



MOIRASHIRE
ON THE MURRAY



Annual Report 2014/15



Vision

Moirira on the Murray; with an environmentally, economically and socially sustainable community: the best place to be.

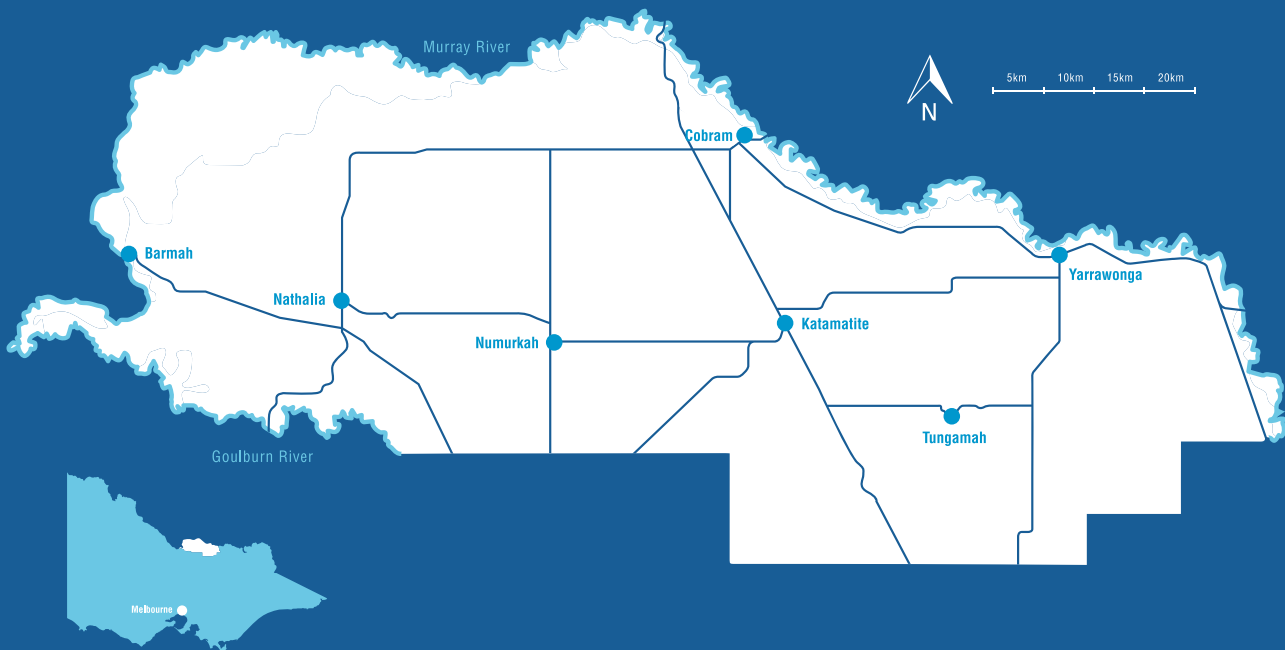
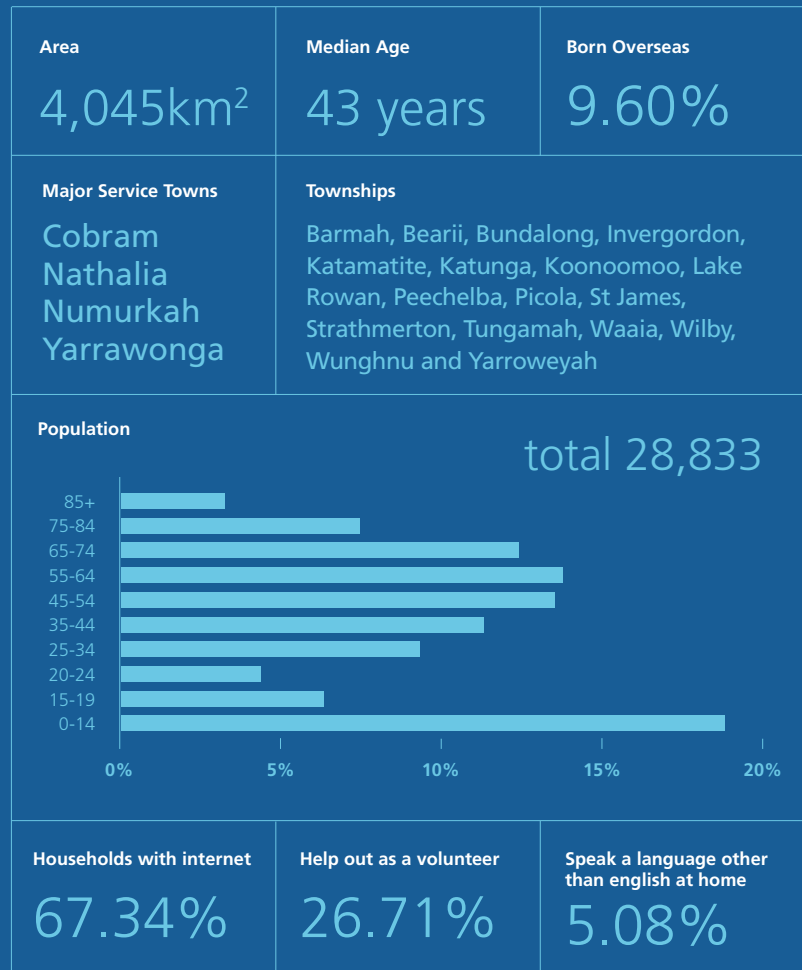
Mission

To serve our community through transparent open governance, active engagement, strong advocacy and the provision of affordable services.

Core Values

Ethical leadership underpins Council's decision making and operations. At all levels, Council seeks to ensure there is an appropriate balance between the values-based organisational culture described by our Core Values and enforcing relevant controls.

Community, honesty, innovation, integrity, responsibility, responsiveness, trust, leadership and accountability.



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Report of Operations 2014-15

For year ended 30 June 2015



Left to right - Organic compost on Moira Shire Council gardens produced from waste collected by Council's Organic Kerbside Collection Service; Moira Shire's road maintenance and renewal program; Moira Shire Mayor welcomes new citizens; Replacing streetlights with energy efficient lights as part of the Watts Working Better program.

Welcome to the Report of Operations 2014-15

Council is committed to transparent reporting and accountability to the community. The Report of Operations 2014–15 is the primary means of advising the Moira Shire community about Council's operations and performance during the financial year.

Challenges and Future Outlook

Challenges

- Moira Shire's financial resources and our ability to maintain our existing range, standard and location of services will be significantly impacted by the Victorian Government's introduction of rate capping from 2016-17.
- Moira Shire is experiencing a substantive change to its grant funding. Targeted funding through the Roads to Recovery program has increased substantially, however other grant funding sources have declined.
- The two-year boost to Roads to Recovery funding has created significant human and plant resource challenges to ensure capacity to design and deliver works.
- The competition for grant funding is expected to increase significantly as rate capping forces councils to seek alternative funding options to maintain existing infrastructure and invest in new programs and services.
- Moira Shire has limited capacity to immediately respond to rate capping because more than half of our annual expenditure is defined by existing legislation, regulations, standards and legal agreements – from councillor entitlements to depreciation, interest on borrowings and employee costs.
- Compared with equivalent Victorian councils, Moira Shire covers a large geographic area with multiple service locations and a relatively small, slower growing, dispersed and aging population. This combination means Moira Shire has relatively higher costs to deliver the equivalent range and standard of council services.
- Our community's capacity to pay has peaked and there is limited scope to supplement rate revenue through other income streams.
- Many of Moira Shire's assets are in the latter stage of their useful life and community use is declining but community service standards along with public use, safety and construction standards are increasing.

The Future

- Delivering on commitments contained in our revised 2013-2017 Council Plan.
- Service reviews to evaluate and understand community needs, Council's capacity to fund and to identify smarter and more efficient ways to deliver local government services.
- Community planning is vital to allowing our communities to be a part of the long term decision making about Council services, programs and infrastructure investment.
- Deliver major community infrastructure projects including Cobram Library and Learning Centre.
- Undertake a comprehensive review of Council's Municipal Strategic Statement.
- Complete the Numurkah Floodplain Management Study and seek to secure funding to enable implementation of recommendations.
- Continue to advocate for the construction of a new bridge linking Yarrawonga and Mulwala along the green route.

Message from the Mayor

Our 2014-15 Annual Report includes our Report of Operations, Performance Statement and Financial Statements. These combine to describe the progress we have made during 2014-15 to improve our performance, our sustainability and our accountability to the community we serve.

This Annual Report details Council's achievement of the 2013-17 Council Plan strategic objectives and is the third report of this Council. The role of Council includes:

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

Highlights

Smarter Service Delivery

The introduction of an organic waste kerbside collection service and more energy efficient street lighting have demonstrated Moira Shire's commitment to sustainable and smarter models of service delivery.

The organic waste kerbside collection service began in December 2014. It has continuously exceeded best practice standards with contamination rates below 1% in every month. Importantly, even though the service operated for only part of the year almost half of Moira Shire's total annual kerbside waste collection was diverted out of landfill and into recycled or organic processing thereby containing the costs and environmental impact of landfill.

We partnered with eight other regional councils to progress the Watts Working Better program. The partnership has enabled Council to change 1,143 streetlights to energy efficient t5 fluorescent lights. The streetlights are expected to achieve annual savings of approximately \$150,000 and the first months of operation have recorded savings in excess of \$8,000 each month.

Improved strategic focus

We undertook a comprehensive review of our Council Plan 2013-17 to better reflect our strengths and the future challenges of rate capping and declining grant funding. The revised Council Plan adopted in June 2015 will deliver stronger regional partnerships, growth of our regional economy and especially our agriculture and tourism sectors, and the continued development of Moira Shire as a sought after lifestyle destination for current and future residents.

Advocacy

During the year Council continued to represent the interests of our community to Victorian and Federal governments. Priority projects included our efforts to secure a new bridge linking Yarrowonga-Mulwala along the green route and providing evidence-based submissions on proposals including the introduction of rate capping and the Victorian Floodplain Management Study.

Thank you

Overall, this year we have delivered on our Council Plan commitments and I would like to thank our councillors for their commitment and their ongoing efforts on behalf of residents. I also thank businesses, members of community groups and council officers for contributing to the improved liveability and amenity of our Shire.

Cr Marie Martin
Mayor

Message from the Chief Executive Officer

On behalf of Moira Shire Council it is a great pleasure to present Council's 2014-15 Annual Report.

The CEO is responsible for:

- establishing and maintaining an appropriate organisational structure for the council;
- ensuring that the decisions of the council are implemented without undue delay;
- the day to day management of the council's operations in accordance with the Council Plan
- developing, adopting and disseminating a code of conduct for council staff;
- providing timely advice to the council, and;
- carrying out the council's responsibilities as a deemed employer with respect to councillors, as deemed workers, which arise under or with respect to the Accident Compensation Act 1985 or the Accident Compensation (WorkCover Insurance) Act 1993.

Moira Shire ends 2014-15 with significant positive momentum. Over the past year almost \$250 million of private and government investment was announced including upgrades and redevelopments at Murray-Goulburn Cobram, Ryan's Meat Nathalia, GrainCorp Oilseeds in Numurkah and Silverwoods Yarrawonga. These high-profile announcements have been matched by strong upward trends in planning (up 15%) and building (up 60%) applications.

During the 2014-15 year Moira Shire delivered a range of service and operational improvements that will ensure we are well placed to continue to support the growth potential of our Shire while also responding to the challenges created by rate capping, declining grant funding and a large, aging asset base.

More informed financial position

The release of Moira Shire's Sustainable Capacity report and the Underlying Financial Position report in late 2014 was a key step forward for Council, officers and the wider community.

In combination, the reports established a more informed and robust understanding for our community, officers and Council and provided an important background to reviewing our strategic priorities and service delivery.

Our improved strategic focus is further supported by the introduction of a more structured and rigorous project review process. The process ensures that every initiative from events and services to capital works is subject to the same standards of review and underpins our commitment to provide best value for our ratepayers and customers. The project review process was critical to the development of our 2015-16 budget.

Improving 2014-15 financial results

At 30 June 2015, Council's financial position is stable with a surplus of \$4.5 million. The underlying financial position has improved from -6.36% to -0.87% which demonstrates significant progress towards achieving the Victorian Auditor General's indicator of greater than 0%. With the anticipated introduction of rate capping, Council will continue to focus on tight cost controls supported by more efficient service delivery and optimising revenue from rates, and fees and charges.

Improved organisational structure

We implemented a leaner corporate structure with two general managers. This structure better aligns with the size of our Shire and scope of services we deliver. The changes were supported by a further realignment of our management team to simplify and clarify responsibilities within the organisation.

Thank you

I would like to take acknowledge Council, the local community and all Moira Shire staff for their contribution to delivering our Council's vision and Council Plan.

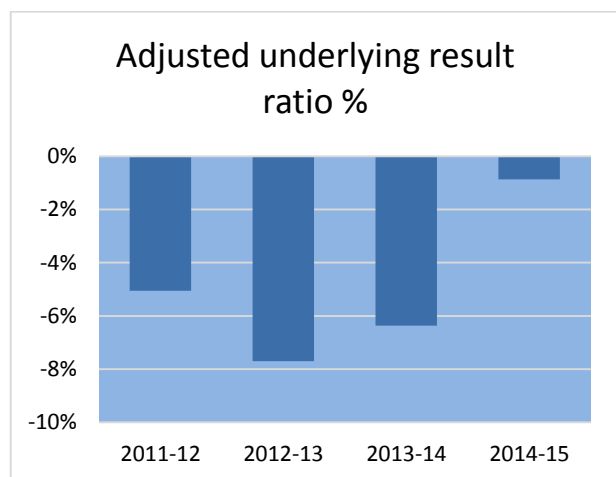
Mark Henderson
Chief Executive Officer

Financial Summary

Council's financial position remains 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.

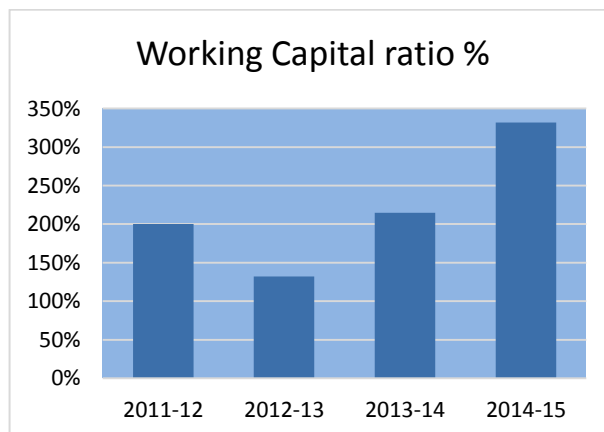
Operating Position

Council achieved a surplus of \$4.51 million in 2014-15. This surplus is lower than the prior year surplus of \$6.44 million. As per the Comprehensive Income Statement in the Financial Report, the surplus is due mainly to recognising the prepayment of 50% or \$4.85 million of the Commonwealth Government's 2015-16 Financial Assistance Grants. The adjusted underlying surplus of Council, after removing non-recurrent capital grants, cash capital contributions and non-monetary capital contributions, is a deficit of \$0.48 million or -0.87% when compared to adjusted underlying revenue. This is slightly unfavorable to the VAGO target of greater than 0%. Sustaining an adjusted underlying surplus is a critical financial strategy that provides capacity to renew the \$499.9 million of community assets under Council's control.



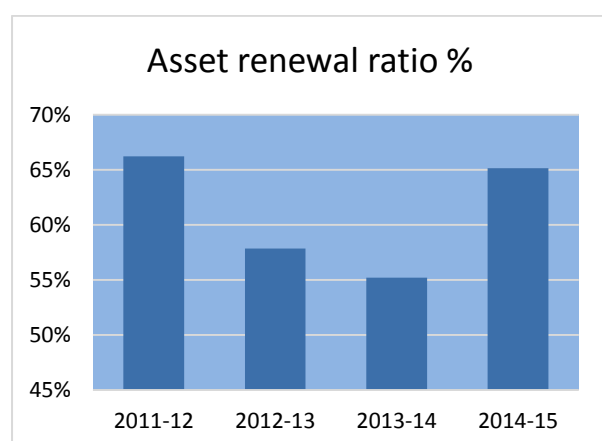
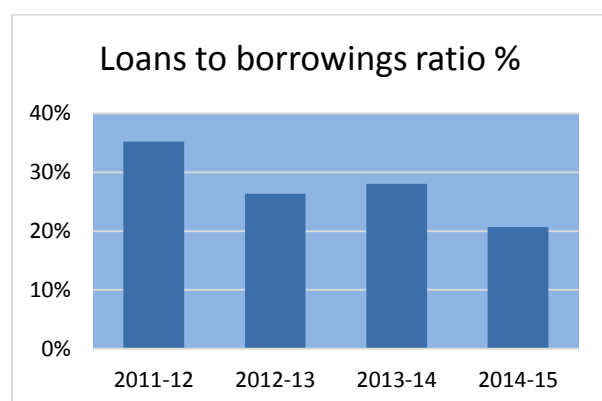
Liquidity

Cash has increased by \$9.84 million from the prior year mainly due to the receipt of 50% or \$4.85 million of the Commonwealth Government's 2015-16 Financial Assistance Grants. The increased cash balance is also due to delays in commencing new capital works projects (Cobram Library and Yarrowonga Aerodrome) and completing others (Kennedy Park Cobram, Yarrowonga Showground and Catona Crescent Cobram drainage). 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 332% is an indicator of our satisfactory financial position and is above the expected target band of 120% to 200%. If the effect of the Financial Assistance Grant is removed, Council's working capital ratio was 276%.



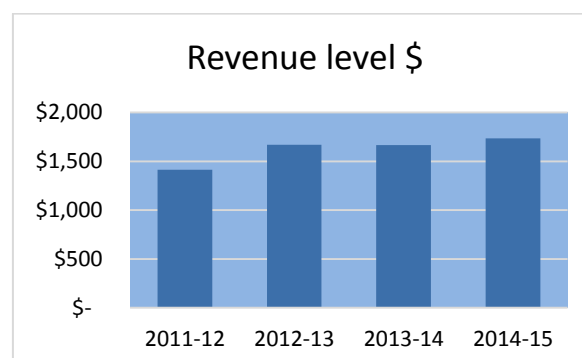
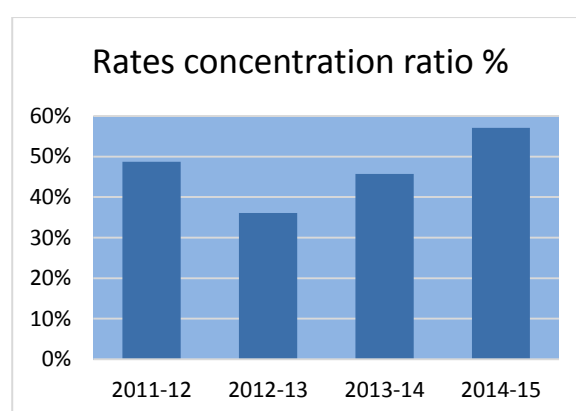
Obligations

Council aims to ensure that it can 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 \$5.39 million in renewal works during the 2014-15 year. This was funded from operations. 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 20.67% which was within the expected target band of 20%-60%. Council's asset renewal ratio, which is measured by comparing asset renewal expenditure to depreciation, was 65.14% which is below the expected target band of 90%-110%.



Stability and Efficiency

Council raises a wide range of revenue including rates, user fees, fines, grants and contributions. Council's rates concentration, which compares rate revenue to adjusted underlying revenue, was 57.05% for the 2014-15 year which is within the expected target band of 40%-80%. Council has focused on broadening its revenue base and for the 2014-15 year was able to keep its rate increase to 5.5% in general rates and 3.5% in municipal charges. This resulted in an average residential rate per residential assessment of \$1,735.



Description of operations

Council's administrative centre is located in Cobram supported by a dispersed service delivery model that includes:

- Customer service centres in Cobram and Yarrawonga and agency services in 8 other local centres;
- 80 bridges and major culverts, with more than 1000 km of sealed roads, 2500 km of gravel roads, 600 km of farm access tracks, 239 km of kerb and channel and 60 km of footpaths;
- Nine waste transfer stations and a landfill site; 80 parks and gardens (open spaces), 44 playgrounds, 31 public toilet blocks and public BBQs;
- CBD streetscapes in the four major towns and 18 smaller towns;
- 570 buildings that range from town halls to sporting pavilions, public toilets and historical and aging community buildings;
- Financial support to 9 preschools, four libraries and a mobile library service for our smaller towns;
- Five maternal and child health centres and outreach services to our smaller centres;
- Five outdoor swimming pools, an indoor swimming pool and gymnasium, a water slide and splash park, two sports stadiums, and 17 recreation reserves and showgrounds.

Council's vision, strategic objectives and strategies to further improve services and facilities are described in our 2013-2017 Council Plan that was revised during the year and adopted by Council in June 2015, and the associated Budget 2014–15 and are reported on in this document.

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

Major Changes

Council implemented a leaner corporate structure with two general managers. This structure better aligns with the size of Moira Shire and scope of services it delivers.

The changes were supported by a further realignment of the management team to simplify and clarify responsibilities within the organisation.

Major Capital Works

During the year Council continued to invest in the maintenance and upgrade of community assets and services as Council delivered its capital works program. Highlights included:

- Construction of a jetty and boat ramp at Kennedy Park. The \$410,000 jetty and associated works will improve service and safety for water users at Thompson's Beach one of Australia's largest inland beaches.
- Completion of stage 2 of the Cobram Streetscape. The \$1.2 million project was scheduled to avoid works during the peak Christmas and holiday periods and significantly improves pedestrian safety around one of Moira Shire's key business and retail centres.
- Pumps were upgraded and associated drainage works were completed at Numurkah's Rowe St retention basin. The \$250,000 project will improve operation of the basin.
- Concept designs were completed for the development of Cobram's new community Library and Learning Centre.
- Tungamah netball courts were upgraded to full concrete courts. The courts were severely damaged in the March 2012 floods and required extensive repairs. The lighting was also upgraded to meet current standards.
- The \$2 million rehabilitation of Moira Shire's landfill near Cobram continued. The project will bring the site into line with increasingly rigorous regulatory requirements and involved rolling out more than

35,000 square meters of geo-membrane, installation of 17 gas bores to manage gas emissions from a landfill that is up to 5 stories high.

- Major roads renewal and upgrade projects included construction of a roundabout at Woods Road Yarrawonga (\$100,000), reconstruction of Dookie Road Waggerandall (\$300,000) and safety works along Karook St Cobram (\$295,000). These works were delivered alongside Council's \$1.3 million road resealing program and \$500,000 gravel road resheeting program.

Economic Factors

After three years and \$50 million of flood, fire and tornado recovery works, Moira Shire's underlying financial position is stable but there is little buffer to address the financial pressures created by rate capping and changing Federal and Victorian Government funding.

Major Achievements

- Council successfully implemented an organic waste kerbside collection service. The service commenced from December 2014. The service has continuously exceeded best practice standards with contamination rates below 1% in every month since it commenced and nearly half of all of Moira's kerbside waste collection has been diverted out of landfill and into recycled or organic processing.
- 1,143 streetlights were changed to energy efficient t5 fluorescent lights as part of the Watts Working Better program. The streetlights are expected to achieve annual savings of approximately \$150,000.
- Council implemented an improved project assessment process to ensure that every initiative from events and services to capital works is subject to consistent best value, risk and whole of life costs assessments. The project review process was critical to the development of our 2015-16 budget.

Our Council



Our Profile

Moira Shire is located in the Hume region of Victoria and stretches across 4,045 square kilometers from Bundalong in the east to the Barmah National Park to the west. Our northern boundary is defined by the Murray River and our south-west, southern and south east regions share boundaries with the municipalities of Campaspe, Greater Shepparton, Benalla, Wangaratta and Indigo. Moira is centrally located to the regional cities of Shepparton, Wangaratta and Albury-Wodonga.

Moira Shire includes four major towns; Cobram, Nathalia, Numurkah and Yarrowong and 17 smaller communities: Barmah, Bearii, Bundalong, Invergordon, Katamatite, Katunga, Koonoomoo, Lake Rowan, Peechelba, Picola, St James, Strathmerton, Tungamah, Waaia, Wilby, Wunghnu and Yarroweyah.

There is no single dominant major town within the Shire and importantly, each major town has a unique combination of economic and liveability advantages.

Our Community

Moira Shire's current population of 28,833 people includes:

- 49.7% are male and 50.3% are female. Aboriginal and Torres Strait Islander people make up 1.4% of the population.
- 85% of people were born in Australia, which is considerably higher than the state and national result. 79.1% of people had both parents born in Australia and 12.6% of people had both parents born overseas.
- 90% of people speak only English at home, with Italian, Arabic and Indo-Aryan (eg Punjabi) the most common non-English languages.
- The median age of Moira's population is 44 years, which is higher than the state and national median of 37 years. Children aged 0 - 14 years make up 19.3% of the population and people aged 65 years and over made up 21.6% of the population.

Our Economy

Moira Shire's food processing sector, comprising principally dairy products (output \$632m) and meat processing (output \$115m), is the largest sector based on output in the Shire. Food processing also includes significant output in oils and fats (output \$43m), fruit and vegetable products (output \$14m), wine (output \$8m) and other food products (output \$29m).

Moira Shire is home to major manufacturers including Murray-Goulburn Co-operative, Bega Cheese plant in Strathmerton, Graincorp Oilseeds in Numurkah and Ryan's Meat in Nathalia.

Agricultural land use accounts for approximately 71% of the total land area, divided equally between irrigated and dry-land production. In June 2013, there were 11,832 local jobs in Moira Shire, with 12,934 employed residents. A total of 3,128 businesses were registered in the Shire across all industries.

Tourism is the seventh largest contributor to economic output in the municipality generating an estimated \$90 million for the local community, including approximately 510 jobs, or about 5.6% of Moira Shire's workforce.

The Moira Shire community is serviced by local hospitals in each of the major towns along with a wide range of medical and allied health service providers. As a result health services are an important sector within and for the local community.

Our Councillors

The Council was elected to provide leadership for the good governance of the municipal district and the local community. On 27 October 2012 the Moira Shire Council community elected this Council for a four year term. The municipality is unsubdivided with the nine Councillors elected to represent all residents and ratepayers across the Shire. They have responsibility for setting the strategic direction for the municipality, policy development, identifying service standards and monitoring performance across the organisation.

A special meeting of Council is held each November to elect the Mayor for the following 12 month period. On 5 November 2014 Councillor Marie Martin was elected Mayor with Councillor Peter Mansfield elected Deputy Mayor. They replaced the previous Mayor Peter Mansfield and Deputy Mayor Wendy Buck.



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Mayor

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CR PETER MANSFIELD
Deputy Mayor

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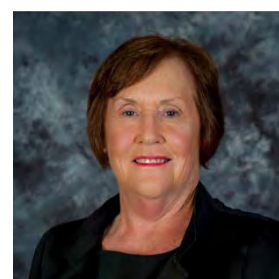
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CR ALEX MONK

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Our People

Organisational structure

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



MARK HENDERSON
Chief Executive Officer

Corporate Leadership
People & Organisational
Development
Economic Development



LEANNE MULCAHY
General Manager Corporate

Finance
Information Services
Governance &
Communications
Community Service Delivery
Property, Risk & Compliance



ANDREW CLOSE
General Manager Infrastructure

Safety Amenity & Environment
Town Planning & Building
Construction & Assets
Operations
Strategic Projects



BRANT DOYLE
**Manager People and Organisational
Development**

Human Resources
Employee & Industrial Relations
Learning & Organisational Development
Occupational Health & Safety
Payroll Services

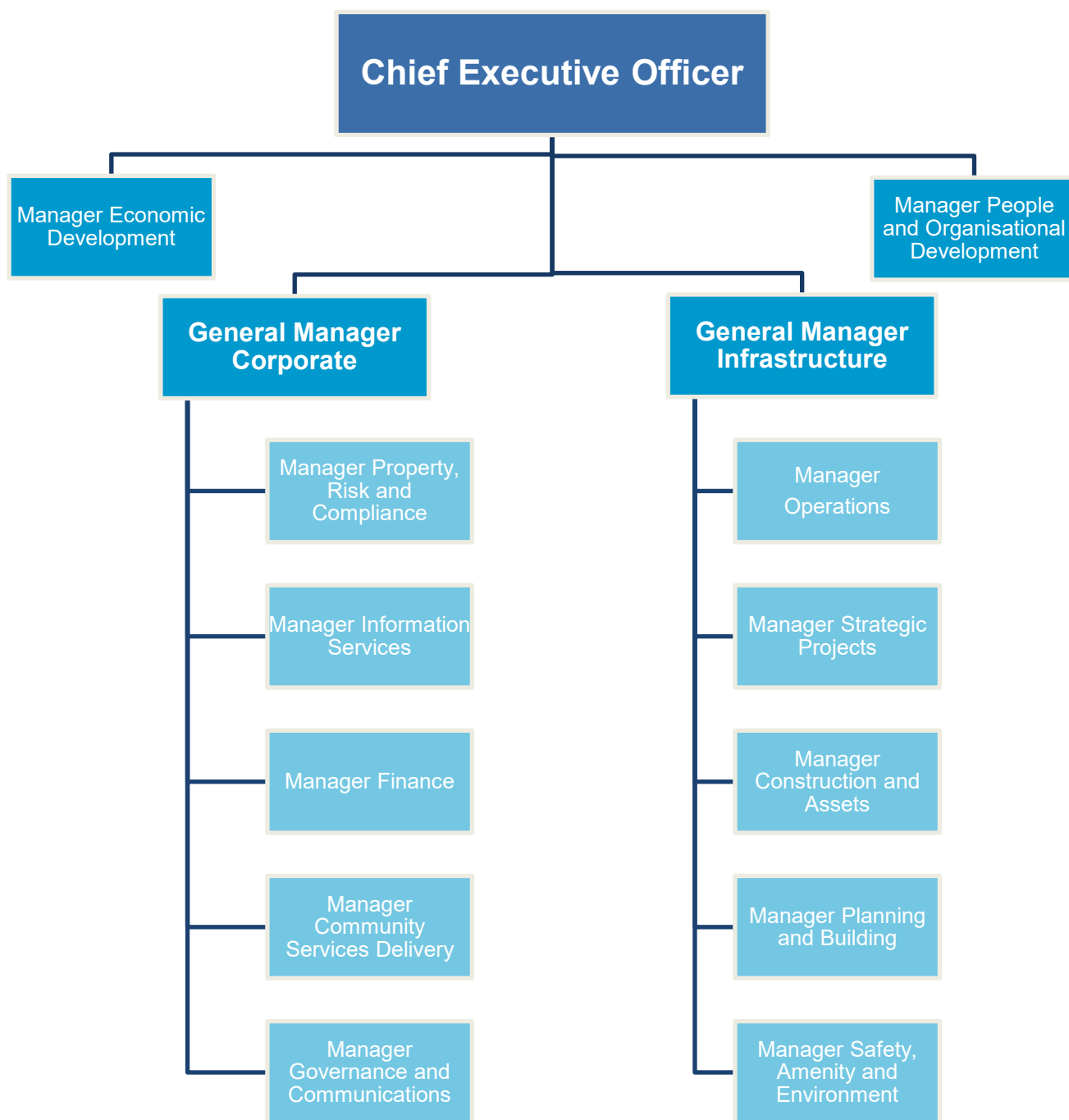


JANE O'BRIEN
Manager Economic Development

Economic Development
Tourism

Council Staff

A chart setting out the organisational structure of Council is shown below.

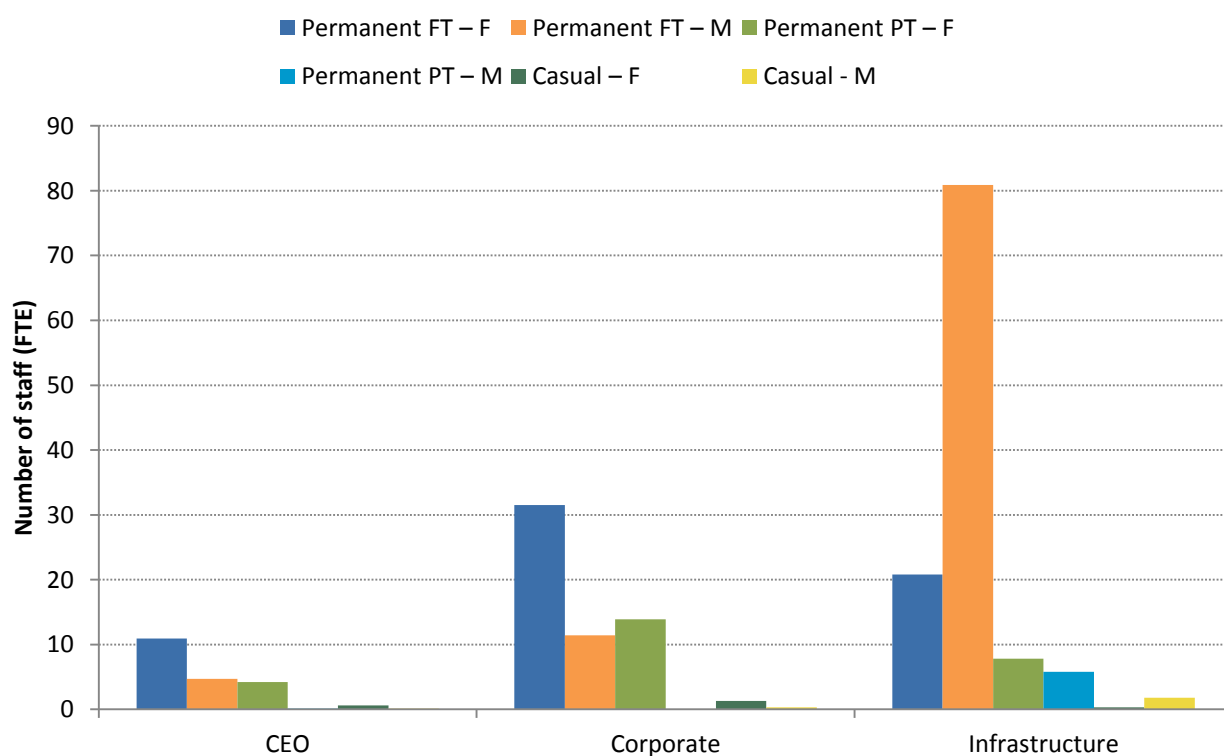


Council Staff

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

Employee type/gender	CEO FTE	Corporate FTE	Infrastructure FTE	Total FTE
Permanent FT – F	10.9	31.5	20.8	63.2
Permanent FT – M	4.7	11.4	80.9	97
Permanent PT – F	4.2	13.9	7.8	25.9
Permanent PT – M	0.1	0	5.8	5.9
Casual – F	0.6	1.3	0.3	2.2
Casual - M	0.1	0.3	1.8	2.2
Total	20.5	58.4	117.5	196.4

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

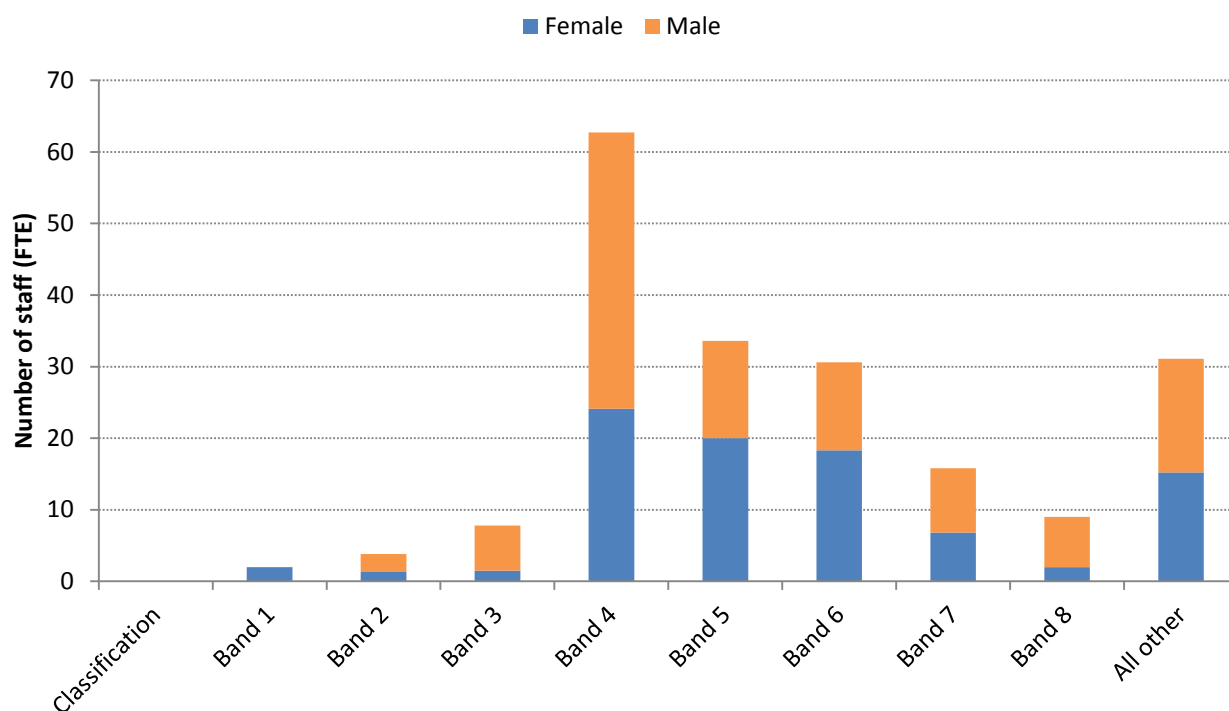


Council Staff

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

Structure Classification	Female FTE	Male FTE	Total FTE
Band 1	2	0	2
Band 2	1.3	2.5	3.8
Band 3	1.5	6.3	7.8
Band 4	24.1	38.6	62.7
Band 5	20	13.6	33.6
Band 6	18.3	12.3	30.6
Band 7	6.8	9	15.8
Band 8	2	7	9
All other	15.2	15.9	31.1
TOTAL	91.2	105.2	196.4

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



Equal Employment Opportunity Program

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

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

The actions taken to implement the Program over the past 12 months include the provision of 'Respectful Workplace Behaviours' policies, procedures and workshop programs. The program consisted of equal employment opportunity and bullying and harassment training for all employees and leaders, to ensure staff are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment.

Council re-established its contact officer network, with the recruitment of a new contact officer and training for all six contact officers.

Other Staff Matters

Professional development

Council offered educational support to employees undertaking relevant vocational, undergraduate or postgraduate studies. In the past year, nine staff were provided this form of support. Council also provides a comprehensive corporate learning program that supports a broad range of staff development needs, including ensuring Council is up-to-date with current legislative requirements and exploring best practice. This is developed in alignment with strategic and compliance priorities, as well as in response to needs identified through performance and development plans. A variety of learning methodologies are used including e-learning, in-house and externally facilitated workshops.

Work Experience Program

Council provided work experience opportunities for secondary school students to gain valuable experience, skills and knowledge by working in a variety of Council settings. The program supports the promotion of Council as a future employer and gives students an insight into the services Council provides to the community.

Health and safety

Council's aim is to maintain and sustain a safety culture that supports an incident and injury-free workplace for all employees, Councillors, contractors, visitors and the public. This has been implemented through consultation and awareness sessions at department and team meetings.

Council has an active Occupational Health and Safety Committee that continues to meet on a monthly basis. Council acknowledges that effective communication and consultation between staff and management is integral to the success of the Occupational Health and Safety Management Plan.

Council introduced an Early Intervention Program in 2014-15 that has advised and treated work and non-work related injuries. This action has assisted in effectively minimising lost time from injuries and WorkCover Claims. Council also coordinated health and wellbeing programs that included free skin cancer checks, heart health awareness, exercise and diet advice and education for staff.

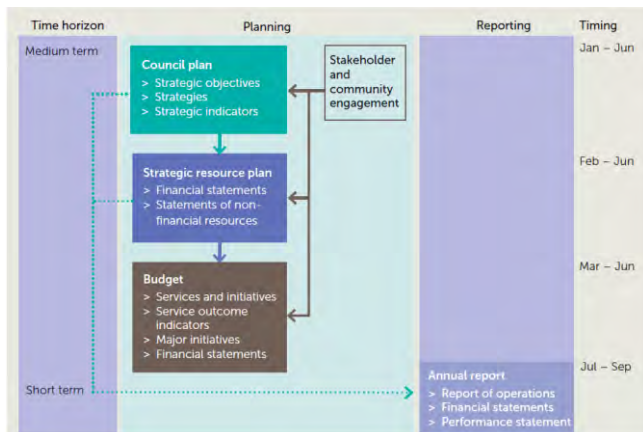
Our performance

Planning and Accountability Framework

The Planning and Accountability Framework is found in part 6 of Local Government Act 1989 (the Act). The Act requires councils to prepare the following planning and reporting documents:

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

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



Community Satisfaction

The Community Satisfaction Survey is conducted annually by an independent research company on behalf of the Department of Environment, Land, Water and Planning. The Survey report is available at www.moira.vic.gov.au.

Community satisfaction with Moira Shire Council services	%
Appearance of public areas	73
Business & community development	56
Community decisions	51
Consultation & engagement	52
Disadvantaged support services	58
Elderly support services	69
Emergency & disaster management	69
Enforcement of local laws	61
Environmental sustainability	62
Family support services	65
Informing the community	57
Lobbying	54
Local streets & footpaths	51
Recreational facilities	65
Sealed roads	49
Slashing & weed control	51
Tourism development	62
Town planning policy	54
Waste management	74

Council Plan

The Council Plan 2013-17 includes strategic objectives, strategies for achieving these for the four-year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The following are the six strategic objectives as detailed in the Council Plan.

Environment

Moira Shire will responsibly manage its environment and the communities affected by and living in that environment through innovation, leadership, quality services, partnerships and program delivery and accountability.

Community

Moira Shire will be a Shire where all its people and communities are happy, healthy and safe with the ability and the opportunity to integrate, participate, connect and contribute to their communities.

Development

Moira Shire will be a great place to live and a vibrant, thriving community and a premier tourist, retail and investment destination with growing local business and an adaptive, entrepreneurial infrastructure ethos.

Organisation

Moira Shire will be a 'best practice' environment promoting staff potential and organisation capacity to deliver timely, efficient services and ensure sound financial, risk management, governance and transparent business practice are conducted by capable, professional people whose main focus is on pro-active service delivery.

Infrastructure

Moira Shire will be a desirable place to live, work and visit in north central Victoria supported by its infrastructure, assets and facilities. It will proactively fund, maintain and develop Council's assets and facilities to meet its community's current and future needs in partnership with private development.

Governance

Moira Shire will meet governance, communication, compliance and regulatory standards through its commitment to advocacy and effective decision making and demonstrate good governance by being consensus orientated, equitable, effective and efficient.

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:

1. results achieved in relation to the strategic indicators in the Council Plan
2. services funded in the 2014-15 Budget and the persons or sections of the community who are provided those services
3. results against the prescribed service performance indicators and measures

Strategic Goal 1: Environment

Moira Shire will responsibly manage its environment and the communities affected by and living in that environment through innovation, leadership, quality services, partnerships and program delivery and accountability.

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.

Strategy: 1.1 Reduce Council's Environmental Footprint through innovative planning and leading practice initiatives			
Performance Measures	Target	Result	Comments
1.1.1 Annual residential waste generation (kilograms) for recycling, landfill & green waste: Per capita Per residential assessment	Less than 600 kilograms per capita 1000 kilograms per residential assessment	✓	
1.1.2 Develop the Moira Shire Green Waste Strategy	Green Waste Strategy adopted by Council	✓	
1.1.3 New or upgraded Council buildings to meet or exceed 6 star energy rating	100%	✓	
1.1.4 Implement renewable energy projects where the business case demonstrates a feasible return on investment	100%	✓	
1.1.5 Maintain or decrease carbon emissions footprint	Install 600 LED lights per annum to replace current MV 80 Streetlights	✓	
1.1.6 Increase waste diversion from landfill, calculated as the proportion of the overall kerbside waste stream that is recycled (includes paper, bottles and green waste) instead of being disposed to landfill	53%	✓	

Strategy: 1.2 Administer the implementation of the environmental sustainability strategy and report it to Council in a timely manner.

Performance Measures	Target	Result	Comments
1.2.1 Coordinate Goulburn Broken Local Government Biodiversity Reference group meetings	4 meetings per year	✓	
1.2.2 Coordinate Kinnaird's Wetlands Advisory Committee meetings	3 meetings per year	✓	
1.2.3 Host Environmental Sustainability Advisory Committee meetings	4 meetings per year	✓	
1.2.4 Participate in Municipal Catchment Coordinator meetings	4 meetings per year	✓	

Strategy: 1.3 Support the community in reducing their environmental footprint through education and communication of leading practice initiatives

Performance Measures	Target	Result	Comments
1.3.1 Provide Council's Public Place Recycling trailer for use at community events	10 events per year	✓	
1.3.2 Participate in Broken Boosey Conservation Management network committee meetings and events	Co-host 4 community education events	✓	
1.3.3 Percentage community satisfaction (index score) with waste management	65%	✓	

Strategy: 1.4 Comply with environmental sustainability legislation and regulatory obligations

Performance Measures	Target	Result	Comments
1.4.1 Compliance with EPA landfill requirements	80%	✓	
1.4.2 Respond to native vegetation referrals within 30 days	100% referrals processed	✓	
1.4.3 Develop and implement a State Government approved Roadside weed and rabbit control plan	Treat 6 species of regionally prohibited and/or regionally controlled weeds in areas of high conservation significance.	✓	

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	Net Cost Actual Budget Variance \$000
Waste Management	<p>This service provides waste collection including kerbside rubbish collection of garbage, recyclables and organic waste from households and some commercial properties in Council. It also operates nine transfer stations and a landfill site, including monitoring to maintain environmental standards.</p> <ul style="list-style-type: none"> • Council's organic waste kerbside collection service commenced 1 December 2014 for residential customers in Cobram, Nathalia, Numurkah and Yarrawonga. The service continues to exceed best practice standards with contamination rates below 1% in every month. The organic service operated for only seven months of the year but helped divert almost half of Moira Shire's total annual kerbside waste collection out of landfill and into recycled or organic processing thereby containing the costs and environmental impact of landfill. • Council provided household, recycling and organic waste kerbside collection services to 12,187 households which involved more than 1 million bin lifts across the year. • Council's \$2 million rehabilitation of Moira Shire's landfill near Cobram continued. The project will bring the site into line with increasingly rigorous regulatory requirements and involved rolling out more than 35,000 square meters of geo-membrane and installation of 17 gas bores to manage gas emissions from a landfill that is up to five stories high. 	<p>-3,584 <u>-2,705</u> 879</p>
Environment Sustainability and Natural Resource Management	<p>This service develops environmental policy, implements environmental projects, delivers educational programs and works with other agencies to improve environment sustainability and natural resource management. The service assists with implementing Councils roadside management plan, management of Councils utilities including improving energy efficiency and reducing energy consumption, responding to planning and other referrals relating to Natural Resource Management, in partnership with other agencies managing Kinnairds wetlands and managing funded projects aimed at assisting the community adapt to climate change.</p> <ul style="list-style-type: none"> • Roadside weed and pest management plan developed and provided to community for feedback prior to adoption by Council. • Continued works to reinstate paths and other infrastructure in Kinnaird Wetlands following the 2013 fires. • Stage 1 of the Watts Working Better street lighting retrofit project was completed in August 2014. Council's partnership with eight other regional councils enabled Council to change 1,143 streetlights to energy efficient t5 fluorescent lights. The streetlights are expected to achieve annual savings of approximately \$150,000 and the first months of operation have recorded savings in excess of \$8,000 each month. This project received funding from the Australian Government. • Delivery of the Public Place Recycling funded project including the installation of recycling infrastructure at two of Council's prominent public open spaces and making available mobile recycling infrastructure to support recycling at community events. 	<p>454 <u>447</u> -6</p>

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

Waste Collection	Results 2015	Material Variations*
Satisfaction		
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	44.39	
Service standard		
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	0.38	
Service cost		
<i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$123.33	
Service cost		
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$47.50	
Waste diversion		
<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	47.33%	Organic waste kerbside collection service commenced 1 December 2014

*Council has not reported material variations as there is no base year with which to make comparisons.

Strategic Goal 2: Community

Moirā Shire will be a Shire where all its people and communities are happy, healthy and safe with the ability and the opportunity to integrate, participate, connect and contribute to their communities.

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.

Strategy: 2.1 Continue to plan, deliver and improve the quality, accessibility and relevance of community services, to ensure they meet current and future needs of all the demographic groups in Moira Shire			
Performance Measures	Target	Result	Comments
2.1.1 The Disability Action Plan be implemented and reported to Council in a timely manner	<ul style="list-style-type: none"> Host four Advisory Committees Complete 50% action items in MSC Disability Action Plan 	✓	
2.1.2 The Positive Ageing Strategy be reviewed and reported to Council in a timely manner	Complete strategy review and implement new strategy	In progress	Review completed, strategy development continuing in 2015-16.
2.1.3 Continue to provide immunisation services within Moira	<ul style="list-style-type: none"> Deliver an immunisation service in all 8 Secondary schools and the four main centres within Moira 40% of Childhood Infant Immunisations delivered by Council Report quarterly Bench mark against other shires and Victorian rates 	✓	
2.1.4 Provide youth focused social and sporting events	Host six events throughout the Shire	✓	
2.1.5 Engage with local youth	Host four Junior Council Meetings per year	✓	
Strategy: 2.2 Facilitate Maternal and Child Health and wellbeing			
Performance Measures	Target	Result	Comments
2.2.1 Proportion of infants born that receive primary immunisations	<ul style="list-style-type: none"> 90% Report quarterly Bench mark against other shires and State rates 	✓	
2.2.2. Number of families participating in Parental Early Education Partnership (PEEP) support program	Increase the number of PEEP programs operating from 1 (Cobram) to 2 (Cobram and Yarrawonga)	✓	
2.2.3 Percentage participation of Children in Maternal and Child Health.	<ul style="list-style-type: none"> Meet or exceed State average of 85% Adopt new MAV reporting guidelines and use as a benchmark 	✓	

2.2.4 Operate a Family Day Care service within Moira Shire	Maintain at least 15 educators that provide Family Day Care	✓	
Strategy: 2.3 Maintain and enhance community health and wellbeing through high quality service provision and partnerships to meet the needs of the broader community			
Performance Measures	Target	Result	Comments
2.3.1 The Municipal Public Health and Wellbeing Plan be implemented and reported to Council in a timely manner	<ul style="list-style-type: none"> Complete <10 actions from the plan during 2014 and report on progress 	✓	
2.3.2 Continue to support Moira HealthCare Alliance (MHA) in the delivery of HACC Services	<ul style="list-style-type: none"> Council is an active participant on the Board of Moira Healthcare Alliance (100% meetings Councilor representative or delegate) Annual presentation by MHA to Council 	✓	
Strategy: 2.4 Identify, develop and action community safety initiatives addressing real and perceived safety issues			
Performance Measures	Target	Result	Comments
2.4.1 Support the Moira Shire Safety Committee through facilitating meetings involving all relevant stakeholders	<ul style="list-style-type: none"> Host four Safety Committee meetings per year Ensure delivery of outcomes outlined in the Moira Shire Community Safety Plan 	✓	
Strategy: 2.5 Improve community engagement, participation and effectiveness by facilitating community involvement in decision making processes			
Performance Measures	Target	Result	Comments
2.5.1 Maintain and strengthen the community volunteer base	<ul style="list-style-type: none"> Complete two community priorities annually Deliver two volunteer skills based workshops annually Update two Community Plans annually 	✓	Community Plan updates in progress.
Strategy: 2.6 Provide quality facilities, open spaces and programs to increase participation and cater for the communities needs and interests			
Performance Measures	Target	Result	Comments
2.6.1 Deliver Community Assistance and Small Grants Program	<ul style="list-style-type: none"> Deliver 3 Grant Rounds per annum Receive at least 60 grant applications Assist successful groups with delivering projects 100% project completion/delivery 	✓	

2.6.2 In partnership with the community and contracts proactively manage Council's community facilities	<ul style="list-style-type: none"> • Increase the patronage of Council owned aquatic facilities to over 65,000 per year and work with contractor to improve attendance figures • Record 100% of usage of Council's community facilities managed under the Recreation Facilities contract 	✓	
2.6.3 Monthly audit scores of Parks measuring the quality, appearance and maintenance performance of public open space areas	Number of complaints received 20< per annum	✓	

Strategy: 2.7 Recognise and enhance Moira Shire's diverse cultural and indigenous heritage through events and programs supporting the arts, traditions and history

Performance Measures	Target	Result	Comments
2.7.1 Multicultural Action Plan is reported to Council in a timely manner	<ul style="list-style-type: none"> • Complete at least two priorities identified in the Multicultural Action Plan annually 	✓	
2.7.2 Maintain the sustainable relationship with the local indigenous committee through the development and support of social inclusion projects	<ul style="list-style-type: none"> • Continue to develop linkages with the local indigenous people • Assist in the development of Yenbena into viable educational and cultural hub for Barmah 	✓	
2.7.3 Develop Moira Shire Arts and Culture Board	<ul style="list-style-type: none"> • Support and manage Moira Arts and Culture Inc. to <ul style="list-style-type: none"> ○ deliver and achieve its constituted goals, strategies and activities and ○ to fulfill all reporting requirements of the Moira Arts and Culture Inc. Service Agreement with Moira Shire 	✓	
2.7.4 Develop a 3 year Arts and Culture Strategic Plan to steer Arts and Culture development and programs across Moira.	<ul style="list-style-type: none"> • Develop a 3 year Arts and Cultural Strategic Action Plan. • Implement strategies and activities identified in the Arts and Cultural Strategic Action Plan including the listed performance measures 	Deferred	Scheduled for 2015-16

Strategy : 2.8 Emergency Management

Performance Measures	Target	Result	Comments
2.8.1 The Municipal Emergency Management Plan be implemented and reported to Council in a timely manner	100% compliance with Emergency Management Victoria requirements	✓	

Strategy: 2.9 Protect the Safety and Amenity for the Community			
Performance Measures	Target	Result	Comments
2.9.1 The Domestic Animal Management Plan be implemented and reported to Council in a timely manner	Domestic Animal Management Plan 100% compliant with the Victorian Government requirements	✓	
2.9.2 Respond to complaints received regarding to Moira Shire Local Laws	100% responses processed	✓	
Strategy: 2.10: Maintain and promote the environmental health of communities			
Performance Measures	Target	Result	Comments
2.10.1 Attend and undertake inspections at market and agricultural show venues within the Shire	100% venues inspected	✓	
2.10.2 Respond to nuisance complaints and report to Council annually the nature and frequency of nuisance complaints	100% applications processed	✓	
2.10.3 Process all applications for septic tank installations	100% applications processed	✓	
2.10.4 Assessment of Council buildings to establish asset renewal program	2 assessments per year	✓	

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 of service and performance highlights	Net Cost Actual Budget Variance \$000
Children, youth and families	<p>This service provides</p> <ul style="list-style-type: none"> Contributions to nine community-based not for profit preschools to ensure quality and affordable preschool services across the Shire. Maternal and child health services in Cobram, Nathalia, Numurkah, Strathmerton and Yarrawonga and outreach services to our smaller centres. Youth services and events that aim to connect and engage our younger citizens, such as Junior Council. Immunisation programs for infants and school children. <ul style="list-style-type: none"> Our Maternal and Child health team delivered 360 first home visits. 376 births were registered in the Moira Shire. More than 1,300 children attended Maternal and Child Health services during the year with participation rates exceeding 90% for all 12 month and under age points. Redevelopment of the Numurkah Preschool completed. More than 40% of child immunisations are delivered by Council, contributing to the Shire's excellent overall immunisation rates of between 91% and 98% across all age cohorts. Council provided a variety of youth focused events including four movie nights, a Battle of the Bands, KoolSkools and Bring the Bounce events. Junior Council comprising senior school students from across the Shire held four meetings. Council's Family Day Care service supported 18 educators providing family day care service to almost 60 children each day. 	<p>621</p> <p><u>824</u></p> <p>203</p>
Emergency response management	<p>This service assists Moira Shire communities to prepare, respond and recover from emergencies and natural disasters in line with Moira's Emergency Management Plan.</p> <ul style="list-style-type: none"> Municipal Emergency Management Plan developed and adopted by Council. 	<p>-102</p> <p><u>43</u></p> <p>145</p>
Health & community wellbeing	<p>Council works with communities to improve liveability for all residents across the Shire through arts and culture, access and inclusion and health and wellbeing programs. Council provides assistance to a range of partner agencies including Community Houses, Moira Health Care Alliance and Moira Foodbank. Council works with committees and volunteer groups to plan for the future needs of our community and to ensure Council fulfills its legislated Public Health and Wellbeing obligations. Council provides targeted grant programs to assist community groups and organisations to achieve goals within their local communities.</p> <ul style="list-style-type: none"> Council assisted almost 1,200 residents to access more than 22,000 hours of domestic, personal and respite care through our partnership with Moira Health Care Alliance. Disability Advisory Committee continued to inform and review the development of Council infrastructure works to improve accessibility and use by all. Council's annual community grants provided almost \$250,000 to community groups and organisations to assist the delivery of events, programs and services in local communities. 	<p>880</p> <p><u>932</u></p> <p>52</p>

Library services	<p>Council provides a financial contribution to the operation of the Goulburn Valley Regional Library Corporation who in turn provide a range of library services at four locations within the Shire and via a mobile library service to smaller towns and centres.</p> <ul style="list-style-type: none"> • More than 137,000 visits to our libraries and mobile library service. • Concept designs completed for the development of Cobram's new Community Library and Learning Centre. 	<p>710</p> <p><u>718</u></p> <p>9</p>
Parks and reserves	<p>This service includes the cost of maintaining and upgrading of Council's parks and gardens, reserves, town entrances and open spaces including 80 parks and gardens (open spaces), 44 playgrounds, 31 public toilet blocks, public BBQs and irrigation systems. This service is responsible for the management, maintenance and safety of parks and gardens, sporting grounds and playground facilities.</p> <ul style="list-style-type: none"> • More than 1,400 customer requests were received during the year relating to playgrounds and public open spaces and 100% were actioned within 30 days. • Construction of a jetty and boat ramp at Kennedy Park. The \$410,000 jetty and associated works will improve service and safety for water users at Thompson's Beach - one of Australia's largest inland beaches. 	<p>3,745</p> <p><u>3,668</u></p> <p>-77</p>
Environmental health	<p>This service aims to protect the community's health and wellbeing through the provision of regulatory services and education. The service undertakes inspections and registers premises according to health and food legislation and approves permits for the installation of septic tanks.</p> <ul style="list-style-type: none"> • Health Officers monitored more than 320 registered food premises to ensure compliance with obligations under the Victorian Food Safety and related Acts, and to protect the community's health and wellbeing. • A total of 55 notices were issued and followed up with local businesses. 	<p>386</p> <p><u>404</u></p> <p>18</p>
Public safety	<p>This service aims to provide a safe and orderly environment within the municipality through the regulation, control and enforcement of legislation and local laws. Services provided include school crossing supervisors, domestic animal management services and fire prevention enforcement program.</p> <ul style="list-style-type: none"> • Recruited additional road crossing staff to maintain existing service levels. • Moira Shire's pound provided temporary care for 515 animals with 103 reclaimed and a further 121 rehoused. • Completed upgrades to the Moira Shire Pound to ensure compliance with regulatory requirements. 	<p>957</p> <p><u>1,049</u></p> <p>92</p>
Sports and recreation services	<p>Council maintains five outdoor swimming pools at Yarrawonga, Cobram, Numurkah, Strathmerton and Nathalia, the water slide and splash park on the Yarrawonga foreshore, the Nathalia Sports and Community Centre, the Cobram Sports Stadium, and the Numurkah Aquatic & Fitness Centre along with the irrigation, mowing and general upkeep of Council's 19 recreation reserves and four showgrounds. The service also undertakes strategic reviews of service needs to identify and plan for future requirements.</p> <ul style="list-style-type: none"> • More than 71,000 visits to Council's pools and aquatic facilities. • Council commenced development of a Recreation Strategy to guide investment in and development of Council's services and facilities over the next decade. As part of the development process, residents were invited to share their ideas at community information sessions in Cobram, Yarrawonga, Nathalia and Numurkah and through written and online surveys. 	<p>1,290</p> <p><u>1,391</u></p> <p>101</p>

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

Aquatic Facilities		Results 2015	Material Variations*
Service standard			
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]		4.43	
Health and Safety			
<i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]		0.00	
Service cost			
<i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]		\$11.01	
Service Cost			
<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]		\$8.55	
Utilisation			
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]		2.50	Pool users are best estimate based on knowledge of users who use dry areas of aquatic facilities
Home and Community Care (HACC)		Results 2015	Material Variations*
Timeliness			
<i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]		0.00	
Service standard			
<i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100		100.00%	
Service cost			
<i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]		\$24.34	
Service cost			
<i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service provided]		\$25.65	

Service cost		
<i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]	\$25.65	
Participation		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	33.45%	
Participation		
<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	21.47%	
Libraries	Results 2015	Material Variations*
Utilisation		
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	2.31	
Resource standard		
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	37.68%	
Service cost		
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$5.18	
Participation		
<i>Active library members</i> [Number of active library members / Municipal population] x100	18.83%	
Maternal and Child Health (MCH)	Results 2015	Material Variations*
Satisfaction		
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	95.74%	
Service standard		
<i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	94.41%	
Service cost		
<i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	\$195.13	

Participation		
<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	84.77%	
Participation		
<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	79.31%	
Animal Management	Results 2015	Material Variations*
Timeliness		
<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	
Service standard		
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	20.00%	503 animals were collected with 103 reclaimed and a further 121 animals rehomed.
Service cost		
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$45.08	
Health and safety		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	Nil animal management prosecutions commenced during the reporting period
Food Safety	Results 2015	Material Variations*
Timeliness		
<i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	
Service standard		
<i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	100.00%	
Service cost		
<i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$796.07	

Health and safety		
<i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	

*Council has not reported material variations as there are no base year with which to make comparisons.

Strategic Goal 3: Development (Liveability)

Moira Shire will be a great place to live and a vibrant, thriving community and a premier tourist, retail and investment destination with growing local business and an adaptive, entrepreneurial infrastructure ethos.

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.

Strategy: 3.1 Maintain and enhance land use planning and building decision making processes by determining applications within statutory time frames.			
Performance Measures	Target	Result	Comments
3.1.1 Percentage of building permits determined within 10 days	100%	✗	
3.1.2 Number of planning applications received	Maintain 2013/14 numbers	✓	
3.1.3 Number of planning applications decided	Maintain 2013/14 numbers	✓	
3.1.4 Percentage of planning applications decided by Council year to date	Maintain previous years statistics	✓	
3.1.5 Percentage of planning application decided by Officers under delegation year to date	Maintain previous years statistics	✓	
3.1.6 Percentage of planning applications processed within 60 days statutory timeframes	70%	✗	Achieved 66.37%
Strategy 3.2 Maintain community satisfaction by engaging, facilitating and involving the community in sounds development planning and building principles.			
Performance Measures	Target	Result	Comments
3.2.1 Number decisions appealed to VCAT	Maintain 2012/13 numbers	✓	
3.2.2 Percentage of appeals determined by VCAT in favour of Council	70%	✓	
3.2.3 Performance of Building and Planning as measured by the annual Community Satisfaction Survey	55%	✗	52% satisfaction in 2015 Customer Satisfaction Survey
Strategy: 3.3 Community inclusion			
Performance Measures	Target	Result	Comments
3.3.1 Value of recurrent grants provided to the Moira Shire	\$5,000,000	✓	
Strategy 3.4: That council establish a new management strategy in support of local tourism.			
Performance Measures	Target	Result	Comments
3.4.1 Establish a Moira Shire Tourism Board to support tourism in the Municipality	Establish Board	✓	
3.4.2 Develop a three year (2013 to 2016) Destination Management Plan in consultation with Moira Shire Council and the community	Destination management plan	In progress	Continuing in 2015-16

3.4.3 Conduct familiarisation program for tourism staff and tourism ambassadors (volunteers)	Familiarisation tours are undertaken at least 4 times a year. Staff must participate at least twice. Volunteers participate at least once.	✓	
Strategy 3.5: That Council supports accredited visitor services in Yarrawonga, Cobram, Numurkah and Nathalia			
Performance Measures	Target	Result	Comments
3.5.1 Visitor attendance numbers at information Centres; Yarrawonga, Cobram, Numurkah, Nathalia	Yarrawonga- 2013: 85,000 2014: 90,000	✓	
	Cobram- 2013: 72,000 2014: 78,000		
	Numurkah- 2013: 6,000 2014: 6,600		
	Nathalia- 2013: 10,000 2014: 13,000		
3.5.2 Support local tourism associations and individual businesses in the promotion and marketing of the region	3 major campaigns per annum	✓	
3.5.3 Service standards in the visitor information centres through mystery shopper audits	84%	✓	
Strategy 3.6: Library Services			
Performance Measures	Target	Result	Comments
3.6.1 Increase of residents visiting the library services	30% 70,000 visits 100,000 website visits	✓	
Strategy 3.7: Support and promote participation in Council's training and development initiatives for local businesses by delivering a comprehensive training program			
Performance Measures	Target	Result	Comments
3.7.1 Number of participants in Council's training activities	400	✓	
3.7.2 Percentage of users/businesses satisfied with training and support initiatives for local businesses	80%	✓	
Strategy 3.8: Investment Attraction			
Performance Measures	Target	Result	Comments
3.8.1 Level of support to businesses investing/considering investment in Moira Shire	50 Investors	✓	
Strategy 3.9: Business Roundtables with businesses and Councillors			
Performance Measures	Target	Result	Comments
3.9.1 Conduct roundtables in key towns for 2014/15	Four round tables	×	2 conducted during 2014-15

Strategy 3.10: Strategic alliances			
Performance Measures	Target	Result	Comments
3.10.1 Develop strategic alliances with key government and business agencies and organisations	6 Government 10 business	✓	
Strategy3.11: Commercial development			
Performance Measures	Target	Result	Comments
3.11.1 Assess the potential for commercial development of Council controlled assets	6 Assessments	✗	4 assessments complete and in progress
Strategy3.12: Upkeep of Council assets			
Performance Measures	Target	Result	Comments
3.12.1 Percentage of graffiti removed from Council owned assets within 48 hours of notification	95%	✓	
3.12.2 Audit of Section 86 managed Council buildings to establish asset maintenance and renewal plans	4 Audits per year	✓	

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 of service and performance highlights	Net Cost Actual Budget Variance \$000
Building services	<p>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.</p> <ul style="list-style-type: none"> Completed a range of community awareness programs to encourage safety around home pools and spas. Requests for building permits increased by more than 60% during the year. 	<p>86 <u>202</u> 117</p>
Economic development	<p>This service supports the attraction, growth and innovation of existing and prospective businesses across the Shire. Council provided a wide range of training and development opportunities for local business including specialist forums focusing on marketing, recruitment, export development, social media for business, e-commerce and compliance with Australian fire safety standards for new developments.</p> <ul style="list-style-type: none"> Moirā Shire's biannual Business Awards celebrated the strength and quality of business activity across the Shire and were strongly supported by local business. Council hosted business roundtables to provide a forum for local business and Councillors to share and explore factors impacting on local business development and activity. 	<p>396 <u>978</u> 581</p>
Statutory planning	<p>This service monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, urban development, economic and social issues affecting Council. It also processes all planning applications, provides advice and makes decisions about development proposals that require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary.</p> <ul style="list-style-type: none"> Commenced the process to update Moirā Shire's Planning Scheme to include a Heritage Overlay. The process involved issuing letters to more than 1,500 affected residents, information sessions in Cobram, Nathalia, Numurkah and Yarrawonga as well as general information through local media. An increase of more than 15% in requests for planning permits impacted on Council processing times. During the year a total of 378 planning applications were received, 282 planning applications were decided, with 146 planning applications were processed within 60 days. Council and management participated in a full day training program to refresh Councillor and staff understanding of the statutory planning application and approval processes. 	<p>441 <u>680</u> 240</p>
Community development	<p>This service is responsible for working with the community, stakeholders and partner agencies to develop long term community plans that inform Council's land use planning, asset management, service delivery and investment decision-making across the Shire.</p> <ul style="list-style-type: none"> Council began a comprehensive review of its community planning process and will begin engaging with communities under a new more inclusive and participatory model during the 2015-16. Discussions with the Tungamah community and user groups continue. 	<p>1,121 <u>1,070</u> -50</p>

Tourism	<p>This service provides support to the business plans of local tourism associations, and plans for future tourism opportunities and infrastructure needs. The service provides contributions to tourism marketing including Murray Regional Tourism.</p> <ul style="list-style-type: none"> • A Tourism Advisory Committee was established and continues to guide the development of a Moira Shire Tourism Strategy. • A Recreational Vehicle (RV) Friendly working group was established to assist Council understand the needs of this growing tourism sector and establish appropriate support to encourage its growth within the Shire. • Developed and launched an <i>It's Fishing Country</i> brochure with significant contribution and support from the local fishing community. 	<p>1,180</p> <p><u>1,191</u></p> <p>11</p>
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The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Statutory Planning	Results 2015	Material Variations*
Timeliness		
<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	59.00	
Service standard		
<i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	51.77%	
Service cost		
<i>Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2,401.90	
Decision making		
<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	100.00%	

*Council has not reported material variations as there is no base year with which to make comparisons.

Strategic Goal 4: Organisation

Moira Shire will be a 'best practice' environment promoting staff potential and organisation capacity to deliver timely, efficient services and ensure sound financial, risk management, governance and transparent business practise are conducted by capable, professional people whose main focus is on pro-active service delivery.

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.

Strategy 4.1 INFORMATION SERVICES Efficiency and service delivery to support business processes and information sharing reduced costs and increase service effectiveness			
Performance Measures	Target	Result	Comments
4.1.1 100 completion of IT Strategy %	100% completion of IT strategy in 2014-15 reporting year	Ongoing	
4.1.2 Improve integration between finance and assets systems through a fully integrated IT platform (Authority).	Rollout of Authority Assets to production	Ongoing	Review complete.
4.1.3 Develop and implement online and mobile computing technologies and services	Create 1 new online/mobile initiative	✓	
4.1.4 Upgrade the human resources and payroll technology to improve functionality	100% implementation of payroll, HR modules and kiosk	✓	
Strategy 4.2 Ensure Council's workforce is skilled, responsive, has high job satisfaction and is capable of providing quality customer orientated services and programs to Moira Shire's communities and ratepayers.			
Performance Measures	Target	Result	Comments
4.2.1 Develop practical policies and procedures and staff training program reflecting legislative, regulative and staff requirements	As required	✓	
4.2.2 Develop an Organisational Development Strategy to ensure the sustainability of the organisation	100% development and implementation of Strategy and training program	✓	
4.2.3 Develop and implement integrated Performance Management System	100% development and implementation of system	✓	
4.2.4 Develop and deliver Stage 2 of Organisation Review	100% complete	✓	
4.2.5 Staff Performance reviews completed	100% complete	✓	
4.2.6 Cap Staffing at 195 FTE	195 FTE	✗	196.4 FTE
Strategy 4.3 Ensure a safe workplace for all employees by embedding new occupational health and safety (OHS) policies and procedures, OHS training and development programs			
Performance Measures	Target	Result	Comments
4.3.1 Number of workplace/site OHS inspections undertaken	5 per year	✓	
4.3.2 WorkCover Indicative Performance Rate	<1.0	✓	
4.3.3 WorkSafe Insurance Premium Rate	<1.8	✓	
4.3.4 Lost Time Injury Frequency Rate	100%	✓	

Strategy 4.4 Ensure Council plans and resources, records and budget systems are maintained and managed sustainably			
Performance Measures	Target	Result	Comments
4.4.1 Prepare the Annual Budget and Strategic Resource Plan in line with statutory requirements and within a financial sustainability framework for consideration by Council by 30 June 2015	100%	✓	
4.4.2 Reduce debt by 25% to \$6m	\$6m by 2017	✓	
4.4.3 Constrain operational cost increases to 2% (excl CPI)	<2% (excl CPI)	✓	
Strategy 4.5 Provide customer-focused financial management processes, budget systems and valuation practices in accordance with professional standards and legislative requirements			
Performance Measures	Target	Result	Comments
4.5.1 Attain VAGO financial ratios as part of annual budget process	100%	✗	Council's progress to achieving the VAGO indicators is detailed in the Financial Statements.
4.5.2 Complete the Annual Financial Statements for the year ended 30 June 2014 with full audit clearance by the legislated time frame	100%	✓	
4.5.3 Councils Working Capital Ratio	>1.0	✓	
Strategy 4.6 Rates revenue generation			
Performance Measures	Target	Result	Comments
4.6.1 \$M collected	\$31.541M	✓	
4.6.2 Rating strategy to be delivered as per legislative requirements	Development and Delivery of 1 Rating Strategy	Partial	Deferred
Strategy 4.7 Improve Council information, accessibility through effective use of communication and media and ensure services are continuing to meet community expectations and demonstrating a culture of engagement			
Performance Measures	Target	Result	Comments
4.7.1 DEWLP Customer Service Survey/ Moira Internal Survey	75%	✓	
4.7.2 Deliver effective, timely communication of Council services, activities and scope future needs and methods through Communication Strategy	Communications & Engagement Strategy	Ongoing	Scheduled for review in 2015-16
Strategy 4.8 Provide snapshots of community views on emerging issues by establishing a community 'pulse' email panel of 1,000 - 2,000 people with an interest in Moira			
Performance Measures	Target	Result	Comments
4.8.1 Number of members on the community 'pulse' email panel	>1,000	Partial	Deferred
Strategy 4.9 Encourage higher levels of engagement in Council's activities through enhanced targeted communication via social media			
Performance Measures	Target	Result	Comments
4.9.1 Website quality and accessibility assessed through independent user survey	70%	✓	

4.9.2 Develop and implement integrated Communications Strategy focusing on electronic communications, publications	1 strategy 100% completed	In progress	
Strategy 4.10 CUSTOMER SERVICES Ensure excellent customer service by reducing the waiting time for ratepayers and other community members to Council's customer centres and services.			
Performance Measures	Target	Result	Comments
4.10.1 Percentage of customer service enquiries resolved on first call	85%	✓	
4.10.2 Percentage satisfaction of after- hours callers with the quality of information and service received	70%	✓	
4.10.3 Customer service responsiveness assessed through external and internal user surveys	90%	✓	

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 of service and performance highlights	Net Cost Actual Budget Variance \$000
Office of CEO	<p>This service provides leadership guidance to the business, Council and guides the development and delivery of Council's representation and advocacy efforts.</p> <ul style="list-style-type: none"> Organisational structure rescaled to two general managers and a realignment of management functions. Council met all regulatory reporting requirements including annual Budget and review of Council Plan. 	<p>1,369</p> <p><u>1,637</u></p> <p>268</p>
Customer service	<p>This service is the main customer interface with the community and includes customer service delivered by phone and from centres in Cobram and Yarrawonga, agency services in eight other local centres and an online through Council's website.</p> <ul style="list-style-type: none"> Council's customer service centres in Cobram and Yarrawonga processed <ul style="list-style-type: none"> 62,000 phone inquiries and 20,000 over the counter inquiries. A further 84,000 customers visited Council online via its website. 	<p>492</p> <p><u>613</u></p> <p>121</p>
Information services	<p>This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way.</p>	<p>1,700</p> <p><u>2,830</u></p> <p>1,130</p>
Organisational development	<p>This service provides Council with strategic and operational organisational development support including occupational health and safety obligations. The service develops and implements strategies, policies and procedures through the provision of human resources and industrial relations services. The service also assists managers to determine and progress toward future structures, capability and cultures in their service units.</p>	<p>1,302</p> <p><u>1,641</u></p> <p>339</p>

Business compliance and risk services	<p>This service is responsible for the maintenance, management and strategic planning for Council's building, land and property leases and licenses</p> <ul style="list-style-type: none"> • Council agreed lease arrangements with telecommunications service provides that will support the roll out of services including the national broadband network to communities across our Shire. • Council responded to 53 incidents during the year which included 29 liability claims for example trips and falls and 24 report only incidents. This is a more than 30% reduction on previous years. Council continues to use reports and incidents to inform it's planning of maintenance works as well as event and service delivery. 	<p>-329 <u>-219</u> 110</p>
Financial services	<p>This service provides financial based services to both internal and external customers including the management of Council's finances, payment of salaries and wages to Council employees, procurement and contracting of services, raising and collection of rates and charges and valuation of properties throughout the municipality. The income in this service area is driven by the collection of rates, fees and charges and the receipt of government grants.</p> <ul style="list-style-type: none"> • The preparation of Council's Underlying Financial Position report provided an important resource for Council, officers and community to understand Moira Shire's financial position. • Council's Rate Notices issued in early 2014-15 included incorrect data and Council was required to reissue the notices. Since then, Council has invested considerable resources in improving rates processes and systems and these have been demonstrated in improvements to the 2015-16 rates notice process. 	<p>-17,542 <u>-20,155</u> -2,614</p>

Strategic Goal 5: Infrastructure

Moira Shire will be a desirable place to live, work and visit in north central Victoria supported by its infrastructure, assets and facilities. It will proactively fund, maintain and develop Council's assets and facilities to meet its community's current and future needs in partnership with private development.

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.

Strategy 5.1: Deliver the annual capital works program including roads, drainage, buildings, open places and footpaths.			
Performance Measures	Target	Result	Comments
5.1.1 Percentage of completed capital works projects completed based on the adopted capital works budget	95%	✓	
5.1.2 Civic Mutual Plus (Overall score) compliance with Road Management Plan	80%	✗	Biannual audit scheduled 9 July 2015. Last Audit result February 2013 - 95% compliance
Strategy 5.2 Manage and maintain council assets in accordance with council's asset management plan and Municipal Association of Victoria STEP Program			
Performance Measures	Target	Result	Comments
5.2.1 Percentage of Council assets at or below the intervention level in accordance with the Municipal Association of Victoria STEP Program	70%	✓	
5.2.2 The budget spent on renewal as a percentage of the asset renewal gap as identified by the Municipal Association of Victoria STEP Program.	65%	✗	STEP Program not yet started
5.2.3 The length of gravel roads re-sheeted as percentage of the total unsealed road network	Re-sheet 5% of the unsealed road network	✓	
5.2.4 The percentage of sealed roads resealed	Re-seal 6% of roads	✓	
5.2.5 The percentage of sealed roads reconstructed	Reconstruct 0.5% of the sealed road network	✓	
5.2.6 Community satisfaction with local roads, streets and footpaths	65%	✗	51% satisfaction in 2015 Customer Satisfaction Survey
Strategy 5.3 Management of Council buildings and recreation facilities and open space.			
Performance Measures	Target	Result	Comments
5.3.1 The Civic Mutual annual score for management of recreational sporting reserves	<50	✓	
5.3.2 The percentage of customer requests relating to playgrounds and public open space actioned within 30 days	80%	✓	
5.3.3 Complete two township liveability projects (focusing on asset, rationalisation, consolidation and renewal)	2	✓	
5.3.4 Facilitate monthly contract meetings with contractor to ensure any issues or areas of concern are discussed and addressed	Number of complaints <20	✓	

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 of service and performance highlights	Net Cost Actual <u>Budget</u> Variance \$000
Roads, footpaths and drainage	<p>This service conducts ongoing maintenance of Council's road and bridge network which includes 80 bridges and major culverts, 1,000 km of sealed roads, 2,500 km of gravel roads varying from link roads to access tracks, 600 km of farm access tracks, 239 km of kerb and channel and 60 km of footpaths. Activities include repairing, resealing, asphaltting, resheeting and patching</p> <p>The service also maintains CBD streetscapes in the four major towns and 18 smaller towns, fire plug maintenance and inspection and maintenance of flood pumps.</p> <p>During 2014-15 more than \$13.9 million of capital and operating expenditure was directed to the maintenance, renewal and upgrade of Council's road, footpath and drainage networks and infrastructure funded from a combination of grants, rates and charges.</p> <ul style="list-style-type: none"> • 2014-15 program included resheeting 66.23km and resealing 354,078m² (64km) of road along with 14,622m² of road pavement stabilisation. • Council graded 2,163 km of unsealed roads. • Completion of stage 2 of the Cobram Streetscape. The \$1.2 million project was scheduled to avoid works during the peak Christmas and holiday periods and significantly improves pedestrian safety around one of Moira Shire's key business and retail centres. 	<p>716</p> <p><u>1,249</u></p> <p>533</p>
Civic Buildings	<p>This service oversees repairs and maintenance of Council's more than 570 buildings that range from small pump sheds to historical and aging halls and community buildings and recreation facilities. Costs include contributions to local Committees of Management, utilities and repairs and maintenance.</p> <ul style="list-style-type: none"> • To support future service planning and reviews, Council developed a database of all Council buildings. • Council continued to support the maintenance and repair of its more than 570 buildings in partnership with local Management Committees. 	<p>652</p> <p><u>671</u></p> <p>19</p>
Council assets	<p>Council operates and maintains a range of <u>other</u> assets including pumps and basins. This category also includes the costs of insurance for council buildings, plant and other assets.</p> <ul style="list-style-type: none"> • Pumps were upgraded and associated drainage works were completed at Numurkah's Rowe St retention basin. The \$250,000 project will improve operation of the basin. 	<p>1,325</p> <p><u>1,547</u></p> <p>222</p>

Engineering design and management	<p>This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program. The service also approves and supervises private development activities such as subdivisions and infrastructure associated with buildings and unit developments.</p> <ul style="list-style-type: none"> • Council's capital works program was 85% complete at 30 June 2015. • A small number of projects had works that would be completed in the weeks following the end of the financial year. • Some projects were deferred or could not proceed in 2014-15 including the Cobram Library and Yarrawonga Aerodrome. Cobram Library construction is scheduled for 2015-16 and the Yarrawonga Aerodrome was unsuccessful in attracting grant funding. 	<p>851</p> <p><u>1,322</u></p> <p>470</p>
Infrastructure planning	<p>This service conducts capital works planning for Council's main civil infrastructure assets in an integrated and prioritized manner in order to optimise their strategic value and service potential. These include roads, laneways, car parks, foot/bike paths, drains and bridges. Council completed design and planning requirements for all infrastructure works and projects.</p> <ul style="list-style-type: none"> • With the announcement of increased Roads to Recovery Grant funding Council completed further review and design to enable delivery of additional works by Council during 2015-16. 	<p>-4,823</p> <p><u>-6,191</u></p> <p>-1,368</p>

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

Roads	Results 2015	Material Variations*
Satisfaction of use		
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	19.11	
Condition		
<i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	87.01%	
Service cost		
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$28.20	
Service Cost		
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$5.79	
Satisfaction		
<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]	49.00	

*Council has not reported material variations as there is no base year with which to make comparisons.

Strategic Goal 6: Governance

Moira Shire will meet governance, communication, compliance and regulatory standards through its commitment to advocacy and effective decision making and demonstrate good governance by being consensus orientated, equitable, effective and efficient.

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.

Strategy 6.1 Ensure responsible resource management and adherence to good communications and communications and governance practices as prescribed by internal and external audit requirements			
Performance Measures	Target	Result	Comments
6.1.1 Percentage completion for annual internal Audit plan	100%	✓	
6.1.2 Percentage completion of all scheduled external audits	100%	✓	
Strategy 6.2: Enhance Councils management of electronic records in line with Public Records Office requirements			
Performance Measures	Target	Result	Comments
6.2.1 Percentage of electronic management systems actions completed within service charter timeframes	95%	✓	
6.2.2 Instruments of Delegation to Council staff renewed biannually and updated upon receipt of legal advice	100%	✓	
Strategy 6.3: Ensure that Council complies with Freedom of Information (FOI) requests			
Performance Measures	Target	Result	Comments
6.3.1 Percentage of Freedom of Information Requests responded to within prescribed timeframes	100%	✓	
Strategy 6.4: Ensure strategic and operational risks are managed to protect Council and the community			
Performance Measures	Target	Result	Comments
6.4.1 Completion and monitoring of Council's Risk Management Framework	100%	✓	
6.4.2 Quarterly updating of Council's Risk Management Register presented to the Audit Committee/Council	Quarterly (4) per annum	✓	
Strategy 6.5: Prepare Council's Annual Report and submit to the Minister for Local Government			
Performance Measures	Target	Result	Comments
6.5.1 Annual Report presented to Council in September 2014 Ordinary Meeting	1 Report to Council by 30 September 2014	✓	
6.5.2 Annual Report to Minister for Local Government by 30 September 2014	1 Annual Report completed & delivered by 30 September 2014	✓	

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 of service and performance highlights	Net Cost Actual <u>Budget</u> Variance \$000
Governance and compliance	<p>This includes Councillor entitlements along with the costs of ensuring we comply with the governance obligations under the Local Government Act and other legislation.</p> <ul style="list-style-type: none"> • Council continued to hold monthly council meetings across the Shire. The changing locations provide an opportunity for local residents to attend and engage with Council during the informal pre-meeting afternoon tea and the formal meeting process. • Councillors attended a wide range of community events and meetings at the invitation of local community groups. • In addition to Council Meetings and briefings, Councillors were also scheduled to attend more than 180 meetings of Council special committees (Committees of Management) and more than 100 meetings of advisory committees and to represent Council on industry and regional organisations and committees. 	<p>679</p> <p><u>863</u></p> <p>184</p>
Communications	<p>This service is responsible for the management and provision of advice on external and internal communication, in consultation with relevant stakeholders, on behalf of Council.</p> <ul style="list-style-type: none"> • Council continued to service local and regional media information needs. <ul style="list-style-type: none"> ○ Issued more than 80 media statements. ○ Provided several media briefings and tours on major projects and initiatives including the release of annual financial results and the organic kerbside collection service. ○ Responded to individual media requests and opportunities. • Council continued to publish regular advertisements in local media and regularly update information available from its website. 	<p>519</p> <p><u>862</u></p> <p>344</p>

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

Governance	Results 2015	Material Variations*
Transparency		
<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	24.43%	
Consultation and engagement		
<i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	52	
Attendance		
<i>Councillor attendance at council meetings</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	95.56%	
Service cost		
<i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$31,801.33	
Satisfaction		
<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]	51.00	

*Council has not reported material variations as there is no base year with which to make comparisons.

Governance, management and other information

Governance

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

- taking into account the diverse needs of the local community in decision-making;
- providing leadership by establishing strategic objectives and monitoring achievements;
- ensuring that resources are managed in a responsible and accountable manner;
- advocating the interests of the local community to other communities and governments, and;
- fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, public forums such as ward meetings and the ability to make submissions to Special Committees of Council.

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

Meetings of Council

Council conducts open public meetings on the fourth Monday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to ask questions to the Council. For the 2014-15 year Council held 11 ordinary council meetings, and four special council meetings.

The following table provides a summary of councillor attendance at council meetings and special council meetings for the 2014–15 financial year.

Councillors	Council Meeting	Special Council Meeting	Total
Cr Marie Martin (Mayor)	11	4	15
Cr Peter Mansfield (Deputy Mayor)	10	4	14
Cr Kevin Bourke	11	4	15
Cr Wendy Buck	11	3	14
Cr Gary Cleveland	10	4	14
Cr Ed Cox	11	4	15
Cr Brian Keenan	10	4	14
Cr Alex Monk	10	4	14
Cr Don McPhee	10	3	13

Special Committees

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

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

The following table contains a list of all special committees established by Council as defined in the Local Government Act 1989 section 86, in operation during the reporting period.

Special Committee	Councillor	Officer	User Groups / Community Representatives Positions Available	Number Appointed	Purpose - To exercise Council's functions and powers and to perform Council's duties in relation to the management of
Baulkamaugh Recreation Reserve Committee of Management	1	1	12	10	Baulkamaugh Recreation Reserve
Bundalong Dan Cronin Recreation Reserve and Public Hall Committee of Management	1	1	9	6	Bundalong Dan Cronin Recreation Reserve and Public Hall
Cobram Scott Reserve Committee of Management	1	1	15	13	Cobram Scott Reserve
Floridan Park Recreation Reserve Committee of Management	1	1	8	8	Floridan Park Recreation Reserve
Invergordon Recreation Reserve and Community Hall Committee of Management	1	1	15	14	Invergordon Recreation Reserve and Community Hall
Katamatite Recreation Reserve Committee of Management	1	1	11	10	Katamatite Recreation Reserve
Katunga Recreation Reserve and Community Centre Committee of Management	1	1	8	8	Katunga Recreation Reserve and Community Centre
Koonoomoo Recreation Reserve Committee of Management	1	1	14	13	Koonoomoo Recreation Reserve
Picola Recreation Reserve Committee of Management	1	1	14	13	Picola Recreation Reserve
St James Recreation Reserve Committee of Management	1	1	9	9	St James Recreation Reserve
Strathmerton Recreation Reserve Committee of Management	1	1	13	13	Strathmerton Recreation Reserve
Tungamah Jubilee Park Recreation Reserve Committee of Management	1	1	9	9	Tungamah Jubilee Park Recreation Reserve
Waaia Recreation Reserve Committee of Management	1	1	17	14	Waaia Recreation Reserve
Wilby Racecourse and Recreation Reserve Committee of Management	1	1	10	9	Wilby Racecourse and Recreation Reserve
Wunghnu Recreation Reserve Committee of Management	1	1	8	8	Wunghnu Recreation Reserve

Yalca North Recreation Reserve Committee of Management	1	1	12	11	Yalca North Recreation Reserve
Yarrowonga JC Lowe Oval Reserve Committee of Management	1	1	7	6	Yarrowonga JC Lowe Oval Reserve
Yarroweyah Recreation Reserve Committee of Management	1	1	8	3	Yarroweyah Recreation Reserve
Yarrowonga Eastern Foreshore Committee of Management	1	1	11	11	Yarrowonga Eastern Foreshore
Cobram Showgrounds Apex Reserve Committee of Management	1	1	8	8	Cobram Showgrounds Apex Reserve
Nathalia Showgrounds and Recreation Reserve Committee of Management	1	1	20	15	Nathalia Showgrounds and Recreation Reserve
Numurkah Showgrounds Reserve Committee of Management	1	1	12	11	Numurkah Showgrounds Reserve
Yarrowonga Showgrounds Reserve / Victoria Park Committee of Management	1	1	26	23	Yarrowonga Showgrounds Reserve / Victoria Park
Bearii Recreation Reserve Committee of Management	1	1	11	9	Bearii Recreation Reserve
Katamatite Public Hall Committee of Management	1	1	12	10	Katamatite Public Hall
Lake Rowan Hall Committee of Management	1	1	10	7	Lake Rowan Hall
Numurkah Town Hall Committee of Management	1	1	8	7	Numurkah Town Hall
Picola Public Hall Committee of Management	1	1	14	10	Picola Public Hall
St James Public Hall Committee of Management	1	1	14	13	St James Public Hall
Strathmerton Public Hall Committee of Management	1	1	10	9	Strathmerton Public Hall
Wilby Memorial Hall Committee of Management	1	1	9	6	Wilby Memorial Hall
Yarroweyah Memorial Hall Committee of Management	1	1	11	10	Yarroweyah Memorial Hall
Cobram Historical Precinct Committee of Management	1	1	12	12	Cobram Historical Precinct
Nathalia Historical Precinct Committee of Management	1	1	11	6	Nathalia Historical Precinct
Tungamah Court House Committee of Management	1	1	8	5	Tungamah Court House

Other committees

Council has established committees to assist Council in understanding specific interests and needs within the community. The committees are not decision-making bodies on behalf of Council but play a vital role in assisting more informed and inclusive decision making by Council.

Committee	Councillor
Yarrawonga Aerodrome Advisory Committee	2
Moira Shire Cultural Diversity Advisory Committee	1
Tourism Advisory Committee	1
Moira Shire Disability Advisory Committee	1
Moira Shire Environment Advisory Committee	1
Moira Shire Junior Council	3
Moira Shire Kinnaird's Wetland Advisory Committee	1
Moira Shire Local Safety Committee	2
Moira Shire Municipal Public Health and Wellbeing Plan Advisory Committee	1
Moira Shire Council Audit Committee	3
RV Friendly Working group	1
Numurkah Flood Study Community Reference Group	1

Code of Conduct

The Local Government Act 1989 requires councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. On 18 April 2013, Council adopted a revised Councillor Code of Conduct that is designed to:

- assist councillors to maintain the highest standards of conduct and behavior as well as provide a means to deal with problems they may encounter;

- attract the highest level of confidence from council's stakeholders, and;
- assist the mayor and councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor conduct principles, the Code also outlines:

- other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest;
- roles and relationships, and;
- dispute resolution procedures.

Conflict of Interest

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

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

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests. During 2014–15, 17 conflicts of interest were declared at Council and Special Committee Meetings.

Councillor Allowances

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

The State Government sets the upper and lower limits for all allowances paid to councillors and mayors. Councils are divided into three categories based on the income and population of each Council. In this instance Moira Shire Council is recognised as a category two council.

For the period 1 July 2014 to 23 December 2014, the councillor annual allowance for a category 2 council (as defined by the Local Government Act 1989) was fixed at \$22,965 per annum and the allowance for the mayor was \$71,058 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect as from 1 December 2014. The annual allowances were adjusted for the period 1 December 2014 to

30 June 2015 at \$23,539 per annum for the councillor allowance and \$72,834 per annum for the mayoral allowance. The following table contains a summary of the allowances paid to each councillor during the year.

Councillor Allowances

Councillors	Allowance \$
Cr Marie Martin (Mayor 2015)	61,773
Cr Peter Mansfield (Mayor 2014)	47,234
Cr Kevin Bourke	25,608
Cr Wendy Buck	25,608
Cr Gary Cleveland	25,608
Cr Ed Cox	25,608
Cr Brian Keenan	25,608
Cr Alex Monk	25,608
Cr Don McPhee	25,608

Councillor Expenses

In accordance with Section 75 of the Local Government Act 1989, council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the council. The details of the expenses for 2014-15 are set out in the following table. In addition the Mayor also has a vehicle entitlement of \$15,800 per annum.

Councillor Expenses

Councillors	Travel \$	Car Mileage \$	Child care \$	Information & Comms expenses \$	Conferences & Training \$	Total \$
Cr Marie Martin (Mayor 2015)	1,261			2,900	8,824	12,985
Cr Peter Mansfield (Mayor 2014)	11,096			872	5,233	17,201
Cr Kevin Bourke	7,441			812	-	8,253
Cr Wendy Buck	12,286			1,583	5,977	19,846
Cr Gary Cleveland	-			1,513	-	1,513
Cr Ed Cox	-			2,662	978	3,640
Cr Brian Keenan	6,493			1,759	-	8,252
Cr Alex Monk	4,704			2,013	-	6,717
Cr Don McPhee	4,517			1,483	170	6,170

Management

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

Audit Committee

The Audit Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit Committee consists of three independent members, Mr Anthony Xerri (Chair), Ms Anne O'Connor, Ms Julie Guest and two appointed Councillors, Cr Alex Monk and Cr Ed Cox. As Mayor, Cr Marie Martin is an ex-officio member of the Audit Committee.

Independent members are appointed for a three-year term, with a maximum of two terms. The chair is elected from among the independent members. During 2014-15 Ms Julie Guest was appointed to the Audit Committee.

The Audit Committee met five times during 2014-15. The Internal Auditor, Chief Executive Officer, General Manager Corporate and Manager Finance and Manager Property, Risk, and Compliance attend Audit Committee meetings. Other management representatives attend as required to present reports. The external auditors attend as required each year to present the external audit plan, management letter and independent audit reports.

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

Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. In March 2012 Council appointed AFS Chartered Accountants to provide internal audit services to Council for a period of four years.

In line with the Internal Audit program for 2014-15 the following reviews commenced:

- Cash receipting;
- Credit card management;
- Fraud management;
- Fringe Benefits Tax reporting, and;
- Fleet Management.

The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes and management input.

The internal auditor attends each Audit Committee meeting to provide independent risk and financial commentary and to present findings of completed reviews.

All audit issues identified are risk rated and recommendations for improvement are assigned to the responsible manager and tracked in Council's risk register and performance management system. Managers provide quarterly status updates that are reviewed by the Corporate Management Team and reported to the Audit Committee and Council.

External Audit

Council is externally audited by the Victorian Auditor-General with the external audit of Council's Financial Statements and Performance Statement conducted by the Victorian Auditor-General's representative. The external auditors attend as required to present the annual audit plan and Independent Audit Report. The external audit management letter and responses are also provided to the Audit Committee.

Risk Management

In February 2012, Council adopted the Risk Management Policy and the Risk Management Plan in June 2013 in line with current best practice in the management of business enterprise risks and current AS/NZS 31000 guidelines. The Risk Management Framework and Policy addresses items such as:

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

Governance and Management Checklist

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


Governance and Management Items	Assessment
1. Community engagement policy (policy outlining council's commitment to engaging with the community on matters of public interest)	Community Engagement Strategy Adopted June 2007, amended September 2011. Scheduled for review in 2015-16
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Community Engagement Strategy Adopted June 2007, amended September 2011. Scheduled for review in 2015-16
3. Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 22 June 2015
4. Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 29 June 2015
5. Asset management plans (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: 17 August 2009
6. Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	No strategy Scheduled for development in 2015-16
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 20 February 2012
8. Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 17 September 2012
9. Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 Date of preparation: 25 May 2015
10. Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures purchases of goods, services and works)that will apply to all	Prepared and approved in accordance with section 186A of the Local Government Act 1989 Date of approval: 22 June 2015

11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan 10 August 2010
12. Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan May 2010
13. Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 25 June 2013
14. Audit Committee (advisory committee of council under section 139 of the Act whose role is to oversee the integrity of a council's financial reporting, processes to manage risks to the council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: March 1997
15. Internal audit (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: 23 March 2012
16. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 1 July 2014
17. Council Plan reporting (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)	Complete: 23 February 2015
18. Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to council in accordance with section 138(1) of the Act Date statements presented: 15 Sep 2014, 17 Nov 2014, 23 Feb 2015 and 25 May 2015
19. Risk reporting (six-monthly reports of strategic risks to council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports: 31 Jul 2014, 29 Oct 2014 .

20. Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Yes 23 February 2015
21. Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of council in accordance with section 134 of the Act Date statements presented: 20 October 2014
22. Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date reviewed: 15 April 2013
23. Delegations (a document setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: 18 February 2015
24. Meeting procedures (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: 18 June 2007, amended 22 July 2008. Scheduled for review in 2015-16

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


Mark Henderson
Chief Executive Officer
Dated: September 2015


Cr Marie Martin
Mayor
Dated: September 2015

Statutory information

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

Documents Available for Public Inspection

In accordance with Part 5 of the Local Government (General) Regulations 2004 the following is a list of the prescribed documents that are available for inspection or copies of the documents can be obtained for the purposes of section 222 of the *Local Government Act 1989* at the Moira Shire Council Office, 44 Station Street, Cobram, with some also accessible via Council's website.

- Agreements to establish regional libraries
- Allowances fixed for the Mayor and Councillors
- Annual Report
- Best Value quality and cost standards
- Budget (adopted or revised) for current financial year
- Council Agendas and Minutes for the previous 12 months
- Council Plan
- Councillor Code of Conduct
- Differential rate information
- Election campaign donation returns
- Entrepreneurial powers - accounts and records of any corporation, trust, partnership or other body formed or operated by Council
- List of all special committees established by Council and the purpose for which each committee was established
- List of all special committees established by Council which were abolished or ceased to function during the financial year
- List of donations and grants made by Council during the financial year including the names of recipients and the amounts received
- Local Laws
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months (except parts which have been closed to members of the public)
- Names of Council officers who were required to and did submit a return of interest during the financial year and the dates the returns were submitted
- Names of Councillors who submitted a return of interest during the financial year and the dates the

returns were submitted

- Names of organisations and the amounts paid in membership fees to organisations of which Council was a member during the financial year
- Overseas or interstate travel (excluding travel by land for < 3 days) undertaken in an official capacity by Councillors or any Council employee in the previous 12 months
- Procurement Policy
- Register of authorised officers appointed under section 224 of the Act
- Register of contracts entered into by Council, without engaging in a competitive process (\$150,000 or more - goods and services) or (\$200,000 or more - carrying out works)
- Register of delegations kept under sections 87 and 98 of the Act
- Register of interests under section 81 of the Act (written application must be made under regulation 8 of the *Local Government (General) Regulations 2004* using Form 3)
- Register of leases entered into by Council
- Reimbursement of Expenses and Support Council Policy
- Senior officers' total annual remuneration (current and previous financial year)
- Strategic Resource Plan
- Submissions received under section 223 of the Act during the previous 12 months

Best Value

Council incorporates best value principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement.

During 2014-15 Council

- Reviewed and updated its Procurement Policy.
- Implemented a structure project assessment process to ensure best value principles apply to all new initiatives, events and projects.
- Began preparations to undertake service reviews to ensure the range and quality of Council services meet community expectations and are sustainable.

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.

Contracts

During the year 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, Council's three-year Disability Action Plan was ratified in 2013.

During 2014-15 Council continued to meet the actions identified in the plan including:

- Development of a business guide about accessibility titled Good Access is Good Business: A guide for retailers and business;
- Customer service staff and associated officers completed communication access training that covered a range of alternative communication methods and tools;
- Council's Equal Employment Opportunity Policy was reviewed with improvements made to recruitment advertisements;
- Council's Internal Events policy was reviewed and updated to include accessibility, and;
- Council's Disability Advisory Committee was asked to review a greater number of proposals prior to approval of projects and events.

Domestic Animal Management Plan

In accordance with the Domestic Animals Act 1994, Council adopted the Domestic Animal Management Plan 2014-18 in June 2013. The new plan was developed through consultation with Council's Animal Management Team and consideration of input from other Council departments.

Food Act Ministerial Directions

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

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

Freedom of Information

In accordance with section 7(4AA) (a) and 7(4AA) (b) of the Freedom of Information Act 1982, Council is required to publish certain statements in their annual report or separately such as on its website, concerning its functions and information available. Council has chosen to publish the statements separately however provides the following summary of the application and operation of the Freedom of Information Act 1982. Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the Freedom of Information Act 1982 and in summary as follows:

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

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

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

Further information regarding FOI can be found at www.foi.vic.gov.au and on the Moira Shire Council website.

Protected Disclosure Procedures

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

Under Moira Shire Council's procedures, individuals are encouraged to make disclosures directly to IBAC. IBAC then determines whether the disclosure comes under the scope of the Act and may commence investigation of the matter at which point Council may be advised of a disclosure. If the matters do not meet the scope of Act the individual may be advised to raise the matter under alternative workplace provisions.

During the reporting period IBAC did not advise Council of any protected disclosures.

Road Management Act Ministerial direction

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

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

Victorian Local Government Indicators

The Victorian Government requires all Victorian councils to measure and annually report against 11 Victorian Local Government Indicators (VLGIs). These indicators provide information regarding expenditure, cost of services and infrastructure provision, customer satisfaction and governance. The following table presents the results of the VLGIs for the 2014-15 year.

Indicator	Calculation	2014-15	2013-14
Average rates and charges per assessment	Total rates and charges receivable at beginning of year/Number of assessments in the adopted budget	\$1,780	\$1,668
Average residential rates and charges per assessment	Rates and charges declared for residential assessments receivable at beginning of year/Number of residential assessments in the adopted budget	\$1,717	\$1,580
Average liabilities per assessment	Total liabilities/Number of assessments in the adopted budget	\$1,384	\$1,336
Operating result per assessment	Net surplus/Number of assessments in the adopted budget	\$256	\$371
Average operating expenditure per assessment	Operating expenditure/Number of assessments in adopted budget	\$3,148	\$3,485
Community satisfaction rating for overall performance generally of Council	Result from the Annual Local Government Community Satisfaction Survey	55%	57%
Average capital expenditure per assessment	Capital expenditure/ Number of assessments in the adopted budget	\$442	\$421
Renewal gap	Capital renewal/Average annual asset consumption	60%	45%
Renewal and maintenance gap	Capital renewal and maintenance/Average annual asset consumption plus planned maintenance	81%	70%
Community satisfaction rating for Council's advocacy and community representation on key local issues	Result from the Annual Local Government Community Satisfaction Survey	54%	58%
Community satisfaction rating for Council's engagement in decision making on key local issues	Result from the Annual Local Government Community Satisfaction Survey	51%	n/a

Performance Statement 2014-15

For year ended 30 June 2015



Left to right - Moira Shire Food and Wine on display at the Food and Wine Expo in Melbourne; Council's road sealing program in Barmah; Council's 2015 Business Awards winners and guest speaker Peter Fitzsimmons; Netball players enjoying Moira Shire facilities.

Description of Municipality

Moira Shire is located in the Hume region of Victoria and stretches across 4,045 square kilometres from Bundalong in the east to the Barmah National Park to the west. The Shire's northern boundary is defined by the Murray River and the south-west, southern and south east regions share boundaries with the municipalities of Campaspe, Greater Shepparton, Benalla, Wangaratta and Indigo. Moira is centrally located to the regional cities of Shepparton, Wangaratta and Albury-Wodonga.

Moira includes four major towns; Cobram, Nathalia, Numurkah and Yarrawonga and 17 smaller communities with a total population of 28,833 residents.

Moira's population median age is 44 years, which is higher than the state and national median of 37

years. In June 2013, there were 11,832 local jobs in Moira Shire, with 12,934 employed residents.

Food processing, principally dairy products and meat processing is the largest sector based on output in the Moira Shire. Food processing also includes significant output in oils and fats, fruit and vegetable products, wine and other food products. A total of 3,128 businesses were registered in the Shire across all industries.

Agricultural land use accounts for approximately 71% of the total land area, and is currently divided equally between irrigated and dryland production.

The Moira Shire community is serviced by local hospitals in each of the major towns along with a wide range of medical and allied health service providers.

Sustainable Capacity Indicators

For the year ended 30 June 2015

Indicator/measure	Results 2015	Material Variations*
Population		
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,919.43	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$13,563.33	
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	7.89	
Own-source revenue		
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,267.89	
Recurrent grants		
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$609.14	
Disadvantage		
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	2.00	

*Council has not reported material variations as there is no base year with which 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

Service/indicator/measure	Results 2015	Material variations*
Aquatic Facilities		
Utilisation		
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.50	Pool users are best estimate based on knowledge of users of who use dry areas of aquatic facilities.
Animal Management		
Health and safety		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	Nil animal management prosecutions commenced during the reporting period.
Food Safety		
Health and safety		
<i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	
Governance		
Satisfaction		
<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]	51.00	
Home and Community Care (HACC)		
Participation		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	33.45%	
Participation		
<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	21.47%	

Libraries		
Participation		
<i>Active library members</i> [Number of active library members / Municipal population] x100	18.83%	Library figure includes a third of active users of mobile and HQ library due to these facilities being used by three municipal areas
Maternal and Child Health (MCH)		
Participation		
<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	84.77%	
Participation		
<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	79.31%	
Roads		
Satisfaction		
<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]	49.00	
Statutory Planning		
Decision making		
<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	100.00%	
Waste Collection		
Waste diversion		
<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	47.34%	Organic waste kerbside collection service commenced December 2014.

*Council has not reported material variations as there is no base year with which 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>	2015	2016	2017	2018	2019	Material Variations
Efficiency						
Revenue level						
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,734.52	\$1,854.61	\$1,906.88	\$1,951.00	\$1,995.79	No material variations
Expenditure level						
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,147.53	\$3,072.01	\$3,095.72	\$3,113.04	\$3,121.90	No material variations
Workforce turnover						
<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	12.26%	5.95%	5.79%	5.79%	5.79%	Higher turnover in 2015 is attributed to implementation of a leaner corporate structure and natural attrition.
Liquidity						
Working capital						
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	331.60%	190.36%	170.87%	136.71%	122.41%	2015 actuals contains 50% of Federal Assistance Grant received on 30 June 2015
Unrestricted cash						
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	237.26%	116.04%	96.87%	65.28%	50.79%	2015 actuals contains 50% of Federal Assistance Grant received on 30 June 2015

Obligations						
Asset renewal						
<i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	65.14%	74.69%	74.36%	82.81%	87.19%	No material variations
Loans and borrowings						
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	20.67%	16.78%	13.16%	9.72%	6.36%	No material variations
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.53%	4.08%	3.87%	3.69%	3.52%	No material variations
Indebtedness						
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	42.66%	33.90%	30.51%	27.63%	25.17%	No material variations
Operating position						
Adjusted underlying result						
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	-0.87%	-0.70%	-2.88%	-2.48%	-1.08%	No material variations

Stability						
Rates concentration						
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	57.05%	63.73%	66.44%	67.33%	67.75%	No material variations
Rates effort						
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.62%	0.65%	0.67%	0.69%	0.71%	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 22 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.



Leanne Mulcahy

General Manager Corporate, MBA
Principal Accounting Officer

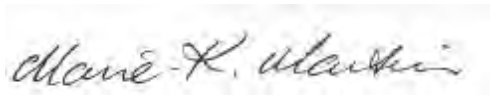
Dated: 28 September 2015

In our opinion, the accompanying performance statement of the Moira 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.



Marie Martin, Mayor

Dated: 28 September 2015



Peter Mansfield, Councillor
Dated: 28 September 2015



Mark Henderson
Chief Executive Officer
Dated: 28 September 2015



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moira Shire Council

The Performance Statement

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

The Councillors' Responsibility for the Performance Statement

The Councillors of the Moira 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.

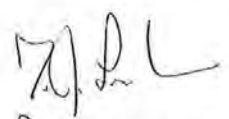
Independent Auditor's Report (continued)*Independence*

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 Moira 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
29 September 2015


Dr Peter Frost
Acting Auditor-General

Financial Statements 2014-15

For year ended 30 June 2015



Left to right – Thompson's Beach jetty Cobram; Landfill rehabilitation works; Moira Shire immunisation services; Cobram streetscape works included the planting of a mature palm tree.

**MOIRA SHIRE COUNCIL
ANNUAL FINANCIAL REPORT**

For the Year Ended 30 June 2015

MOIRA SHIRE COUNCIL
Financial Report
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Comprehensive Income Statement For the Year Ended 30 June 2015

	Note	2015 \$	2014 \$
Income			
Rates and charges	3	31,304,490	28,916,674
Statutory fees and fines	4	1,093,865	992,152
User fees	5	2,667,669	2,726,841
Grants - operating	6	16,381,358	22,115,671
Grants - capital	6	4,785,332	4,169,885
Contributions - monetary	7	417,502	583,943
Contributions - non monetary	7	1,708,660	2,018,041
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	96,507	(130,632)
Share of net profits/(losses) of associates and joint ventures	16	58,156	46,505
Other income	9	1,336,246	5,418,540
Total income		59,849,785	66,857,620
Expenses			
Employee costs	10	18,401,057	17,710,484
Materials and services	11	18,616,880	26,196,786
Bad and doubtful debts	12	108	-
Depreciation and amortisation	13	8,273,708	9,725,604
Borrowing costs	14	526,503	587,100
Other expenses	15	3,879,771	3,914,858
Impairment losses on infrastructure assets replaced	8	5,645,038	2,287,179
Total expenses		55,343,065	60,422,011
Surplus/(deficit) for the year		4,506,720	6,435,609
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	30	6,739,311	(94,437,654)
Total comprehensive result		11,246,031	(88,002,045)

The above comprehensive income statement should be read in conjunction with the accompanying notes set out on pages [6 to 39].

Balance Sheet
As at 30 June 2015

	Note	2015 \$	2014 \$
Assets			
Current assets			
Cash and cash equivalents	17	16,258,027	11,662,551
Trade and other receivables	18	3,479,757	3,445,019
Other financial assets	19	8,020,033	2,775,598
Inventories	20	593,195	423,562
Non-current assets classified as held for sale	21	373,184	441,936
Other assets	22	246,200	121,032
Total current assets		28,970,396	18,869,698
Non-current assets			
Investments in associates and joint ventures	16	706,929	648,773
Property, infrastructure, plant and equipment	23	499,544,711	497,396,851
Intangible assets	25	1,020,257	909,902
Total non-current assets		501,271,897	498,955,526
Total assets		530,242,293	517,825,224
Liabilities			
Current liabilities			
Trade and other payables	26	1,790,860	2,343,777
Trust funds and deposits	27	1,307,327	1,013,071
Provisions	28	4,686,063	4,338,114
Interest-bearing loans and borrowings	29	892,420	829,560
Non interest-bearing loans and borrowings	29(a)	60,000	60,000
Total current liabilities		8,736,670	8,584,522
Non-current liabilities			
Provisions	28	9,956,014	7,984,629
Interest-bearing loans and borrowings	29	5,579,447	6,471,942
Non interest-bearing loans and borrowings	29(a)	60,099	120,099
Total non-current liabilities		15,595,560	14,576,670
Total liabilities		24,332,230	23,161,192
Net assets		505,910,063	494,664,032
Equity			
Accumulated surplus		175,943,200	171,511,380
Restricted reserves	30	1,337,837	1,262,937
Asset revaluation reserves	30	328,629,026	321,889,715
Total Equity		505,910,063	494,664,032

The above balance sheet should be read in conjunction with the accompanying notes set out on pages [6 to 39].

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

	Note	Total \$	Accumulated Surplus \$	Restricted Reserve \$	Asset Revaluation Reserve \$
2015					
Balance at beginning of the financial year		494,664,032	171,511,380	1,262,937	321,889,715
Surplus/(deficit) for the year		4,506,720	4,506,720	-	-
Net asset revaluation increment/(decrement)	30(a)	6,739,311	-	-	6,739,311
Transfers to other reserves	30(b)	-	(74,900)	74,900	-
Balance at end of the financial year		505,910,063	175,943,200	1,337,837	328,629,026

		Total \$	Accumulated Surplus \$	Restricted Reserve \$	Asset Revaluation Reserve \$
2014					
Balance at beginning of the financial year		582,666,077	165,100,571	1,238,137	416,327,369
Surplus/(deficit) for the year		6,435,609	6,435,609	-	-
Net asset revaluation increment/(decrement)	30(a)	(94,437,654)	-	-	(94,437,654)
Transfers to other reserves	30(b)	-	(24,800)	24,800	-
Balance at end of the financial year		494,664,032	171,511,380	1,262,937	321,889,715

The above statement of changes in equity should be read with the accompanying notes set out on pages [6 to 39].

Statement of Cash Flows
For the Year Ended 30 June 2015

		2015 Inflows/ (Outflows) \$	2014 Inflows/ (Outflows) \$
	Note		
Cash flows from operating activities			
Rates and charges		30,927,621	28,562,653
Statutory fees and fines		1,083,357	968,870
User fees		2,930,617	3,091,455
Grants - operating		16,330,188	22,321,083
Grants - capital		4,692,932	4,169,885
Contributions - monetary		325,092	583,943
Interest received		529,465	528,779
Trust funds and deposits taken		459,882	340,143
Other receipts		1,190,328	346,278
Net GST refund		1,899,825	3,308,069
Employee costs		(17,551,025)	(17,257,877)
Materials & services		(19,816,694)	(35,192,339)
Trust funds and deposits repaid		(185,681)	(627,888)
Other payments		(4,011,994)	(4,379,163)
Net cash provided by/(used in) operating activities	31	<u>18,803,913</u>	<u>6,763,891</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	23	(7,777,792)	(7,302,843)
Proceeds from sale of property, infrastructure, plant and equipment		230,832	701,062
Net cash provided by/(used in) investing activities		<u>(7,546,960)</u>	<u>(6,601,781)</u>
Cash flows from financing activities			
Repayment of borrowings		(889,635)	(829,104)
Interest paid		(527,407)	(587,937)
Net cash provided by/(used in) financing activities		<u>(1,417,042)</u>	<u>(1,417,041)</u>
Net increase (decrease) in cash and cash equivalents		9,839,911	(1,254,931)
Cash and cash equivalents at the beginning of the financial year		14,438,149	15,693,080
Cash and cash equivalents at the end of the financial year	32	<u>24,278,060</u>	<u>14,438,149</u>

The above statement of cash flow should be read with the accompanying notes set out on pages [6 to 39].

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

	Note	2015	2014
		\$	\$
Property			
Land		54,438	8,052
Land improvements		521,190	208,162
Total land		575,628	216,214
Buildings		867,246	1,468,606
Total buildings		867,246	1,468,606
Total property		1,442,874	1,684,820
Plant and equipment			
Plant, machinery and equipment		735,378	1,342,783
Total plant and equipment		735,378	1,342,783
Infrastructure			
Roads		4,793,256	3,935,001
Footpaths and cycleways		296,853	136,528
Drainage		509,431	193,137
Other infrastructure		-	10,574
Total infrastructure		5,599,540	4,275,240
Total capital works expenditure		7,777,792	7,302,843
Represented by:			
New asset expenditure		634,691	-
Asset renewal expenditure		5,389,519	5,369,949
Asset expansion expenditure		522,268	1,041,419
Asset upgrade expenditure		1,231,314	891,475
Total capital works expenditure		7,777,792	7,302,843

The above statement of capital works should be read with the accompanying notes set out on pages [6 to 39].

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

Introduction

The Moira Shire Council was established by an Order of the Governor in Council on 18 November 1994 and is a body corporate.

The Council's main office is located at 44 Station Street, Cobram.

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 (m))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (n))
- the determination of employee provisions (refer to note 1 (t))

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

(c) Principles of consolidation

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

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

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

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

(d) Committees of management

Council controls 35 committees of management that have material revenues, expenses, assets or liabilities, which have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

Note 1 Significant accounting policies (cont.)

(e) Accounting for investments in associates and joint arrangements

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.

Council does not have any joint operations or joint ventures.

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

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.

(g) Fair value measurement

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.

Note 1 Significant accounting policies (cont.)

(g) Fair value measurement (cont.)

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.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) Non-current assets classified as held for sale

A non-current asset classified as held for sale (including disposal groups) is measured at the lower of its carrying amount and fair value less costs to sell, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

(m) 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 1n 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.

Note 1 Significant accounting policies (cont.)

(m) Recognition and measurement of property, plant and equipment, infrastructure, intangibles (cont.)

Revaluation (cont.)

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 23, Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from three to four 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

Council recognises land under roads it controls at fair value.

(n) Depreciation of property, infrastructure, plant and equipment

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	Threshold Limit \$
Property		
land		-
land improvements	20 years	2,000
buildings	65 to 90 years	2,000
Plant and Equipment		
plant, machinery and equipment	3 to 25 years	2,000
fixtures, fittings and furniture	3 to 30 years	2,000
motor vehicles	7 years	2,000
Infrastructure		
sealed roads		
- seals	18 years	2,000
- pavement	80 years	2,000
- formation	not depreciated	
unsealed roads		
- pavement	15 to 25 years	2,000
- formation	not depreciated	
road kerb, channel and minor culverts	75 years	2,000
bridges		
- timber	80 years	2,000
- steel and concrete	150 years	2,000
footpaths and cycleways		
- concrete	60 years	2,000
- gravel	20 years	2,000
drainage		
- main drains	100 years	2,000
- culverts and floodways	100 years	2,000
recreational, leisure and community facilities		
- playground equipment	20 years	2,000

Note 1 Significant accounting policies (cont.)

(n) Depreciation of property, infrastructure plant and equipment (cont.)

Asset recognition thresholds and depreciation periods (cont.)

	Depreciation Period	Threshold Limit \$
Infrastructure (cont.)		
parks, open space and streetscapes		
- parks and gardens	20 years	2,000
pumps	30 years	2,000
other infrastructure assets	10 to 100 years	2,000

(o) 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.

(p) Investment property

Council does not hold any investment properties.

(q) 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.

(r) 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 27).

(s) 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 and interest on borrowings.

(t) 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, annual leave and accumulated sick leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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

Note 1 Significant accounting policies (cont.)

(t) Employee costs and benefits (cont.)

Superannuation

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

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.

(u) Landfill rehabilitation provision

Council is obligated to restore landfill sites at Cobram, Yarrawonga and Numurkah to a particular standard. The forecast life of these sites 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.

(v) Leases

Finance leases

Council has not entered into any finance lease arrangements.

Operating leases

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

Leasehold improvements

Council does not have leasehold improvements.

(w) 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.

(x) 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 right will be exercised.

Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 36 Contingent Liabilities and Contingent Assets.

(y) Contingent assets and contingent liabilities and commitments

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

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

Note 1 Significant accounting policies (cont.)

(z) Pending accounting standards

Certain new Australian accounting standards 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.

(aa) Rounding

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

(ab) Comparison to previous year

This financial report has been prepared to adhere to the requirements of *Local Government (Planning and Reporting) Regulations 2014*. This has required changes to the classification of some items reported in the 2013/14 financial statements, these changes have had no impact to the 2013/14 financial result.

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 \$100,000 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 23 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 \$	Actual 2015 \$	Variance 2015 \$	Ref
Income				
Rates and charges	31,901,299	31,304,490	(596,809)	1
Statutory fees and fines	902,116	1,093,865	191,749	2
User fees	2,843,997	2,667,669	(176,328)	3
Grants - operating	11,215,994	16,381,358	5,165,364	4
Grants - capital	5,934,400	4,785,332	(1,149,068)	5
Contributions - monetary	93,600	162,025	68,425	6
Contributions - non monetary	200,000	1,708,660	1,508,660	7
Capital contributions	170,259	255,477	85,218	8
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	23,325	23,325	
Net gain/(loss) of sale of land held for resale	-	73,182	73,182	9
Share of net profits/(losses) of associates and joint ventures	-	58,156	58,156	
Other income	759,937	1,336,246	576,309	10
Total income	54,021,602	59,849,785	5,828,183	
Expenses				
Employee costs	18,642,025	18,401,057	240,968	11
Materials and services	19,306,909	18,616,880	690,029	12
Bad and doubtful debts	5,000	108	4,892	
Depreciation and amortisation	8,740,057	8,273,708	466,349	13
Borrowing costs	527,476	526,503	973	
Share of net profits/(losses) of associates and joint ventures	20,000	-	20,000	
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	18,379	-	18,379	
Other expenses	4,134,980	3,879,771	255,209	14
Written down value of infrastructure assets replaced	200,000	5,645,038	(5,445,038)	15
Total expenses	51,594,826	55,343,065	(3,748,239)	
Surplus/(deficit) for the year	2,426,776	4,506,720	2,079,944	

a) Income and Expenditure (cont.)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Rates and charges	Variance driven by delay in rollout of Organic Waste Service from July to Dec 2014 (\$444K) which is offset by a matching variance in Materials and Services, and lower than planned income from supplementary rate assessments.
2	Statutory Fees & Charges	Variance primarily driven by increased revenue from Town Planning Fees.
3	User Fees	Variance primarily driven by additional unplanned income from use of Moira's microwave communications tower, and higher than planned Landfill/Transfer station fees.
4	Grants - Operating	Variance primarily driven by receipt of 50% of 2015/16 Financial Assistance Grant early (\$4.85M) and increased income from Family Day Care & Maternal Health driven by increased patronage.
5	Grants - Capital	Variance driven by delay in commencing projects (i.e. Yarrowonga Aerodrome and Cobram Library) resulting in delay in receiving grants.
6	Contributions - Monetary	Variance driven by higher than expected Developer contributions to Open Space reserves.
7	Contributions - non monetary	Variance driven by contributions of infrastructure (mainly roads, drainage and kerbs and channels) from developers.
8	Capital Contributions	Variance driven by recognition of previous years street schemes income.
9	Net gain/(loss) of sale of land held for resale	Variance driven by profit on sale of land higher than planned.
10	Other Income	Variance driven by sale & leaseback of IT equipment \$187K, revaluation of water rights \$110K, and Interest income of \$244K.
11	Employee Costs	Variance primarily driven by savings in labour costs delivered through delays in back-filling roles through the year, and savings in Workcover levies delivered through active management of workplace accidents and injury management, offset by finalising FBT liability of \$343K [2012/13 to 2014/15].
12	Materials and services	Variance driven by savings across a number of activities, the significant items include: savings driven by the delay in rollout of the Organic Waste service \$500K and other implementation costs of \$100K; savings from other waste management costs \$100K, savings from Asset Management consultant fees \$70K, savings generated from lower fuel cost \$200K; savings on insurance costs \$70K; savings from improvement in delivery of IT support costs \$125K; and delays in implementing some environmental programs \$150K and IT strategy program \$450K, which have been delayed to the 2015/16 year.
13	Depreciation and Amortisation	Variance driven by lower depreciation charges associated with disposed assets.
14	Other expenses	Variance driven by savings in Advertising \$60K, Subscriptions and memberships \$50K.
15	WDV of infrastructure assets replaced	Fixed Assets replaced or disposed of during the year including: part of Victoria Park transferred to Department of Education; Tungamah Recreation Reserve netball courts replaced; and Cobram Saleyard pens/yards and concrete floor demolished.

Note 2 Budget comparison (cont.)

b) Capital Works

	Budget 2015 \$	Actual 2015 \$	Variance 2015 \$	Ref
Property				
Land	-	46,161	46,161	1
Land under Roads	-	8,277	8,277	2
Land improvements	1,600,000	521,190	(1,078,810)	3
Buildings	2,018,333	867,246	(1,151,087)	4
Total Property	3,618,333	1,442,874	(2,175,459)	
Plant and Equipment				
Plant, machinery and equipment	800,450	735,378	(65,072)	5
Total Plant and Equipment	800,450	735,378	(65,072)	
Infrastructure				
Roads	5,621,406	4,793,256	(828,150)	6
Footpaths and cycleways	80,000	296,853	216,853	7
Drainage	525,000	509,431	(15,569)	8
Other infrastructure	75,000	-	(75,000)	9
Total Infrastructure	6,301,406	5,599,540	(701,866)	
Total Capital Works Expenditure	10,720,189	7,777,792	(2,942,397)	
Represented by:				
New asset expenditure	-	634,691	634,691	
Asset renewal expenditure	5,441,856	5,389,519	(52,337)	
Asset expansion expenditure	2,113,333	522,268	(1,591,065)	
Asset upgrade expenditure	3,165,000	1,231,314	(1,933,686)	
Total Capital Works Expenditure	10,720,189	7,777,792	(2,942,397)	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	This variance is due to correct classification of the purchase of land at Cobram adjacent to the proposed Cobram library. The land was budgeted as part of the Library project (building improvements) and will be used for additional parking at the site.
2	Land under roads	Primarily attributable to costs of purchase of land at the intersection of Labuan and Sandmount Roads. Extensive works have been carried out in previous financial years and this cost represents finalisation of the project.
3	Land improvement	The variance is primarily attributable to the Cobram landfill (cells 1-4) project. The expenditure upon this project has been utilised for reducing the landfill liability, and has been expensed. (\$924K)
4	Buildings	This variance is primarily attributable to the Cobram Library project which has been staged over several years and budgeted at the full value for the initial stage in 2014/15.
5	Plant, machinery and equipment	The budget is set on likely plant values. The current market is down for plant so Council has been able to purchase plant at lower than average prices this year.
6	Roads	Primarily due to asset classification of works done in Cobram CBD from roads as the project was budgeted, to actual expenditure across the asset classes including, \$150K to footpaths and \$530K to other infrastructure. Also due to addition of Karook Street Traffic safety works in to the Budget from the previous year.
7	Footpaths and cycleways	Primarily due to asset classification of works done in Cobram CBD from roads as the project was budgeted to actual expenditure across the asset classes including, \$150K to footpaths and cycleways.
8	Drainage	Primarily due to Catona Crescent, Cobram drainage works not being finalised by financial year end.
9	Other infrastructure	Predominantly attributed to the Pools Strategy project that was budgeted for and not completed. The project will be completed in the 2015/16 financial year.

	2015	2014
	\$	\$

Note 3 Rates and charges

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

The valuation base used to calculate general rates for 2014/15 was \$5.024 million (2013/14, \$4.955 million). The 2014/15 rate in the CIV dollar was 0.003848 (2013/14, 0.003647).

General rates	20,402,669	18,795,386
Municipal charge	4,848,921	4,687,818
Kerbside collection service	1,246,856	1,184,778
Environmental levy	3,274,362	3,210,227
Recycling service	1,094,971	1,038,465
Organic waste service	436,659	-
Special rates and charges	52	-
Total rates and charges	31,304,490	28,916,674

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

Note 4 Statutory fees and fines

Town planning fees	254,012	217,953
Building services fees	415,017	366,514
Land information certificates	33,082	31,313
Environmental permits	57,684	53,164
Business registration fees	118,471	119,810
Animal registration and control fees	183,359	181,549
Other statutory fees and fines	32,240	21,849
Total statutory fees and fines	1,093,865	992,152

Note 5 User fees

Leisure centre and recreation	25,644	3,756
Child care/children's programs	54,560	53,813
Waste management services	1,425,840	1,421,466
Rates legal cost recoveries	187,640	147,407
Town planning fees and fines	21,325	14,526
Local law infringements	34,719	62,559
Rent and other property income	208,978	116,032
Section 86 Committees income	302,266	443,747
Public hall and park hire fees	30,327	30,430
Sundry works and works within road reserve fees	67,918	82,976
Emergency management fees	1,409	30,093
Caravan park charges	262,128	254,686
Other fees and charges	44,915	65,350
Total user fees	2,667,669	2,726,841

	2015	2014
	\$	\$
Note 6 Grants		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	17,495,313	23,153,722
State funded grants	3,671,377	3,131,834
Total	21,166,690	26,285,556
Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Victoria Grants Commission	14,598,174	4,885,642
Family day care	596,124	557,839
<i>Recurrent - State Government</i>		
School crossing supervisors	16,372	15,970
Maternal and child health	309,644	308,083
Recreation, leisure and community activities	55,700	56,700
Community health and safety	105,745	122,918
Roadside weeds and pest management	50,000	50,000
Environmental programs	29,764	35,000
Economic development	10,000	10,000
Other	24,100	35,545
Total recurrent operating grants	15,795,623	6,077,697
<i>Non-recurrent - Commonwealth Government</i>		
Environmental programs	-	23,540
Disaster recovery	252,613	15,805,926
<i>Non-recurrent - State Government</i>		
Environmental programs	131,666	47,510
Flood mitigation	-	66,667
Economic development	60,000	71,591
Community health and safety	33,956	-
Recreation, leisure and community activities	107,500	-
Other	-	22,740
Total non-recurrent operating grants	585,735	16,037,974
Total operating grants	16,381,358	22,115,671
Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,767,698	1,401,200
Total recurrent capital grants	1,767,698	1,401,200
<i>Non-recurrent - Federal Government</i>		
Roads - black spot program	280,704	479,575
<i>Non-recurrent - State Government</i>		
Land Improvements	250,000	-
Buildings	61,500	1,156,835
Drainage	250,000	-
Parks, open space and streetscape	650,000	-
Roads - country roads and bridges	1,000,000	1,000,000
Recreation, leisure and community facilities	525,430	132,275
Total non-recurrent capital grants	3,017,634	2,768,685
Total capital grants	4,785,332	4,169,885
Total Grants	21,166,690	26,285,556
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:	361,871	667,075
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:	663,694	342,651
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(301,823)	324,424

	2015 \$	2014 \$
Note 7 Contributions		
Monetary - Operating	162,025	170,336
Monetary - Capital	255,477	413,607
Non-monetary	1,708,660	2,018,041
Total contributions	2,126,162	2,601,984
<i>Contributions to monetary - operating were received in relation to:</i>		
Contributions to community activities & facilities	22,430	74,560
Contributions to economic development activities	20,123	7,750
Developer contributions to restricted reserves	74,900	4,800
Contributions to operational costs	44,572	83,226
	162,025	170,336
<i>Contributions of monetary - capital were received in relation to the following asset classes:</i>		
Buildings	23,636	217,274
Infrastructure	241,841	196,333
	265,477	413,607
<i>Contributions of non monetary assets were received in relation to the following asset classes:</i>		
Land	8,656	1,327
Buildings	98,824	13,583
Infrastructure	1,601,180	2,003,131
Total non-monetary contributions	1,708,660	2,018,041
Note 8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	230,832	701,062
Written down value of assets sold	(134,325)	(831,694)
Net gain/(loss) on sale of property, infrastructure, plant and equipment	96,507	(130,632)
Impairment losses on infrastructure assets replaced	(5,645,038)	(2,287,179)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(5,452,024)	(2,548,443)
Note 9 Other income		
Interest	544,030	525,679
Reimbursements and subsidies	77,484	82,991
Legal costs recouped	34,024	69,814
Recognition of assets under council control	7,800	4,569,882
Rates property revaluation costs recouped	126,611	721
Energy rebate scheme income	45,644	59,858
Sale of recyclables income	76,934	(12,095)
IT equipment sale & leaseback	186,659	-
Revaluation of intangible asset	110,355	-
Visitor information centre income	46,801	-
Other income	79,904	121,690
Total other income	1,336,246	5,418,540
Note 10 (a) Employee costs		
Wages and salaries	14,597,171	14,340,903
Annual leave and long service leave	1,028,714	753,498
Casual staff	240,245	463,282
WorkCover	165,757	211,277
Superannuation	1,365,883	1,321,057
Fringe benefits tax	481,337	225,044
Other	521,950	395,423
Total employee costs	18,401,057	17,710,484
Note 10 (b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	23,511	29,481
	23,511	29,481
There were no employer contributions payable at reporting date.		

	2015	2014
	\$	\$
Note 10 (b) Superannuation (cont.)		
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,185,368	1,068,389
Employer contributions - other funds	157,004	223,187
	1,342,372	1,291,576
Employer contributions payable at reporting date.	36,953	36,913

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

Accumulation

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

Defined Benefit

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

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

	2015	2014
	\$	\$
Note 11 Materials and services		
Building maintenance	271,574	376,687
General maintenance	3,154,832	3,058,468
Infrastructure maintenance	3,288,319	2,704,001
Office administration	186,404	272,530
Information technology	681,626	956,578
Community development	762,818	823,804
Disaster recovery	5,244	3,963,306
Waste management	919,153	860,734
Environmental management	169,260	140,452
Insurance	524,461	537,166
Utilities	931,663	1,218,437
Contract payments	4,095,561	10,346,542
Consultant fees	594,813	369,600
Law enforcement	68,662	44,553
Section 86 Committees	358,050	460,354
Other materials and services	31,777	63,574
Additional landfill provision cost	2,572,663	-
Total materials and services	18,616,880	26,196,786

	2015	2014
	\$	\$

Note 12 Bad and doubtful debts

Other debtors	108	-
Total bad and doubtful debts	108	-

Note 13 Depreciation and amortisation

Property	2,460,598	2,362,485
Plant and equipment	378,707	343,387
Infrastructure	5,434,403	7,019,732
Total depreciation and amortisation	8,273,708	9,725,604

Refer to note 23 for a more detailed breakdown of depreciation.

Note 14 Borrowing costs

Interest - Borrowings	526,503	587,100
Total borrowing costs	526,503	587,100

Note 15 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	51,300	61,478
Auditors' remuneration - Internal	44,158	35,518
Councillors' allowances	288,464	276,874
Contributions and donations	2,330,616	2,148,699
Legal costs	203,236	348,266
Bank fees	105,665	96,740
Postage	31,849	28,766
Memberships and subscriptions	157,127	155,937
Advertising	275,283	259,763
Revaluation of intangible assets	-	108,564
Interest on unwinding of discount on provisions	232,499	265,407
Other	159,574	128,846
Total other expenses	3,879,771	3,914,858

Note 16 Investment in associates, joint arrangements and subsidiaries

a) Investments in associates

Investments in associates accounted for by the equity method are:

- Goulburn Valley Regional Library Corporation	691,695	635,522
- Moira Arts and Culture Inc.	15,234	13,251
Total investments in associates	706,929	648,773

Goulburn Valley Regional Library Corporation

Background

Goulburn Valley Regional Library Corporation operates a regional library. Its ownership is shared between several local councils in the area, including Moira Shire Council with a stakeholding of 28.86%.

Fair value of Council's investment in Goulburn Valley Regional Library Corporation	691,695	635,522
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Council's share of accumulated surplus/(deficit)

Council's share of accumulated surplus/(deficit) at start of year	(185,238)	(218,492)
Reported surplus/(deficit) for year	56,173	33,254
Council's share of accumulated surplus/(deficit) at end of year	(129,065)	(185,238)

	2015	2014
	\$	\$

Note 16 Investment in associates, joint arrangements and subsidiaries (cont.)

Goulburn Valley Regional Library Corporation (cont.)

Movement in carrying value of specific investment

Carrying value of investment at start of year	635,522	602,268
Share of surplus(deficit) for year	56,173	33,254
Carrying value of investment at end of year	<u>691,695</u>	<u>635,522</u>

Council's share of expenditure commitments

Operating commitments	-	2,003
Council's share of expenditure commitments	<u>-</u>	<u>2,003</u>

Council's share of contingent liabilities and contingent assets

No contingent assets or liabilities were disclosed by Goulburn Valley Regional Library Corporation.

Significant restrictions

There are no significant restrictions on the ability of associate to transfer assets to Council in the form of dividends or to repay loans or advances made by Council.

Moira Arts and Culture Inc.

Background

Moira Arts and Culture Inc. was incorporated to promote arts and culture in the Shire. Moira Shire Council with a 20% stakeholding with two directors on the board of Moira Arts and Culture Inc.

Fair value of Council's investment in Moira Arts and Culture Inc.	<u>15,234</u>	<u>13,251</u>
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Council's share of accumulated surplus/(deficit)

Council's share of accumulated surplus(deficit) at start of year	13,251	-
Adjustment to surplus(deficit) for previous year	(7,515)	-
Reported surplus(deficit) for year	9,498	13,251
Council's share of accumulated surplus(deficit) at end of year	<u>15,234</u>	<u>13,251</u>

Movement in carrying value of specific investment

Carrying value of investment at start of year	13,251	-
Adjustment to surplus(deficit) for previous year	(7,515)	-
Share of surplus(deficit) for year	9,498	13,251
Carrying value of investment at end of year	<u>15,234</u>	<u>13,251</u>

Council's share of expenditure commitments

No commitments were disclosed by Moira Arts and Culture Inc.

Council's share of contingent liabilities and contingent assets

No contingent assets or liabilities were disclosed by Moira Arts and Culture Inc.

Significant restrictions

There are no significant restrictions on the ability of associate to transfer assets to Council in the form of dividends or to repay loans or advances made by Council.

b) Subsidiaries

Council does not have any subsidiaries.

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

	2015	2014
	\$	\$
Note 17 Cash and cash equivalents		
Cash on hand	6,150	6,150
Cash at bank	6,039,566	1,656,401
Cash at call	3,400,000	2,000,000
Term deposits (with maturity terms less than 90 days)	6,812,311	8,000,000
	16,258,027	11,662,551
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Trust funds and deposits (Note 27)	1,307,327	1,013,071
- Restricted reserves (Note 30(b))	1,337,837	1,262,937
- Unexpended grants	904,495	1,078,879
Total restricted funds	3,549,659	3,354,887
Total unrestricted cash and cash equivalents	12,708,368	8,307,664

Note 18 Trade and other receivables

Current

Rates debtors	2,314,849	1,675,707
Special rate assessment	21,904	36,377
Loans and advances to community organisations	-	7,500
Infringement debtors	153,452	138,340
GST	186,131	431,685
Sundry debtors	503,785	728,753
Provision for doubtful debts - sundry debtors	(550)	(550)
Fire services levy	300,186	427,207
Total current trade and other receivables	3,479,757	3,445,019

Non-current

Total non-current trade and other receivables	-	-
Total trade and other receivables	3,479,757	3,445,019

a) Ageing of Receivables

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

Current (not yet due)	436,719	400,324
Past due by up to 30 days	48,524	117,614
Past due between 31 and 180 days	14,677	30,815
Past due between 181 and 365 days	2,965	180,000
Past due by more than 1 year	900	-
Total trade & other receivables	503,785	728,753

b) Movement in provisions for doubtful debts

Balance at the beginning of the year	(550)	(550)
Balance at end of year	(550)	(550)

c) Ageing of individually impaired Receivables

The ageing of receivables that have been individually determined as impaired at reporting date was:
At balance date there were no financial assets which were impaired.

Note 19 Other financial assets

Term deposits (with maturity terms greater than 90 days)	8,020,033	2,775,598
Total other financial assets	8,020,033	2,775,598

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

	2015	2014
	\$	\$
Note 20 Inventories		
Inventories held for distribution	577,559	423,562
Inventories held for sale	15,636	-
Total Inventories	593,195	423,562
Note 21 Non current assets classified as held for sale		
Cost of acquisition/revaluation	441,936	441,936
Less: Industrial land sold during the year	(68,752)	-
Total non current assets classified as held for resale	373,184	441,936
Note 22 Other assets		
Prepayments	90,457	75,726
Accrued Income	155,743	45,306
Total other assets	246,200	121,032

Note 23 Property, infrastructure plant and equipment

Land and Buildings	Land - specialised	Land - non specialised	Land improvements	Total Land	Buildings - non specialised	Total Buildings	Work in Progress	Total Property
At fair value 1 July 2014	35,467,381	52,020,430	36,472,746	123,960,557	127,271,699	127,271,699	206,753	251,439,009
Accumulated depreciation at 1 July 2014	-	-	(12,599,334)	(12,599,334)	(52,599,040)	(52,599,040)	-	(65,198,374)
	35,467,381	52,020,430	23,873,412	111,361,223	74,672,659	74,672,659	206,753	186,240,635
Movements in fair value								
Acquisition of assets at fair value	9,184	53,910	218,015	281,109	729,953	729,953	543,419	1,554,481
Revaluation increments/decrements	149,814	-	2,572,663	2,722,477	9,680	9,680	-	2,732,157
Fair value of assets disposed	-	(2,720,118)	(2,894,467)	(5,614,585)	(478,790)	(478,790)	-	(6,093,375)
Impairment losses recognised in operating result	-	-	-	-	-	-	(22,914)	(22,914)
Transfers	-	-	9,000	9,000	134,904	134,904	(134,904)	9,000
	158,998	(2,666,208)	(94,789)	(2,601,999)	395,747	395,747	385,601	(1,820,651)
Movements in accumulated depreciation								
Depreciation and amortisation	-	-	(909,545)	(909,545)	(1,551,053)	(1,551,053)	-	(2,460,598)
Accumulated depreciation of disposals	-	-	628,223	628,223	247,509	247,509	-	875,732
Revaluation increments/decrements	-	-	-	-	(3,881)	(3,881)	-	(3,881)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-
Transfers	-	-	(4,558)	(4,558)	-	-	-	(4,558)
	-	-	(285,880)	(285,880)	(1,307,425)	(1,307,425)	-	(1,593,305)
At fair value 30 June 2015	35,626,379	49,354,222	36,377,957	121,358,558	127,667,446	127,667,446	592,354	249,618,358
Accumulated depreciation at 30 June 2015	-	-	(12,885,214)	(12,885,214)	(53,906,465)	(53,906,465)	-	(66,791,679)
	35,626,379	49,354,222	23,492,743	108,473,344	73,760,981	73,760,981	592,354	182,826,679

Plant and Equipment

	Plant machinery and equipment	Fixtures fittings and furniture	Total plant and equipment
At fair value 1 July 2014	2,913,012	120,917	3,033,929
Accumulated depreciation at 1 July 2014	(968,471)	(60,281)	(1,028,752)
	1,944,541	60,636	2,005,177
Movements in fair value			
Acquisition of assets at fair value	735,378	-	735,378
Revaluation increments/decrements	-	-	-
Fair value of assets disposed	(153,134)	-	(153,134)
Impairment losses recognised in operating result	-	-	-
Transfers	-	-	-
	582,244	-	582,244
Movements in accumulated depreciation			
Depreciation and amortisation	(368,846)	(9,861)	(378,707)
Accumulated depreciation of disposals	91,257	-	91,257
Revaluation increments/decrements	-	-	-
Impairment losses recognised in operating result	-	-	-
Transfers	-	-	-
	(277,589)	(9,861)	(287,450)
At fair value 30 June 2015	3,495,256	120,917	3,616,173
Accumulated depreciation at 30 June 2015	(1,246,060)	(70,142)	(1,316,202)
	2,249,196	50,775	2,299,971

Note 23

Property, infrastructure plant and equipment (cont.)

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community facilities
Infrastructure					
At fair value 1 July 2014	312,930,987	26,260,593	15,488,120	55,437,362	1,846,441
Accumulated depreciation at 1 July 2014	(79,887,943)	(8,504,430)	(3,019,427)	(17,553,164)	(339,888)
	<u>233,043,044</u>	<u>17,756,163</u>	<u>12,468,693</u>	<u>37,884,198</u>	<u>1,506,553</u>
Movements in fair value					
Acquisition of assets at fair value	5,438,485	-	549,885	1,061,721	-
Revaluation increments/decrements	344,395	-	-	-	247,430
Fair value of assets disposed	(289,137)	-	(171,016)	(73,213)	(24,100)
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	37,634	-	23,981	22,222	(9,000)
	<u>5,531,377</u>	<u>-</u>	<u>402,860</u>	<u>1,010,730</u>	<u>214,330</u>
Movements in accumulated depreciation					
Depreciation and amortisation	(4,130,270)	(191,798)	(325,370)	(575,364)	(78,021)
Accumulated depreciation of disposals	90,769	-	24,183	4,048	7,376
Revaluation increments/decrements	3,151,119	-	-	-	268,091
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	-	4,558
	<u>(888,382)</u>	<u>(191,798)</u>	<u>(301,187)</u>	<u>(571,316)</u>	<u>202,004</u>
At fair value 30 June 2015	318,462,364	26,260,593	15,890,980	56,448,092	2,060,771
Accumulated depreciation at 30 June 2015	(80,776,325)	(8,696,228)	(3,320,614)	(18,124,480)	(137,884)
	<u>237,686,039</u>	<u>17,564,365</u>	<u>12,570,366</u>	<u>38,323,612</u>	<u>1,922,887</u>

	Other Infrastructure	Work In Progress	Total Infrastructure	Total Assets
Infrastructure (cont.)				
At fair value 1 July 2014	9,771,550	153,767	421,888,820	676,361,758
Accumulated depreciation at 1 July 2014	(3,432,929)	-	(112,737,781)	(178,964,907)
	<u>6,338,621</u>	<u>153,767</u>	<u>309,151,039</u>	<u>497,396,851</u>
Movements in fair value				
Acquisition of assets at fair value	-	154,301	7,204,392	9,494,251
Revaluation increments/decrements	-	-	591,825	3,323,982
Fair value of assets disposed	-	-	(557,466)	(6,803,975)
Impairment losses recognised in operating result	-	(78,470)	(78,470)	(101,384)
Transfers	-	(83,847)	(9,000)	-
	<u>-</u>	<u>(8,016)</u>	<u>7,151,281</u>	<u>5,912,874</u>
Movements in accumulated depreciation				
Depreciation and amortisation	(133,580)	-	(5,434,403)	(8,273,708)
Accumulated depreciation of disposals	-	-	126,376	1,093,365
Revaluation increments/decrements	-	-	3,419,210	3,415,329
Impairment losses recognised in operating result	-	-	-	-
Transfers	-	-	4,558	-
	<u>(133,580)</u>	<u>-</u>	<u>(1,884,259)</u>	<u>(3,765,014)</u>
At fair value 30 June 2015	9,771,550	145,751	429,040,101	682,274,632
Accumulated depreciation at 30 June 2015	(3,566,509)	-	(114,622,040)	(182,729,921)
	<u>6,205,041</u>	<u>145,751</u>	<u>314,418,061</u>	<u>499,544,711</u>

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

Valuation of land and buildings

Land assets were valued by Marcus Hann of LG Valuation Services Pty Ltd at 30 June 2012. The valuation of land is at fair value being market value based on highest and best use permitted by relevant land planning provisions. The valuation process involved an inspection of each asset to identify and value each property's fair value. Valuation of land assets is due again in 2015/16.

Land under Roads was valued at 30 June 2015 by Ms Tricia Simpson, Asset Technical Officer for Moira Shire Council in accordance with the "Englobo Method" of calculation provided in the Department of Planning and Community Development Circular 15/11. The Englobo Method of valuation of land under roads is a calculation based on the area the unimproved value of all land within the municipality discounted by 90% multiplied by the area of land under roads. The value of land under roads will be re-calculated every year.

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

Buildings were valued at 30 June 2014 by Marcus Hann of LG Valuation Services in accordance with AASB 113 and AASB 116 as a component of the valuation works to be provided under Moira Shire Council Contract C168/10. The valuation of land and buildings is at fair value being market value based on highest component to determine each property's fair value. Buildings will be re-valued again in 2016/17.

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	Total
Land - specialised	-	-	35,626,379	35,626,379
Land - non specialised	-	48,981,038	-	48,981,038
Industrial land held for resale	-	373,184	-	373,184
Land improvements	-	-	23,492,743	23,492,743
Buildings - non specialised	-	-	73,760,981	73,760,981
Total	-	49,354,222	132,880,103	182,234,325

Valuation of infrastructure

The 2014/15 valuation of infrastructure assets owned and controlled by the Moira Shire Council, except the valuation of playground equipment, was undertaken by Council's engineering and asset management staff under the supervision of Mr Mark Foord, Manager Strategic Projects. The valuation of playground equipment was conducted by a qualified independent valuer, Ray Hutchison and Associates.

The unit rates and effective lives of all asset classes were reviewed where applicable by Council's asset management and engineering staff using actual rates or benchmark data from the Municipal Association of Victoria (MAV Step Program) and the North East Asset Management Group (NEAMG).

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	Total
Roads	-	-	237,686,039	237,686,039
Bridges	-	-	17,564,365	17,564,365
Footpaths and cycle ways	-	-	12,570,366	12,570,366
Drainage	-	-	38,323,612	38,323,612
Playground equipment	-	-	1,922,887	1,922,887
Other Infrastructure	-	-	6,205,041	6,205,041
Total	-	-	314,272,310	314,272,310

	2015	2014
	\$	\$

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

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 under roads is valued in accordance with the Englobo Method. This method is recommended with Australian Infrastructure Financial Management Guidelines, published by Institute of Public Works, Australia. Currently land values range between \$0.04 and \$4,400 per square metre.

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 assets are determined on the basis of the current condition of the asset and vary from 2 years to 150 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

Crown land	30,892,174	30,892,174
Land under roads	4,734,205	4,575,207
Total specialised land	35,626,379	35,467,381

	2015	2014	
	\$	\$	
Note 24 Investment property			
Council does not have investment properties			
Note 25 Intangible assets			
Water rights	1,020,258	909,902	
Total Intangible assets	1,020,258	909,902	
	Water Rights	Total	
	\$	\$	
Gross carrying amount			
Balance at 1 July 2013	1,018,466	1,018,466	
Fair value adjustment	(108,564)	(108,564)	
Balance at 1 July 2014	909,902	909,902	
Fair value adjustment	110,355	110,355	
Balance at 30 June 2015	1,020,257	1,020,257	
Net book value at 30 June 2014	909,902	909,902	
Net book value at 30 June 2015	1,020,257	1,020,257	
Note 26 Trade and other payables			
Trade payables	950,267	1,938,715	
Net GST payable	(109,759)	(154,601)	
Accrued expenses	950,352	559,663	
Total trade and other payables	1,790,860	2,343,777	
Note 27 Trust funds and deposits			
Refundable deposits	675,700	429,196	
Fire services levy	484,350	464,302	
Retention amounts	147,277	119,573	
Total trust funds and deposits	1,307,327	1,013,071	
<i>Purpose and nature of items</i>			
Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities			
Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.			
Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.			
Note 28 Provisions			
	Landfill restoration	Employee provisions	Total
	\$	\$	\$
2015			
Balance at beginning of the financial year	8,602,677	3,720,066	12,322,743
Additional provisions	2,572,663	586,668	3,159,331
Amounts used	(924,382)	(148,113)	(1,072,495)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	232,499	-	232,499
Balance at the end of the financial year	10,483,457	4,158,621	14,642,078
2014			
Balance at beginning of the financial year	8,410,711	3,403,013	11,813,724
Provision write-back	-	(80,765)	(80,765)
Additional provisions	904,994	520,070	1,425,064
Amounts used	(978,435)	(122,252)	(1,100,687)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	265,407	-	265,407
Balance at the end of the financial year	8,602,677	3,720,066	12,322,743

	2015	2014
	\$	\$
Note 28 Provisions (cont.)		
Current		
Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	975,191	993,087
Annual leave loading	108,305	97,559
Long service leave	2,007,902	1,660,504
Rostered days off	135,977	150,995
	<u>3,227,375</u>	<u>2,902,145</u>
Current provisions expected to be wholly settled after 12 months		
Annual leave	551,809	480,979
	<u>551,809</u>	<u>480,979</u>
Landfill provisions		
Landfill restoration provisions	906,879	954,990
Total current provisions	<u>4,686,063</u>	<u>4,338,114</u>
Non-current		
Non-current Employee provisions		
Long service leave	379,437	336,942
Landfill provisions		
Landfill restoration provisions	9,576,577	7,647,687
Non-current carrying amount of provisions	<u>9,956,014</u>	<u>7,984,629</u>
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	4.44%	4.80%
Weighted average discount rates	3.03%	3.79%
Weighted average settlement period	12 mths	12 mths
The following assumptions were adopted in measuring the present value of landfill rehabilitation:		
Weighted average increase in costs	5.53%	2.81%
Weighted average discount rates	3.03%	3.79%
Weighted average settlement period	7 yrs	7 yrs
Note 29 Interest-bearing loans and borrowings		
Current		
Borrowings - secured	892,420	829,560
	<u>892,420</u>	<u>829,560</u>
Non-current		
Borrowings - secured	5,579,447	6,471,942
	<u>5,579,447</u>	<u>6,471,942</u>
Total	<u>6,471,867</u>	<u>7,301,502</u>
a) The maturity profile for Council's borrowings is:		
Not later than one year	892,420	829,560
Later than one year and not later than five years	4,118,158	4,022,567
Later than five years	1,461,289	2,449,375
	<u>6,471,867</u>	<u>7,301,502</u>
b) Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	892,420	829,560
Non-current	5,579,447	6,471,942
	<u>6,471,867</u>	<u>7,301,502</u>
Interest-bearing loans and borrowings are secured by a lien on Council rate revenue.		
Council currently does not have an overdraft facility, the fixed rate loan facilities are fully utilised with no unused facility.		

	2015	2014
	\$	\$
Note 29 (a) Non-Interest-bearing loans and borrowings		
Current		
Land acquisition	60,000	60,000
	<u>60,000</u>	<u>60,000</u>
Non-current		
Land acquisition	60,099	120,099
	<u>60,099</u>	<u>120,099</u>
Total	<u>120,099</u>	<u>180,099</u>
 a) The maturity profile for Council's borrowings is:		
Not later than one year	60,000	60,000
Later than one year and not later than five years	60,099	120,099
	<u>120,099</u>	<u>180,099</u>

Non-Interest-bearing loans and borrowings are unsecured.

Note 30 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$	\$	\$
(a) Asset revaluation reserves			
2015			
Property			
Land	33,069,806	149,814	33,219,620
Buildings	50,885,351	5,799	50,891,150
Land Improvements	11,166,045	2,572,663	13,738,708
	<u>95,121,202</u>	<u>2,728,276</u>	<u>97,849,478</u>
Infrastructure			
Roads	171,733,389	3,495,514	175,228,903
Bridges	16,948,461	-	16,948,461
Footpaths and cycleways	9,110,165	-	9,110,165
Drainage	24,956,948	-	24,956,948
Recreational, leisure and community facilities	884,594	515,521	1,400,115
Other infrastructure	3,134,956	-	3,134,956
	<u>226,768,513</u>	<u>4,011,035</u>	<u>230,779,548</u>
Total asset revaluation reserves	<u>321,889,715</u>	<u>6,739,311</u>	<u>328,629,026</u>
2014			
Property			
Land	34,238,442	(1,168,636)	33,069,806
Buildings	51,761,200	(875,849)	50,885,351
Land Improvements	8,348,702	2,817,343	11,166,045
	<u>94,348,344</u>	<u>772,858</u>	<u>95,121,202</u>
Infrastructure			
Roads	265,003,446	(93,270,057)	171,733,389
Bridges	18,888,916	(1,940,455)	16,948,461
Footpaths and cycleways	9,110,165	-	9,110,165
Drainage	24,956,948	-	24,956,948
Recreational, leisure and community facilities	884,594	-	884,594
Other infrastructure	3,134,956	-	3,134,956
	<u>321,979,025</u>	<u>(95,210,512)</u>	<u>226,768,513</u>
Total asset revaluation reserves	<u>416,327,369</u>	<u>(94,437,654)</u>	<u>321,889,715</u>

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

Note 30 Reserves (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$	\$	\$	\$
(b) Other reserves				
2015				
Restricted reserve - recreation open space reserve	929,301	74,900	-	1,004,201
Restricted reserve - car parking reserve	273,636	-	-	273,636
Restricted reserve - net gain native vegetation reserve	60,000	-	-	60,000
Total Other reserves	1,262,937	74,900	-	1,337,837
2014				
Restricted reserve - recreation open space reserve	924,501	4,800	-	929,301
Restricted reserve - car parking reserve	273,636	-	-	273,636
Restricted reserve - net gain native vegetation reserve	40,000	20,000	-	60,000
Total Other reserves	1,238,137	24,800	-	1,262,937

Recreation open space reserve has been established in accordance with the Sub-division Act 1988 and is used to develop strategically located parks and reserves for the benefit of the residents in the municipality

Car parking reserve has been established under the Planning and Environment Act 1987 and is used to provide adequate car parking spaces within the municipality

Net gain native vegetation reserve has been established under the Planning and Environment Act 1987 and is used to fulfill Council's obligation in regard to planting of native vegetation.

	2015 \$	2014 \$
Note 31 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	4,506,720	6,435,609
Depreciation/amortisation	8,273,708	9,725,604
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(96,507)	130,632
Impairment losses on infrastructure assets replaced	5,645,038	2,287,179
Contributions - Non-monetary assets	(1,708,660)	(2,018,041)
Share of net profit of investments in associates	(58,156)	(46,505)
Prior year capital works expensed	101,391	-
Fair value adjustment of intangible asset	(110,355)	108,565
Net previously unrecognised asset	(7,800)	(4,569,882)
Other	527,407	587,937
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(34,738)	(73,315)
(Increase)/decrease in prepayments	(14,731)	(28,962)
Increase/(decrease) in accrued income	(110,437)	178,972
Increase/(decrease) in trade and other payables	(552,917)	(5,437,309)
(Decrease)/increase in other liabilities	294,249	(287,745)
(Increase)/decrease in inventories	(169,633)	168,106
Increase/(decrease) in provisions	2,319,334	(396,954)
Net cash provided by/(used in) operating activities	<u>18,803,913</u>	<u>6,763,891</u>
Note 32 Reconciliation of cash and cash equivalents		
Cash and cash equivalents (see note 17)	16,258,027	11,662,551
Other financial assets (see note 19)	8,020,033	2,775,598
	<u>24,278,060</u>	<u>14,438,149</u>
Note 33 Financing arrangements		
Fixed rate loan facilities (see note 29)	6,471,867	7,301,502
Used facilities	6,471,867	7,301,502
Unused facilities	-	-

Interest-bearing loans are borrowed with a lien on Council rates revenue.

Note 34 Commitments

The Council has entered into the following commitments

2015	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
Operating					
Environmental management	110,909	56,455	-	-	167,364
Building design	46,516	-	-	-	46,516
Recreation facilities management	736,914	-	-	-	736,914
Cleaning contracts for council buildings	265,205	102,591	76,943	-	444,739
Leasing of plant	971,175	2,263,987	1,215,181	203,012	4,653,355
Total	2,130,719	2,423,033	1,292,124	203,012	6,048,888
Capital					
Drainage	97,928	-	-	-	97,928
Total	97,928	-	-	-	97,928

2014	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$	\$	\$	\$	\$
Operating					
Waste and recycling collection	113,564	113,564	151,418	-	378,546
Cleaning contracts for council buildings	55,184	-	-	-	55,184
Security contracts for council buildings	55,603	-	-	-	55,603
Electoral services	2,957	-	-	-	2,957
Software system support	210,000	880,000	-	-	1,090,000
Recreation facilities management	840,914	-	-	-	840,914
Leasing of plant	1,433,862	1,341,400	1,935,839	56,326	4,767,427
Total	2,712,084	2,334,964	2,087,257	56,326	7,190,631

	2015	2014
	\$	\$
Note 35 Operating leases		
(a) Operating		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	1,230,684	1,591,279
Later than one year and not later than five years	3,994,780	3,001,651
Later than five years	203,012	191,985
	<u>5,428,476</u>	<u>4,784,915</u>

(b) Operating

The Council does not have commercial property leases on investment properties.

Note 36 Contingent liabilities and contingent assets

Contingent liabilities

Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. This includes a legal matter involving a previous employee and Council. As these matters are yet to be finalised and the financial outcomes are unable to be reliably measured, no allowances for these contingencies have been made in the financial report.

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

Moira 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 Moira 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 information 4.25% pa

Price inflation (CPI) 2.75% pa

Vision Super has advised that the estimated VBI at quarter ending 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, Moira 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, Moira 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 36 Contingent liabilities and contingent assets (cont.)

Contingent liabilities (cont.)

Funding calls (cont.)

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Moira 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 Moira 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.

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

Note 10b Superannuation Contributions

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

Scheme	Type of Scheme	Rate	2015 \$'000	2014 \$'000
Vision Super	Defined benefits	9.50%	23.5	29.0
Vision Super	Accumulation	9.50%	1,185.4	1,068.0
Other Funds	Accumulation	9.50%	157.0	223.0

In addition to the above contributions, Moira Shire Council has paid no unfunded liability payments to Vision Super during the 2014/15 year (2013/14 Nil paid during the 2013/14 year).

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 \$24,300.

Guarantees for loans to other entities

Council has not provided any guarantees for loans to other entities.

Contingent assets

Developer contributions expected to be received in respect of property sub-divisions currently under development total \$200,000 (2013/14 \$200,000).

Note 37 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 report. 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. 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 36.

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 36, 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 29.

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

Note 37 Financial Instruments (cont.)

e) Fair value

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

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

- A parallel shift of +1.0% and -1.0% in market interest rates (AUD) from year-end rates of 2.0 %.

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.

Note 38 Related party transactions

(i) Responsible Persons

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

Councillors Mayor Peter Mansfield (01/07/2014 - 05/11/2014)
Mayor Marie Martin (06/11/2014 - 30/06/2015)
Councillor Kevin Bourke
Councillor Wendy Buck
Councillor Gary Cleveland
Councillor Ed Cox
Councillor Brian Keenan
Councillor Peter Mansfield (06/11/2014 - 30/06/2015)
Councillor Marie Martin (01/07/2014 - 05/11/2014)
Councillor Robert McPhee
Councillor Alex Monk

Chief Executive Officer Mark Henderson

(ii) Remuneration of Responsible Persons

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

	2015 No.	2014 No.
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	2	5
\$30,000 - \$39,999	4	2
\$40,000 - \$49,999	1	1
\$60,000 - \$69,999	1	1
\$80,000 - \$89,999	1	-
\$240,000 - \$249,999	1	1
	<u>10</u>	<u>11</u>

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

\$621,430 \$520,499

(iii) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$136,000

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

Income Range:	2015 No.	2014 No.
Less than \$136,000	5	2
\$136,000 - \$139,999	1	-
\$150,000 - \$159,999	1	-
\$160,000 - \$169,999	2	2
\$220,000 - \$229,999	1	2
	<u>10</u>	<u>6</u>

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

\$1,155,223 \$872,794

Increase in total remuneration in 2014/15 is mainly due to the transitional period of structural changes in the organisation where two or more directors were working concurrently for a two months, and other end of contract payments.

(iv) Responsible persons retirement benefits

No retirement benefits have been made by Council to a Responsible Person in 2014/15 (2013/14 \$Nil).

(v) Loans to responsible persons

No loans have been made, guaranteed or secured by the council to a responsible person of the council during the reporting period (2013/14 \$Nil).

(vi) Transactions with responsible persons

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with responsible persons, or related parties of such responsible persons during the reporting year (2013/14 \$Nil).

Note 39 Events occurring after balance date

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

Certification of the Financial Statements

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



Leanne Mulcahy, MBA
Principal Accounting Officer

Date : 28 September 2015
Cobram

In our opinion the accompanying financial statements present fairly the financial transactions of Moira 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 and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Councillor Marie Martin
Mayor

Date : 28 September 2015
Cobram



Councillor Peter Mansfield
Deputy Mayor

Date : 28 September 2015
Cobram



Mark Henderson
Chief Executive Officer

Date : 28 September 2015
Cobram



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Moira Shire Council

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Moira 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 Moira 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.

Auditing in the Public Interest

Independent Auditor's Report (continued)


Independence

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

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Moira 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
29 September 2015


for Dr Peter Frost
Acting Auditor-General



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