and amortisation	(1,627)	(73)	(139)	(1,840)
Accumulated depreciation of disposals	1,325	-	-	1,325
	(302)	(73)	(139)	(515)
Fair value at 30 June 2015	17,107	848	2,112	20,067
Accumulated depreciation at 30 June 2015	(9,378)	(648)	(1,853)	(11,878)
	7,729	200	259	8,188

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

Note 18 Property, infrastructure, plant and equipment (cont'd)

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and Community	Waste Management	Playgrounds	Other Infrastructure	Work In Progress	Total Infrastructure
<b>Infrastructure</b>										
Fair value at 1 July 2014	400,821	63,512	6,333	12,215	1,787	2,939	1,679	3,699	447	493,431
Accumulated depreciation at 1 July 2014	(131,436)	(25,355)	(444)	(4,979)	(576)	(608)	(415)	(1,083)	-	(164,894)
	269,385	38,157	5,889	7,237	1,211	2,331	1,264	2,616	447	328,537
<b>Movements in fair value</b>										
Acquisition of assets at fair value	10,013	163	1,081	320	561	32	43	423	428	13,063
Revaluation increments/decrements	-	(157)	1,249	-	-	-	26	-	-	1,117
Fair value of assets disposed	(910)	-	-	-	-	-	-	-	-	(910)
Impairment losses recognised in operating result	-	-	-	-	-	(235)	-	-	(30)	(265)
Transfers	85	-	-	243	3	-	-	10	(341)	-
	9,188	6	2,329	563	564	(203)	69	433	57	13,005
<b>Movements in accumulated depreciation</b>										
Depreciation and amortisation	(7,953)	(704)	(254)	(108)	(132)	(141)	(116)	(197)	-	(9,604)
Accumulated depreciation of disposals	876	-	-	-	-	-	-	-	-	876
Revaluation increments/decrements	-	240	(440)	-	-	-	97	-	-	(103)
Impairment losses recognised in operating result	-	-	-	-	-	14	-	-	-	14
	(7,077)	(464)	(694)	(108)	(132)	(126)	(19)	(197)	-	(8,816)
Fair value at 30 June 2015	410,009	63,518	8,662	12,779	2,351	2,735	1,748	4,131	503	506,436
Accumulated depreciation at 30 June 2015	(138,513)	(25,819)	(1,137)	(5,086)	(707)	(734)	(434)	(1,280)	-	(173,710)
	271,496	37,699	7,525	7,693	1,643	2,001	1,314	2,851	503	332,726

Note 18 Property, infrastructure, plant and equipment (cont'd)

*Valuation of land and buildings*

Valuation of land and buildings were undertaken by Barrie Walder, Certified Practising Valuer of Western District Valuation Services. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. . Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

	Level 1	Level 2	Level 3
Land	-	820	-
Specialised land	-	-	46,449
Land improvements	-	-	-
Heritage buildings	-	-	-
Buildings	-	756	46,806
Building improvements	-	-	-
Total	-	1,576	93,255

*Valuation of infrastructure*

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Peter J Moloney, Dip C E C.E. MIE Aust of Moloney Asset Management Systems (Roads), Ashay Prabhu, Bachelor in Engineering (Civil), I.E (Aust) membership: MIE (Aust), Chartered Professional Engineer, Member of NPER - civil college of ACEAM Pty Ltd (Ancillary Infrastructure) and council's Engineering Unit (Bridges, Drainage, Footpaths and Playgrounds).

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

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

	Level 1	Level 2	Level 3
Roads	-	-	271,496
Bridges	-	-	37,699
Footpaths and cycleways	-	-	7,525
Drainage	-	-	7,693
Recreational, leisure and community facilities	-	-	2,957
Waste management	-	-	2,001
Other infrastructure	-	-	2,851
Total	-	-	332,222

Note 18	Property, infrastructure, plant and equipment (cont'd)	2015 \$'000	2014 \$'000
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*Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.06 and \$1,300.00 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$200 to \$3,465 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 0 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure asses are determined on the basis of the current condition of the asset and vary from 0 years to 110 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

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

	2015 \$'000	2014 \$'000
<b>Note 19 Trade and other payables</b>		
Trade payables	1,422	1,751
Accrued expenses	483	345
	<u>1,905</u>	<u>2,096</u>
<b>Note 20 Trust funds and deposits</b>		
Refundable deposits	336	332
Fire services levy	1,181	382
Trust funds - drainage	9	7
Trust funds - other	7	10
	<u>1,533</u>	<u>731</u>

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

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

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

Note 21 Provisions

	Annual leave	Long service leave	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2015					
Balance at beginning of the financial year	1,896	2,856	541	112	5,404
Additional provisions	1,469	655	-	184	2,308
Amounts used	(1,540)	(303)	-	(202)	(2,044)
Increase/(Decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	27	(28)	-		(1)
Balance at the end of the financial year	1,852	3,180	541	95	5,667
2014					
Balance at beginning of the financial year	1,924	2,594	1,227	177	5,922
Additional provisions	1,144	416	-	158	1,718
Amounts used	(1,151)	(152)	(686)	(224)	(2,213)
Increase/ (Decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(21)	(2)	-	-	(23)
Balance at the end of the financial year	1,896	2,856	541	111	5,404
				2015	2014
				\$'000	\$'000

Provisions (Employee provisions and landfill restoration)

Current	4,816	4,683
Non-Current	851	721
	<u>5,667</u>	<u>5,404</u>

(a) Employee provisions

Current provisions expected to be settled within 12 months

Annual leave	709	1,077
Long service leave	228	157
Other	95	111
	<u>1,031</u>	<u>1,345</u>

Current provisions expected to be settled after 12 months

Annual leave	1,143	819
Long service leave	2,521	2,398
	<u>3,665</u>	<u>3,217</u>
	<u>4,695</u>	<u>4,562</u>

Non-current

Long service leave	431	301
	<u>431</u>	<u>301</u>

Aggregate carrying amount of employee benefits:

Current	4,695	4,562
Non-current	431	301
	<u>5,126</u>	<u>4,863</u>

The following assumptions were adopted in measuring the present value of employee benefits:

Weighted average increase in employee costs	4.44%	4.44%
Weighted average discount rates	2.53%	2.95%

(b) Landfill 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	121	121
Non-current	420	420

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

	Total		
<b>Note 21</b>	<b>Provisions (Cont'd)</b>		
	The following assumptions were adopted in measuring the present value of Land fill restoration:		
	Weighted average increase in employee costs	3.00%	3.00%
	Weighted average discount rates	2.64%	2.64%



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

	2015 \$'000	2014 \$'000
<b>Note 22 Interest-bearing loans and borrowings</b>		
<i>(a) Current</i>		
Borrowings - secured	1,742	2,113
	<u>1,742</u>	<u>2,113</u>
<i>(b) Non-current</i>		
Borrowings - secured	1,155	1,413
	<u>1,155</u>	<u>1,413</u>
Total	<u>2,897</u>	<u>3,526</u>
The maturity profile for Council's borrowings is:		
Not later than one year	20	639
Later than one year and not later than five years	1,643	2,106
Later than five years	1,233	781
	<u>2,897</u>	<u>3,526</u>

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

Note 23 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
(a) Asset revaluation reserves			
2015			
Property			
Land	34,529	-	34,529
Buildings	21,335	-	21,335
	55,864	-	55,864
Infrastructure			
Roads	131,643	-	131,643
Bridges	29,011	84	29,095
Ancillary Infrastructure	9,366	-	9,366
Footpaths		808	808
Drainage	2,792	122	2,914
	172,812	1,014	173,826
Plant and Equipment	430	-	430
Total Asset revaluation reserves	229,106	1,014	230,120
2014			
Property			
Land	32,207	2,322	34,529
Buildings	17,945	3,390	21,335
	50,152	5,712	55,864
Infrastructure			
Roads	78,941	52,702	131,643
Bridges	30,323	(1,312)	29,011
Ancillary Infrastructure	9,366	-	9,366
Drainage	3,142	(350)	2,792
	121,772	51,040	172,812
Plant and Equipment	430	-	430
Total Asset revaluation reserves	172,354	56,752	229,106

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 2015

Note 23 Reserves (cont'd)

	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>(b) Other reserves</b>				
<b>2015</b>				
Business enterprise reserve	1,682	220	-	1,902
Southcombe park sporting complex	74	2	-	76
Heritage loan reserve	108	-	(4)	104
Subdivision reserve	396	6	-	402
Quarry reserve	388	42	-	429
Waste facilities reserve	1,045	133	-	1,177
<b>Total Other reserves</b>	<b>3,692</b>	<b>403</b>	<b>(4)</b>	<b>4,091</b>
<b>2014</b>				
Business enterprise reserve	1,397	285	-	1,682
Southcombe park sporting complex	72	2	-	74
Heritage loan reserve	108	-	-	108
Subdivision reserve	462	18	(84)	396
Quarry reserve	1,166	-	(779)	388
Waste facilities reserve	865	179	-	1,045
<b>Total Other reserves</b>	<b>4,070</b>	<b>484</b>	<b>(863)</b>	<b>3,692</b>

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 the capital works program at 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 2015

	2015 \$'000	2014 \$'000
<b>Note 24 Reconciliation of cash flows from operating activities to surplus (deficit)</b>		
Surplus/(Deficit)	12,313	1,459
Depreciation/amortisation	12,362	11,529
Finance costs	182	143
(Profit)/loss on disposal of property, plant and equipment, infrastructure	4	50
Contributions - Non-monetary assets	(4,619)	(491)
Share of net (profits)/losses of associates & joint ventures accounted for by the equity method	97	(34)
Unwinding on Discounted Liabilities	-	(46)
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(230)	268
Increase/(decrease) in trade and other payables	515	(3,851)
(Increase)/decrease in other assets	-	274
Increase/(decrease) in provisions	347	168
Net cash provided by/(used in) operating activities	<u>20,970</u>	<u>9,469</u>

**Note 25 Financing arrangements**

Bank loans (Note 22) are secured over the general rates of the Council and the interest rates are fixed.  
Council borrowings during 2014-15 \$0 million (2013/14 \$1.66 million).

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

**Note 26 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 5 years	Total
	\$'000	\$'000	\$'000	\$'000
<b>2015</b>				
<i>Operating</i>				
Cleaning contracts for council buildings	129	133		263
Swimming Pools	100	103		204
	230	237	-	467
<i>Capital</i>	1,035	-	-	1,035
<b>Total</b>	1,264	237	-	1,501

	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000
<b>2014</b>				
<i>Operating</i>				
Cleaning contracts for council buildings	130	134		264
Swimming Pools	97	100	103	300
	227	234	103	564
<i>Capital</i>	1,005	-		1,005
<b>Total</b>	1,232	234	103	1,569

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

	2015 \$'000	2014 \$'000
Note 27 Operating leases		

**Operating lease commitments**

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

**(b) Operating lease receivables**

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

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

Not later than one year	17	109
Later than one year and not later than five years	30	78
Later than five years	3	0
	<u>50</u>	<u>187</u>

**Note 28 Contingent liabilities and contingent assets**

**CONTINGENT LIABILITIES**

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

**Funding arrangements**

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

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Moyne Shire Council is a contributing employer was 103.4%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.5% pa

Salary inflation 4.25% pa

Price inflation (CPI) 2.75% pa.

Vision Super has advised that the estimated VBI at 30 June 2015 was 105.8%.

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

**Employer contributions**

**Regular contributions**

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

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

**Funding calls**

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

**Note 28 Contingent liabilities and contingent assets (cont'd)**

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

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

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

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

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

***Latest actuarial investigation surplus amounts***

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

A VBI surplus of \$77.1 million; and

A total service liability surplus of \$236 million.

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

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

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

**Superannuation contributions**

Contributions by Moyne Shire Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2015 are detailed below:

<b>Scheme</b>	<b>Type of scheme</b>	<b>Rate</b>	<b>2015 \$'000</b>	<b>2014 \$'000</b>
Vision Super	Defined benefits	9.50%	263	242
Vision Super	Accumulation	9.50%	962	904
Other Funds	Accumulation	9.50%	292	277

In addition to the above contributions, Moyne Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil (2013/14 \$Nil).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2015.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2016 is \$Nil.

- b) 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 2015

### Note 29 Financial Instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

#### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

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

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

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

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

#### (c) Credit risk

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

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

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

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

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

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

#### (d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 30, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 22.

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



**Note 29 Financial Instruments (Cont'd)**

**e) Fair value**

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

*Fair value hierarchy*

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

**(f) Sensitivity disclosure analysis**

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

- A parallel shift of +0.5% and -0.5% in market interest rates (AUD) from year-end rates of 2.85%.

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

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

<b>Note 30 Auditors' remuneration</b>	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	31	31
Auditors' remuneration - Internal	69	79
	<u>100</u>	<u>110</u>

**Note 31 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 2015

Note 32 Related party transactions

(i) Responsible Persons

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

<b>Councillors</b>	Councillor James Purcell (Mayor 01/07/14 to 20/11/14)
	Councillor Colin Ryan (Mayor 06/11/14 to current)
	Councillor Jim Doukas
	Councillor Jill Parker
	Councillor Mick Wolfe
	Councillor Anthony Keane
	Councillor Ralph Leutton
	Councillor Kelvin Goodall (10/02/15 to current)

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:

	2015 No.	2014 No.
\$10,000 - \$19,999	1	-
\$20,000 - \$29,999	6	5
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$220,000 - \$229,999	1	1
	<u>9</u>	<u>8</u>

Total Remuneration for the reporting year for Responsible Persons included above amounted to:

\$'000	\$'000
452	450

(iii) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council whose total annual remuneration exceeds \$136,000, or if remuneration is less than \$136,001 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:

Income Range:	2015 No.	2014 No.
\$130,000 - \$139,999	2	-
\$140,000 - \$149,999	-	1
\$150,000 - \$159,999	2	1
\$160,000 - \$169,999	-	-
\$170,000 - \$179,999	1	1
	<u>5</u>	<u>3</u>

Total Remuneration for the reporting year for Senior Officers included above, amounted

755	475
-----	-----

(iv) Responsible persons retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was \$nil (2013/14, nil)

**Note 32 Related party transactions (cont'd)**

**(v) Loans to responsible persons**

No loans are in existence at balance date that have been made, guaranteed or secured by the council to a responsible person of the council, or a related party of a responsible person.

**(vi) Transactions with responsible persons**

During the period Council entered into the following transactions with responsible persons or related parties of responsible persons on the basis of Council's normal terms and conditions.

Responsible Person	Type of Transaction	Aggregate Amount	Related Entity	Position in Related Entity
Cr. Anthony Keane	Civil works	\$285,926	Keanes Civil & Plumbing Pty Ltd	Director
Cr. Anthony Keane	Council services	\$7,633	Keanes Civil & Plumbing Pty Ltd	Director
Cr. Jill Parker (Deputy Mayor)	Aged care services	\$190,954	Abbeyfield Society	Deputy Chairman
Cr. Ralph Leutton	Aged care services	\$105,040	Moyne Health Services	President
Cr. Ralph Leutton	Immunisation services	\$48,511	Moyne Health Services	President
Cr. Ralph Leutton	Health services grant	\$75,000	Moyne Health Services	President
Cr. Ralph Leutton	Streetscaping	\$6,751	Port Fairy Men's Shed	President
Cr. Colin Ryan (Mayor)	Membership Fee	\$27,273	Great South Coast Group	Director
CEO David Madden	Membership Fee	\$27,273	Great South Coast Group	Director

## **Certification of the Financial Report**

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



**Craig Ralston (Bbus, CPA)**  
**Principal Accounting Officer**

**Date :** 22/09/2015  
Mortlake

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

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

We have been authorised by the Council on the 22 September 2015 to certify the financial statements in their final form.



**Colin Ryan**  
**Mayor**

**Date :** 22/09/2015  
Mortlake



**Ralph Leutton**  
**Councillor**

**Date :** 22/09/2015  
Mortlake



**David Madden**  
**Chief Executive Officer**

**Date :** 22/09/2015  
Mortlake

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Moyne Shire Council

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2015 of the Moyne Shire Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements has been audited.

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

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

#### *Auditor's Responsibility*

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

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

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

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

## Independent Auditor's Report (continued)


### *Independence*

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

### *Opinion*

In my opinion the financial report presents fairly, in all material respects, the financial position of the Moyne Shire Council as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE  
23 September 2015

  
Dr Peter Frost  
Acting Auditor-General



## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Moyne Shire Council

#### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2015 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* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

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

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



## Independent Auditor's Report (continued)


### *Independence*

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

### *Auditor's Opinion*

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

MELBOURNE  
23 September 2015

  
Dr Peter Frost  
Acting Auditor-General