



MoiraShire



ENRICHING LIFE ON THE MURRAY

**ANNUAL REPORT  
2012/2013**

AMENDED JUNE 2014

WORKING TOGETHER FOR A BETTER FUTURE

# INTRODUCTION





## Vision

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

## Mission

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

## Core Values

Moira Shire Council is committed to the values of community, honesty, innovation, integrity, responsibility, responsiveness, trust, leadership and accountability.

## About this Annual Report

Welcome to Moira Shire Council's Annual Report for 2012/13. This report is presented as part of Council's commitment to open, transparent and accountable governance.

The Annual Report highlights achievements and outcomes for 2012/13, is based on the objectives and targets set in the Council Plan and incorporates the Strategic Resource Plan and the Budget.

The [Council Plan](#) sets the strategic direction and key strategic activities for the organisation for a four-year period, based on four key goals.

The [Strategic Resource Plan](#) outlines the financial and non-financial resources required to deliver these objectives and activities in a financially sustainable manner.

The [Budget](#) sets the specific financial goals for the year and is formed from the guidance provided by the long term planning contained within the Strategic Resource Plan.

The [Performance Statement](#) outlines performance targets and measures relating to the key strategic activities established in the Budget and reported through the Council Plan.

The [Standard Statements](#) provide a clear link between the Strategic Resource Plan, Council Plan, Budget and Annual Report. The Standard Statements contain information on financial performance, cash flow, capital works and financial position in a format that enables easier comparison with the adopted Budget.

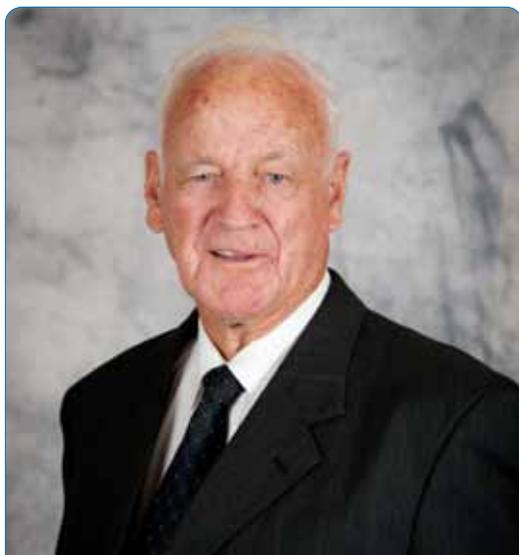
The [Financial Statements](#) show Moira Shire Council's overall financial performance and provide details for a number of financial indicators set by the State Government.

The Performance, Standard and Financial Statements are independently audited by Moira Shire Council's internal audit committee and the Victorian Auditor-General. In addition, Council is required to certify a number of other statutory reporting requirements.

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## Message from the Mayor and Chief Executive Officer



Cr Brian Keenan, Moira Shire Mayor

A handwritten signature in black ink, appearing to read 'Brian Keenan'.



Gary Arnold, Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Gary Arnold'.

The October 2012 Local Government Election saw nine elected representatives form a new Council. The new Council continued to build on the strategic planning and gains from previous Councils to position Moira Shire as a premier destination to live, work and invest. As one of the fastest growing municipalities in regional Victoria, Moira Shire Council is well positioned to continue on this path.

The 2012/13 financial year presented the regular spread of both challenges and opportunities for Moira Shire Council. On the back of the March 2012 flood, Mother Nature dealt us yet another blow in March 2013 in the form of the first F3 tornado ever recorded in Victoria. The towns of Koonoomoo and Bundalong, along with neighbouring municipalities, were severely affected.

The recovery efforts from these two events were momentous and will continue over the months ahead. Throughout each of the recovery processes our overwhelming emotion was one of pride at the sense of resilience and community spirit demonstrated across the entire Shire, from the east to the west.

Flood recovery works are continuing and have been coordinated from the Flood Recovery Office in Numurkah which provides a centralised resource base. The estimated cost of this disaster, measured in terms of response and relief costs, damage to community infrastructure (local roads, bridges, buildings, recreation reserves, parks and gardens) sits at \$49.8 million, as at 30 June 2013. Flood recovery works have been funded by the Australian Government through the National Disaster Relief and Recovery Arrangements.

Recovery from the tornado followed in the same vein, but on a reduced scale. The tornado hit an isolated corridor, however left a trail of extreme destruction decimating properties, infrastructure and the general landscape. As was the case with the flood, the tornado event was declared a National Disaster and deemed eligible for disaster funding provided by the Australian Government.

Council acknowledges the recovery process has been an arduous one and has worked diligently to provide support and assistance to those affected by these devastating events, and restore community infrastructure. We congratulate staff on their commitment to the process and thank supporting agencies and government departments for their ongoing assistance. We take this opportunity to thank the community for its resolve and determination to move forward and recover from such events. While recovery was a priority, Council continued to provide its core service delivery throughout this period. The 2012/13 financial year saw Moira Shire Council deliver a major capital works program to the value of \$8.2 million which included \$3.7 million on roads and bridges, \$600,000 on traffic safety measures and \$300,000 on parks and gardens. In addition to this Council has continued its provision of critical services such as Family Day Care; maternal child health and immunisation services; animal registration; management of native vegetation conservation; and the management and facilitation of a range of youth based events and services.

The Council's overall financial position remains sound but under increasing pressure with declining external operating revenues and continued expectations of service and facility expansion.

Moirashire Council implemented an organisation-wide integrated IT platform which involved scoping and implementing various modules across departments and functions. Ongoing testing was conducted throughout the implementation, however, the system was comprehensively tested for the first time at 30 June 2013 when Council processed the end of financial year process and associated functions.

The Council is already starting to see the benefits of such a system, particularly in terms of identifying and generating process efficiencies and tighter revenue identification and collection. However given the magnitude and complexity of such a large project, the ongoing integration of multiple legacy systems across Council and the fact that this was the first experience of such a large IT project roll out at Moira, a number of issues arose. These issues impacted on Council's ability to deliver against certain deliverables – most notably the issuing of the annual rates notices (compounded by the inclusion of the fire levy) and a number of the Key Reporting Areas (KRAs) in the Annual Performance Statement. In particular, transitioning across to the new system mid-year impacted on Council's ability to report against measurement criteria in the areas of Customer Service, 'hits' to Council's website and its Communication Strategy.

Councillors have provided strong leadership and direction in line with the Council Plan and contributed to many allied organisations that enhance the work or directly deliver functions on behalf of the Council.

The role of Council is a diverse one and, as we reflect on the year that has been we must also look to the future. The future will bring many challenges but Moira Shire is prepared and will continue to serve our community with integrity and vision.

As Mayor and CEO of a vibrant rural municipality we are proud of the achievements of Council, Councillors and staff during a challenging year and commit to continuing to provide opportunity for our community to contribute to Moira's exciting future.

# Community Profile

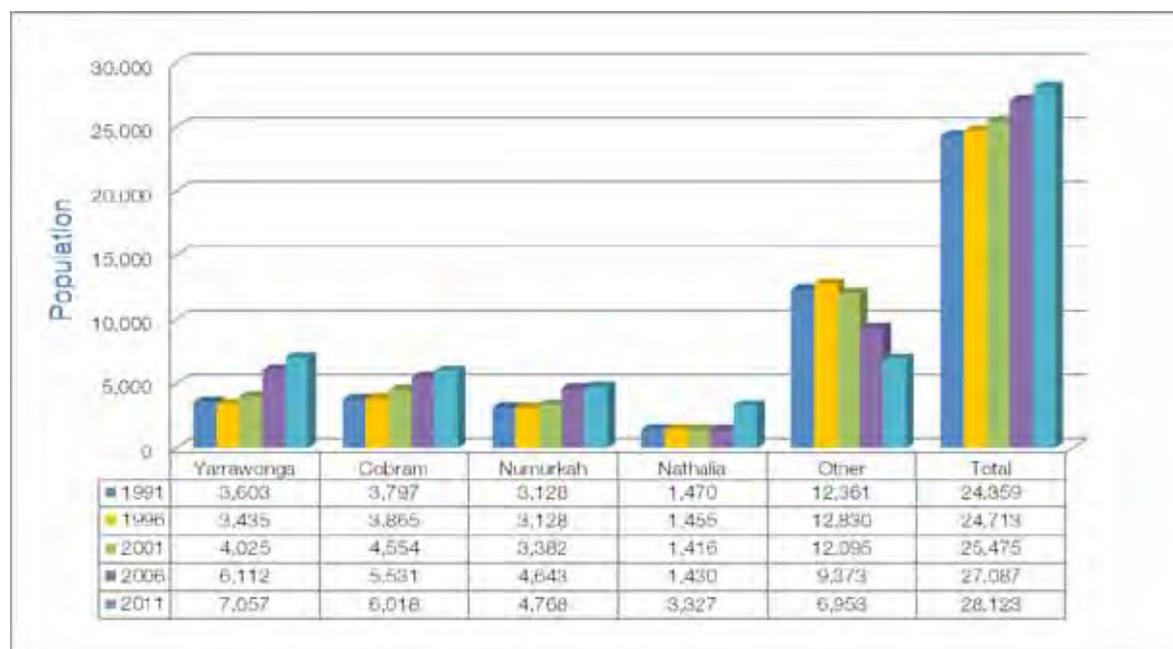
## POPULATION

Moira Shire was home to an estimated 28,123 people at the 2011 Census, with an average growth rate of 0.13% per annum from 2006/2011.

The growth rate has slightly decreased from an

annual growth of 0.24% from 2001 - 2006.

Building approvals in Moira have decreased from 221 in 2010/2011 to approximately 150 approvals for 2011/2012.



## HOUSING COSTS

Compared to regional Victoria, Moira Shire has a larger proportion of households that are owned outright. Moira has fewer homeowners with mortgages and fewer renters. Of occupied private dwellings in Moira 40.8% were owned outright (34.2% in Victoria), 31.8% were owned with a mortgage (35.9% in Victoria) and 23.3% were rented (26.5).

Since the 2011 census recorded a larger number of households being owned outright or with mortgages and few houses being rented than those recorded in the 2006 census.

The average cost of renting in Moira was \$160 per week which is significantly less to the Victorian average of \$277 per week. Overall, 93.5 percent of rental payments in Moira are less than 30% of household income, 6.5 percent of rental payments are 30%, or greater, of household income.

The median monthly mortgage repayments in Moira is approximately \$500 less than the Victorian average. Moira residents pay an average of \$1,200 per month with the Victorian average sitting at approximately \$1,700 per month.

## CELEBRATING DIVERSITY

Overall, 14.9 percent of the population was born overseas, and 3.9 percent were from a non-English speaking background. This compares to 68.6 percent and 5.0 percent respectively for Regional Victoria.

Of those who were born overseas, the majority come from the England and New Zealand followed by Italy, Scotland and India.

Moira's Indigenous population is 1.4 percent, double that of the Victorian average.

Overall, 67.2 percent of people born overseas speak English only and 6.3 percent do not speak English well at all or well. This compares to 67.8 percent and 5.5 percent respectively for regional Victoria.

## CITIZENSHIP

Moira Shire Council welcomed 22 new citizens during the Annual Report period who have come from various backgrounds, some who have lived here for years and others who have just arrived.

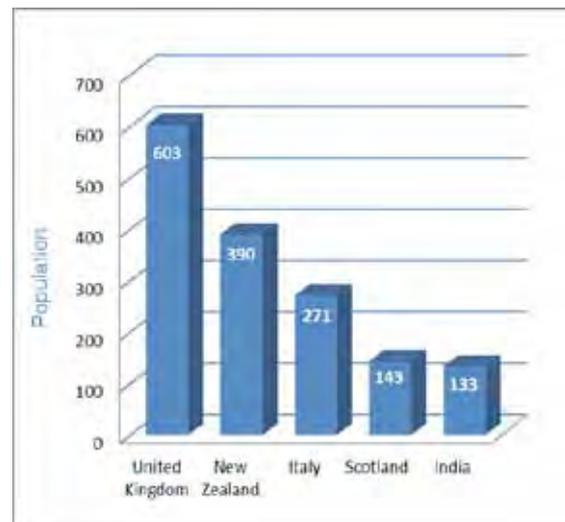
A citizenship ceremony was held on 23 July 2012 in which four candidates were awarded citizenship. A very special ceremony was conducted on Australia Day, 26 January 2013 where 18 people participated and everyone was invited to take part in an affirmation ceremony.

## AGE GROUPS

Like many Victorian municipalities, Moira Shire has an increasingly ageing population, although some townships have an older average age than others - Cobram and Numurkah had a median age of 42 and 43 years, Yarrawonga 47 years and Nathalia 45 years.

Overall, 25.8 percent of the population was aged between 0 and 19, and 28.7 percent were aged 60 years or older. Moira Shire has slightly more people under the age of 19 and more people over the age of 60 compared to the average for Victoria.

## Top five country of birth (other than Australia)



## EMPLOYMENT

The municipality has a labour force of 12,249 people and boasts a strong employment rate. Moira's unemployment rate was 4.8 percent at the 2011 Census with the Victorian unemployment rate sitting slightly higher at 5.4 percent.

The highest proportion of employment is in agriculture, forestry and fishing. This represents 19.2 percent of the workforce. This is followed by manufacturing, health care and social assistance, retail trade and education and training.

Moira has a higher proportion of people who work from home (12.7 percent compared to 7.3 percent for regional Victoria), slightly more people who travel to work by car (62.2 percent compared to 61.4 percent) and more people who walk to work (5.6 percent compared to 3.3 percent).

## ECONOMY

### AGRICULTURE AND FOOD PRODUCTION

Irrigation is the key to this high level of agricultural production in the Moira Shire, with approximately 62,400 hectares under irrigation . A substantial proportion of the land area supports dryland farming enterprises. These are mostly mixed farm businesses producing livestock and growing cereals (usually wheat, canola or barley) and some legumes and oilseeds. Sheep raising for wool or fat lamb production and cattle for beef production, are the main dryland livestock enterprises.

The food product manufacturing sector, comprising principally dairy products (output \$560m), oil and fats manufacturing (output \$86m) and meat processing (output \$47m), is the largest sector based on output in the Moira Shire.

The processing sector relies on the Shire's agricultural production for much of its raw material supply, although the extent of this reliance varies between commodities.

### OTHER INDUSTRIES

While agriculture and food value-adding are the driving sectors of Moira Shire's economy, the Shire also has a diverse range of other important sectors that are experiencing growth. Manufacturing, agriculture, construction, rental, hiring and real estate, health, retail and wholesale are leading this diversification.

Tourism, has become a less significant contributor to Moira Shire's economy. Tourism generates an estimated \$90 million for the local community, including approximately 510 jobs, or about 5.6 percent of Moira Shire's workforce. This places tourism as the seventh largest contributor to economic output in the municipality.

Industry Sector	Output \$M	% of Total
Manufacturing	942.5	35.7
Agriculture, Forestry & Fishing	386.9	14.6
Construction	231.9	8.8
Rental, Hiring & Real Estate Service	220.6	8.4
Health Care & Social Assistance	123.2	4.7
Retail Trade	103.8	3.9
Wholesale Trade	87.8	3.3

# About the Moira Community

## THE MOIRA ADVANTAGE

Moira Shire's municipal region comprises the major centres of Cobram, Nathalia, Numurkah and Yarrowonga, as well as 18 smaller towns and communities.

It is a vibrant and progressive place in which to live, work and invest. In fact, so many people are choosing to call Moira home that it is one of the fastest growing municipalities in Victoria.

Moira Shire has welcoming communities, where people are only too willing to offer friendship and support. It offers the very best in provincial living.

Stretching from Bundalong in the east to Barmah in the west, attractions include wineries, historic homesteads, galleries, craft shops, licensed clubs, water sports, fishing, beaches, forests, lakes, rivers and wetlands.

This all adds up to what the locals call 'the Moira Advantage'; Moira Shire has the lifestyle, location and opportunities to maximise the 'Moira Advantage'.

## LIFESTYLE

Access to affordable rural and urban housing, good education facilities, excellent sporting and recreation opportunities, award-winning health services, clean, fresh air and an active and friendly community; it is no surprise to those who live in Moira Shire that the area is experiencing strong residential and commercial growth.

## LOCATION

Moira Shire is strategically positioned two-and-a-half hour's drive from Melbourne and close to other regional centres such as Shepparton, Wangaratta, Echuca-Moama and Albury-Wodonga, in north-central Victoria.

## OPPORTUNITIES

The area's warm Mediterranean climate, appealing natural environment and strategic location means Moira Shire is home to significant agriculture, retail, tourism and manufacturing sectors.



Locations of Moira Shire and the major centres within close proximity

## Councillor Profiles

Moira Shire Council has nine elected representatives across an unsubdivided municipality. The current Council was elected in October 2012.

Councillors liaise with Moira Shire Council's Corporate Management Team to establish and deliver strategic objectives for the organisation on behalf of the community.



**CR BRIAN KEENAN | MAYOR | Mobile: 0419 549 528 | [bkeenan@moira.vic.gov.au](mailto:bkeenan@moira.vic.gov.au)**

Cr Brian Keenan was born and raised in Yarrowonga. He is married to Shirley and has six adult children and 21 grandchildren.

Cr Keenan has been a CFA volunteer for almost 60 years and during that time was Rural Captain for 40 years, Region 23 Rural Fire Brigade Chairman for a number of years and most recently Chairman of Yarrowonga CFA.

Cr Keenan is a Life Member of CFA, Ambulance Service Victoria and Yarrowonga Mulwala Agricultural and Pastoral Society. Cr Keenan was formally an irrigation and dryland cropping and grazing farmer and is a retired real estate agent.



**CR WENDY BUCK | DEPUTY MAYOR | Mobile: 0427 820 645 | [wbuck@moira.vic.gov.au](mailto:wbuck@moira.vic.gov.au)**

Cr Wendy Buck extensively participates in the agricultural sector, taking on the role of Facilitator of a farming group, Community Representative and Chair of various organisations and committees.

As Community Representative on the Goulburn Broken Catchment Management Authority, Cr Buck is involved in sustainable irrigation and has a keen interest in landcare.

Cr Buck is a graduate of the Moira Shire Community Leadership Program and Fairley Leadership Program.

Cr Buck was elected to Council in August 2010. She is serving her first term as Deputy Mayor.



**CR KEVIN BOURKE | Mobile: 0400 652 912 | [kbourke@moira.vic.gov.au](mailto:kbourke@moira.vic.gov.au)**

Cr Kevin Bourke, along with his partner of 30 years Leanne, operates three small businesses in the Nathalia area

These are a unisex hairdressing and retail salon, a government-contracted school transport service and an extensive horticultural business that grows flowers and filler for the florist trade and export market.

Cr Bourke has extensive experience and qualifications in the agricultural/horticultural, transport and automotive industries.



**CR GARY CLEVELAND | Mobile: 0419 211 027 | [gcleland@moira.vic.gov.au](mailto:gcleland@moira.vic.gov.au)**

Cr Gary Cleveland and his wife Marilynne have three adult children and three grandchildren.

Cr Cleveland was a Primary School Principal for 13 years before retiring and now works as a Casual Funeral Director's Assistant.

Cr Cleveland has lived in Cobram for 34 years, is a member of the Rotary Club of Cobram and, after serving as President, was a Rotary Assistant Governor for three years. He is involved in the Ottrey Homes, Cobram Citizen's Advice Bureau as well as the Christ the King Anglican College school council.

Cr Cleveland is currently serving his first term as a Moira Shire Council Councillor.



**CR ED COX | Mobile: 0400 564 885 | [ecox@moira.vic.gov.au](mailto:ecox@moira.vic.gov.au)**

Cr Ed Cox is a beef and hay farmer from Cobram. He is married to Su and has four children.

Cr Cox is involved in a wide range of committees, including the Cobram Showground Committee of Management and Cobram Recreation Reserve Committee of Management, and he is a member of the Murray Darling Water Basin Committee.

Cr Cox was first elected to Moira Shire Council in 2003 and served as Mayor in 2005, 2006, 2010 and 2011.



**CR DON MCPHEE | Mobile: 0418 774 042 | [dmcphoe@moira.vic.gov.au](mailto:dmcphoe@moira.vic.gov.au)**

Cr Don McPhee and his wife Heather have operated a ladies fashion retail business in Yarrawonga for 25 years. They have two adult children.

Cr McPhee has been actively involved in business and charity groups; he is the past Chair of the Chamber of Commerce of Yarrawonga Mulwala Development Inc (YMD), Boat and Leisure Show Committee, Northern Disability Services (now PALS), Respite House Appeal Committee, Salvation Army Red Shield Appeal, Yarrawonga Belmore Streetscape project committee and current Chair of Yarrawonga Relay for Life.

Cr McPhee was elected for his first term in local government in October 2012.



**CR PETER MANSFIELD | [pmansfield@moira.vic.gov.au](mailto:pmansfield@moira.vic.gov.au)**

Cr Peter Mansfield is a semi-retired refrigeration mechanic, married to Mary, with three adult children.

Cr Mansfield has been the past President of Yarrawonga Mulwala Tourism and has 30 years involvement with the Scouts movement.

Cr Mansfield was elected to Moira Shire Council on 14 November 2011. He previously served on Yarrawonga Shire Council in the 1980s.



**CR MARIE MARTIN | Mobile: 0407 858 269 | [mmartin@moira.vic.gov.au](mailto:mmartin@moira.vic.gov.au)**

Cr Marie Martin is a primary teacher who lives in Numurkah with her husband Ron. They have two adult children.

Cr Martin has had a long association with a range of community groups, including in the role of Community Coordinator. Cr Martin devised Talking Books - Celebrating Our Cultural Riches, which is run under the auspices of Moira Shire Council's Multicultural Committee.

This is Cr Martin's first term as a Moira Shire Council Councillor.



**CR ALEX MONK | Mobile: 0427 683 382 | [amonk@moira.vic.gov.au](mailto:amonk@moira.vic.gov.au)**

Cr Alex Monk lives in Katamatite, with her husband Greg where they manage a family dairy farm business. She has four adult children and one grandchild.

Cr Monk was first elected in November 2008. She served two consecutive terms as Deputy Mayor, in 2010 and 2011, and one term as Mayor in 2012. During her term as Mayor, Moira Shire Council experienced the biggest natural disaster to date, a flood that covered and affected more than 70 percent of the Shire.

Cr Monk has had a long association with local community groups, including as a volunteer for Moira Palliative Care Service, Girl Guides Association, schools and sporting groups.

Cr Monk participated in and completed the Moira Shire Community Leadership Program and has successfully obtained her Diploma in Institute of Company Directors.

# Organisational Profile

The nine Councillors elected by the community form the Council, who in turn appoint a Chief Executive Officer to implement the decisions of Council. The Chief Executive Officer leads an organisational structure and is assisted by a team of three Directors to deliver a wide range of services to the community.

At the 30 June 2013, the actual operating expenditure for the 2012/13 financial year was

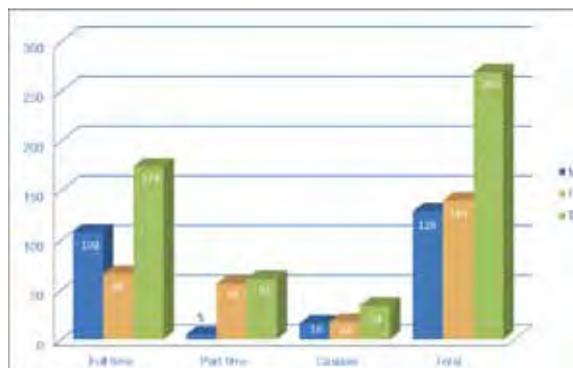
## STAFF

Moira Shire Council has 269 employees with an almost equal balance of males and females. Forty nine percent of females are employed full time while fifty one percent are employed on a part time or casual basis. Council's full time workforce is 62% male and 38% female.

Council is committed to providing staff with a progressive and supportive environment to deliver the best possible customer service, with a new focus on individual Work Plans, including, training and career progression as well as recognising and rewarding individual performance and efficiency.

Moira Shire Council also takes work/life balance seriously, with attractive and family-friendly working conditions. Flexible work arrangements and a variety of leave options provide the chance for staff to enjoy the wonderful lifestyle the area offers.

## Work Type and Gender Comparison



\$89.1 million and capital expenditure was \$7.8 million. With 184 equivalent full time employees, Moira Shire Council provided more than 140 services to the community located across the 4057 square kilometre municipality.

Council's administrative offices are located in Cobram and Yarrawonga and agency services provided in eight other towns throughout the municipality.

## ORGANISATIONAL STRUCTURE CHANGES

In February 2013, Phase 1 of an Organisational Restructure was announced and enacted. This included a realignment of the management team, utilising managers and directors to maximise their respective areas of strength.

Phase 1 saw the Council Organisational Structure change from a four director structure of Corporate Governance, Community Sustainability, Infrastructure Services and Development to the three new directorates of Community, Corporate Governance and Shire Development and Liveability.

Phase 1 also saw a few departmental shifts.

- Operations department shifted to Community Directorate
- Assets department reported directly to Shire Development and Liveability
- Finance department took on Quality Assurance and Contracts
- Environment department was renamed Safety, Amenity and Environment and took on the Safety and Amenity Team who were originally called Local Laws.
- Tourism department became a direct report to Economic Development.

# Organisational Chart



**Gary Arnold**

Chief Executive Officer

COUNCILLOR SUPPORT  
MEDIA



**Alison Coe**

Director Corporate Services

REVENUE/CONTRACT  
MANAGEMENT  
INFORMATION TECHNOLOGY  
GOVERNANCE  
HUMAN RESOURCES  
STRATEGIC/BUSINESS  
PLANNING



**Peter Bertulos**

Director Community

OPERATIONS  
SAFETY & AMENITY  
ENVIRONMENT  
ECONOMIC DEVELOPMENT  
COMMUNITY DEVELOPMENT  
FLOOD RECOVERY



**Paul Squires**

Director Shire Development and Liveability

INFRASTRUCTURE SERVICES  
TOWN PLANNING AND  
BUILDING  
ENGINEERING SERVICES

Organisation Chart current at 30 June 2013

# Supporting our Staff

## OCCUPATIONAL HEALTH AND SAFETY

Moira Shire Council has a full time Occupational Health and Safety Coordinator and an internal Occupational Health and Safety Committee, with 12 elected representatives from a range of Council service areas. The role of the Committee is to provide a planned and structured mechanism to discuss broad health and safety matters, improve the spread of knowledge through discussions at team meetings and the development of policies and procedures.

All new staff members receive an occupational health and safety induction and contractors can now complete their health and safety induction requirements with a free on-line service.

## COMMUNITY SPIRIT

Moira Shire staff raised \$1,977 for medical research and local charities in 2012/13 by supporting Red Nose Day, Footy Colours Day, Jeans for Genes Day, Australia's Biggest Morning Tea and other internal fundraisers.



**Council staff wore their favourite team colours in support of Footy Colours Day in September 2012.**

## EQUAL EMPLOYMENT OPPORTUNITY

Moira Shire Council is an equal opportunity employer committed to upholding the principles of a discrimination and harassment free workplace. Employees are treated equally in all aspects. This is a high priority for Council and appropriate procedures have been developed relating to this area.

## PROVIDING A SAFE WORKING ENVIRONMENT

Moira Shire Council aims to provide a safe work environment for employees by:

- maintaining a Hazard Register and identifying responsibilities and time frames for the investigation and actions required to manage and eliminate hazards from the workplace;
- ensuring workplace inspections are carried out in accordance with the yearly plan and any issues identified are managed in consultation with relevant stakeholders; and
- occupational health and safety training requirements for staff are identified and added to the yearly training calendar to ensure a systematic approach is achieved.



**Staff conduct fire extinguisher training.**

## Community Satisfaction Survey

The Department of Community Planning and Development conducts an annual Local Government Community Satisfaction Survey of 400 residents aged 18 years and over to assess the performance of Moira Shire Council across a range of service areas.

Overall, the survey results indicate that Moira Shire Council has performed well in 2013 and recorded an Overall Performance Index Score of 60 which is two points higher than last year. The result is equal to the State-wide average of 60 and is 3 points higher than the average for the Large Rural Shire group.

The survey seeks answers to questions which contribute to a number of 'core' areas of Council's performance. In addition to the core measure relating to the overall performance rating, Council achieved the following scores for the other core areas:

- 72 for Customer Service is 5 points higher than last year. Council's score is 1 point above the state average and 3 points higher than the average score of other Large Rural Shires.
- 55 for Consultation is the same as last year and the average score for Large Rural Shires but is 2 points below the state average.
- 57 for Advocacy is 2 points higher than last year, is 2 points higher than the state average and 4 points higher than the Large Rural Shires.
- 53 for Council Direction is 1 point higher than last year, is equal to the state average and is 2 points higher than the average score for the Large Rural Shires group.

In regard to individual service areas, Council's performance was rated highest on the appearance of public areas (75) and lowest on maintenance of unsealed roads (44) – although the satisfaction rating for unsealed roads increased by 5 points over the 2012 result.

Council will consider the results of this year's survey in the coming months along with recommendations to improve the results in future years.

# A Year in Review

## THE GOALS

Moira Shire has four key goals with a particular focus on economic development, tourism, youth, the provision of health services to the community, providing an appropriate ranges of and level of services, pursuing an ongoing dialogue with the community and maintaining a sound financial position.



## OUR COMMUNITIES

Working together to strengthen our communities.



## OUR ENVIRONMENT AND LIFESTYLE

Maximising the potential development opportunities respecting our environment and lifestyle.



## OUR COMMUNICATIONS AND PROCESSES

Providing strong leadership, delivering openness, transparency and accountability.



## OUR PEOPLE

Supporting opportunities for the growth and development of our people.



Working together to strengthen our communities

## HIGHLIGHTS 2012/13

The following deliverables were achieved in 2012/13.

- The Moira Shire Cultural Diversity Action Plan was adopted in May 2013.
- Quarterly Pre-School Advisory Committee meetings conducted in support of affordable pre-school services.
- Expansion of the Moira Adult Community Education network (Moira ACE) range of services.
- Reconciliation week activities in partnership with Yorta Yorta Nation
- Implementation of the Improving Liveability for Older People (ILOP) project.
- Moira Family Day Care achieved full compliance against the National Quality Standard
- Immunisation rates remain high at 94%
- Youth entertainment events including four 'Dive in Movies' and 'Battle of the Bands' event.
- Establishment of the Moira Shire Arts Advisory Committee.
- Commencement of the implementation of Small Towns Strategy
- Submission of 22 funding applications totalling \$4.67 million for the financial year 17 separate grants applications, valued at \$2.65M being successful.
- Expansion of Council's community grants email database to include 120 community groups.
- Conducting of 4 Community Grants information and Grant writing workshops.
- Stage 1 project for Yarrawonga P-12 College completed.
- Completion and opening of the Katamatite Recreation Reserve Community Building.
- Upgrade of canteen facilities in recreation reserves completed.

- Council representation on Hume Digital Working Group has been maintained to ensure continued understanding and participation in National Broadband Network roll out.
- Successful major events including YMCA Murray River Marathon, River Beaches Festival (Cobram), Splash and Dash (Yarrowonga) and Numurkah FoodBowl festival.
- Participation in the DRAFT Hume Region Tracks and Trails strategy. Identified in the strategy are 2 projects in Moira Shire namely the Barmah Canoe Trail and Yarrowonga to Echuca Trail.
- Expression of interest advertising for Cinema complex in Yarrowonga or Cobram.
- Implementation of Victoria Park Yarrowonga Park Master Plan continued.
- Delivery of \$37M of works under Councils flood restoration project following the March 2012 flood event.
- Upgrade of Reilly's Road surface drainage.
- Barmah Flood Study completed and awaiting adoption by Council.
- Commencement of the Numurkah Flood Study
- Maintenance and upgrade of stormwater infrastructure.
- Inspection program of storm water pumps continued.
- An audit of power lines was completed in January and clearing commenced in April.
- Barmah Boat Ramp concept completed.
- Tree inspections of central business district areas in larger towns and PG1 parks conducted.
- Adoption of revised Moira Shire rating strategy.
- Implementation of Regional Rural Land Use Strategy and Moira Shire Heritage Study continued.
- Pet ownership information brochure sent to all schools within the municipality.



Maximising the potential development opportunities respecting our environment and lifestyle

## HIGHLIGHTS 2012/13

The following deliverables were achieved in 2012/13.

- Development and adoption of 2013 – 2016 Moira Shire Council Plan.
- Conducting Ordinary Council meetings in a range of locations including small towns of Barmah and Tungamah.
- Moira Shire Environment and Sustainability Strategy adopted and implementation commenced.
- Five (5) schools visited as part of Councils Recycling education program.
- Moira Shire Domestic Animal Management Plan adopted by Council.
- A successful Business Excellence Awards evening held in May 2013 showcased local business and innovation.
- Champions of Business forums initiated and held.
- Continued participation in the working group for the new Yarrawonga Mulwala Bridge.
- 100% compliance of issuing Building Certificates within 10 working days.
- Memorandum of Understanding developed between Moira Shire and Central Victoria Export Network (CVEN)
- Support of agribusiness following the March 2012 Floods and March 2013 Tornado.
- Increased monitoring of registered food businesses focused on record keeping requirements.

- Emergency Management Plan was activated during a Gas leak in Cobram in November 2012 and the March 2012 tornado.
- Road management Plan reviewed and adopted by Council in June 2013.
- Completion of the resealing and stabilisation program.
- Roadside slashing and spraying have been delivered in line with the annual program.
- Footpath Audit completed and level 5 defects completed.
- Implementation of the Tourism Strategy continued.
- Memorandum of Understanding with Central Victoria's Export Network developed.
- Implementation of Municipal Early Years Plan commenced.
- Implementation of the Municipal Public Health and Wellbeing Plan continued.
- Immunisation rate remain above 90 percent and education efforts continued.
- Educator Agreements for Moira Family Day Care educators implemented.



Providing strong leadership, delivering openness, transparency and accountability

## HIGHLIGHTS 2012/13

The following deliverables were achieved in 2012/13.

- All statutory publications completed as required.
- Customer requests responded to within 30 days was recorded as being at 99%
- Implement Council's Communications and Engagement Strategy commenced.
- Review of Council's Risk Management Plan following an audit in February 2013.
- DRAFT Social media policy developed.
- Implementation of new Customer Request Module (CRM) in January 2013.
- Participation in the development of the Local Government Performance Reporting Framework (LGPRF) due for implantation in 2014 / 2015.
- Conducted the last 2 of 14 community recovery meetings following the March 2012 Flood event.

- Conducted 2 community recovery meetings and a Community BBQ in both tornado affected communities, namely Bundalong and Koonoomoo.
- Continued advocacy for a 24 hour police station within the shire continued.
- Update of data for the Yarrawonga Drainage study complete.
- All tree inspection data and seal data recorded into Asset Management System.
- All new assets created during 2012/13 captured into Asset Management System.
- Arterial road assets identified in accordance with VicRoads Code of Practice for Operational Responsibility for Public Roads.
- Workplace OH&S inspections completed in accordance with annual plan



Supporting opportunities for the growth and development of our people

## HIGHLIGHTS 2012/13

The following deliverables were achieved in 2012/13.

- Four (4) Junior Council meetings held with 42 young people representing Moira Shires seven Secondary Colleges in attendance.
- Eight FReeZA events have taken place throughout 2012.
- Three schools participating in the MY PASSPORRT program.
- Cyber Safety information sessions conducted in Cobram and Katamatite.
- A new Youth Services agreement was signed with Mission Australia.
- Eight (8) Community Development workshops, facilitated by Peter Kenyon held across 8 community with 340 residents attending.
- Section 86 information sessions held in November to support the function of these important committees.
- Volunteer week was celebrated in May.
- Community Building networks strengthened by regular meetings with Council.

- 11 participants completed the Community Leadership Program.
- Four Grant Writing sessions were held to assist community members in preparation of grant submissions.
- All staff performance reviews completed by 31 March 2013.
- Staged implementation of a fully integrated corporate financial system commenced.
- Further development of corporate procedures occurred.
- Occupational Health and Safety audit and gap analysis conducted to determine compliance to national legislation.
- All workplace OHS inspections conducted as programmed.
- Fleet Management report presented.
- Implementation of new records management software (TRIM) commenced.
- Participation in the Hume Workforce Development Committee continued.

# Corporate Governance

## SUPPORTING OUR COMMUNITY

### AUSTRALIA DAY AWARDS

The Moira Shire Australia Day Awards recognise the exceptional contribution, hard work and determination of the people in our community who inspire us all.

Moira Shire Council received 42 nominations for the 2013 Australia Day Awards for individuals and committees that had volunteered their time to make a difference in our community.

2013 Australia Day Awards were presented at the Nathalia Community Centre, Robertsons Street Nathalia, on Thursday 17 January 2013.

Moira Shire Council overall 2013 Australia Day Awards were presented to:

CATEGORY	WINNER
Citizen of the Year	Bruce Tuhan
Young Citizen of the Year	Elizabeth Lehman
Community Event of the Year	Creative Minds 2012
Community Organisation of the Year	Burramine Sports Club
Environment Project of the Year	Broken Boosey Conservation Management Network

CATEGORY	SPECIAL MENTION
Citizen of the Year	Alan Hall (deceased)
Community event of the Year	Tungamah Community Flood Efforts and Nathalia Sand Bag Cafe
Community Organisation of the Year	Numurkah Flood Volunteers



**The 2013 Moira Shire Australia Day Award winners**

## MUNICIPAL PUBLIC HEALTH PROMOTION

Moira Shire Council adopted the 2010-2013 Municipal Public Health and Wellbeing Plan in May 2010.

The Municipal Public Health and Wellbeing Plan identifies key public health priorities specific to residents of Moira Shire and acts as a working document to record outcomes achieved through the life of the plan.

The Municipal Public Health and Wellbeing Plan steering committee meets quarterly and is

represented by community organisations that have a shared interest in improving public health outcomes for our community.

Each year, Moira Shire makes available funding to support community organisations in their endeavours to address identified priorities from within the Plan.

In 2012/13 \$11,500 was made available for this purpose. Major beneficiaries of these funds are listed below.

ORGANISATION	PROJECT	AMOUNT
Cobram Barooga Relay for Life	Survivors and Carers Morning Tea	\$500
Italfest (Cobram)	Varapodio Visit 2013 to Moira Shire	\$6,000
Moira Health Care Alliance	Volunteers Week	\$1,000
Numurkah District Health Services – Community Health	Numurkah Parent-Child Mother Goose Program	\$2,000
Wilby Recreation Reserve Section 86 Committee of Management	Social Night for Wilby and District	\$1,000
Yarrowonga Football and Netball Club	Grand Final Street Parade	\$1,000

## DISASTER RECOVERY

### MARCH 2012 FLOOD RECOVERY - CONTINUATION

The March 2012 flood event affected 17 of the 22 communities across the municipality. The emergency phase lasted 18 days and affected a large number of residents, businesses and rural properties.

The affected area of the flood event, measured by both impacted residents and damage to community infrastructure (roads, bridges, buildings, reserves, parks and gardens) exceeds 75 percent.

Moira Shire Council established a dedicated Flood Recovery Office in Numurkah, which provided flood recovery assistance to the community and to this time, continues to coordinate the repair of damaged infrastructure.

The estimated value of cost of this disaster, measured in terms of response and relief costs, damage to community infrastructure (local roads, bridges, buildings, recreation reserves, parks and gardens) sits at \$49.8 million, as at 30 June 2013.

Funded under the Natural Disaster Funding Agreement, a partnership agreement between the Victorian and Federal governments, restoration of damaged infrastructure is expected to be complete by 30 June 2014.

### MARCH 2013 TORNADO RECOVERY

Moira Shire experienced a freak F3 tornado event on 21 March 2013 with wind speeds nearing 300kmh.

Over 90 residential, rural and small business properties in the townships of Koonoomoo and Bundalong were impacted, the clean-up from which took a number of months.

Coordination of the recovery from this natural disaster was carried out from the flood recovery office which remained open at that time.

Whilst damage to community infrastructure was limited to a few local roads, the estimated cost of the response, relief and recovery once complete is expected to exceed \$800,000.

As with the March 2012 flood event, these costs are largely reimbursed under the Natural Disaster Funding Agreement, a partnership agreement between the Victorian and Federal governments.



**Tornado damage in Koonoomoo**

## COMMUNITY LEADERSHIP PROGRAM

Eleven Moira Shire residents graduated from the eleventh annual Moira Shire Community Leadership Program on Thursday 04 July 2013.

The program offers a journey of self-development and attracts members of the community who seek to play a more active role within the community.

The program was conducted over five months and included facilitated sessions in grant writing, public speaking, effective networking, conducting a meeting and a number of other topics.

## COMMUNITY LEADERSHIP PROGRAM 2013 GRADUATES AND PROJECTS

NAME	PROJECT
Ann Sampson	Parkinson's Awareness in Moira Shire
Clare Kent	Clean Up Numurkah Day
Debbie Cooper	Celebrating Differences
Ellen Pye	This is Rape Culture
Eman Alabassi	Cultural Awareness
Fiona McKay	Connecting Communities
Gabbi de Mamiel	Moira Mix and Mingle
Janet Schwartz	Movies in Yarrawonga
Kellie Butler	Moira Rainbow Pride
Rebecca Crosby	Moira Cycle Safe
Sandra Mogg	Real Men Make Great Dads



**The Community Leadership Program Graduates 2013**

## GRANTS

### COMMUNITY ASSISTANCE GRANT

The Moira Shire Community Assistance Grants has the same community support objectives as the Small Grants Scheme, but provides a higher level of financial assistance.

This year, Council received 33 high quality applications requesting \$339,298.65 in funding, which once again made the assessment process difficult.

The following 14 community projects were recommended to receive funds under the scheme.

ORGANISATION	PROJECT	AMOUNT
Baulkamaugh Recreation Reserve	Baulkamaugh Hall kitchen upgrade	\$7,000
Burramine Community Hall Committee of Management	Verandah for Burramine Community Hall	\$6,000
Murray District Equestrian Club	Practice jumps and secure storage of jumps	\$2,500
NADDCO - Nathalia and District Development Corporation	UB Community Park playground equipment	\$5,000
Nathalia Cemetery Trust	Ashes garden	\$5,000
Nathalia District Community Association Inc	All abilities outdoor inclusion area	\$5,000
Nathalia Senior Citizens Club Inc	New Kitchen 4 Us	\$10,000
Tungamah Football Netball Club	Sports ground netting and goals post	\$10,000
Wunghnu Recreation Reserve Committee of Management	External fences	\$3,500
Yarrowonga Football Netball Club	JC Lowe Oval - Coaches box, media room and storage project	\$10,000
Yarrowonga Mulwala Cricket Club	Victoria Park Junior Cricket facility redevelopment	\$8,000
Yarrowonga Mulwala Development Inc	Yarrowonga Skate Park shade structure	\$8,000
Yarrowonga Pony/Adult Riding Clubs	Equipment storage shed	\$10,000
Youanmite Hall Committee	Youanmite Hall flooring project	\$10,000
<b>TOTAL</b>		<b>\$100,000</b>

## EVENT SPONSORSHIP GRANTS

Moirā Shire Council introduced Event Sponsorship Grants in 2007/08. The sponsorship program provides support to the groups running events that benefit the wider community, residents, tourists and businesses.

Groups can apply for sponsorship of up to \$5,000 for events that provide economic, social and cultural benefits to the Moira community, generate broad exposure for the area, or are likely to attract visitors from outside the Shire.

In 2012/2013 there were three funding rounds with eleven groups being successful in receiving grants, totalling \$18,750.00.

Successful grant applications for the Event Sponsorship Grants in 2012/13 were:

ORGANISATION	PROJECT	AMOUNT
Strathmerton Lions Club	Strathmerton Lions Club Country Music Event	\$5000
Numurkah Agricultural and Pastoral Society Inc	Book Launch "...It All Began... the History of the Numurkah Agricultural and Pastoral Society Inc"	\$250
Lions Club of Tungamah & District	Tungamah's A Day on the Oval	\$2,000
Show Us Ya Wheels Committee	Show Us Ya Wheels	\$1,500
Numurkah and District Tourism Association	Numurkah Foodbowl Festival	\$2,000
Yarrowonga Mulwala Splash and Dash Pty Ltd	Yarrowonga Splash'n'Dash	\$2,000
Burramine Sports Club Inc.	62nd Burramine Sports Carnival	\$500
Rotary Club of Numurkah Inc.	33rd Annual Art & Craft Exhibition	\$500
Cobram Barooga Business Tourism and Development Inc.	River Beaches Festival	\$3,000
Yarrowonga Mulwala Tourism Inc	Yarrowonga Multi Sport Festival	\$5,000
Rotary Club of Cobram Inc	7th Cobram Swap Meet, All Wheels Show and Garden, Travel and Outdoor District Promotion	\$1,500
<b>TOTAL</b>		<b>\$18,750</b>

## SMALL GRANTS

Moira Shire Council's Small Grants Scheme provides essential assistance to community groups that offer services and facilities to local residents. As these community groups rely heavily on volunteers and community contributions, Council's Small Grants are critical in supporting these services and facilities.

The grants are offered in two rounds each year, with up to \$2,500 available to not-for-profit community groups to purchase equipment and undertake projects to improve community facilities. A review panel assesses the applications against Council's Community Grants Policy.

### AUGUST 2012 FUNDED PROJECTS

Council received 30 applications requesting a total of \$68,112.60 funding in the August 2012 round of the Small Grants Scheme. 21 successful applicants received a total of \$43,180.00 in funding. The successful applicants and their projects are listed below.

ORGANISATION	PROJECT	AMOUNT
Barmah Community Patch	Garden Shed	\$2,500
Cobram Barooga RSL Sub Branch	Cobram & District War Memorial Power Supply	\$2,500
Cobram Community House	Boiling Water Tap	\$2,000
Cobram District Children's Services	Amphitheatre	\$2,500
Cobram Primary School Parents & Friends Committee	Re-establishment of Cobram Primary Schools Communal Veggie Patch	\$1,000
Cobram Special School	Therapy Spa	\$2,500
Dan Cronin Memorial Hall	Re-furbish the Dan Cronin Memorial Hall	\$2,500
JC Lowe Oval Committee of Management	Toilet / Shower Refurbishment	\$2,500
Katunga Recreation Reserve COM	Painting & decorating recreation rooms	\$2,500
Kotupna CFA	Equipment Upgrade	\$900
Murray Dairy Inc	Ready for Work Ready for Life Program	\$2,500
Murray District Equestrian Club	Show jumping equipment	\$1,000
Nathalia Golf Club	Kitchen Upgrade for Nathalia Golf Club Clubhouse	\$1,500
Numurkah Town Hall COM	Replacement of old floor covering in the kitchen area	\$2,440
Oasis Village Social Club Inc	Upgrading of chairs used for exercise classes and functions	\$740
Strathmerton Football Club	Dishwasher Purchase & Installation	\$2,500
VIC SES Numurkah Unit	Purchase air-conditioner	\$2,000
Waaia Recreation Reserve & Community Facility	Shelving / Storage Solution	\$2,500
Yarrowonga / Mulwala Table Tennis Association	Kitchen Cupboards	\$2,500
Yarrowonga Showgrounds Victoria COM	Solar Lighting	\$2,400
Yarroweyah Recreation Reserve COM	Purchase of slasher	\$1,700
<b>TOTAL</b>		<b>\$43,180</b>

## JANUARY 2013 FUNDED PROJECTS

Council received 21 applications requesting a total of \$46,360.30 funding in the January 2013 round of the Small Grants Scheme. 19 successful applicants received a total of \$36,858.00 in funding.

The successful applicants and their projects are listed below.

ORGANISATION	PROJECT	AMOUNT
Carriage Horse Driving Trials Club	Extension of yards for horses	\$2,500
Cobram Agricultural Society	Replace Bank Street Fence	\$2,500
Cobram Community House Inc	Purchase & installation of large screen television	\$2,000
Cobram community House Mens Shed	Purchase power equipment (mitre saw, router table and belt sander)	\$570
Cobram Lawn Tennis Club & Croquet Club	Day / Night Off Cooking (Install new electric oven)	\$2,000
Cobram Lions Club	Purchase generator for barbeque trailer	\$1,500
Cobram Uniting Church	Purchase of new dishwasher	\$2,500
Numurkah Agricultural & Pastoral Society Inc	Provision of a lockable area in the Findlay Pavilion	\$2,500
Numurkah Town Band Inc	Renew, revitalise and replenish Town Band Equipment	\$1,200
Numurkah Youth Club Cricket Club	Repair / replacement of turf cricket wicket heavy duty motorised roller	\$2,500
Picola & District Improvement Group	Community Notice Board for Picola	\$1,000
Picola Bowling Club Inc	Upgrade water cooling drinking system	\$1,775
Rotary Club of Nathalia Inc	Purchase partitioning for annual art show	\$2,470
Strathmerton Bowling Club	Water Infrastructure Improvement	\$2,200
Strathmerton Public Hall	Replacement of current flag pole	\$1,542
Tungamah Primary School	Community Active Play Space Upgrade	\$2,500
Waaia Tennis Club	Waaia Tennis Club Nets & Post upgrade	\$2,250
Yarrowonga & Border Branch of Country Women's Association Vic. Inc	Replacement of refrigerator	\$400
Yarroweyah Memorial Hall COM	Yarroweyah Information Board	\$2,451
<b>TOTAL</b>		<b>\$36,858</b>

## REGIONAL VICTORIA LIVING EXPO

Moira Shire Council attended the second annual Regional Victoria Living Expo in April 2013. The expo was held over four days with officers from the Business and Innovation Unit and Sun Country on the Murray, representing the Moira Shire Council.

The expo is an initiative of the Victorian Government and the key objective is to drive population and investment into regional and rural Victoria. Over the course of the expo the Moira stand received hundreds of enquiries from potential investors and those looking to relocate.

A large number of the Discover Moira prospectus' and information about the four major towns, Cobram, Nathalia, Numurkah and Yarrawonga were distributed to interested people during the expo. These documents detail the investment,

lifestyle and employment opportunities available within the Moira Shire. A member of the Business and Innovation team is currently assisting an interested party with aspects of their relocation to Moira Shire where possible.

Measures of success included 77 genuine expressions of interest, which were recorded through the use of surveys completed over the four days. The competition for a weekend in Moira received almost 150 entries.

Follow up enquiries regarding relocation, employment and investment were answered and a number of families are considering relocation to the Shire.



**Members of the Economic Development Team at the Regional Living Expo stand.**

# Governance

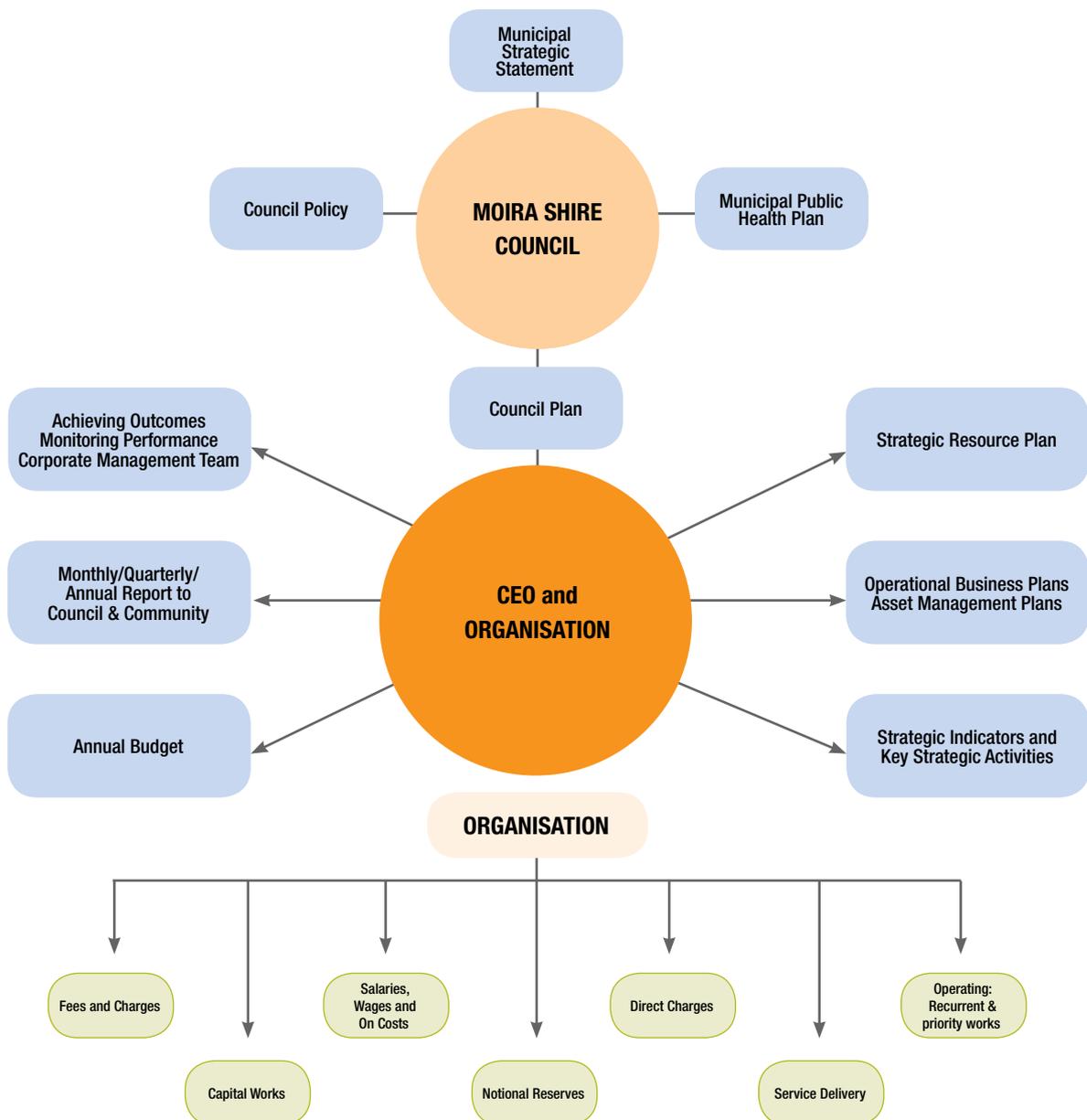
## STRATEGIC PLANNING FRAMEWORK

The diagram shows the links between the Strategic Resource Plan (SRP) and the balance of the corporate planning framework.

As the diagram illustrates, Council sets the strategic direction to provide the Chief Executive Officer with the necessary guidance to develop and implement plans, actions and strategies to achieve these strategic outcomes.

The key strategic documents include the Council Plan, Municipal Strategic Statement and Public Health Plan. These plans are prepared in accordance with Council policies.

The strategic planning framework incorporates the Council Plan and Business Plans all linked together and importantly resourced by the Annual Budget.

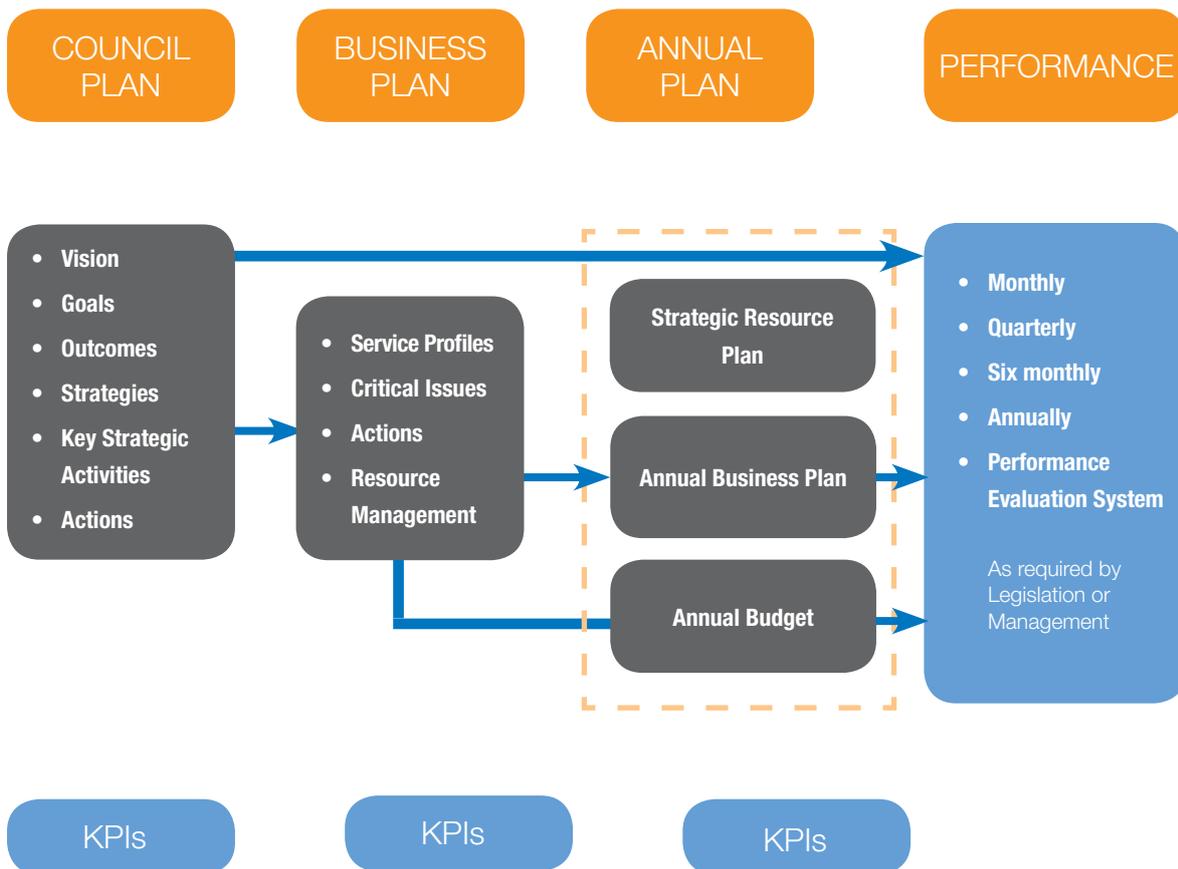


The planning framework provides for the Council Plan strategies to be linked to Business Plan actions that are funded and resourced through the Annual Budget. The organisation then measures and monitors performance and reports to internal and external stakeholders as required.

Council receives formal reports on a quarterly basis detailing progress against its Council Plan and Annual Budget.

Council uses customised corporate planning software, Interplan, to monitor performance targets at various levels throughout the organisation.

Interplan reduces duplication of data and enables business plans, budgets and staff appraisals to be linked directly to Council Plan objectives, strategies and outcomes.



## STRATEGIC FINANCIAL FOCUS

Across the 2012/2013 financial reporting period, Moira Council continued its focus on investing in the Shire's environment, social economic and governance areas as outlined in the Council Plan and in Councils Strategic Resource Plan and Annual Budget.

The Annual Budget process aims to consolidate Councils commitment to its long-term financial sustainability; protects and manages Councils ageing assets and meet the needs of a growing community through the programs and services Council delivers. This commitment is based on a number of financial management strategies and

directions including debt management and retirement, cost containment, asset and waste management, capital works delivery, rating/revenue management and service provision and planning as outlined in the Strategic Resource Plan.

Councils longer term financial sustainability is measured by a number of financial performance ratios which are report to the Victorian Auditor-General's (VAGO) office. Council has been working proactively to maintain these ratios at low risk levels

## ASSET AND CAPITAL INVESTMENT

Council uses a rigorous asset management system which is specifically designed to track and monitor the condition of assets and guide the programming of works to extend, maximise and maintain the life of asset thereby ensuring maximum use before Council needs to renew, upgrade or replace these assets. This helps Council with its preventative maintenance and also to prepare financial planning and long term programming around asset maintenance, renewal and upgrades to support the communities of Moira Shire.

Assets deliver a critical service to communities across the Shire. Council is required to continually carry out consultation with these communities and review its existing asset base to ensure service levels are established, and maintained. Communities' views are sought and incorporated

as part of this prioritisation process – particularly as part of the annual budget process which determines the financing of priorities. The identification and setting of approved service and program levels also contributes to Council's prioritisation process ensuring its funding is targeted to, maximises and meets community needs.

Councils uses a number of methodologies in this annual process including a Project Prioritisation Assessment Model (PPAM) that analyses the value of each project (based on Council strategic goals and directions). This model ensures a rigorous assessment of each project occurs and identifies what projects provide best value for money using a range of criteria to reach this assessment.

## FUNDING SOURCES AND DEBT MANAGEMENT

Council's ability to access recurrent growth funding is an important part of minimising the impact on ratepayers as Council works to maintain its long-term financial sustainability and viability, responsible asset management and the provision of a range and level of services expected by the community.

Council continually assess its ratings strategy to provide a fair and equitable rating structure and fee system that generates sufficient resources to meet its short and long term strategic objectives and not unfairly place financial burden on any particular group in the Shire. This is one of the basic challenges Council faces in terms of achieving its long term financial sustainability given the limited access to recurrent growth funding.

### GRANTS

Council receives funding from a range of sources including recurrent grants, one-off grants, rates and charges. Other than annual grants, Council relies mainly on rate revenue generated to fund its programs and services and capital works program. In 2012/2013, a total of \$45.4M compared to \$22.8M in 2011/12.

### BORROWINGS

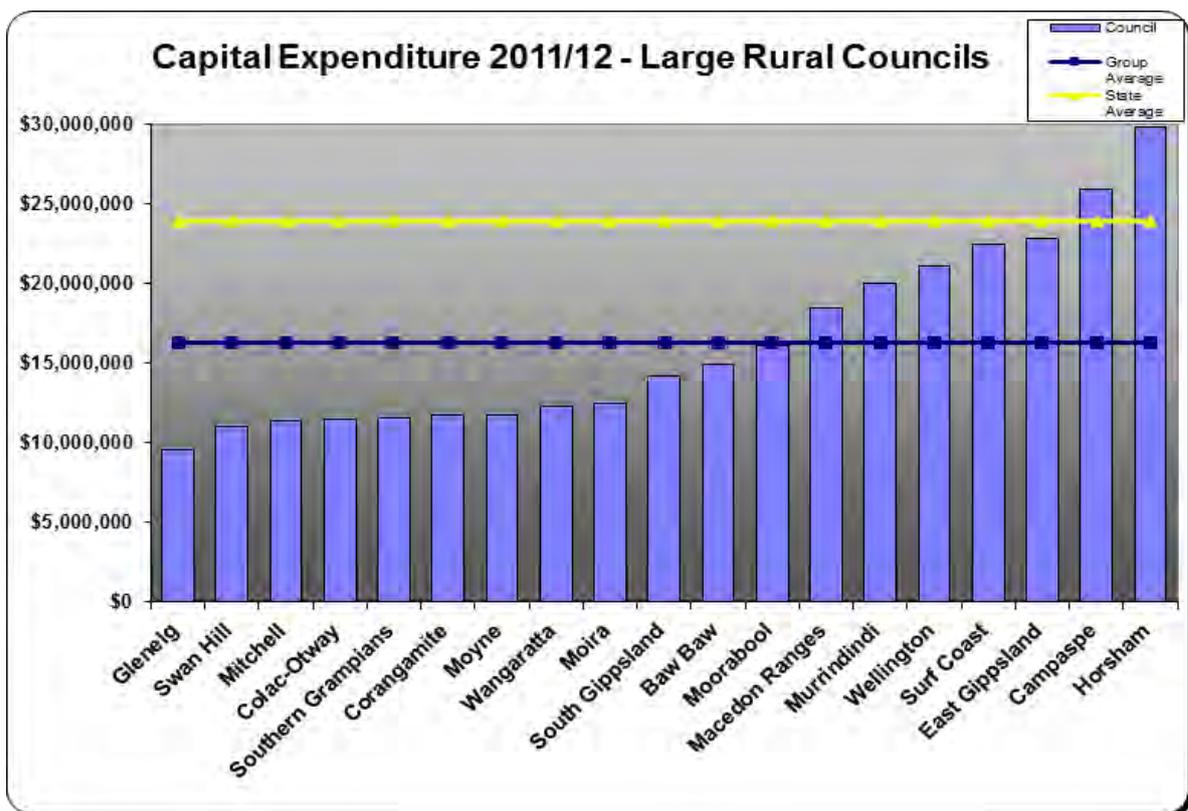
Council's Strategic Resource Plan currently contains an assumption that no further borrowings will occur from 2013. As part of this strategy, Council also reports on and against VAGO's low risk sustainability indicators on a monthly basis. Of particular focus in these indicators is the 'indebtedness' ration which considers 'low risk; to be 40% or lower. The indebtedness ratio measures Councils exposure to debt by identifying the percentage of financing provided by debt. In the 2012.13 financial year, Councils indebtedness ratio was 33.5% - a significant improvement on the 2012 result of 46.3% and confirming an ongoing improvement in Councils debt position

AVERAGE RATES PER ASSESSMENT 2011/12	\$ PER ASSESSMENT
<b>LARGE RURAL COUNCILS</b>	
Wellington	\$1,201.00
East Gippsland	\$1,312.00
Southern Grampians	\$1,314.00
Moyne	\$1,332.00
Murrindindi	\$1,430.00
Mitchell	\$1,466.00
Colac-Otway	\$1,471.00
Campaspe	\$1,487.00
Wangaratta	\$1,496.00
<b>MOIRA</b>	<b>\$1,515.00</b>
Horsham	\$1,522.00
Glenelg	\$1,542.00
Moorabool	\$1,546.00
Baw Baw	\$1,549.00
South Gippsland	\$1,560.00
Macedon Ranges	\$1,611.00
Corangamite	\$1,680.00
Swan Hill	\$1,785.00
Surf Coast	\$1,804.00
<b>AVERAGE</b>	<b>\$1,506.47</b>

## EQUITABLE RATING

When considering the rating differentials, a set of principle has been developed in line with consideration around equity, capacity to pay and the community benefit derived. The rating strategy was presented to and approved by Council at an Ordinary Council meeting.

Council is very aware of, and factors in the continuing effects and impacts of the global financial crisis and local economic trends into its strategic and financial planning frameworks and processes. These factors are regularly monitored and reviewed with adjustments made to accommodate these scenarios as part of Councils ongoing financial management strategy.



## PROTECTING WHISTLEBLOWERS

Moira Shire Council complies with the requirements of the Whistleblowers Protection Act 2001, which was introduced in January 2002.

Council acts in accordance with recommendations made by the Municipal Association of Victoria.

There was no application made under the Whistleblowers Protection Act this financial year.

## FREEDOM OF INFORMATION

In accordance with the Freedom of Information Act 1982, Moira Shire Council makes a private office available for use by the public to read documents. Information on display in the reception area may be taken to the reading room on request.

During the past year, Council received three Freedom of Information requests and \$245.90 in related charges.

Moira Shire Council Freedom of Information Officer is Bruce Berg von Lindhe, Manager Governance.

## LOCAL LAWS

Moira Shire Council has six local laws:

- Control of livestock Local Law 2003;
- Environmental Local Law 2003;
- Meeting Procedures Local Law 2007;
- Municipal Places Local Law 2003;
- Recreation Reserves Local Law 2009; and
- Streets and Roads Local Law 2003.

Council's local laws are reviewed and amended as required and are available by contacting Council on the website at [www.moira.vic.gov.au](http://www.moira.vic.gov.au).

## RISK MANAGEMENT

Moirra Shire Council's Risk Management Policy provides a framework for a comprehensive approach to identify and manage a wide range of risks across the organisation and recognises Council's obligation to all stakeholders to effectively manage these risks.

Council updated its Risk Management Policy in February 2012 to provide a definition of risk aligned to AS/NZ ISO 31000, a definition of residual risk and Council's ability to provide resources to the risk management in view of the many competing priorities faced by Council.

The Risk Management Policy is supported operationally by the Risk Management Plan. The Plan was reviewed in June 2013.

Risk management is a systematic method of identifying, evaluating and treating risks associated with Council's activities, functions and processes. These can include service delivery, business systems, human resources, assets, liabilities and the environment. Risk management seeks to both minimise risk and maximise opportunities. Risks to which Council is exposed and the actions designed to eliminate or minimise them are identified through a strategic framework of internal and external auditing.

Council's liability insurer, MAV Insurance, conducted a liability risk audit of Council's operations in February 2013. Moirra Shire Council achieved a score of 89 percent which is an increase of two percentage points over the previous audit conducted in February 2011.

No audit property risk and commercial crime risk audits were conducted in the 2012/13 year because these audits, conducted by Council's property insurer, Jardine Lloyd Thompson, in February 2012, occur on a two year cycle. Moirra Shire Council received a score of 80% for the property risk audit and 99% for the commercial

crime audit which ranked Council 3rd of all Victorian councils and confirms that Council has strong operational systems in place to deter, prevent and detect realistic fraudulent activity.

Council has a well-established and operational risk management framework that is integrated into broader Council structures and functions. The risk management functions are regularly monitored and reviewed, with reports to senior management completed as an integral step in the process.

Other aspects of Council's risk management framework include the existence and management of the corporate risk register, a documented incident report and investigation process, an established internal audit regime, a reactive customer request system and a strong asset management framework.

The following audits were conducted during the year:

- 2012/14 MAV Insurance liability risk
- Business Continuity Plan
- Events Management
- Fringe Benefits Tax
- Service Contract Management
- Procurement (Tendering)
- Security of Cash Resources
- Road Management Act Compliance
- Procurement (Non Tender)
- Annual Audit of Financial Statements and Financial Systems
- S86 Committees & Financial Reports

## ADVISORY COMMITTEES, BOARDS AND OTHER REPRESENTATIVE BODIES

Council has established a number of advisory committees to help provide advice and input into Council decisions and policies. It runs many of these committees as well as being an active member of various boards and committees external to Council.

### ADVISORY COMMITTEES AND BOARDS

Moira Shire Cultural Diversity Advisory Committee	Moira Shire Kinnairds Wetland Advisory Committee
Moira Shire Disability Advisory Committee	Moira Shire Local Safety Committee
Moira Shire Environment Sustainability Advisory Committee	Yarrowonga Aerodrome Advisory Committee
Moira Shire Municipal Public Health and Wellbeing Advisory Committee	Yarrowonga Public Art Advisory Committee
Moira Shire Junior Council	

### OTHER REPRESENTATIVE BODIES

Barmah Forest Heritage and Education Centre	Municipal Fire Management Planning Committee
Barmah Horse Advisory Committee	Murray River Grouping of Councils
Goulburn Broken Greenhouse Alliance	Municipal Saleyards Association
Goulburn Broken Local Government Biodiversity Reference Group	Murray Darling Association
Goulburn Valley Regional Library Corporation Board	North East Local Government Network
Goulburn Valley Regional Waste Management Group (Resource GV)	Numurkah Flood Study Community Reference Group
Goulburn Valley Community Road Safety Council	Sullivan Education Fund
Hume Regional Management forum	Sun Country on the Murray Tourism Board
Hume Region Strategic Fire Management Planning Committee	Victorian Local Governance Association
Lake Mulwala Community Reference Group	VicTrack Strategic Plan Project Advisory Committee
MAV Emergency Management Capability Building Project Committee	Yarrowonga/Mulwala Liquor Accord
MAV Emergency Management Performance Measures Project Committee	Valley Sport
Moira Healthcare Alliance Board	
Municipal Association of Victoria	
Municipal Emergency Management Planning Committee	

## SECTION 86 COMMITTEES

Moirra Shire Council currently has 37 Committees of Management that partner with Council to manage community facilities. These facilities include community halls, recreation reserves, historical precincts and a range of other important community assets.

Each committee is made up of a range of user group and community representatives, Councillors and Council staff who work together to meet the specific needs of each facility. The total number of volunteers involved in these committees of management exceeds 400.

In addition to recurrent funding to assist with general running expenses, Council also provides

in-kind support, facility and building maintenance support, capital works assistance and assistance to seek external grant funding for projects.

The dedicated volunteers and the groups they represent are a vital part of the Moira Shire community and without them Council simply could not afford to provide the range and level of facilities across the Municipality.

Committees are appointed for a four-year period, must hold an annual general meeting and meet certain reporting and risk management responsibilities as part of their delegation from Council under Section 86 of the Local Government Act.

## SECTION 86 COMMITTEES OF MANAGEMENT

Baulkamaugh Recreation Reserve  
 Bearii Recreation Reserve and Hall Trust  
 Bundalong Dan Cronin Recreation Reserve & Public Hall  
 Cobram Historical Precinct  
 Cobram Saleyards  
 Cobram Scott Reserve  
 Cobram Showgrounds Apex Reserve  
 Floridan Park Recreation Reserve  
 Invergordon Recreation Reserve and Community Hall  
 Katamatite Public Hall  
 Katamatite Recreation Reserve  
 Katunga Recreation Reserve and Community Centre  
 Koonoomoo Recreation Reserve  
 Lake Rowan Hall  
 Nathalia Historical Precinct  
 Nathalia Showgrounds & Recreation Reserve  
 Numurkah Showgrounds Reserve  
 Numurkah Town Hall

Picola Public Hall  
 Picola Recreation Reserve  
 St James Public Hall  
 St James Recreation Reserve  
 Strathmerton Public Hall  
 Strathmerton Recreation Reserve  
 Tungamah Court House  
 Tungamah Jubilee Park Recreation Reserve  
 Waaia Recreation Reserve  
 Wilby Memorial Hall  
 Wilby Park Recreation Reserve  
 Wunghnu Recreation Reserve  
 Yalca North Recreation Reserve  
 Yarrawonga Eastern Foreshore  
 Yarrawonga JC Lowe Oval Reserve  
 Yarrawonga Saleyards  
 Yarrawonga Showground Reserve / Victoria Park  
 Yarrawongah Memorial Hall  
 Yarrawongah Recreation Reserve

## INDEPENDENT AUDIT COMMITTEE

Council's Audit Committee consists of three community representatives and two Councillors. The committee is a Section 139 Committee of Council supported by senior Council officers.

The Audit Committee has an advisory role and reports to Council regarding prudential and non-financial management across the organisation. The committee liaises with the Auditor-General or representative in regard to the external audit function and through the engagement of an internal auditor undertakes regular independent reviews of the operations of Council.

A key objective of Council is to ensure effective corporate governance through the application of strong and appropriate policies, procedures and controls. To assist Council achieve this objective, the Audit Committee's key role is to report and provide appropriate advice and to make recommendations on matters relevant to its Charter. These matters include:

- The effectiveness of internal and external financial reporting;
- management of financial and other risks and the protection of Council assets;
- compliance with laws and regulations as well as use of best practice guidelines;
- the effectiveness of the internal audit function;
- communication between the external auditor, internal audit, management and the Council.

The Audit Committee met on three occasions during the year. One meeting planned for March 2013 lapsed due to a lack of quorum and all agenda items were carried over to the following meeting.

The following list is a summary of the matters considered by the Audit Committee during 2012/13 and referred to Council:

- Financial reports
- Annual Financial Statements and Performance Statements 2011/12
- Annual Audit of Financial Statements and Financial Systems
- 2013/14 Proposed Budget
- Business Continuity Plan
- Events Management
- Review of Council's FBT
- Service Contract Management
- Procurement (Tendering)
- Security of Cash Resources
- Road Management Act Compliance
- Procurement (Non Tender)
- 2010/12 Property Liability Risk Audit
- 2010/12 Fidelity Risk Management Audit Report
- Fraud Prevention and Control Policy
- Risk Management Status reports

## COUNCIL MEETINGS

Council holds meetings once a month from February to December. Special Council Meetings are held throughout the year for the Election of the Mayor, preparation of Annual Budget and hearing submissions to the Annual Budget. Meeting locations are held across the Shire. Moira Shire Council held 14 meetings in 2012/13. Public question time is encouraged at the end of each ordinary meeting.

MEETING TYPE	NUMBER HELD
ORDINARY MEETINGS	11
SPECIAL MEETINGS	3
31 October 2012, Councillor elect	
7 November 2012, Mayoral election	
11 June 2013, hearing of submissions to Annual Budget 2013/14	
TOTAL	14

COUNCILLOR	MEETINGS ATTENDED
Kevin Bourke	12
Wendy Buck	15
Gary Cleveland	12
Ed Cox	11
Brian Keenan	15
Peter Mansfield	15
Marie Martin	12
Don McPhee	11
Alex Monk	15
David McKenzie #	3
Jessie McCallum #	3
Rob Chuck #	3
Garry Jones #	3

# served until October 2012

## COUNCIL POLICIES SUPPORT GOOD GOVERNANCE

During 2012/13, Council reviewed and considered 9 of its 30 policies, with differing levels of amendment made. In addition two new policies were adopted on Fraud Prevention and Control, and Private Water Assets in Road Reserves.

The Disability Access policy has been revoked, being replaced with a Disability Action Plan to

meet the requirements of the Disability Act 2006. Council adopted an Election Period Caretaker Policy in July 2012, which was in force until the 2012 Council election held on 27 October 2012. Policy review provides an opportunity to look at whether changes or improvements are required. Consideration is given to the corporate direction of Council and any legislation changes.

The following is a list of the 30 Council policies which were in place as at 30 June 2013:

- Achievers Award Assistance Program;
- Asset Management#;
- Budget Preparation and Financial Reporting;
- Building Setback;
- Community Grants;
- Contribution to Fencing Costs;
- Corporate Uniform;
- Councillor Professional Development;
- Development of Council Policy Documents;
- Event Sponsorship;
- Fraud Prevention and Control#;
- Garbage and Recycling Collection;
- Intervention Where a Private Building Surveyor is Responsible;
- Investments and Cash Management;
- Loan Borrowings;
- Motor Vehicle#;
- Private water assets in road reserves#;
- Procurement#;
- Public Lighting;
- Rates and Charges;
- Reimbursement of Expenses and Support#;
- Risk Management;
- Road Closures#;
- Sale of Council Land;
- Service Recognition - Councillors and Employees;
- Special Rates and Charges;
- Swimming Pool and Spa Safety Barriers#;
- Use of Council's Email and Internet Facilities;
- Waiver or Rebate of Building Permit Fees;
- Youth Development and Support#.

# adopted during 2012/13

## INFORMATION AVAILABLE FOR INSPECTION

The following documents are available for public inspection during normal working hours from the Moira Shire Council Administration Centre at 44 Station Street, Cobram:

- details of current allowances fixed for the Mayor, Lord Mayor (if any) and Councillors under Section 74 or 74A of the Local Government Act 1989 (the Act);
- total remuneration for all senior officers in respect of the current financial year and the previous year as required by Part 5 regulation (b) of *Local Government (General) Regulations 2004*;
- details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel, including accommodation costs;
- names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted;
- names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted;
- agendas for and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of the Act, unless the minutes relate to parts of meetings that have been closed to members of the public under section 89 of the Act;
- a list of all special committees established by Council and the purpose for which each committee was established;
- a list of all special committees established by Council that were abolished or ceased to function during the financial year;
- minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, except if the minutes relate to parts of meetings that have been closed to members of the public under section 89 of the Act;
- register of delegations kept under sections 87, 88 and 98 of the Act, including the dates on which the last reviews under section 86(6) and 98(6) of the Act took place;
- submissions received under section 223 of the Act during the previous 12 months;
- agreements to establish regional libraries under section 196 of the Act;
- details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease;
- a register of authorised officers appointed under section 224 of the Act;
- a list of donations and grants made by Council during the financial year, including the names of persons or bodies that have received a donation or grant and the amount of each donation or grant;
- a list of names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by Council; and
- a list of contracts valued at \$100,000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more, which Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in section 186(5) or (5A) of the Act.

# Victorian Local Government Indicators

INDICATORS	RESULT
<b>OVERALL PERFORMANCE</b>	
Community satisfaction rating for overall performance	60
<b>ADVOCACY</b>	
Community satisfaction rating for council's advocacy and community representation on key local issues	57
<b>COMMUNITY ENGAGEMENT</b>	
Community satisfaction rating for council's engagement in decision making on key local issues	55
<b>ALL RATES</b>	
Rates & charges declared as being receivable	\$27,691,718
Number of assessments	16,926
Average rates & charges per assessment	\$1,636
<b>RESIDENTIAL RATES</b>	
Rates & charges declared for residential assessments	\$15,528,415
Number of residential assessments	10,723
Average rates & charges per residential assessment	\$1,448
<b>OPERATING COSTS</b>	
Operating expenditure per financial statements	\$89,064,248
Number of assessments	16,926
Operating expenses per assessment	\$5,262
<b>CAPITAL EXPENDITURE</b>	
Total capital expenditure	\$7,831,836
Number of assessments	16,926
Average capital expenditure per assessment	\$463
<b>INFRASTRUCTURE</b>	
Current spending on capital renewal	\$5,026,799
Long term AAAC	\$11,286,000
Infrastructure renewal %	45%
<b>INFRASTRUCTURE</b>	
Current spending on renewal plus maintenance	\$12,640,129
Long term AAAC plus maintenance	\$18,899,330
Infrastructure renewal & maintenance %	67%
<b>DEBTS</b>	
Total liabilities	\$28,801,647
Number of assessments	16,926
Average liabilities per assessment	\$1,702
<b>OPERATING RESULT</b>	
Operating result per financial statements	(\$6,513,807)
Number of assessments	16,926
Operating result per assessment	(\$385)

## **CERTIFICATION OF THE VICTORIAN LOCAL GOVERNMENT INDICATORS**

In my opinion, the Victorian Local Government Indicators in this statement are presented fairly, and indicate Moira Shire Council's performance for the period ending 30 June 2013. I confirm that the indicators were calculated in accordance with the definitions as provided by the Department for Victorian Communities Circular No. 35/2012 of August 2012.

I certify the accuracy of the indicators and confirm there is a documented methodology and a reliable system to store the data.

As at the date of this certification, I am not aware of any circumstances that would render any particulars in the attached statement of indicators to be misleading or inaccurate.



Alison Coe  
Principal Accounting Officer  
30 September 2013

## Best Value Report

### INTRODUCTION

Best Value Victoria is a legislative requirement in accordance with the *Local Government (Best Value Principles) Act 1999*.

Best Value is about providing quality services that are accessible, affordable and delivered in a timely manner.

Best Value involves working with the community to provide services that best suit their needs in an open and accountable way, taking into account quality and cost factors.

Best Value for Moira Shire Council brings the opportunity to demonstrate efficiency, effectiveness and quality in service delivery that is best for the community.

Council has used the Best Value review process to provide for improvement in the efficiency and effectiveness of its service provision to the community by reviewing its services against the principles set out in the *Local Government (Best Value Principles) Act 1999*:

- meeting quality and cost standards;
- responsive to community needs;
- accessible to users for whom the service is intended;
- achieving continuous improvement;
- providing regular community consultation; and
- reporting at least once a year on what is done to ensure that Council is meeting the achievements set out in the principles.

### PROGRAM FEATURES

Best Value has become an integrated part of the organisation, ensuring Moira Shire Council continues to meet the changing needs of its community. The benefits of Best Value are well recognised and staff members have adopted the concept as part of the formal review process and

are addressing the principles as part of standard business practice.

The Best Value process has assisted Council in highlighting issues and determining improvement opportunities within the delivery of service to the community. The process improvements have been invaluable in achieving continuous improvement with Council's service delivery. The benefits of improved reporting mechanisms, program development, data collection/ comparison and internal and external communication have enhanced, and will continue to enhance, corporate knowledge, planning and evaluation in coming years.

Best Value has reinforced Council's commitment to community partnerships, organisational development and quality service provision. The Key Performance Indicators and continuous improvement targets from each review are incorporated into organisational business plans to be tested against and aligned with Council's corporate goals.

### STATUS REPORT

Moira Shire Council's Best Value Review Program began in July 2001 with 69 individual services programmed for review. The program timetable was revised in 2004/2005 to amalgamate services that could be reviewed under the one service group to reduce the time required for individual reviews. This reduced the number of reviews to 26. Council met its requirement under the *Local Government (Best Value Principles) Act 1999* to apply the principles to all council services by 31 December 2005



# Contents

SERVICE	REVIEW COMPLETED	PAGE
Aerodrome	21 November 2005	54
Asset Management	19 December 2005	55
Building Services	21 November 2005	56
Community Development	19 December 2005	57
Contract Management	18 July 2005	58
Customer Service	21 March 2005	59
Electronic Information Management	17 October 2005	60
Emergency Management	19 September 2005	60
Energy Management	19 December 2005	61
Enforcement Services, Fire Prevention and Animal Control	25 March 2002	62
Family and Children Services	19 December 2005	63
Finance	18 July 2005	64
Human Resources	16 May 2005	65
Landfill and Transfer Stations	20 December 2004	66
Parks and Gardens	15 July 2002	67
Planning	19 December 2005	68
Public Health	16 August 2004	69
Revenue	18 July 2005	70
Roads and Streets	4 November 2002	70
Risk Management	21 November 2005	71
Saleyards	20 December 2004	72
Streetscape/Urban Design	21 November 2005	73
Swimming Pools and Leisure Centres	20 June 2004	74
Urban Drainage/Stormwater	19 December 2005	75
Waste and Recycling Collection	19 December 2005	76
Youth	19 December 2005	77

## Annual Performance Results

In accordance with reporting requirements, the following section shows outcomes for the 26 service reviews

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>AERODROME</b>	100%	100%	✓	100%	100%	✓

The Aerodrome Manager conducts twice weekly aerodrome inspections, as required by the Civil Aviation Safety Authority (CASA). Reports are filed at the aerodrome and within Council's records system.

An audit by CASA has identified a number of minor issues that need to be attended to, these will be undertaken over the coming months.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>ASSET MANAGEMENT</b>	100%	100%	✓	100%	100%	✓

Asset Management comprises two branches,

- identification and evaluation of risks to ensure that existing assets are safe for current users
- upkeep and renewal of existing assets to provide an ongoing benefit to future generations

The technology to record footpath and culvert inspections directly into computer tablets in the field was introduced during the year. This technology reduces the amount of manual intervention required to update the asset condition and produce maintenance work programmes. Work to transfer the asset management data into the Authority asset management system commenced.

Condition inspections were conducted on the following asset categories:

- Pumps
- Footpaths
- Culverts and floodways
- Swimming pools

Inspections of bridges, gravel roads, sealed roads, signage and footpaths were conducted in accordance with Council's Road Management Plan. The information gathered in these inspections is used to produce the prioritised works programs used by Council to maintain these assets.

Internal audits of Council's compliance to the Road Management Plan (RMP) and Infrastructure Asset Management were conducted during the year.

The RMP audit determined that Council's Road Management Plan complies with the Road Management Act Victoria 2004, that inspections are well documented and occurred as scheduled, that extreme and high risk defects in road assets are dealt with within the timeframes specified in the plan and that customer generated requests were acted on appropriately.

The Asset Management audit determined that Council's asset management system (Conquest) captures appropriate and detailed asset data, Council's Asset Management Plans are linked to corporate strategies, condition inspections occur in line with documented timelines and that asset revaluations are performed in accordance with the accounting standards.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>BUILDING SERVICES</b>	100%	100%	✓	100%	100%	✓

The Building department issued a total of 515 responses (an increase of 21%) for property information during the past 12 months in relation to the sale of property.

All of these requests were delivered within the quality standard time frame of 10 working days.

One hundred percent of swimming pool inspection requests were responded to by the next working day. Improvements to processes introduced following a review of Council's Swimming Pool and Spa Safety Barriers Policy has seen an increase in the number of swimming pool inspections carried out annually.

Due to continued uncertainty about changes to building procedures and regulations due to the state government review of governance in the building industry, information sessions were replaced with targeted consultation with individual clients throughout the year to deal with individual client concerns. It is intended to produce a newsletter and follow-up consultation in 2013/14 when changes to building legislation and regulations are finalised by the state government.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>COMMUNITY DEVELOPMENT</b>	100%	100%	✓	100%	100%	✓

The Moira Shire Community Projects Committee meets on the third Thursday of every month, with all departments represented. Departmental officers work together to identify projects for budget consideration. Council's Integrated Project Management (IPM) system prioritises projects for budget consideration, based on the whole of life costs of the asset, risk matrix, social, environmental and financial benefits. The Committee also discusses existing projects and shares updates on their progress.

Council officers maintain strong engagement with community coordinator groups and Council's Section 86 Committees of Management. Action plans and master plans are reviewed annually as part of this engagement and projects are identified and supported by officers through committees such as the Projects Committee referred to earlier.

Community Building continues to operate under the three guiding principles of community engagement, volunteer resourcing and training and project development. It also completed the delivery of the My Big Idea initiative.

Grant workshops were conducted in Yarrawonga, Numurkah, Cobram and Nathalia in April to inform community groups of the upcoming Grants Programs as well as other grant programs that are available at that time. These sessions were successful in engaging over 120 community volunteers.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>CONTRACT MANAGEMENT</b>	100%	89%	✓	100%	100%	✓

Council has developed a Procurement Policy as required under section 186A of the Local Government Act 1989 (the Act), which includes higher level processes and procedures. The Policy has been reviewed and the amendments adopted by Council at a formal meeting. The Procurement Policy provides guidance on the requirements for purchases above and below the threshold to achieve value for money, whilst maintaining the highest standards of probity and risk minimization.

To monitor compliance and ensure a high level of clerical accuracy is maintained, internal audits are conducted in accordance with the contract file audit procedure and timetable.

Additional audits were conducted on Contract and Project files to ensure compliance and assist with the review of the Procurement Policy and Guideline. The Procurement Policy and Guidelines have been updated to address issues identified in the audit and staff training is scheduled for December 2013.

Council had 64 current contracts as at 30 June 2013 and advertised 21 contracts within the 2012/13 financial year. Compliance has increased 29% from the previous year, reflecting the continued attention to compliance by the Contracts Department to achieve consistency and control over procurement activities and demonstrate accountability to the Moira Shire community.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>CUSTOMER SERVICE</b>	100%	99%	×	100%	100%	✓

Council achieved a score of 72 for Customer Service in the Department of Planning and Community Development's 2013 Community Satisfaction Survey which is above the target of 67.

Three external surveys were conducted by Council throughout the year indicated 96 percent of customers were contacted about their request and that 96 percent of customers were satisfied with the quality of Customer Service

Council's result for response to correspondence within the required timeframe was 66 percent for the first half of the 2012/2013 reporting year, which falls short of the target of 80%. Implementation of electronic document management technology in January 2013 provide the organisation with a more effective way of managing the vast array of correspondence and information received including the management of response to correspondence.

Council's performance in responding to customer requests remained above the target of 82% in the first half of the reporting year with 99% of requests responded to within the required time frame of 30 days.

In January 2013 Council implemented a new Customer Request Module as part of the Integrated System with staff testing new timeframes and task management. This reduced rating for the second half of the reporting year to 80%.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>ELECTRONIC MANAGEMENT</b>	100%	95%	X	100%	100%	✓

Help desk results have been impacted by implementation of new corporate software system. Currently implementing surveys to gauge customer satisfaction and will be focussing on improving service delivery. Total requests opened for 2012/13 was 3783.

A FULL Disaster Recovery Process is achieved through the combined application of a combination of Double take, Vrepticator, DFS file replication and backup. Generator is in place for powering essential systems in the event of power failure. This includes power for the MECC during activation.

A high availability of Council's network was achieved during 2012/13 and a review of remote access systems is currently underway to address performance issues.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>EMERGENCY MANAGEMENT</b>	100%	100%	✓	100%	100%	✓

The Municipal Emergency Control Centre (MECC) at 44 Station Street Cobram was activated for the following events:

- March 2013 tornado event and all systems tested during this time; and
- Gas leak in Cobram in November 2012.

The emergency management software (MECC Centre) was used successfully and eliminated the need for manual log keeping and recording of messages/requests for resources.

At this time all staff participating in the MECC operations were training in the use of the system.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>ENERGY MANAGEMENT</b>	100%	100%	✓	100%	100%	✓

Annually, Moira Shire Council is required under the National Greenhouse and Energy Reporting Act 2007 (the Act) to report corporate greenhouse gas emissions (scope 1 and 2 only).

Scope 1 - emissions are the release of greenhouse gases into the atmosphere as a direct result of an activity (e.g. emissions from small plant, large plant and passenger fleet, landfill gas emissions, gas consumption [LPG and NG]).

Scope 2 - emissions are the release of greenhouse gases into the atmosphere as an indirect result of one or more activities that generate electricity (e.g. consumption of electricity from the national grid).

The Act establishes the legislative framework for the National Greenhouse and Energy Reporting System (NGER). A number of legislative instruments sit under the NGER Act, providing greater detail about corporations' obligations. Importantly, the NGER Act underpins all carbon pricing schemes by providing the emissions data to base reporting obligations on.

It is important for Council to report corporate emissions as accurately as possible. Council has subscribed to the Planet Footprint utility tracking service to more accurately track emissions. Additionally, this has enabled Council to benchmark the Shire's usage against that of similar sized municipalities or facilities. Council is also better equipped through this reporting process to monitor its electricity usage over time.

There is an increased importance in being able to accurately measure and report corporate emissions. Council is well positioned to adapt to any changes in legislation (ie. all levels of government having to report greenhouse emissions and energy usage).

Continued improvement in the accuracy of reporting will allow Council to further explore and develop programs that specifically address energy efficiency. Through these processes Council has the potential to minimise its exposure to changes in the cost of energy and be well prepared to take advantage of changes in the energy supply market.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>ENFORCEMENT SERVICES, FIRE PREVENTION AND ANIMAL CONTROL</b>	100%	100%	✓	100%	100%	✓

As at 30 June 2013 a total of 5,478 animal registrations were renewed and advice received from owners that 551 animals had left the municipality or are deceased and not replaced. A total of 736 renewal notices remain outstanding. Reminder letters have been forwarded to these owners.

Fire prevention programs commenced on 22 October 2012. The first round of inspections of private property have to date resulted in 291 fire prevention notices being issued to land owners.

Works on council land, roads and access tracks were completed prior to the introduction of the declared fire danger period.

Properties were monitored throughout the fire danger period and where necessary follow up compliance notices were issued.

A presentation was provided to the Cobram Rotary Club on general Local Laws function. Preparations have commenced for further community education programs including inviting expressions of interest from community groups and schools.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>FAMILY AND CHILDREN SERVICES</b>	100%	100%	✓	100%	100%	✓

The previous NCAC accreditation system ceased operation in 2011 and a National Quality Framework commenced 1 January 2012. This put in place a new National Quality Standard that covers family day care, long day care, outside school hours care and preschool services to ensure high quality and consistent early childhood education and care across Australia. The major change for Family Day Care is the requirement of a minimum Certificate 111 level early childhood qualification.

Moira Family Day Care underwent an assessment and rating visit under the new system during February and the service was rated as meeting the National Quality Standard in all 7 quality areas. A particular strength observed within the service was the positive relationships between educators, families and coordination unit.

Home Visits to Educators are conducted at a minimum of every 4 weeks by the Child Development Officers, in accordance with scheme policy and regulation requirements. Increased support and compliance visits have been provided due to an increase in CDO hours, and this is having a positive effect on the quality of care being provided. Additional extensive safety and compliance checks for each Educator are being conducted to ensure regulations are being met.

Moira Family Day Care continue to promote the service through advertising in school and preschool newsletters, local newspapers and delivering information sessions to new mothers groups, playgroups and students undertaking Early Childhood studies. Flyers, posters and information are regularly distributed to schools, preschools, medical clinics, libraries and community houses. Educator numbers have maintained at 18, which is positive news and a high standard of care is provided and monitored by our experienced team.

Through the annual scheme review, surveys are conducted to identify any issues with service provision and to seek improvement of the service. Scheme policies are under review and an Advisory Group is being established.

Educators and families using the service are able to contact Coordination Unit staff at any time including after hours, for support, advice or to discuss any issues or concerns.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>FINANCE</b>	100%	100%	✓	100%	100%	✓

Accounting services were within the adopted budget. Financial statements 2011/12 were certified on 27 September 2012 by the Auditor-General. The September Budget review was adopted by Council on 15 October 2012, the December Budget review was adopted by Council on 18 February 2013 and the March Budget review was adopted by Council on 15 April 2013.

Financial position reports for each month to and including June 2013 have been submitted to Council.

The percentage of the debtors balance greater than 60 days as 30 June 2013 was 2 percent, which is well below the target of 25 percent.

The Strategic Resource Plan was reviewed and the budget was adopted in accordance with the requirements and timelines of the Local Government Act 1989.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>HUMAN RESOURCES</b>	100%	100%	✓	100%	100%	✓

A staff satisfaction survey was completed in late 2012 with an 80% employee response rate. The survey provided a better understanding of the issues facing the organisation and the Human Resources department will be using this information to assist with building greater employee satisfaction.

The Learning and Development function progressed in 2012/2013, with a comprehensive data base of the outdoor compliance training and a training calendar being implemented. Learning and Development Induction and review program captured training requirements over the first six months and will continue to be utilised. E-Learning was used to orientate new staff and accessed by all staff for training needs.

The Performance Appraisal System (PES) evaluations were completed on time and all associated pay increases and end of band payments were completed in April 2013. A new Performance Appraisal System (Work Plans) was approved in June 2013 and will be implemented. This links directly to Learning and Development needs and a new training plan which will determine training budgets and expenditure.

The training costs per FTE for 2012/2013 (FTE at end of June 2013 was 185) were \$1477.77 against the Enterprise Agreement target of \$1,300.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>LANDFILL AND TRANSFER STATIONS</b>	100%	100%	✓	100%	100%	✓

Council continues to deliver this service across nine transfer stations and one landfill site within budget.

The new Resource Recovery shed in Yarrawonga is now operational with household items being recycled through the facility.

In partnership with the Victorian Sustainability Local Sustainability Accord Council now operates a mobile polystyrene recycling machine. Collection points for polystyrene are available at all of Councils transfer stations.

Ongoing waste management initiatives continue at all waste management sites. For example Council participates in the 'DrumMuster' program for recycling chemical drums and to meet regulatory compliance undertakes recovery of refrigerant gas.

Council offered a free waste day which aligned with 'Clean Up Australia Day' and accepted residents waste for free on the nominated day. As well as the free waste day offered to residents a number of free mulch days were run throughout the year. On-site loading of municipal green waste was available for residents to access in bulk free of charge.

Cobram Landfill has had one work safe inspection with no pins or orders placed on Council as a result. The EPA also conducted an inspection of the Cobram Landfill where no issues were identified for further action.

Planning for a number of capital works projects at the landfill and transfer stations continued in preparation for delivery in the coming financial years. This includes design works for a significant rehabilitation of the Cobram Landfill (Cap Cells 1-3) and the Yarrawonga Landfill Evapotranspiration Cap.

Throughout the year a number of school groups were taken to the Cobram Landfill as part of Councils commitment to community education in relation to waste and recycling.

In this year's community satisfaction survey Council achieved a satisfaction rating of 68% for performance in waste management.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>PARKS AND GARDENS</b>	100%	100%	✓	100%	100%	✓

Council's result in the Annual Local Government Community Satisfaction Survey for 2013 for overall performance in the appearance of public areas was 75 which is an increase of one point from the previous year.

The Parks and Gardens depots have re-planted and updated various gardens, walking tracks, laneways, parks and streetscapes throughout the shire with the addition of new plants, roses and garden beds, turn and irrigation upgrades and mulch to garden surfaces.

Council continue to have two street sweepers working to a regular schedule with the compact street sweeper concentrating on CBD street areas throughout the Shire and the main street sweeper responsible for residential areas.

The team responsible for arboriculture has expanded from two to three members resulting in an increased service in the area of street and road trees maintenance.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>PLANNING</b>	100%	95.75%	×	100%	100%	✓

- For General Town Planning Moira scored 56 (up 1) (with the average for Large Rural Councils being 54, and a State average of 55); and
- For Planning and Building Permit Approvals Moira scored 58 (up 3) (with the average for Large Rural Councils being 54, and a state average of 55).

The improved results indicate that Moira Shire Council is performing better than many other councils across Victoria but with further opportunities for service improvement.

The continuing implementation of programs such as the Northern Victorian Irrigation Renewal Project (NVIRP), Water for Rivers and funding for irrigators to improve on-farm efficiency have provided opportunities for farm restructure consolidation and efficiency gains.

Agriculture continues to be a key driver for the Shire's economy, and the promotion of tourism within the region will be supported by the introduction of the Rural Activity Zone to the Moira Planning Scheme.

314 applications were lodged in 2012/13 compared with 262 the previous year, 310 decisions were made in relation to applications with 310 permits issued and no applications refused; 92 percent of permits were issued within the 60 statutory days compared to 71% the previous year. There were 2 applications decided by VCAT, both of which were in Council's favour. There has been an increase in complex applications, some involving extended negotiation, mediation and consultation.

The average processing days overall was 73 compared to the regional average of 118.

Major changes are underway in respect of state government planning policies and processes with a new set of zones being implemented across the state, as well as proposed changes the State Planning Policy Framework and the potential introduction of a new "fast track" planning process, known as "Vicsmart" for minor applications to come about in 2013/2014. These changes will require significant strategic planning activity throughout the 2013/2014 year.

Strategic planning assistance is currently being provided to Council by the Department of Transport Planning and Local Infrastructure in the review of Council's Municipal Strategic Statement and in the preparation of a Heritage Amendment to implement Moira's Heritage Study.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>PUBLIC HEALTH</b>	100%	100%	✓	100%	100%	✓

Food safety monitoring of food businesses continues to reveal an improving standard, in respect to compliance rates with state and national standards. The diversity in the local cuisine has seen the introduction of Asian cooking styles including Indian and Thai foods, and this has in turn broadened the analysis requirements of food safety monitoring. Following the previous year's introduction of issuing formal written warnings for breaches of Food legislation, these actions have now been reinforced with the issuing of infringement notices where there is a repeated failure to comply with previous advice. This approach is proving to be more constructive in effective enforcement practices and often avoids the costly process of court prosecutions.

Although some food businesses have closed due largely to economic pressures, it has provided the opportunity for new interests to introduce their fresh ideas and unique cuisines in these closed premises, and accordingly Council's Environmental Health Officers have provided the necessary assistance in guiding the new fit-out to reflect the expectations of today's society.

Caravan Parks are completing their three year registration period which has seen a significant concentration on fire safety within the parks as a result of new legislation proclaimed in 2010. Council will continue to work with the caravan park's owners and management to ensure that fire safety remains a focus during their renewed registration period.

Legal proceedings were necessary to be pursued in relation to the illegal operation of scare guns being used as a bird deterrent by a cherry orchardist. The legal action highlighted the changing tolerances of communities and individuals to historical industries such as fruit growing, where in recent times orchardists are electing to sell their orchards for housing estate development. Council will continue to face challenges of accommodating the needs of the fruit growing industry in the face of community's rising expectations for lifestyle comfort.

Applications received for the installation of septic tank systems remains relatively low in respect to previous years; however this trend is consistent with downturns in the building of new dwellings in unsewered areas. Council has introduced the treatment of grey water for reuse purposes in the redevelopment of two Recreation Reserve pavilions. This innovation is consistent with Council's sustainability objectives and will continue to produce benefits for the respective communities.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>REVENUE</b>	100%	100%	✓	100%	100%	✓

In matching between Council's database and Land Information Victoria's database, Council continues to perform extremely well, with a match rate of approximately 96 percent. The matching program also ensures all properties are valued and rated.

For 2012/13 a collection rate of 95.3 was achieved, which is similar to the recorded rate of 95.7% for the previous year.

The requests for Land Information Certificates are still very steady. All urgent and non-urgent requests were returned the same day.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>ROADS AND STREETS</b>	100%	99%	✓	100%	100%	✓

Council's result in the Annual Local Government Community Satisfaction Survey for 2013 for maintenance of unsealed roads was 50 which is an increase of five points from 2012.

Moira Shire's road network was maintained in accordance with the Road Management Plan. Reseal preparation works to the value of \$1.5 million were completed and 12,814m<sup>2</sup> of failed road pavements were stabilised as part of Council's Reseal/Stabilisation program.

There was an increased amount of community engagement with the Executive Manager Operations and two Roads Team Leader continuing to attend several meetings with community groups and residents. Meetings were also held with the bus companies that operate within Moira Shire to discuss road/roadside maintenance required on school bus routes. Customer service has improved through better management of conquest requests/CRM and community engagement with the end result of zero overdue requests.

The Concreting team expanded from one to two members resulting in an increased service in the area of footpath maintenance and inspections.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>RISK MANAGEMENT</b>	100%	100%	✓	100%	100%	✓

Council experienced a 5.5% increase in the total cost of insurance in 2012/13 compared to the previous year. The overall increase resulted from a 30% increase in the cost of motor vehicle and public liability insurance offset by a 16% decrease in property insurance attributed to the removal of the fire services levy.

The liability risk audit conducted by Council's insurer, MAV Insurance, in February 2013 awarded Council a score of 89%. Areas of strength identified by the audit included the existence of a comprehensive risk management framework, well managed inspection systems for road related infrastructure and comprehensive town planning procedures.

Areas for improvement identified by the audit included the development of a prioritised method for reviewing risks contained in the risk register, development of procedure relating to building safety and the completion of the draft Stormwater Management Plan.

Council completed the second year of audits scheduled in the four year internal audit program and audits were conducted on the following areas of Council operations:

- Compliance to the Road Management Plan
- Procurement – purchase orders and quotations
- Fringe Benefits Tax
- Asset Management
- Project Management

All accepted recommendations identified in audits were recorded into Council's risk management system and the resulting actions assigned to Responsible Officers. Progress towards the implementation of outstanding actions is monitored and reported quarterly to the Corporate Management Team, the Audit Committee and Council.

Self Improvement Audits were conducted on compliance to the Calender of events and the Road Management Plan, plant maintenance, financial reporting of committees of management, subject files and tree management.

The Moira Shire Council Risk Management Plan was revised following completion of the scheduled audits and adopted by the Corporate Management Team in June 2013.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>SALEYARDS</b>						
Cobram	100%	95%	X	100%	100%	✓
Yarrowonga	100%	90%	X	100%	50%	X

The Cobram Saleyards continue to work with Goulburn Valley Water (GV Water) to maintain compliance with their required procedures. GV Water undertakes testing and monitoring at the Cobram Saleyards to ensure compliance with the Trade Waste Agreement and state legislation to minimise impact on the environment. Non-compliance notices have been periodically issued with the cause of the problem identified usually relating to heavy rainfall and quality of the waste material. Regular monitoring and a new system of cleaning to extract all waste has been introduced. Mid-year the truck wash pump was replaced, further improving water quality

All saleyards personnel adhere to the Meat and Livestock Association (MLA) Quality Assurance Manual. One staff member and one committee member attended the National Saleyards Conference to keep abreast of issues associated with the operations of saleyards.

Cobram Saleyards uses the latest technology to conduct livestock identification.

The Yarrowonga Saleyards conducted their last sale in November 2012. Declining numbers of sheep for sale resulted in the Section 86 Committee of Management recommending that Council take control of the yards. The yards have sat idle since November 2012.

Maintenance on the settling ponds at the Yarrowonga Saleyards was conducted regularly and is maintained by the Committee of Management. The annual EPA licensing requirements have been satisfied and North East Water monitors discharge to ensure compliance with the Trade Waste Agreement.

Ongoing issues with maintenance of the truck wash (bi-annual cleaning) and repairs to the Avdata system has impacted on the cash reserves held by the Committee of Management.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>STREETSCAPE/ URBAN DESIGN</b>	100%	100%	✓	100%	100%	✓

Urban Design Framework proposals for the development of Kennedy Park, and Barmah boat ramp are complete. Streetscape improvement works/parks works at Picola were completed. Streetscape works including tree planting, installation of planter boxes at Yarrawonga were also completed.

A streetscape concept plan for Strathmerton plan has been completed after further consultation with the Community consultation co-ordinators group.

The Cobram Urban Design Framework, adopted by Council in 2009 has been utilised to seek external funding and market the project to the grant Authorities.

A further Stage of works at Federation Park, in Cobram has been completed and Council plans to complete the project in 2013/14.

Dillon Street, in Cobram – a project that includes car park, road works as well as streetscape aspects has also been completed.

Projects identified in the Streetscape Master plans adopted by Council have been incorporated into the draft 10 year Capital Works Program.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>SWIMMING POOLS AND LEISURE CENTRES</b>	100%	99%	X	100%	100%	✓

Council's result in the Annual Local Government Community Satisfaction Survey for recreation facilities was 69, which is slightly above last year's result of 67. This score remains favourable across the average for large rural shires, which was 67. It is a continued focus of the team to maintain high customer satisfaction.

Moira Shire Council's average subsidy per visitation as at June 30 2013 was \$5.56, compared to \$5.71 for June 2012

Audits were completed for all outdoor pools, along with maintenance works across most facilities prior to the season opening. The Recreation Contract Supervisor conducts monthly audits across all facilities, including water quality tests which are forwarded to Environmental Health Officer monthly for review. In addition, monthly spot audits are also conducted.

Moira Shire pools opened on the 1 of December 2013 and closed on the Labour Day long weekend in March 2012 in accordance with the contract. Overall attendances for the aquatic facilities for the 2013 / 14 season were 67,721 up on the previous season total of 63,563, an increase of 7%. The splash park remained open until the end of April, and continues to be popular with the community.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>URBAN DRAINAGE/ STORMWATER</b>	100%	100%	✓	100%	100%	✓

Council actions in relation to stormwater management are complimentary to the policy framework established by the Environment Protection Authority (EPA) under the Environment Protection Act 1970 and current best practice guidelines.

The Urban Stormwater Management Plan identifies priority management issues for urban storm water within Moira Shire. It presents numerous management strategies to address these issues.

There were no non-compliance issues raised by the EPA regarding stormwater management during the 201/13 financial year.

Tests undertaken by residents Yarrawonga, in respect of stored stormwater, also proved that Council's stormwater system is operating within the required standards.

Stormwater pumps are inspected on a monthly basis and maintained in a serviceable condition, with any repairs dealt with at the time. Council now also has many of its pumps on automatic monitoring systems to help ensure that the systems are operational when called upon.

A major initiative at Cobram has been to install a back-up power generator to ensure that the pumps are still operational during power outages.

The inspection program for Gross Pollutant Traps (GPTs) has continued to be implemented.

Drainage Betterment works, originally budgeted at \$660,000, with \$220,000 from Council and \$440,000 from flood related grant programmes, were subsequently reduced to \$220,000 as the grant funding was not applicable to Council's requirements. The major drainage works carried out during the year were to increase capacity at Murray Avenue in Numurkah. Drainage improvement surrounding the south east area of Yarrawonga were also carried out.

A major drainage study of Yarrawonga is in progress which will investigate the existing drainage system and make recommendations regarding the required capacity to meet design storms. This study is within quality and cost standards but has been delayed due to the large number of additional assets found during the site inspection stage. Results will be applied to future capital works programmes.

QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>WASTE AND RECYCLING COLLECTION</b>	100%	100%	✓	100%	100%	✓

Kerbside waste and recycling contracts have been delivered within budget with a new recyclables processing contractor being appointed. The transition to a new processor in Wangaratta has been smooth.

Recycling totals have increased averaging close to 250 tonnes per month up from 230 tonnes per month with no rejected loads again.

Waste and recycling services continue to be delivered in accordance with Moira Shire Council's Waste Management Plan.



QUALITY AND COST STANDARDS	TARGET QUALITY STANDARD	RESULT	MET QUALITY STANDARD	TARGET COST STANDARD	RESULT	MET COST STANDARD
<b>YOUTH</b>	100%	100%	✓	100%	100%	✓

The Youth Strategy is addressed through Junior Council meetings, safety issues and concerns are identified and actioned through the Moira Shire Local Safety Committee, L2P Driver Mentor Program, the MY PASSPORRT alcohol and other drug harm minimisation programs and FReeZA events.

Junior Council met on four occasions through 2012/13, with an end of year celebration of for the 2012 participants, an induction tour for the 2013 participants, and two meetings that have been held to date

Local town and social issues are discussed at every Junior Council meeting. Many of the issues and actions are linked to actions of the Municipal Public Health plan, Council Plan and Moira Shire Safety Plan. This process is also facilitated by Mission Australia's Youth Contract worker in conjunction with Council staff.

Three schools participated in the MY PASSPORRT alcohol and other drug program during 2012. Two football clubs participated in a cyber-safety program during 2013 conducted by the Moira Shire Council, local police and football club. Cyber Safety Community Education programs continue to be made available to all secondary schools and sports clubs during 2013. Three secondary school have enrolled to participate in MY PASSPORT for 2013

National Youth Week 2013 saw a music/skate event at the Yarrawonga skate park in April 2013. FReeZA events were held across the shire during 2012/13, with the Kool Skools recording program, followed by the Kool Skools CD Launch held in Numurkah in December. Movie nights were also held throughout the Shire during the September school holidays, and an Open Mic event at the Cobram Show in October.

L2P is an initiative targeting disadvantaged youth in a program that assists in attaining 120 hours driving experience. Twelve mentors are currently matched with participants, and there has been eighteen participants receive their probationary licence since the inception of the program.

## VAGO

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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 2013 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 2013 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

### *Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the performance statement of the Moira Shire Council for the year ended 30 June 2013 included both in the Moira Shire Council's annual report and on the website. The Councillors of the Moira Shire Council are responsible for the integrity of the Moira Shire Council's website. I have not been engaged to report on the integrity of the Moira Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
23 October 2013



John Doyle  
Auditor-General

## Performance Statement

The accompanying performance statement of Moira Shire Council in respect of the 2012/13 financial year is presented fairly in accordance with the Local Government Act 1989.

### INTRODUCTION TO THE PERFORMANCE STATEMENT

Council is required to adopt, as an integral part of the Annual Budget, a number of Key Strategic Activities, including performance measures and targets that support the provision of programs within budget.

These activities contribute to the delivery of the vision, strategies and actions contained within the Council Plan, which sets the strategic direction for Council.

The monitoring of progress and reporting in relation to these activities is tracked through monthly reports examined by the Corporate Management Team. Formal quarterly reports are provided to Council on the status of achievement of these activities.

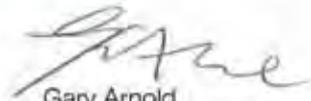
### CERTIFICATION OF THE PERFORMANCE STATEMENT

In our opinion, the accompanying Performance Statement of Moira Shire Council in respect of the 2012/13 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the Key Strategic Activities of the budget in respect of the current year and describes the extent to which the activities were achieved, having regard to those measures.

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

We have been authorised by Council on 16 September 2013 to certify the Performance Statement in its final form.

		
Cr Brian Keenan Mayor 21 October 2013 Cobram	Ed Cox Councillor 21 October 2013 Cobram	Gary Arnold Chief Executive Officer 21 October 2013 Cobram



**OUR COMMUNITIES**

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**OUR ENVIRONMENT AND LIFESTYLE**

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**OUR COMMUNICATIONS AND PROCESSES**

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**OUR PEOPLE**

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## OUR COMMUNITIES

Working together to strengthen our communities



ACTION	ACHIEVEMENT
Complete Rating Strategy Review by 31 December 2012.	<b>Not Achieved</b> - Completed and presented to a Council Briefing on 8 April 2013.
Successfully deliver Moira Shire Council elections by 31 December 2012.	<b>Achieved</b> - Moira Shire Council Elections conducted via postal voting on 27 October 2012.
Successfully deliver National Quality Assurance Standard for Moira Family Day Care by 30 November 2012.	<b>Not Achieved</b> - Council's Family Day program met requirements in each of the seven quality areas of the NQS. Approval of the service meeting the NQS was received in April 2013.
Increase immunisation rate for infants between 60 – 63 month to 95%.	<b>Not Achieved</b> - Delivery of promotional material formed part of Councils engagement with kindergarten and child care establishments. Municipal immunisation rate was 94.94%.

## OUR ENVIRONMENT AND LIFESTYLE

Maximising the potential development opportunities respecting our environment and lifestyle



ACTION	ACHIEVEMENT
Fully implement the "Liveability of Older People" project by 31 December 2012.	<b>Not Achieved</b> - Preliminary project report on achievements forwarded to Municipal Association of Victoria in May 2013.
Continue 100% compliance for the Municipal Public Health Plan, food sampling program and registered premises inspection schedule.	<b>Achieved</b> - Council's registered food premises continue to be inspected for compliance prior to the renewal of their annual registration.
Continue 100% compliance ratings for the Moira Social Plans Actions, Positive Ageing Strategy Actions and All Abilities Action Plan Actions.	<b>Not Achieved</b> - Moira Shire Social Plan, Positive Aging Strategy and All Abilities Action Plan were incorporated into the Council's Municipal Public Health and Wellbeing Plan.
Increase the rating for Building Certificates issued within 10 working days to 96%.	<b>Achieved</b> - A figure of 100% has been achieved.

## OUR COMMUNICATIONS AND PROCESSES

Providing strong leadership, delivering openness, transparency and accountability



ACTION	ACHIEVEMENT
Implement Community Engagement Module throughout Council by 30 June 2013.	<b>Achieved</b> - The Community Engagement Manual was implemented through a number of sessions with staff in October and November 2012.
Deliver Moira Shire Council's Communications Strategy by 30 June 2013.	<b>Not Achieved</b> - Further development of the Strategy is required to include Social Media.
Increase the number of Moira Business website hits by 10%.	<b>Not Achieved</b> - The Moira Business website was consolidated back into Council's main website during the reporting period. Unable to report against initial benchmark.
Increase the number of visits to the Moira website by 5%.	<b>Achieved</b> - The total number of visits to the website for the reporting period was 68,892. This represents an increase of 5,181 visits or 8.1% for the year.
Decrease VAGO Indebtedness ratio to 55%.	<b>Achieved</b> - At the end of June 2013 the VAGO Indebtedness ratio was 43.36%.
Implement Stage 1 of CIVICA IT integrated software project by 30 September.	<b>Not Achieved</b> - Majority of stage 1 components went live on 17 September 2012. A number of remaining components have been rescheduled as implementation continues.
Increase the rating for replies to requests received in "customer requests system" within time frames to 82%.	<b>Not Achieved</b> - Council's performance in responding to customer requests remained above the target of 82% in the first half of the reporting year with 99% of requests responded to within the required time frame of 30 days.
	In January 2013 Council implemented a new Customer Request Module as part of the Integrated System with staff testing new timeframes and task management. This reduced rating for the second half of the reporting year to 80%.

## OUR PEOPLE

Supporting opportunities for the growth and development of our people



ACTION	ACHIEVEMENT
Develop/implement organisation HR Manual review and training strategy by 31 December 2012.	<b>Not Achieved</b> - Draft report has been returned by the consultant with recommendations for changes. Next milestone to be completed October 2013.
Deliver 100% compliance in implementing Staff Health and Wellbeing Programs.	<b>Not Achieved</b> - A range of programs were rolled out to support the overall Staff Health and Wellbeing Programs under the government funded Work Health Program.
Initiate Councils EBA negotiations by December 2012.	<b>Achieved</b> - Councils EBA negotiations were initiated in December 2012 and are progressing well.

## Financial Overview

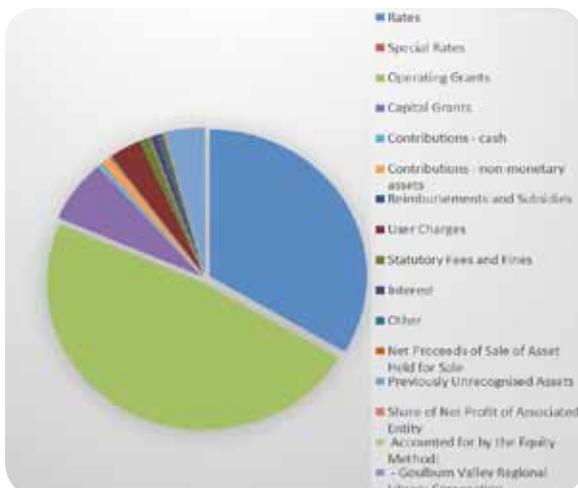
### IN BRIEF

In summary, Moira Shire financial position is summarised by the following key points:

- A \$6.5 million deficit position compared to the adopted budget allocation position of \$2.77 million;
- \$15.7 million cash and cash equivalents compared to \$6.6 million adopted budget position;
- \$7.83 million capital expenditure representing \$3.82 less than the adopted budget allocation of \$11.66 million; and
- Increased cash assets of \$19.2 million compared to the budgeted position of \$6.6 million although \$7.1 million of this figure is subject to external restrictions including long service leave provisions, trust funds and deposits.

### REVENUE

Council's total income for the 2012/13 financial year was \$82.6 million against \$55.05 million in 2012. An analysis of Councils revenue sources is included below. Rates generate \$27.7 million of Councils revenue sources and are used to fund community service and renew community assets.



### NET RESULT

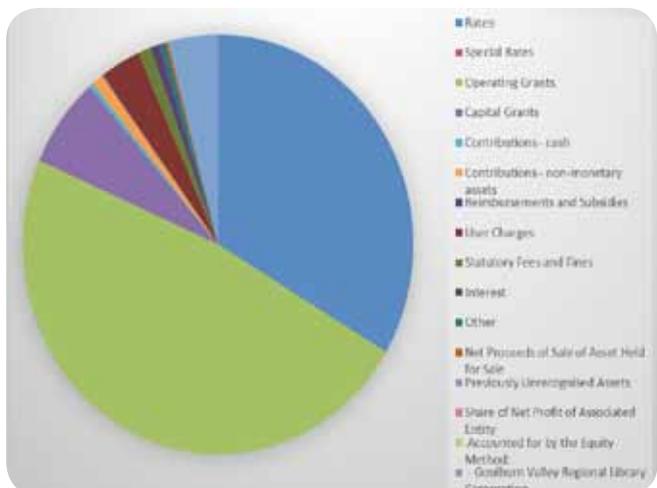
Council achieved a deficit position of \$6.5 million for the 2012/13 financial year ending 30 June 2013.

This result compares with the 2012/13 adopted budget position of \$2.77 million. In summary, this result was primarily due to:

1. \$3.6 million associated with the disposal of infrastructure assets;
2. \$3.3 million relating to 'found assets' which impacted on council income position; and
3. \$2.6 million expenses associated for work in progress relating to flood impairment of infrastructure.

### EXPENSES

Council's total expenses for the 2012/13 financial year were \$89.0 million representing an increase of \$41.9 million compared to the 2012 financial year. An analysis of Councils expense is included below.



## FINANCIAL STRENGTH

Council's cash and cash equivalent as at the 30th June 2013 was \$15.7M representing an increase of \$9.09M compared to the adopted budget position. This increase is mainly due to early payment of the Victorian Grants Commission 2012/13 of \$4.57 million.

Council also reports annual to the Victorian Auditor General's Office (VAGO) on a range of financial sustainability indicators below:

Indicator	2013	2012	2011
Working capital (low risk > 1.5%)	1.32	2.00	1.76
Underlying result (low risk > 0%)	0.79%	1.24%	1.72%
Indebtedness (low risk < 40%)	19.9%	17.88%	21.09%
Self-financing (low risk < 20%)	33.55%	46.33%	53.18%

## CAPITAL EXPENDITURE

During the 2012/13 financial year, \$7.83 million was spent on capital works which represents a decrease of \$3.82 million on the adopted budget position of \$11.66 million. This additional expenditure can be attributed to:

The major expenditures (less accumulated depreciation) were:

- Roads: \$3.52 million
- Footpaths: \$0.4 million
- Buildings: \$1.39 million
- Plant and equipment: \$0.52 million
- Culverts & Flood ways: .05 million
- Land: \$0.03 million
- Land Improvements: \$.08 million
- Drainage: \$0.4 million
- Kerb and channel: \$.04 million
- Pumps: \$0.1 million
- Other Infrastructure Assets: \$1.2 million

## LONG TERM FINANCIAL PLAN

Councils Strategic Resource Plan (SRP) charts the Councils financial plan for the future which seeks to:

1. Maintain Councils existing range and level of services;
2. Maintain a strong cash position;
3. Maintain financial sustainability as measure by the Victorian Auditor-Generals Office; and
4. Provide for rate increase which achieves a balance between affordability and sustainability in providing the required level of community services.

	2013 \$'000	2014 \$'000	2015 \$'000	2016 \$'000
Rate revenue	\$27.7M	\$28.7M	\$30.8M	\$32.8M
Deficit	(\$6.5M)	(\$3.97M)	(\$0.89M)	\$0.64M
Cash	\$15.7M	\$6.96M	\$3.53M	\$2.53M
Capital expenditure	\$7.83M	\$10.10M	\$12.09M	\$9.52M
Net assets	\$582.7M	\$559.2M	\$560.1M	\$560.7M
Working capital ratio	1.32	1.15	0.79	0.66
Indebtedness	33.55%	38%	32%	29%
Self-financing	19.9%	10.89%	18.13%	18.06%

The table of figures have been extracted from Council's adopted budget for 2013/14. During the 2013/14 financial year, the long term financial plan will be reviewed and amended to account for:

1. Implementing tighter cost controls to improve the Surplus/(deficit) position and accordingly improve the Cash position.
2. Capital expenses to be monitored with more focus on prioritised Capital projects to improve cash flow.
3. Improving working capital position by implementing cost control and increasing revenue streams.



## Certification of the Financial Report

The Financial Report of Moira Shire Council is a general-purpose report that consists of an income statement, balance sheet, statement of changes in equity, statement of cash flows and notes accompanying these statements.

The Auditor General Victoria is required to certify council's Financial Report and Standard Statements for the year ending 30 June 2013. The following section includes the certifications in the Independent Audit Report of the Auditor General Victoria.

## VAGO

Victorian Auditor-General's Office

Level 24, 35 Collins Street  
Melbourne VIC 3000  
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### INDEPENDENT AUDITOR'S REPORT

#### To the Councillors, Moira Shire Council

##### *The Financial Statements and Standard Statements*

The accompanying financial statements for the year ended 30 June 2013 of the Moira Shire Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flow, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements have been audited.

The accompanying standard statements for the year ended 30 June 2013 of the Council which comprises standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

##### *The Councillors' Responsibility for the Financial Statements and Standard Statements*

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

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

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

##### *Auditor's Responsibility*

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

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

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

*Auditing in the Public Interest*

### **Independent Auditor's Report (continued)**

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

#### *Independence*

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

#### *Opinion*

In my opinion:

- (a) the financial statements presents fairly, in all material respects, the financial position of the Moira Shire Council as at 30 June 2013 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

#### *Basis of Accounting for Standard Statements*

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

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

This auditor's report relates to the financial statements and standard statements of the Moira Shire Council for the year ended 30 June 2013 included both in the Moira Shire Council's annual report and on the website. The Councillors of the Moira Shire Council are responsible for the integrity of the Moira Shire Council's website. I have not been engaged to report on the integrity of the Moira Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial statements and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and standard statements to confirm the information contained in the website version of the financial statements and standard statements.

MELBOURNE  
23 October 2013



John Doyle  
Auditor-General

## Standard Statements

FOR THE YEAR ENDING 30 JUNE 2013

### CERTIFICATION OF STANDARD STATEMENTS

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



Alison Coe,  
Principal Financial Officer  
16 October 2013  
Cobram

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

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

We have been authorised by Council on 16 September 2013 to certify the standard statements in their final form.



**Brian Keenan**  
Mayor  
21 October 2013  
Cobram



**Councillor**  
21 October 2013  
Cobram



**Chief Executive Officer**  
21 October 2013  
Cobram

# Notes to the Standard Statements

FOR THE YEAR ENDING 30 JUNE 2013

## BASIS OF PREPARATION OF STANDARD STATEMENTS

Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required - a Standard Income Statement, a Standard Balance Sheet, a Standard Statement of Cash Flows and a Standard Statement of Capital Works, together with explanatory notes.

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

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

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

The Standard Statements compare Council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of 10 percent. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Statements are those adopted by Council on 25 June 2012. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

# STANDARD STATEMENTS

## Standard Income Statement Comparison Report

For the year ending 30 June 2013

	BUDGET	VARIANCES		REF	ACTUAL
	2012/13	\$	%		2012/13
	\$	\$	%		\$
<b>Revenue from Ordinary Activities</b>					
Rates	27,549,051	142,667	1		27,691,718
Special Rates	30,000	(30,000)	(100)	1	-
Operating (recurrent) Grants	6,036,517	33,587,930	556	2	39,624,447
Capital (Non-Recurrent) Grants	5,544,575	201,508	4		5,746,083
Contributions - cash	295,000	12,952	4		307,952
Contributions - non monetary	200,000	626,038	313	3	826,038
Reimbursements and Subsidies	39,112	46,414	119		85,526
User Charges	2,642,380	81,909	3		2,724,289
Statutory Fees and Fines	865,112	18,058	2		883,170
Interest	715,500	(100,932)	(14)		614,568
Net proceeds of Sale of Land held for resale	10,000	172,385	1,724		182,385
Previously unrecognised assets found	-	3,393,432	100	4	3,393,432
Share of Net Profit/(Loss) of Associated Entity Accounted for by the Equity Method					
- Goulburn Valley Regional Library Corporation	-	45,459	100		45,459
Net Gain on Disposal of Property, Plant & Equipment	6,550	(6,550)	100		-
Other Revenue	249,994	175,380	70		425,374
<b>TOTAL REVENUES</b>	<b>44,183,791</b>	<b>38,366,650</b>	<b>87</b>		<b>82,550,441</b>
<b>Expenses from Ordinary Activities</b>					
Employee Benefits	17,182,052	(618,264)	(4)		16,563,788
Material & Services	9,917,280	33,531,585	338	5	43,448,865
Loss on disposal of infrastructure	200,000	3,736,962	1,869	6	3,936,962
Work in progress-prior year expensed	-	2,352,826	100	7	2,352,826
External Contract Services	5,377,895	2,749,514	51	8	8,127,409
Utilities	1,215,816	(181,038)	(15)		1,034,778
Bad & Doubtful Debts	5,000	6,120	122		11,120
Depreciation	7,982,573	705,690	9		8,688,263
Interest on Borrowings	658,864	(9,582)	(2)		649,282
Interest on Unwinding of Discount on Provisions	516,231	(240,003)	(47)		276,228
Net Gain / (Loss) on Disposal of Property, Plant & Equipment	-	6,241	100		6,241
Other work in progress expensed	-	30,950	100		30,950
Small Plant Written Off	-	13,159	100		13,159
Fair value adjustment	-	29,222	100	9	29,222
Share of Net Profit/(Loss) of Associated Entity Accounted for by the Equity Method					
- Goulburn Valley Regional Library Corporation	20,000	(20,000)	(100)		-
Other	3,879,304	15,851	0		3,895,155
<b>TOTAL EXPENSES</b>	<b>46,955,015</b>	<b>42,109,233</b>	<b>90</b>		<b>89,064,248</b>
<b>SURPLUS / (DEFICIT)</b>	<b>(2,771,224)</b>	<b>(3,742,583)</b>	<b>135</b>		<b>(6,513,807)</b>
<b>Movements in Equity</b>					
Transfers to Restricted Reserves	63,000	(33,950)	(54)	10	29,050
Net Increase/(Decrease) in Asset Revaluation Reserves	-	26,888,387	100	11	26,888,387
<b>TOTAL CHANGES IN EQUITY</b>	<b>(2,708,224)</b>	<b>23,111,854</b>	<b>(853)</b>		<b>20,403,630</b>

## VARIANCE EXPLANATION REPORT

REF	ITEM	COMMENTARY
1	Special Rates	100% below budget - Systems issues regarding the set-up of the Civica rates module has delayed us in completing the process for the Cooray Street green site. The issue will be resolved in September/October 2013.
2	Operating (Recurrent) Grants	556% above budget - mainly due to funding for Flood Recovery of \$29.2 million; the early payment of the first quarter of the Victorian Grants Commission's 2013/14 allocation, \$4.57 million.
3	Contributions - Non-monetary	313% above budget - due to more subdivisions which have been issued with a statement of compliance.
4	Previously unrecognised assets found	100% above budget - Found assets was not included in the budget.
5	Materials and Services	338% above budget - mainly due to flood recovery response works, \$36.2 million and expensed capital outlays, \$0.4 million.
6	Loss on disposal of infrastructure	1,869% above Budget - Budgeted figure is an overall amount based on an estimate of previous years data. The amount written down reflects the remaining value of the assets replaced as part of the overall Capital Works Program. The \$3.96 million is mainly related to Road projects but also incorporates assets replaced as part of the traffic management works.
7	Work in progress-prior year expensed	Work in progress related to Flood impairment was treated as an asset however after consultation with the auditors the amount was treated correctly as expensed.
8	External Contract services	51% above budget - mainly due to flood recovery response works of \$3.1 million.
9	Revaluation of Intangible Assets	100% above budget - revaluation of intangible assets was not included in the budget.
10	Transfers to Restricted Reserves	54% below budget - due to no transfer to the car parking reserve.
11	Net Increase/(Decrease) in Asset Revaluation Reserves	100% above budget - the movement in asset revaluation reserves is not budgeted.

## Standard Balance Sheet Comparison Report

For the year ending 30 June 2013	BUDGET 2012/13 \$	VARIANCES		REF	ACTUAL 2012/13 \$
	\$	\$	%		
<b>Current Assets</b>					
Cash Assets	6,624,725	9,068,355	137	12	15,693,080
Trade and Other Receivables	3,105,091	(385,857)	(12)	13	2,719,234
Inventory	484,233	107,437	22		591,670
Assets Held for Resale	491,095	(491,095)	(100)	14	-
Other	175,705	95,338	54		271,043
<b>Total Current Assets</b>	<b>10,880,849</b>	<b>8,394,178</b>	<b>77</b>		<b>19,275,027</b>
<b>Non-Current Assets</b>					
Trade and Other Receivables	75,624	149,638	198		225,262
Property, Plant Equipment and Infrastructure	559,092,200	31,254,501	6		590,346,701
Intangible Assets	1,413,997	(395,531)	(28)	15	1,018,466
Investment in Regional Library Corporation	458,015	144,253	32		602,268
<b>Total Non-Current Assets</b>	<b>561,039,836</b>	<b>31,152,861</b>	<b>6</b>		<b>592,192,697</b>
<b>Total Assets</b>	<b>571,920,685</b>	<b>39,547,039</b>	<b>6</b>		<b>611,467,724</b>
<b>Current Liabilities</b>					
Trade and Other Payables	3,111,687	4,691,917	151	16	7,803,604
Trust Funds and Deposits	1,024,747	(151,134)	(15)		873,613
Interest Bearing Loans and Borrowings	749,964	19,141	3		769,105
Non-interest Bearing Liabilities	60,000	-	-		60,000
Employee Benefits	2,826,210	82,556	3		2,908,766
Provision for Landfill Rehabilitation	-	2,161,414	100	17	2,161,414
<b>Total Current Liabilities</b>	<b>7,772,608</b>	<b>6,803,894</b>	<b>88</b>		<b>14,576,502</b>
<b>Non-Current Liabilities</b>					
Trade and Other Payables	-	-	-		-
Interest Bearing Loans and Borrowings	7,337,428	(35,926)	(1)		7,301,502
Non-Interest Bearing Loans and Borrowings	180,000	99	0		180,099
Employee Benefits	972,606	(478,359)	(49)	18	494,247
Provision for Landfill Rehabilitation	9,184,814	(2,935,517)	(32)	19	6,249,297
<b>Total Non-Current Liabilities</b>	<b>17,674,848</b>	<b>(3,449,703)</b>	<b>(20)</b>		<b>14,225,145</b>
<b>Total Liabilities</b>	<b>25,447,456</b>	<b>3,354,191</b>	<b>13</b>		<b>28,801,647</b>
<b>Net Assets</b>	<b>546,473,229</b>	<b>36,192,848</b>	<b>7</b>		<b>582,666,077</b>
<b>Accumulated Surplus</b>					
Accumulated Surplus	327,099,859	(161,999,288)	(50)	20	165,100,571
Restricted Reserves	1,231,677	6,460	1		1,238,137
Asset Revaluation Reserve	218,141,693	198,185,676	91	21	416,327,369
<b>Total Equity</b>	<b>546,473,229</b>	<b>36,192,848</b>	<b>7</b>		<b>582,666,077</b>

## VARIANCE EXPLANATION REPORT

REF	ITEM	COMMENTARY
12	Cash assets	137% above budget - mainly due to the opening balance greater than Budgeted.
13	Trade and Other Receivables	12% below budget - mainly due to decrease in Sundry debtors [\$0.9 million], slight increase in Rates debtors [\$0.1million] and \$0.4 million of GST debtors not Budgeted.
14	Land held for resale	100% below budget - due to sale of Industrial land this financial year and the balance of the unsold land has been classified under Land as a non-current asset.
15	Intangible Assets	28% below budget - decrease due to the correction in the value of Water rights for the Financial Year 2012/13.
16	Trade and Other Payables	151% above budget - mainly due to Flood related vendor payments due for payment at the end of the financial year which are not budgeted.
17 & 19	Provision for Landfill Rehabilitation	Council does not budget for a current liability. The total provision is greater than budget due to less rehabilitation works projected for 2012/13 offset by a reduction in budgeted works for future rehabilitation.
18	Non-current Employee Benefits	49% below budget - mainly due to long serving employees leaving organisation and Budgeted amount based on estimates.
20	Accumulated Surplus	The budget amount were not altered to match the previous year-end balance of Accumulated Surplus.
21	Asset Revaluation Reserve	The budget amount were not altered to match the previous year-end balance of Asset Revaluation Reserve and Council does not budget for a change in the balance of the reserve.

## Standard Statement of Cash Flows Comparison Report

For the year ending 30 June 2013	BUDGET 2012/13 \$	VARIANCES		REF	ACTUAL 2012/13 \$
	\$	\$	%		\$
<b>Cash flows from operating activities</b>					
Receipts from customers	31,088,604	159,136	1		31,247,740
Payments to suppliers	(20,253,769)	(40,140,001)	198	<b>22</b>	(60,393,770)
<b>Net cash inflow (outflow) from customers/suppliers</b>	<b>10,834,835</b>	<b>(39,980,865)</b>	<b>(369)</b>		<b>(29,146,030)</b>
Government receipts	11,581,092	33,515,296	289	<b>23</b>	45,096,388
Contributions	295,000	31,111	11		326,111
Interest received	715,500	(64,250)	(9)		651,250
Other receipts	349,994	75,380	22		425,374
Net GST refund		5,684,118	(100)	<b>24</b>	5,684,118
Payment to employees	(16,772,182)	225,933	(1)		(16,546,249)
Interest paid	(658,864)	8,691	(1)		(650,173)
<b>Net cash inflow (outflow) from operating activities</b>	<b>6,345,375</b>	<b>(504,586)</b>	<b>(9)</b>		<b>5,840,789</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of assets	65,500	18,064	28		83,564
Proceeds from sale of assets held for sale	-	30,000	100		30,000
Payments for purchase of fixed assets	(11,660,644)	3,828,808	(33)	<b>25</b>	(7,831,836)
(Increase)/decrease in loan advances	15,000	-	-		15,000
<b>Net cash inflow (outflow) from investing activities</b>	<b>(11,580,144)</b>	<b>3,876,872</b>	<b>(34)</b>		<b>(7,703,272)</b>
<b>Cash flows from financing activities</b>					
Proceeds from borrowings					
Repayments of borrowings	(957,679)	41,648	(4)		(916,031)
Increase/(decrease) in trust funds and deposits	29,847	22,542	76		52,389
<b>Net cash inflow (outflow) from financing activities</b>	<b>(927,832)</b>	<b>64,190</b>	<b>(7)</b>		<b>(863,642)</b>
Net increase/(decrease) in cash held	(6,162,601)	3,436,476	(56)	<b>26</b>	(2,726,125)
Cash at the beginning of the year	12,787,327	5,631,878	44	<b>27</b>	18,419,205
<b>Cash at the end of the year</b>	<b>6,624,726</b>	<b>9,068,354</b>	<b>137</b>		<b>15,693,080</b>

## VARIANCE EXPLANATION REPORT

REF	ITEM	COMMENTARY
22	Payment to suppliers	198 % above Budget - mainly due to payment relating to Flood response management. Flood related expenses relating to Materials & Services was \$36.2 and Contractors was \$3.1million which were not budgeted for.
23	Government receipts	290% above budget - mainly due to funding for Flood Recovery of \$29.2 million and the early payment of the first quarter of the Victorian Grants Commission's 2013/14 allocation, \$2.85 million.
24	Net GST refund	The actuals are required to include GST. The budget, appropriately, excludes GST. 33% below budget - The difference between the budgeted Capital works and the actual expenditure is mainly due to rebudgeting of Landfill works to 2013/14, finalisation of the two major building projects, (Katamatite Multipurpose building and the Numurkah Senior Citizens building) occurring late in the financial year and early in 2013/14, and loss of income initially budgeted for in drainage works.
25	Payments for purchase of fixed assets	Further details are provided in the Standard Capital Works statement.
26	Net increase/(decrease) in cash held	56% below budget - mainly due to additional payments made for flood response management. Flood management response is not Budgeted due to the matching of inflow and outflow.
27	Cash at the beginning of the year	44% more than budget - mainly due to the \$6.2 million flood management response funds received which is not budgeted for.

## Standard Statement of Capital Works Comparison Report

For the year ending 30 June 2013	BUDGET 2012/13 \$	VARIANCES \$	%	REF	ACTUAL 2012/13 \$
Land	30,000	3,004	10		33,004
Plant and equipment	464,269	59,810	13		524,079
Buildings	3,441,000	(2,042,474)	(59)	<b>28</b>	1,398,526
Pumps		114,676	100		114,676
Footpaths	239,000	168,238	70	<b>29</b>	407,238
Roads	4,560,375	(1,034,938)	(23)	<b>30</b>	3,525,437
Culvert and floodways		50,103	100		50,103
Bridges	80,000	(37,348)	(47)		42,652
Drainage	700,000	(653,733)	(93)	<b>31</b>	46,267
Kerb and guttering	44,000	345,013	784	<b>32</b>	389,013
Land improvements	1,530,000	(1,449,720)	(95)	<b>33</b>	80,280
Other	572,000	(474,693)	(83)	<b>34</b>	97,307
Work in progress		1,123,254	100	<b>35</b>	1,123,254
<b>Total Capital works</b>	<b>11,660,644</b>	<b>(3,828,808)</b>	<b>(33)</b>		<b>7,831,836</b>
<b>Represented by:</b>					
Renewal	5,871,644	(844,854)	(14)	<b>36</b>	5,026,790
Upgrade	5,046,000	(3,152,207)	(63)	<b>37</b>	1,893,793
New	743,000	168,253	23	<b>38</b>	911,253
<b>Total non-current assets</b>	<b>11,660,644</b>	<b>(3,828,808)</b>	<b>(33)</b>		<b>7,831,836</b>

## VARIANCE EXPLANATION REPORT

REF	ITEM	COMMENTARY
28	Buildings	Variance primarily due to unavoidable delays with building contracts.
29	Footpaths	70% variance - Due to the Capital Works Programme being budgeted on the basis of Projects, and this report subsequently being reported on an asset basis. For example, Federation Park Footpath, at Cobram and Melville Street at Numurkah was originally budgeted for as traffic safety works.
30	Roads	23% variance - Mainly due to traffic safety works at Numurkah being completed under budget and additional scope to be added to the project in agreement with the Grant Authority - Vic Roads. The total amount of the works as budgeted will be applied to the overall project with \$122,458 to be re-budgeted to 2013/14 from this project.
31	Drainage	93% variance - Primarily due to loss of external income not received from the Federal Government. Drainage upgrades, as opposed to renewals, were budgeted for on the basis of a one third contribution by Council and two thirds by Federal Government Grant. Flood recovery works are separately accounted for.
32	Kerb and guttering	784% variance - Due to the Capital Works Programme being budgeted on the basis of Projects, and this report subsequently being reported on an asset basis. Kerb and guttering is budgeted as part of road works: for example, Coghill Street, Federation Park, Numurkah Traffic Safety Works.
33	Land improvements	95% variance - mainly due to less work carried out as a result of rescheduling of required works. For example Landfill works.
34	Other	83% variance - mainly due to the designation of capital works overheads (staff time) as "other assets" in the budget, but, subsequently, was allocated to all works based on actual expenditure.
35	Work in progress	It is assumed that all works included in the budget will be completed by year-end. That which is not completed, in respect of capital expenditure, will be re-budgeted.
36	Renewal	14% variance - mainly due to works, budgeted as upgrade, have been classified as renewals. This is also attributed to the requirement to budget the entire project within a single category, while the actual expenditure is split accurately between asset class and category.
37	Upgrade	63% variance - mainly due to building works, budgeted as upgrade, not being invoiced by the financial year end. This is also attributed to the requirement to budget the entire project within a single category, while the actual expenditure is split accurately between asset class and category.
38	New	23% - Mainly due to projects classified as upgrade being reclassified as new. The Numurkah Traffic Safety Works are a prime example, as the footpaths and other attributes have been reclassified as new because there was no prior footpath. This is also attributed to the requirement to budget the entire project within a single category, while the actual expenditure is split accurately between asset class and category.

## Financial Statements

FOR THE YEAR ENDING 30 JUNE 2013

### CERTIFICATION OF FINANCIAL STATEMENTS

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



Alison Coe,  
Principal Accounting Officer  
21 October 2013  
Cobram

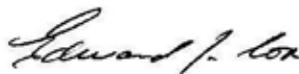
In our opinion the accompanying Financial Statements present fairly the financial transactions of Moira Shire Council for the year ended 30 June 2013 and the financial position of the Council as at that date.

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 Council on 21 October 2013 to certify the Financial Statements in their final form.



**Brian Keenan**  
Mayor  
21 October 2013  
Cobram



**Councillor**  
21 October 2013  
Cobram



**Chief Executive Officer**  
21 October 2013  
Cobram



## Financial Statements

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## Comprehensive Income Statement

For the year ending 30 June 2013	Notes	2013 \$	2012 \$
<b>Income</b>			
Rates	2.1	27,691,718	25,506,316
Special Rates		-	30,973
Operating Grants	2.2	39,624,447	18,505,109
Capital Grants	2.2	5,746,083	4,273,644
Contributions - cash	2.3	307,952	952,135
Contributions - non-monetary assets	2.3	826,038	1,186,608
Reimbursements and Subsidies		85,526	151,629
User Charges	2.4	2,724,289	2,548,668
Statutory Fees and Fines		883,170	910,238
Interest		614,568	775,088
Net proceeds of sale of assets held for sale		182,385	-
Previously unrecognised assets	27	3,393,432	-
Share of Net Profit of Associated Entity			
Accounted for by the Equity Method:			
- Goulburn Valley Regional Library Corporation	5	45,459	58,794
Other	2.5	425,374	151,178
<b>TOTAL INCOME</b>		<b>82,550,441</b>	<b>55,050,380</b>
<b>Expenses</b>			
Employee Costs	3.1	16,563,788	17,247,604
Materials and Services		43,448,865	10,096,445
Loss on disposal of infrastructure		3,936,962	-
Work in Progress-prior year expensed		2,352,826	-
External Contract Services		8,127,409	5,287,544
Utilities		1,034,778	901,698
Bad and Doubtful Debts	3.2	11,120	10,750
Depreciation	3.3	8,688,263	8,149,422
Interest on Borrowings		649,282	683,770
Interest on Unwinding of Discount on Provisions	14	276,228	449,991
Work in Progress expensed in current year		30,950	70,948
Fair Value Adjustment of Intangible Asset		29,222	366,309
Net loss on Disposal of Property, Plant & Equipment	4	6,241	10,896
Small Plant Written off	4	13,159	48,509
Other Expenses	3.4	3,895,155	3,806,328
<b>TOTAL EXPENSES</b>		<b>89,064,248</b>	<b>47,130,214</b>
<b>Surplus / (Deficit)</b>		<b>(6,513,807)</b>	<b>7,920,166</b>
Other Comprehensive Income			
Net asset revaluation increment (decrement)	15	26,888,387	(14,117,024)
<b>COMPREHENSIVE RESULT</b>		<b>20,374,580</b>	<b>(6,196,858)</b>

## Balance Sheet

For the year ending 30 June 2013	Notes	2013 \$	2012 \$
<b>Assets</b>			
<b>Current Assets</b>			
Cash and Cash Equivalents	6	15,693,080	18,419,205
Trade and Other Receivables	7	2,719,234	2,415,036
Inventories		591,670	467,217
Assets Held for Sale	8	-	90,000
Other	9	271,043	64,345
<b>TOTAL CURRENT ASSETS</b>		<b>19,275,027</b>	<b>21,455,803</b>
<b>Non-Current Assets</b>			
Trade and Other Receivables	7	225,262	67,077
Property, Plant, Equipment and Infrastructure	10	590,346,701	566,546,563
Intangible Assets	25	1,018,466	1,047,688
Investments in Regional Library Corporation	5	602,268	556,809
<b>Total Non-Current Assets</b>		<b>592,192,697</b>	<b>568,218,137</b>
<b>TOTAL ASSETS</b>		<b>611,467,724</b>	<b>589,673,940</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Trade and Other Payables	11	7,803,604	3,796,209
Trust Funds and Deposits	12	873,613	821,224
Interest-Bearing Loans and Borrowings	13.1	769,105	916,031
Non-interest Bearing Loans	13.2	60,000	60,000
Provisions	14	5,070,180	5,120,502
<b>TOTAL CURRENT LIABILITIES</b>		<b>14,576,502</b>	<b>10,713,966</b>
<b>Non-Current Liabilities</b>			
Other Payables	11	-	1,672,187
Interest-Bearing Loans and Borrowings	13.1	7,301,502	8,070,607
Non-interest Bearing Loans	13.2	180,099	240,000
Provisions	14	6,743,544	6,685,683
<b>Total Non-Current Liabilities</b>		<b>14,225,145</b>	<b>16,668,477</b>
<b>TOTAL LIABILITIES</b>		<b>28,801,647</b>	<b>27,382,443</b>
<b>Net Assets</b>		<b>582,666,077</b>	<b>562,291,497</b>
<b>Equity</b>			
Accumulated Surplus		165,100,571	171,643,428
Restricted Reserves		1,238,137	1,209,087
Asset Revaluation Reserves	15	416,327,369	389,438,982
<b>TOTAL EQUITY</b>	15	<b>582,666,077</b>	<b>562,291,497</b>

The accompanying notes form part of these financial statements

## Statement of Changes in Equity

For the year ending 30 June 2013	Notes	Total	Accumulated Surplus \$	Restricted Reserves \$	Asset Revaluation Reserves \$
<b>2012</b>					
Balance at the beginning of the financial year		568,488,355	163,786,262	1,146,087	403,556,006
Comprehensive result		(6,196,858)	7,920,166	-	(14,117,024)
Transfers (to)/from restricted reserves	15	-	(63,000)	63,000	-
<b>2013</b>					
Balance at the beginning of the financial year		562,291,497	171,643,428	1,209,087	389,438,982
Comprehensive result		20,374,580	(6,513,807)	-	26,888,387
Transfers (to)/from restricted reserves	15	-	(29,050)	29,050	-
<b>Balance at the end of the financial year</b>		<b>582,666,077</b>	<b>165,100,571</b>	<b>1,238,137</b>	<b>416,327,369</b>

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

## Statement of Cash Flows

For the year ending 30 June 2013	Note	2013 Inflows/ (Outflows) \$	2012 Inflows/ (Outflows) \$
<b>Cash Flows from Operating Activities</b>			
Rates		27,623,068	25,305,580
Grants - Operating		39,350,305	18,505,108
Grants - Capital		5,746,083	4,273,644
Contributions		326,110	1,047,349
Reimbursements and Subsidies		93,487	166,792
User Charges		2,610,501	2,848,923
Statutory Fees and Fines		920,685	993,890
Interest Received		651,250	775,088
Other Receipts		425,374	227,865
Net GST (Payments) / Refund		5,684,118	1,581,929
Employee Costs		(16,546,249)	(16,825,895)
Payments to Suppliers		(60,393,770)	(19,304,938)
Interest Paid		(650,173)	(683,270)
<b>NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES</b>	<b>21</b>	<b>5,840,789</b>	<b>18,912,065</b>
<b>Cash Flows from Investing Activities</b>			
Proceeds from Sale of Fixed Assets		83,564	365,380
Proceeds from Sale of Asset Held for Sale		30,000	-
Community Organisations (Loan Repayment)		15,000	15,767
Payments for Purchase of Fixed Assets		(7,831,836)	(12,196,340)
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>		<b>(7,703,272)</b>	<b>(11,815,193)</b>
<b>Cash Flows from Financing Activities</b>			
Loan Drawdowns		-	500,000
Loan Repayments		(916,031)	(815,819)
Increase/(decrease) in Trust Funds and Deposits		52,389	(144,698)
<b>NET CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES</b>		<b>(863,642)</b>	<b>(460,517)</b>
<b>NET CHANGE IN CASH HELD</b>		<b>(2,726,125)</b>	<b>6,636,355</b>
Cash and Cash Equivalents at beginning of financial year		18,419,205	11,782,850
<b>Cash and Cash Equivalents at end of Financial Year</b>	<b>6</b>	<b>15,693,080</b>	<b>18,419,205</b>

The accompanying notes form part of these financial statements

## Notes to the Financial Statements

### 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.

The purpose of the Council is to:

- provide for the peace, order and good government of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life of people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

The following information is provided:

External Auditor - Auditor-General of Victoria  
Internal Auditor - AFS & Associates Pty Ltd  
Solicitors - Russell Kennedy  
Bankers - National Australia Bank Limited  
Website address - [www.moira.vic.gov.au](http://www.moira.vic.gov.au)

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

## **Note 1 Significant Accounting Policies**

### **1.1 Basis of Accounting**

This financial report has been prepared on the accrual basis as a going concern under the convention of historical cost accounting, with the exception of certain non-current assets as referred to in Notes 1.8, 1.12, 1.14 and 1.16.

Unless otherwise stated, all accounting policies applied are consistent with those of the prior year. Where appropriate, comparative figures have been amended to accord with current presentation. There have been no material changes to the comparatives.

All funds through which the Council controls resources to carry on its functions have been included in the financial statements forming part of this financial report. In the process of reporting on the Council as a single unit, all transactions and balances between funds (for example, transactions between Council and Section 86 Committees) have been eliminated.

### **1.2 Change in accounting policies**

There have no change in accounting policy during the financial year

### **1.3 Revenue recognition**

Revenue is measured at fair value or the consideration received or receivable. Revenue is measured on major income categories as follows:

#### **Rates, Grants and Contributions**

Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts. Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represents a

charge against the rateable property that will be recovered when the property is next sold.

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

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

Where grants or contributions, recognised as revenues during the financial year, were obtained on condition they would 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 2.2 The note also discloses the amount of unused grant or contribution from prior years that were expended on Council's operations during the current year.

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

#### **User Charges, Fees and Fines**

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

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

#### **Sale of Property, 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.

## Note 1 Significant Accounting Policies (Cont'd)

### Rental

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

### Interest

Interest is recognised as it is earned

#### 1.4 Trade and other receivables and inventories

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

A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value.

#### 1.5 Depreciation and Amortisation of Property, Plant and Equipment, Infrastructure and Intangibles

Buildings, land improvements, heritage assets, infrastructure, plant and equipment, 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/or 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.

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

CLASS OF ASSET	PERIOD
<b>Bridges</b>	
- Timber	80 years
- Steel and concrete	150 years
Buildings	65 years
Main drains	100 years
Pumps	30 years
Plant and equipment	3 to 25 years
Furniture and fittings	3 to 30 years
Playground equipment	20 years
<b>Sealed roads and streets:</b>	
- Seal	18 years
- Pavement	150 years
- Formation	Not depreciated
<b>Unsealed roads</b>	
- Pavement	15 to 25 years
- Formation	Not depreciated
Footpaths - concrete	100 years
Footpaths - gravel	20 years
Kerb and guttering	75 years
Improvements to parks and gardens	20 years
Culverts and floodways	100 years
Land improvements	20 years
Other infrastructure assets	10 to 100 years
Motor vehicles	7 years

### **1.6 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.

### **1.7 Borrowing Costs**

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

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

### **1.8 Web Site Costs**

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

### **1.9 Leases**

#### **Finance Leases**

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

#### **Operating Leases**

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease, rather than expensed in the year in which they are incurred.

## Note 1 Significant Accounting Policies (Cont'd)

### 1.10 Accounting for Investments in an Associate - Goulburn Valley Regional Library

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

### 1.11 Cash and Cash Equivalents

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

### 1.12 Non-current Assets Held for Sale

A non-current asset 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 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.

## 1.13 Recognition and Measurement of Fixed Assets

### Acquisition

The purchase method of accounting is used for all acquisitions of assets, being fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to 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 and an appropriate share of directly attributable variable and fixed overheads.

The following classes of assets have been recognised in Note 10. In accordance with Council's policy, the threshold of \$2,000 has been applied when recognising assets within an applicable asset class and, unless otherwise stated, are consistent with the prior year.

#### CLASS OF ASSET

---

- Land
- Buildings
- Plant and Equipment
- Leased Plant and Equipment
- Furniture and Fittings
- Leased Furniture and Fittings
- Playground Equipment
- Pumps
- Footpaths
- Roads
- Culverts and Floodways
- Bridges
- Drainage Works
- Kerbs and Channels
- Land Improvements
- Other Infrastructure Assets

### **Landfill Restoration Costs**

When a landfill site is commissioned, an asset is recognised for the costs of restoring the site, which are provided for at present value in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

### **Land Under Roads**

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

### **Revaluation of Non-Current Assets**

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction.

At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 4 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.

### **1.14 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.

### **1.15 Investments**

Investments other than investments in an Associate are measured at cost.

### **1.16 Financial Assets**

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

## **Note 1 Significant Accounting Policies (Cont'd)**

### **1.17 Provisions**

A provision exists when there is a legal, equitable or constructive obligation to make a future sacrifice of economic benefits as a result of past transactions or events and the amount or timing of the sacrifice of economic benefits that will be made to satisfy the present obligation is uncertain. A provision must be recognised when it is probable that a sacrifice of economic benefits will be required and the amount can be measured reliably.

#### **Site restoration - landfills**

In accordance with the Council's published environmental policy and applicable legal requirements, a provision for site restoration is recognised.

At each reporting date the rehabilitation is re-measured in line with changes in discount rates, and timing or amount of the costs to be incurred. Changes in the liability relating to rehabilitation of landfills are added to or deducted from related assets, other than the unwinding of the discount which is recognised as a finance cost in the income statement as it occurs.

The provision is the best estimate of the present value of the expenditure required to settle the restoration obligation at the reporting date, based on current legal requirements and technology. Future restoration costs are reviewed annually and any changes are reflected in the present value of the restoration provision at the end of the reporting period.

The amount of the provision for future restoration costs is capitalised and is depreciated over the period of time of the useful life of the landfill. The unwinding of the effect of discounting on the provision is recognised as a finance cost.

### **1.18 Employee Costs**

#### **Wages and Salaries**

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

#### **Annual Leave**

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

Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled.

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

#### **Long Service Leave**

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

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

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

### **Classification of employee benefits**

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

### **Superannuation**

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. In addition Council may, periodically be required to contribute to the defined benefits schemes for current and former employees. Details of these arrangements are recorded in note 19

#### **1.19 Tender Deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to Note 12).

#### **1.20 Allocation Between Current and Non-Current**

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

#### **1.21 Related Party Disclosures**

Related Party Disclosures are in accordance with the Minister's directive. Responsible Persons have been determined to be Councillors and the Chief Executive Officer. Senior Officers are determined to be staff during the year, whose annualised total remuneration consisting of salary, superannuation, motor vehicle benefits, bonuses and allowances exceeded \$130,000. Disclosures are made at Note 19.

#### **1.22 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.

GST recoverable from and payable to the Australian Taxation Office (ATO) is included in the Balance Sheet.

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

#### **1.23 Rounding**

Unless otherwise stated, amounts in the report have been rounded to the nearest dollar.

## Note 1 Significant Accounting Policies (Cont'd)

### 1.24 Pending Accounting Standards

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

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

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

### 1.25 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 and inclusive of the GST payable.

## Note 2 Income

2.1 Rate Revenue	2013 \$	2012 \$
General	11,946,392	8,964,441
Municipal Charge	4,441,890	4,234,325
Commercial	1,587,314	1,548,913
Industrial	195,098	770,571
Farm Rates	4,468,138	5,254,112
Garbage Charge	1,084,195	1,014,000
Recycling	968,955	907,360
Environmental Levy	2,998,346	2,811,077
Cultural and Recreational	1,390	1,517
	<b>27,691,718</b>	<b>25,506,316</b>

Council uses the Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is the sum with land and improvements.

The valuation base used to calculate general rates for 2012/13 was \$4,883,368,600 (2010/11 \$4,752,100,000). The 2012/13 rate in the CIV dollar was \$0.3530 (2010/11 was \$0.3105).

For rating purposes in the financial year 2012/13, Council used the general revaluation which was returned on 1 January 2012.

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012 and the valuation was first applied in the rating year commencing 1 July 2012.

The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2010, and the valuation first applied to the rating period commencing 1 July 2010.

## Note 2 Income (Cont'd)

2.2 Grants	2013 \$	2012 \$
<b>Summary of Grants</b>		
Federally funded grants	34,979,225	10,473,643
State funded grants	8,806,745	10,634,366
Others	1,584,560	1,670,744
<b>TOTAL</b>	<b>45,370,530</b>	<b>22,778,753</b>
Grants were received in respect of the following:		
<b>Operating Recurrent</b>		
Community Development	872,704	737,328
Development Services	-	51,903
Environment	65,037	5,843
Finance & Administration	5,520,629	6,696,609
Governance	-	26,685
Operations	3,336,116	3,937,757
<b>TOTAL RECURRENT</b>	<b>9,794,486</b>	<b>11,456,125</b>
<b>Operating Non-Recurrent</b>		
Community Development	145,271	223,726
Development Services	-	22,658
Economic Development	185,500	22,000
Environment	105,000	390,600
Finance & Administration	-	185,000
Governance	13,119	5,000
Infrastructure Planning	147,929	-
Operations **	29,233,142	6,200,000
<b>TOTAL NON-RECURRENT</b>	<b>29,829,961</b>	<b>7,048,984</b>
<b>TOTAL OPERATING</b>	<b>39,624,447</b>	<b>18,505,109</b>
<b>Capital Non-Recurrent</b>		
Community Development	1,774,262	660,013
Operations	1,991,821	3,482,518
Infrastructure Planning	1,980,000	131,113
<b>TOTAL NON-RECURRENT</b>	<b>5,746,083</b>	<b>4,273,644</b>
<b>TOTAL GRANTS RECEIVED</b>	<b>45,370,530</b>	<b>22,778,753</b>

\*\* Flood Emergency Response Grants of \$29 million [2012/13] is included under Operations. [2011/12 amounted to \$6.2 million]

**Note 2 Income (Cont'd)**

<b>2.2 Summary of Grants (cont'd)</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Grants which were recognised as revenues during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
<b>Recurrent</b>		
Community Development	924	229,029
<b>TOTAL RECURRENT</b>	<b>924</b>	<b>229,029</b>
<b>Non-Recurrent</b>		
Economic Development	-	41,539
Environment	-	3,600
Infrastructure Planning	-	10,108
Community Development	697,905	75,130
Operations	-	2,797,894
<b>TOTAL NON-RECURRENT</b>	<b>697,905</b>	<b>2,928,271</b>
<b>TOTAL</b>	<b>698,829</b>	<b>3,157,300</b>
Grants which were recognised as revenues in prior years and were expended during the current year in the manner specified by the grantor were:		
<b>Recurrent</b>		
Community Development	204,649	96,488
Environment	-	16,390
Economic Development	-	31,800
Infrastructure Planning		37,217
<b>TOTAL RECURRENT</b>	<b>204,649</b>	<b>181,895</b>
<b>Non-Recurrent</b>		
Community Development	68,652	226,809
Environment	7,200	-
Economic Development	41,539	13,251
Infrastructure Planning	10,108	35,365
Operations	2,797,894	324,522
<b>TOTAL NON-RECURRENT</b>	<b>2,925,393</b>	<b>599,947</b>
<b>TOTAL</b>	<b>3,130,042</b>	<b>781,842</b>
<b>Net Increase/(Decrease) in Restricted Assets</b>	<b>(2,431,213)</b>	<b>2,375,458</b>

## Note 2 Income (Cont'd)

### 2.3 Contributions

	2013 \$	2012 \$
<b>Cash Contributions</b>		
Asset Management	-	15,000
Community Development	177,237	218,047
Development Services	29,248	194,195
Finance	34,844	-
Environment	46,007	-
Operating	20,616	524,893
	<b>307,952</b>	<b>952,135</b>
<b>Non-Cash Contributions</b>		
Land	11,247	946,634
Buildings	58,841	-
Footpaths	97,100	81,120
Roads	334,310	158,854
Drainage works	165,215	-
Kerbs & Channels	140,539	-
Land improvements	18,786	-
	<b>826,038</b>	<b>1,186,608</b>
<b>TOTAL</b>	<b>1,133,990</b>	<b>2,138,743</b>

### 2.4 User Charges

	2013 \$	2012 \$
Caravan Park Fees	253,018	256,499
Community Services Charges	55,246	105,941
Rent	10,671	97,699
Section 86 Committees	565,955	586,249
User Charges	1,839,399	1,502,280
<b>TOTAL</b>	<b>2,724,289</b>	<b>2,548,668</b>

### 2.5 Other Revenue

	2013 \$	2012 \$
Energy Rebate Scheme	27,998	48,848
Other Revenue	397,376	102,330
<b>TOTAL</b>	<b>425,374</b>	<b>151,178</b>

### Note 3 Expenses

	2013 \$	2012 \$
<b>3.1 Employee Benefits</b>		
Wages and Salaries	15,261,937	13,888,982
Superannuation Expenses	1,162,169	1,160,963
Superannuation Defined Benefits - Share of Unfunded Liability	-	1,672,187
Fringe Benefit Tax	97,768	88,122
Long Service Leave Expenses	41,914	437,350
	<b>16,563,788</b>	<b>17,247,604</b>
Wages and Salaries include other employee-related costs - WorkCover insurance, training, conferences and professional affiliations.		
<b>3.2 Bad and Doubtful Debts</b>	<b>2013 \$</b>	<b>2012 \$</b>
Sundry Debtors	11,120	10,750
	<b>11,120</b>	<b>10,750</b>
<b>3.3 Depreciation</b>	<b>2013 \$</b>	<b>2012 \$</b>
Buildings	1,528,924	1,517,184
Plant and Equipment	346,561	302,838
Furniture and Fittings	9,861	15,676
Playground Equipment	93,915	97,581
Pumps	53,174	29,156
Footpaths	301,228	218,827
Roads	4,514,480	4,369,583
Culverts and Floodways	64,400	64,686
Bridges	200,762	201,169
Drainage Works	474,722	274,473
Kerbs and Channels	294,057	294,156
Land Improvements	702,625	665,364
Other Infrastructure Assets	103,554	98,729
	<b>8,688,263</b>	<b>8,149,422</b>
<b>3.4 Other Expenses</b>	<b>2013 \$</b>	<b>2012 \$</b>
Contributions and Donations	1,587,677	2,214,624
Auditors remuneration	67,381	53,377
Councillor's Allowances	272,470	258,189
Insurance	515,828	456,171
Legal Costs	20,115	200,142
Other	1,431,684	623,825
	<b>3,895,155</b>	<b>3,806,328</b>

## Note 4 Net Gain/(Loss) on Disposal of Property, Plant and Equipment

	Proceeds from Disposals	Written Down Value of Assets Disposed Of	Net Gain/ (Loss) from Disposals
	\$	\$	\$
<b>2013</b>			
<b>Industrial land</b>	<b>300,000</b>	<b>117,615</b>	<b>182,385</b>
Motor Vehicle	60,146	88,265	(28,119)
Heavy Plant	23,418	1,540	21,878
	<b>83,564</b>	<b>89,805</b>	<b>(6,241)</b>
<b>Small plant written off</b>	<b>-</b>	<b>13,159</b>	<b>(13,159)</b>
<b>2012</b>			
Land and Buildings	23,500	5,750	17,750
Roads	82,743	1,990	80,753
Motor Vehicles	153,174	210,629	(57,455)
Plant and Equipment	105,963	109,398	(3,435)
Small plan written off	-	48,509	(48,509)
	<b>365,380</b>	<b>376,276</b>	<b>(10,896)</b>

## Note 5 Investment in Associate - 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 the Moira Shire Council.

	2013 \$	2012 \$
<b>Council's Share of Accumulated Deficit</b>		
Council's share of accumulated deficit at start of year	(263,951)	(322,745)
Council's share of reported surplus/(deficit) for year	45,459	58,794
<b>Council's share of accumulated deficit at end of year</b>	<b>(218,492)</b>	<b>(263,951)</b>
<b>Council's Share of Member Contributions</b>		
Council's share of member contributions at start of year	820,760	820,760
Council's share of movement in member contributions	-	-
<b>Council's share of member contributions at end of year</b>	<b>820,760</b>	<b>820,760</b>
<b>Movement in Carrying Value of Investment</b>		
Carrying value of investment at start of year	556,809	498,015
Council's share of reported surplus/(deficit) for year	45,459	58,794
<b>Carrying value of investment at end of year</b>	<b>602,268</b>	<b>556,809</b>
<b>Council's Share of Commitments</b>	13,178	21,801
<b>Council's Share of Contingent Assets and Liabilities</b>	Nil	Nil

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

## Note 6 Cash and Cash Equivalents

	2013 \$	2012 \$
<b>Cash and Cash Equivalents</b>		
Cash in Hand	5,850	5,650
Cash at Bank	2,486,808	1,824,080
Cash Investments - At Call	7,500,000	6,675,002
Cash Investments - Term Deposits	5,700,422	9,914,473
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>15,693,080</b>	<b>18,419,205</b>
<b>Cash at the End of the Period as shown in the Cash Flow Statement</b>	<b>15,693,080</b>	<b>18,419,205</b>
Unrestricted	11,050,779	14,502,963
Subject to External Restrictions	4,642,301	3,916,242
<b>TOTAL</b>	<b>15,693,080</b>	<b>18,419,205</b>
<b>The following restrictions have been imposed on cash or cash equivalents by regulations or other externally imposed restrictions, or by commitments made by Council</b>		
Restricted Reserves (Note 15)	1,238,137	1,209,087
Unexpended Grants (Note 2.2)	698,829	3,157,300
Long Service Leave - Current (Note 14)	1,337,475	1,479,419
Long Service Leave - Non-Current (Note 14)	494,247	406,512
Trust Funds and Deposits (Note 12)	873,613	821,224
<b>TOTAL</b>	<b>4,642,301</b>	<b>7,073,542</b>

## Note 7 Trade and Other Receivables

	2013 \$	2012 \$
<b>Current</b>		
Rates Debtors	1,310,465	1,241,815
Other Debtors		
- Infringement Control	115,059	84,425
- GST	436,020	431,998
- Sundry Debtors	833,682	629,407
- Loans - Economic Development	15,000	15,000
- Special Rate Assessment Debtors	9,558	12,941
Less: Provision for Doubtful Debts - Other Debtors	(550)	(550)
<b>TOTAL CURRENT</b>	<b>2,719,234</b>	<b>2,415,036</b>
<b>Non Current</b>		
Other Debtors		
- Loans - Economic Development	7,500	22,500
- Sale of Land	180,000	-
- Special Rate Assessment Debtors	37,762	44,577
<b>TOTAL NON-CURRENT</b>	<b>225,262</b>	<b>67,077</b>
<b>TOTAL RECEIVABLES</b>	<b>2,944,496</b>	<b>2,482,113</b>

## Note 8 Assets Held for Sale

	2013 \$	2012 \$
<b>Current</b>		
Cost of Acquisition	-	90,000
<b>TOTAL CURRENT</b>	<b>-</b>	<b>90,000</b>

## Note 9 Other Assets

	2013 \$	2012 \$
<b>Current</b>		-
Prepayments	46,764	42,929
Accrued Income	224,279	21,416
<b>TOTAL OTHER ASSETS</b>	<b>271,043</b>	<b>64,345</b>

## Note 10 Fixed Assets

### 10.1 Property, Plant, Equipment and Infrastructure

	2013 \$	2012 \$
<b>Summary</b>		
At Cost	4,163,608	5,245,416
At Fair Value as at 30 June 2009	460,869,464	507,841,869
At Fair Value as at 30 June 2010	-	8,909,366
At Fair Value as at 30 June 2011	147,219,553	147,921,274
At Fair Value as at 30 June 2012	111,218,631	-
Less Accumulated Depreciation	(189,771,678)	(212,046,613)
	<b>533,699,578</b>	<b>457,871,312</b>
At Fair Value as at 30 June 2013	79,837,494	121,388,300
Less Accumulated Depreciation	(23,190,371)	(12,713,049)
	<b>56,647,123</b>	<b>108,675,251</b>
<b>TOTAL</b>	<b>590,346,701</b>	<b>566,546,563</b>
<b>Non-Infrastructure Assets</b>		
<b>Land</b>		
Crown Land - at Valuation	<b>30,845,090</b>	<b>30,845,090</b>
Freehold Land - at Valuation	52,522,942	52,485,294
Land under Roads	1,172,634	1,161,387
	<b>53,695,576</b>	<b>53,646,681</b>
<b>TOTAL</b>	<b>84,540,666</b>	<b>84,491,771</b>

<b>Non-Infrastructure Assets (cont'd)</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Plant and Equipment</b>		
Plant and Equipment - at Cost	2,899,939	2,653,183
Less: Accumulated Depreciation	(1,132,961)	(963,033)
<b>TOTAL</b>	<b>1,766,978</b>	<b>1,690,150</b>
<b>Furniture and Fittings</b>		
Furniture and Fittings - at Cost	120,917	120,917
Less: Accumulated Depreciation	(50,420)	(40,559)
<b>TOTAL</b>	<b>70,497</b>	<b>80,358</b>
<b>TOTAL NON-INFRASTRUCTURE ASSETS</b>	<b>86,378,141</b>	<b>86,262,279</b>
<b>Infrastructure Assets</b>		
<b>Buildings</b>		
Buildings - at Valuation	123,200,377	123,939,554
Less: Accumulated Depreciation	(48,153,868)	(47,719,416)
<b>TOTAL</b>	<b>75,046,509</b>	<b>76,220,138</b>
<b>Playground Equipment</b>		
Playground Equipment - at Valuation	1,829,545	2,138,890
Less: Accumulated Depreciation	(245,131)	(178,730)
<b>TOTAL</b>	<b>1,584,414</b>	<b>1,960,160</b>
<b>Pumps</b>		
Pumps - at Valuation	1,635,158	1,451,337
Less: Accumulated Depreciation	(230,833)	(716,545)
<b>TOTAL</b>	<b>1,404,325</b>	<b>734,792</b>
<b>Footpaths</b>		
Footpaths - at Valuation	15,110,892	14,071,128
Less: Accumulated Depreciation	(2,727,031)	(3,399,385)
<b>TOTAL</b>	<b>12,383,861</b>	<b>10,671,743</b>
<b>Roads</b>		
Roads - at Valuation	432,780,041	412,348,533
Less: Accumulated Depreciation	(117,614,819)	(108,751,469)
<b>TOTAL</b>	<b>315,165,222</b>	<b>303,597,064</b>
<b>Culverts and Floodways</b>		
Culverts and Floodways - at Valuation	7,381,318	6,705,611
Less: Accumulated Depreciation	(2,965,766)	(3,014,035)
<b>TOTAL</b>	<b>4,415,552</b>	<b>3,691,576</b>

INFRASTRUCTURE ASSETS (CONT'D)	2013 \$	2012 \$
<b>Bridges</b>		
Bridges - at Valuation	24,019,177	23,981,720
Less: Accumulated Depreciation	(4,188,195)	(4,430,656)
<b>TOTAL</b>	<b>19,830,982</b>	<b>19,551,064</b>
<b>Drainage Works</b>		
Drainage Works - at Valuation	45,965,124	37,929,577
Less: Accumulated Depreciation	(13,967,094)	(13,234,523)
<b>TOTAL</b>	<b>31,998,030</b>	<b>24,695,054</b>
<b>Kerbs and Channels</b>		
Kerbs and Channels - at Valuation	24,848,420	20,686,511
Less: Accumulated Depreciation	(11,109,421)	(9,134,934)
<b>TOTAL</b>	<b>13,738,999</b>	<b>11,551,577</b>
<b>Land Improvements</b>		
Land Improvements - at Valuation	30,175,549	29,776,603
Less: Accumulated Depreciation	(9,362,990)	(9,728,990)
<b>TOTAL</b>	<b>20,812,559</b>	<b>20,047,613</b>
<b>Other Infrastructure Assets</b>		
Other Infrastructure Assets - at Valuation	9,745,003	8,909,366
Less: Accumulated Depreciation	(3,299,650)	(3,817,179)
<b>TOTAL</b>	<b>6,445,353</b>	<b>5,092,187</b>
<b>TOTAL INFRASTRUCTURE ASSETS</b>	<b>502,825,806</b>	<b>477,812,968</b>

<b>10.1 Property, Plant, Equipment and Infrastructure (cont'd)</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Works in Progress</b>		
Building	899,008	78,019
Land improvements	36,275	218,868
Parks and Gardens	-	2,930
Roads	-	1,855,887
Bridges	-	95,119
Drainage	-	172,855
Footpaths	36,050	47,638
Kerbs and Channels	155,448	-
Other Assets	15,973	-
<b>TOTAL WORKS IN PROGRESS</b>	<b>1,142,754</b>	<b>2,471,316</b>
<b>TOTAL PROPERTY, PLANT, EQUIPMENT AND INFRASTRUCTURE</b>	<b>590,346,701</b>	<b>566,546,563</b>

**Vacant land and land** were independently valued as at 30 June, 2012 by Mr Marcus Hann of LG Valuation Services. Mr. Hann is a member of the Australian Institute of Valuers. The basis of the valuation was market value.

**Buildings** were valued as at 15 June 2011 by Council Officer Mr Suthan Srimanoharan, following an on site assessment of their condition. Mr Srimanoharan holds a degree in Civil Engineering. As part of the valuation process, components of buildings were identified and valued.

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

**Playground equipment** was valued as at 30 June 2012 by Mr Ray Hutchinson of Ray Hutchinson & Associates, consultants in this field. The basis of the valuation was depreciated replacement cost.

**Pumps** were valued as at 30 June 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

**Culverts and Floodways** were valued as at 30 June 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers.

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

**Drainage** were valued as at 30 June 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

**Footpaths** were valued as at 30 June, 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

**Roads** were valued as at 30th June 2009 by Mr Geoff Bolling, Manager Assets of Moira Shire Council.

Mr Bolling holds a Bachelor of Engineering (Civil) and is a member of the Australian Institute of Engineers.

The basis of the valuation was depreciated replacement cost. This asset class is due to be re-valued in 2013/14.

**Bridges** were valued as at 15 June 2011 by Mr Geoff Bolling, Manager Assets of Moira Shire Council, following a condition assessment of all bridges by consultants, Land Management Survey, who have expertise in this field.

Mr Bolling holds a Bachelor of Engineering (Civil) and is a member of the Australian Institute of Engineers.

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

**Kerbs and Channels** were valued as at 30 June 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

**Land Improvements** were valued as at 30th June 2009 by Mr Geoff Bolling, Manager Assets of Moira Shire Council. Mr Bolling holds a Bachelor of Engineering (Civil) and is a member of the Australian Institute of Engineers.

The basis of the valuation was depreciated replacement cost. This asset class is due to be re-valued in 2013/14.

**Land under roads** includes the value of land under roads for which Council holds a property title and also for land transferred to Council as road from recent subdivisions. It does not include all land under all roads within the Shire. The Assets Department have a programme to recognise all land under all roads within the Shire over the next three years.

The basis of the land under roads valuation has been to base the value on 10% of the cost of the land near the road. This is the cost of the land before subdivision took place - the Englobo method (65% discount) plus an additional discount for access and carriageway rights (25% discount). This method is recommended by the Australian Infrastructure Financial Management Guidelines.

**Other Infrastructure Assets**, which comprises swimming pools, were valued as at 30 June 2013 by Mr Rowan Howarth, Executive Manager Assets and Construction of Moira Shire Council.

Mr Howarth holds a Bachelor of Engineering (Civil), and is a member of the Australian Institute of Engineers.

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

## Note 10 Fixed Assets (Cont'd)

### 10.2 Fixed Assets

#### - Transaction Summary 2013

	Land	Plant & Equipment	Furniture & Fittings	Total Non-Infrastructure Assets	Buildings	Playground Equipment	Pumps
<b>2013</b>							
<b>Balance at beginning of financial year</b>	84,491,771	1,690,150	80,358	86,262,279	76,220,138	1,960,160	734,792
Acquisitions - Capital Works & Purchases	33,004	524,079	-	557,083	1,398,526	-	114,676
Acquisitions - Contributed By Developers	11,247	-	-	11,247	58,841	-	-
Acquisitions Found	-	-	-	-	-	-	-
Industrial Land Reclassified	90,000	-	-	90,000	-	-	-
Disposals	(117,615)	(102,963)	-	(220,578)	(1,380,931)	-	(37,225)
Net Asset revaluation increment (decrement)	-	-	-	-	-	-	610,289
Flood impairment	-	-	-	-	278,859	-	-
Depreciation	-	(346,561)	(9,861)	(356,422)	(1,528,924)	(93,915)	(53,174)
Capital Works in Progress expensed	-	-	-	-	-	-	-
Reclassifications of Assets	32,259	2,273	-	34,532	-	(281,831)	34,967
<b>Balance at end of financial year</b>	<b>84,540,666</b>	<b>1,766,978</b>	<b>70,497</b>	<b>86,378,141</b>	<b>75,046,509</b>	<b>1,584,414</b>	<b>1,404,325</b>
<b>2012</b>							
<b>Balance at beginning of financial year</b>	74,675,815	1,273,060	96,034	76,044,909	76,570,352	1,384,374	710,198
Acquisitions - Capital Works & Purchases	718,610	958,312	-	1,676,922	1,147,676	282,657	33,070
Acquisitions - Contributed By Developers	946,634	-	-	946,634	-	-	-
Industrial land	491,095	-	-	491,095	-	-	-
Landfill Rehabilitation Provisions	-	-	-	-	-	-	-
Disposals	(5,750)	(320,027)	-	(325,777)	-	(48,509)	-
Net Asset revaluation increment (decrement)	7,641,367	-	-	7,641,367	-	438,423	-
Flood impairment	-	-	-	-	(305,118)	-	-
Depreciation	-	(302,838)	(15,676)	(318,514)	(1,517,184)	(97,581)	(29,156)
Reclassifications of Assets -Capital Works in Progress	24,000	81,643	-	105,643	324,412	796	20,680
<b>Balance at end of financial year</b>	<b>84,491,771</b>	<b>1,690,150</b>	<b>80,358</b>	<b>86,262,279</b>	<b>76,220,138</b>	<b>1,960,160</b>	<b>734,792</b>

Footpaths	Roads	Culverts and Floodways	Bridges	Drainage Works	Kerbs and Channels	Land Improvements	Other Infrastructure Assets	Total Infrastructure Assets	Capital Works In Progress	Total Fixed Assets 2013
10,671,743	303,597,064	3,691,576	19,551,064	24,695,054	11,551,577	20,047,613	5,092,187	477,812,968	2,471,316	566,546,563
407,238	3,525,437	50,103	42,652	46,267	389,013	80,280	97,307	6,151,499	1,123,254	7,831,836
97,100	334,311	-	-	165,215	140,539	18,786	-	814,792	-	826,039
-	609,478	-	-	2,783,954	-	-	-	3,393,432	-	3,393,432
-	-	-	-	-	-	-	-	-	-	90,000
(52,003)	(2,401,135)	(9,700)	-	(16,599)	(38,494)	(847)	-	(3,936,934)	-	(4,157,512)
631,519	-	805,409	-	4,062,017	1,990,421	-	1,359,413	9,459,068	-	9,459,068
929,492	13,981,699	-	440,184	714,492	-	1,084,593	-	17,429,319	-	17,429,319
(301,228)	(4,514,480)	(64,400)	(200,762)	(474,722)	(294,057)	(702,625)	(103,554)	(8,331,841)	-	(8,688,263)
-	-	-	-	-	-	-	-	-	(2,383,781)	(2,383,781)
-	32,848	(57,436)	(2,156)	22,352	-	284,759	-	33,503	(68,035)	-
<b>12,383,861</b>	<b>315,165,222</b>	<b>4,415,552</b>	<b>19,830,982</b>	<b>31,998,030</b>	<b>13,738,999</b>	<b>20,812,559</b>	<b>6,445,353</b>	<b>502,825,806</b>	<b>1,142,754</b>	<b>590,346,701</b>
11,686,730	319,322,560	3,574,367	20,223,552	25,424,160	12,349,786	22,697,211	4,694,818	498,638,108	1,641,924	576,324,941
87,266	5,284,739	181,895	13,831	431,915	193,043	415,496	368,400	8,439,988	2,451,816	12,568,726
81,120	158,854	-	-	-	-	-	-	239,974	-	1,186,608
-	-	-	-	-	-	-	-	-	-	491,095
-	-	-	-	-	-	(1,278,255)	-	(1,278,255)	-	(1,278,255)
-	(1,990)	-	-	-	-	(32,882)	-	(83,381)	(70,948)	(480,106)
(14,257)	-	-	-	-	(703,153)	-	-	(278,987)	-	7,362,380
(965,352)	(17,544,077)	-	(485,150)	(933,988)	-	(1,245,719)	-	(21,479,404)	-	(21,479,404)
(218,827)	(4,369,583)	(64,686)	(201,169)	(274,473)	(294,156)	(665,364)	(98,729)	(7,830,908)	-	(8,149,422)
15,063	746,561	-	-	47,440	6,057	157,126	127,698	1,445,833	(1,551,476)	-
<b>10,671,743</b>	<b>303,597,064</b>	<b>3,691,576</b>	<b>19,551,064</b>	<b>24,695,054</b>	<b>11,551,577</b>	<b>20,047,613</b>	<b>5,092,187</b>	<b>477,812,968</b>	<b>2,471,316</b>	<b>566,546,563</b>

<b>Note 11 Trade and Other Payables</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Current</b>		
Trade Creditors	7,339,191	1,592,199
Accrued Expenses	464,413	2,204,010
<b>TOTAL CURRENT LIABILITIES</b>	<b>7,803,604</b>	<b>3,796,209</b>
<b>Non-Current</b>		
Accrued Expenses - Superannuation additional (Note 17)		1,672,187
<b>TOTAL PAYABLES</b>	<b>7,803,604</b>	<b>5,468,396</b>

<b>Note 12 Trust Funds and Deposits</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
Contract Retention	142,152	121,559
Refundable Security Deposits	222,777	171,299
Refundable Asset Protection Deposits	181,000	181,000
Refundable Building Deposits	46,863	64,776
Refundable Subdivision Deposits	61,008	98,488
Miscellaneous Refundable Deposits	219,813	184,102
<b>TOTAL TRUSTS</b>	<b>873,613</b>	<b>821,224</b>

<b>Note 13.1 Interest-Bearing Loans and Borrowings</b>	<b>2013</b>	<b>2012</b>
	<b>\$</b>	<b>\$</b>
<b>Borrowings</b>		
Borrowings are secured over the general and special rates of Council.		
<b>Current</b>		
Loans - Secured	769,105	916,031
<b>TOTAL CURRENT</b>	<b>769,105</b>	<b>916,031</b>
<b>Non-Current</b>		
Loans - Secured	7,301,502	8,070,607
<b>TOTAL NON- CURRENT</b>	<b>7,301,502</b>	<b>8,070,607</b>
<b>TOTAL INTEREST BEARING LIABILITIES</b>	<b>8,070,607</b>	<b>8,986,638</b>
<b>The Council's borrowings are repayable:</b>		
Not later than 1 year	769,105	916,031
Later than 1 year, not later than 5 years	3,729,084	3,456,778
Later than 5 years	3,572,418	4,613,829
<b>TOTAL</b>	<b>8,070,607</b>	<b>8,986,638</b>



<b>Note 13.2 Non-interest Bearing Loans and Borrowings</b>	<b>2013</b> <b>\$</b>	<b>2012</b> <b>\$</b>
<b>Current</b>		
Land acquisition - Secured	60,000	60,000
<b>TOTAL CURRENT</b>	<b>60,000</b>	<b>60,000</b>
<b>Non-Current</b>		
Land acquisition - Secured	180,099	240,000
<b>TOTAL NON-CURRENT</b>	<b>180,099</b>	<b>240,000</b>
<b>TOTAL INTEREST BEARING LIABILITIES</b>	<b>240,099</b>	<b>300,000</b>
<b>The Council's borrowings are repayable:</b>		
Not later than 1 year	60,000	60,000
Later than 1 year, not later than 5 years	180,099	240,000
Later than 5 years	-	-
<b>TOTAL</b>	<b>240,099</b>	<b>300,000</b>

<b>Note 13.3 Financing Arrangements</b>	<b>2013</b> <b>\$</b>	<b>2012</b> <b>\$</b>
Later than 1 year, not later than 5 years	-	-
Later than 5 years	-	-
<b>TOTAL NON-CURRENT</b>	<b>-</b>	<b>-</b>

<b>Note 14 Provisions</b>	<b>Annual Leave and Loading</b>	<b>Long Service Leave</b>	<b>Rostered Day Off</b>	<b>Landfill Site Rehabilitation</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>2013</b>					
<b>Balance at beginning of financial year</b>	1,366,344	1,885,931	104,000	8,449,910	11,806,185
Provision Write back	-	-	-	(30,691)	(30,691)
Additional provisions raised	84,281	-	16,666	-	100,947
Amounts used	-	29,347	-	(284,736)	(255,389)
Decrease in the discounted amount arising because of time and the effect of any changes in the discount rate	-	(83,556)	-	276,228	(83,556)
					276,228
<b>Balance at end of financial year</b>	<b>1,450,625</b>	<b>1,831,722</b>	<b>120,666</b>	<b>8,410,711</b>	<b>11,813,724</b>
<b>2012</b>					
<b>Balance at beginning of financial year</b>	1,256,014	1,649,987	91,848	9,566,229	12,564,078
Provision Write back	-	-	-	(1,278,255)	(1,278,255)
Additional provisions raised	942,364	441,686	49,996	-	1,434,046
Amounts used	(832,034)	(205,742)	(37,844)	(288,055)	(1,363,675)
Increase in the discounted amount arising because of time and the effect of any changes in the discount rate	-	-	-	449,991	449,991
<b>Balance at end of financial year</b>	<b>1,366,344</b>	<b>1,885,931</b>	<b>104,000</b>	<b>8,449,910</b>	<b>11,806,185</b>

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

	<b>2012/13</b>	<b>2011/12</b>
Weighted average increase in employee costs	4.8%	4.8%
Weighted average discount rates	3.79%	4.50%
Weighted average settlement period	12	12

<b>Note 14 Provisions (cont'd)</b>	<b>Annual Leave and Loading</b>	<b>Long Service Leave</b>	<b>Rostered Day Off</b>	<b>Landfill Site Rehabilitation</b>	<b>Total 2013</b>
	\$	\$	\$	\$	\$
<b>2013</b>					
<b>(i) Current</b>					
All annual leave and the long service leave entitlements					
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	1,450,625	1,337,475	120,666	2,161,414	5,070,180
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value					
	<b>1,450,625</b>	<b>1,337,475</b>	<b>120,666</b>	<b>2,161,414</b>	<b>5,070,180</b>
<b>(i) Non-Current</b>					
Long service leave representing less than 7 years of continuous service measured at present value	-	494,247	-	-	494,247
Landfill site rehabilitation	-	-	-	6,249,297	6,249,297
	<b>1,450,625</b>	<b>1,831,722</b>	<b>120,666</b>	<b>8,410,711</b>	<b>11,813,724</b>
<b>2012</b>					
<b>(i) Current</b>					
All annual leave and the long service leave entitlements					
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	1,366,344	925,813	104,000	2,170,739	4,566,896
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value		553,606			553,606
	<b>1,366,344</b>	<b>1,479,419</b>	<b>104,000</b>	<b>2,170,739</b>	<b>5,120,502</b>
<b>(i) Non-Current</b>					
Long service leave representing less than 10 years of continuous service measured at present value	-	406,512	-	-	406,512
Landfill site rehabilitation	-	-	-	6,279,171	6,279,171
	-	<b>406,512</b>	-	<b>6,279,171</b>	<b>6,685,683</b>
<b>Total</b>	<b>1,366,344</b>	<b>1,885,931</b>	<b>104,000</b>	<b>8,449,910</b>	<b>11,806,185</b>

It is probable that a future sacrifice of economic benefits for the rehabilitation of its landfill sites will be required by Council because of its present legal obligation. Accounting Standards require a provision to be made when the amount or timing of the future sacrifice of economic benefits, that will be made to satisfy the present obligation, is uncertain. The amount provided is based on current assessments, which remain under review, and is considered to be the minimum sacrifice of economic benefits required in the future. The provision has been calculated based on the expected cost of works to be undertaken.

# FINANCIAL STATEMENTS

<b>Note 15 Reserves</b>	<b>Total Restricted Reserves</b>	<b>Recreation Open Space Reserve</b>	<b>Car Parking Reserve</b>	<b>Net Gain Native Vegetation Reserve</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Restricted Reserves</b>				
<b>Balance at 1 July 2011</b>	<b>1,146,087</b>	<b>832,451</b>	<b>273,636</b>	<b>40,000</b>
Transfers to restricted reserves	63,000	63,000	-	-
<b>Balance at 30 June 2012</b>	<b>1,209,087</b>	<b>895,451</b>	<b>273,636</b>	<b>40,000</b>
Transfers to restricted reserves	29,050	29,050	-	-
<b>Balance at 30 June 2013</b>	<b>1,238,137</b>	<b>924,501</b>	<b>273,636</b>	<b>40,000</b>

	<b>Total Asset Revaluation Reserves</b>	<b>Land Revaluation Reserve</b>	<b>Building Revaluation Reserve</b>	<b>Playground Equipment Revaluation Reserve</b>	<b>Pumps Revaluation Reserve</b>	<b>Footpaths Revaluation Reserve</b>	<b>Roads Revaluation Reserve</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Assets Revaluation Reserves</b>							
<b>Balance at 1 July 2011</b>	<b>403,556,006</b>	<b>26,597,075</b>	<b>51,787,459</b>	<b>446,171</b>	<b>129,584</b>	<b>8,528,763</b>	<b>268,565,824</b>
Net asset revaluation increment / (decrement)	7,362,380	7,641,367	-	438,423	-	(14,257)	-
Flood impairment	(21,479,404)	-	(305,118)	-	-	(965,352)	(17,544,077)
<b>Balance at 30 June 2012</b>	<b>389,438,982</b>	<b>34,238,442</b>	<b>51,482,341</b>	<b>884,594</b>	<b>129,583</b>	<b>7,549,154</b>	<b>251,021,747</b>
Revaluation increment / (decrement]	9,459,068	-	-	-	610,289	631,519	-
Flood impairment	17,429,319	-	278,859	-	-	929,492	13,981,699
<b>Net asset revaluation increment / (decrement)</b>	<b>26,888,387</b>	<b>-</b>	<b>278,859</b>	<b>-</b>	<b>610,289</b>	<b>1,561,011</b>	<b>13,981,699</b>
<b>Balance at 30 June 2013</b>	<b>416,327,369</b>	<b>34,238,442</b>	<b>51,761,200</b>	<b>884,594</b>	<b>739,872</b>	<b>9,110,165</b>	<b>265,003,446</b>

### Nature and Purpose of Reserves

Recreation Open Space 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 to be used to fulfil Council's obligation in regard to net gain planting of native vegetation in accordance to the Planning and Environment Act 1987. Asset Revaluation Reserve is established in accordance to the Australian Accounting Standards and is used to record increments and decrements in the valuation of Council's fixed assets.

<b>Culverts and Floodways Revaluation Reserve</b>	<b>Bridges Revaluation Reserve</b>	<b>Drainage Works Revaluation Reserve</b>	<b>Kerbs and Channels Revaluation Reserves</b>	<b>Land Improvements Revaluation Reserves</b>	<b>Other Infrastructure Assets Revaluation Reserve</b>
<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
2,597,959	10,573,552	16,971,187	7,073,062	8,509,828	1,775,543
-	-	-	(703,153)	-	-
-	(485,150)	(933,988)	-	(1,245,719)	-
<b>2,597,959</b>	<b>10,088,402</b>	<b>16,037,199</b>	<b>6,369,909</b>	<b>7,264,109</b>	<b>1,775,543</b>
805,409	-	4,062,017	1,990,421	-	1,359,413
-	440,184	714,492	-	1,084,593	-
<b>805,409</b>	<b>440,184</b>	<b>4,776,509</b>	<b>1,990,421</b>	<b>1,084,593</b>	<b>1,359,413</b>
<b>3,403,368</b>	<b>10,528,586</b>	<b>20,813,708</b>	<b>8,360,330</b>	<b>8,348,702</b>	<b>3,134,956</b>

## Note 16 Commitments for Expenditure

All commitments include GST (where applicable).

### 16.1 Contracted Expenditure

At the reporting date the Council had entered into the following services and material contracts with external parties:

	Not Later Than 1 \$	Later Than 1 Year and Not Later Than 5 \$	Later Than 5 Years \$	Total \$
<b>2013</b>				
Capital Works	75,601	-	-	75,601
Community Development	851,794	955,784	-	1,807,578
Consultancy	575,941	575,941	-	1,151,882
Flood Emergency Response *	194,957	-	-	194,957
Governance	168,836	551,953	-	720,789
Operations	2,150,961	1,434,107	-	3,585,068
Revenue	205,269	295,239	-	500,508
Tips / Transfer Stations	213,603	-	-	213,603
Waste & Recycling Collection **	1,334,206	7,475,240	-	8,809,446
Asset Maintenance	150,476	141,390	-	291,866
	<b>5,921,644</b>	<b>11,429,654</b>	<b>-</b>	<b>17,351,298</b>
<b>2012</b>				
Business Development	20,592	20,592	-	41,184
Capital Works	957,709	226,390	-	1,184,099
Cleaning	152,342	-	-	152,342
Community Development	784,176	-	-	784,176
Consultancy	74,378	654,218	-	728,596
Finance	50,657	101,314	-	151,971
Governance	892	-	-	892
Operations	2,122,913	1,252,481	282,921	3,658,315
Revenue	222,420	-	-	222,420
Security	62,575	-	-	62,575
Tips / Transfer Stations	138,291	-	-	138,291
Waste & Recycling Collection	1,102,842	161,954	-	1,264,796
	<b>5,689,787</b>	<b>2,416,949</b>	<b>282,921</b>	<b>8,389,657</b>

\* Flood Emergency Response represents contractual obligations outstanding as at 30 June 2013.

\*\* Commitments relating to Waste & Recycling collection are higher in 2013 which include the optional years [Years 2 to 5].

These were not included in 2012.

- 16.2 Council leases a light motor vehicle fleet, photocopiers and computer equipment. At the reporting date, obligations under non-cancellable operating leases are:

	Not Later Than 1 \$	Later Than 1 Year and Not Later Than 5 \$	Later Than 5 Years \$	Total \$
<b>2013</b>				
Motor Vehicles	1,407,345	3,213,523	66,822	4,687,690
Photocopiers	17,790	10,417	-	28,207
Computer Equipment	223,739	268,554	-	492,293
	<b>1,648,874</b>	<b>3,492,494</b>	<b>66,822</b>	<b>5,208,190</b>
<b>2012</b>				
Motor Vehicles	1,265,124	2,669,605	505,404	4,440,133
Photocopiers	30,278	29,710	-	59,988
Computer Equipment	219,568	335,702	-	555,270
	<b>1,514,970</b>	<b>3,035,017</b>	<b>505,404</b>	<b>5,055,391</b>

## Note 17 Superannuation

Council makes employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund), Health Super and others. Obligations for contributions are recognised as an expense in profit and loss when they are due. The Fund has two categories of membership, each of which is funded differently.

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Council contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

### Defined Benefits Plan

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Plan's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to reliably allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32 (b) of AASB 119, Moira Shire does not use defined benefit accounting for these defined benefit obligations.

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. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2011, Council makes the following contributions:-

- 9.25% of members' salaries (same as previous year);
- In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit (the funded resignation or retirement benefit is calculated as the VBI multiplied by the benefit).

Council is also required to make additional contributions to cover the contribution tax payable on the contributions referred to above.

Employees are also required to make member contributions to the Fund. As such assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed as they accrue.

Details of contributions to superannuation funds during the year are as follows:

Fund	2013 \$'000	2012 \$'000
<b>Defined Benefits Fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)		1,706
<b>Accumulation Funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	983	949
Employer contributions to other superannuation funds	179	178

## Note 18 Financial Ratios

18.1	Debt Servicing Ratio	2013	2013	2012	2011
	To identify the capacity of a Council to service its outstanding debt				
	Debt Servicing Costs	\$649,282			
	Total Revenue	\$82,550,441	0.79%	1.24%	1.72%
	Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft. The ratio expresses the amount of interest paid as a percentage of Council's total revenue.				
18.2	Debt Servicing Ratio	2013	2013	2012	2011
	To identify a Council's debt redemption strategy				
	Debt Servicing and Redemption Costs	\$1,565,313			
	Rate Revenue	\$27,691,718	5.65%	5.88%	9.84%
	The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.				
18.3	Revenue Ratio	2013	2013	2012	2011
	To identify Council's dependence on non-rate income				
	Rate Revenue	\$27,691,718			
	Total Revenue	\$82,550,441	33.55%	46.33%	53.18%
	The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.				
18.4	Debt Exposure Ratio	2013	2013	2012	2011
	To identify Council's exposure to debt				
	Total Indebtedness	\$28,801,647			
	Total Realisable Assets	\$150,079,849	19.19%	17.88%	21.09%
	For the purpose of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.				
18.5	Working Capital Ratio	2013	2013	2012	2011
	To assess Council's ability to meet current commitments				
	Current Assets	\$19,275,027	1.32	2.00	1.76
	Current Liabilities	\$14,576,502			
	The ratio expresses the level of current assets the Council has available to meet its current liabilities.				

## Note 19 Related Party Disclosures

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

Title	Period	Name
Mayor	01/07/2012 - 12/11/2012	Alex Monk
Mayor	13/11/2012 - 30/06/2013	Brian Keenan
Councillor	01/07/2012-30/06/2013	Ed Cox
Councillor	13/11/12 - 30/06/2013	Alex Monk
Councillor	01/07/2012-30/06/2013	Peter Mansfield
Councillor	01/07/2012-30/06/2013	Wendy Buck
Councillor	1/07/2012 - 12/11/2012	Brian Keenan
Councillor	1/07/2012 - 31/10/2012	David McKenzie
Councillor	1/07/2012 - 31/10/2012	Garry Jones
Councillor	1/07/2012 - 31/10/2012	Robert Chuck
Councillor	1/07/2012 - 31/10/2012	Jessie McCallum
Councillor	13/11/2012 - 30/06/2013	Kevin Bourke
Councillor	13/11/2012 - 30/06/2013	Gary Cleveland
Councillor	13/11/2012 - 30/06/2013	Marie Martin
Councillor	13/11/2012 - 30/06/2013	Robert McPhee
Chief Executive Officer		Gary Arnold

### 19.2 Remuneration of Responsible Persons

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

Income Range	Numbers	
	2013	2012
\$1- \$9,999	-	-
\$10,000 - \$19,999	7	2
\$20,000 - \$29,999	3	1
\$30,000 - \$39,999	1	4
\$40,000 - \$49,999	1	2
\$50,000 - \$59,999	1	1
\$70,000 - \$79,999	-	-
\$150,000 - \$159,999	-	-
\$160,000 - \$169,999	-	-
\$170,000 - \$179,999	-	-
\$200,000 - \$239,999	1	1
<b>TOTAL</b>	<b>14</b>	<b>11</b>
Total remuneration for the reporting period for Responsible Persons, included above, amounted to:	<b>\$554,180</b>	<b>\$572,297</b>

### 19.3 Senior Officers Remuneration

A Senior Officer other than a Responsible Officer, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$130,000.

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

Income Range	Numbers	
	2013	2012
Less than \$130,000	3	2
\$130,000 - \$139,999	1	3
\$140,000 - \$149,999	3	1
\$150,000 - \$159,999	2	1
\$160,000 - \$169,999	1	1
\$170,000 - \$179,999	-	1
<b>TOTAL</b>	<b>10</b>	<b>9</b>
Total remuneration for the reporting period for Senior Officers included above, amounted to:	<b>\$1,268,313</b>	<b>\$1,246,639</b>

### 19.4 Retirement Benefits

No retirement benefits have been made by Council to a Responsible Person.

### 19.5 Loans

No loans have been made, guaranteed or secured by the Council to a Responsible Person of the Council during the reporting period. (2011/12 \$Nil).

### 19.6 Other Transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2011/12, Nil).

## Note 20 Financial Instruments

### 20.1 Accounting Policy, Terms and Conditions

The Council's accounting policies, including the terms and conditions of each class of financial asset, financial liability and equity instrument, both recognised and unrecognised at 30 June 2013, are as follows:

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
<b>(i) Financial Assets</b>			
Cash and Cash Equivalents	6	For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.	Cash funds are at call and have an average interest rate of 3.98%
Cash Investments	6	Short-term deposits are stated at the lower of cost and net realisable value. Interest is recognised in the Statement of Financial Performance when earned. Certain investments are restricted as noted in Note 7.	Term deposits have an average maturity of 62 days with effective interest rates of 4.5%.
Receivables	7	Receivables are carried at a amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories are measured at the lower of cost and net realisable value	Sundry sales are on 30 day terms. Rate receivables are on statutory terms payable either in full by 15 February or quarterly instalments due end September, November, February and May. Interest is charged on unpaid amounts at 10%.

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
<b>(ii) Financial Liabilities</b>			
Bank Overdraft	N/A	The Council has a \$500,000 bank overdraft facility which is used, in part, from time to time. The balance owing at 30/6/2013 was nil.	Interest is charged at the bank's benchmark rate. The bank overdraft is secured by a charge over the rates of the Council.
Payables	11	Trade Creditors and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Council.	Trade liabilities are normally settled on 30 day terms.
Trust Funds	12	Monies are held by way of deposit or in trust for Governments or other persons.	Deposits are returned when service has been completed.
Borrowings - Loans and Finance Lease	13	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.	Borrowings are repayable monthly with multiple final instalment dates. Interest is charged at various fixed rates. Details of the security over the borrowings is set out in Note 13.

## Note 20 Financial Instruments (Cont'd)

### 20.2 Interest Rate Risk

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

Financial Instruments	Floating Interest Rate		Fixed Interest Rate Maturing in:					
			1 Year or Less		Over 1 to 5 Years		More than 5 Years	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
<b>(i) Financial Assets</b>								
Cash Assets	2,492,658	1,829,730	13,200,422	16,589,475	-	-	-	-
Other Financial Assets	-	-	-	-	-	-	-	-
Receivables	-	-	9,558	12,941	37,762	44,577	-	-
Accrued Income	-	-	-	-	-	-	-	-
<b>Total Financial Assets</b>	<b>2,492,658</b>	<b>1,829,730</b>	<b>13,209,980</b>	<b>16,602,416</b>	<b>37,762</b>	<b>44,577</b>	-	-
			Non-Interest Bearing		Total Carrying Amount as per the Balance Sheet		Weighted Average Effective Interest Rate	
			2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Cash Assets			-	-	15,693,080	18,419,205	3.98%	5.85%
Other Financial Assets			46,764	42,929	46,764	42,929	-	-
Receivables			1,150,691	750,782	1,198,011	808,300	-	-
Accrued Income			224,279	21,416	224,279	21,416	-	-
<b>Total Financial Assets</b>			<b>1,421,734</b>	<b>815,127</b>	<b>17,162,134</b>	<b>19,291,850</b>	<b>3.98%</b>	<b>5.85%</b>

Financial Instruments	Floating Interest Rate		Fixed Interest Rate Maturing in:					
			1 Year or Less		Over 1 to 5 Years		More than 5 Years	
	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
<b>(ii) Financial Liabilities</b>								
Payables	-	-	-	-	-	-	-	-
Trust	-	-	-	-	-	-	-	-
Loans	-	-	769,105	916,031	3,729,084	3,456,788	3,572,418	4,613,829
<b>Total Financial Liabilities</b>	-	-	<b>769,105</b>	<b>916,031</b>	<b>3,729,084</b>	<b>3,456,788</b>	<b>3,572,418</b>	<b>4,613,829</b>
			Non-Interest Bearing		Total Carrying Amount as per the Balance Sheet		Weighted Average Effective Interest Rate	
			2013 \$	2012 \$	2013 \$	2012 \$	2013 \$	2012 \$
Payables			7,136,405	5,171,634	7,136,405	5,171,634	-	-
Trust			873,613	821,224	873,613	821,224	-	-
Loans			240,099	300,000	8,310,706	9,286,648	7.23%	7.23%
<b>Total Financial Liabilities</b>			<b>8,250,117</b>	<b>6,292,858</b>	<b>16,320,724</b>	<b>15,279,506</b>	<b>7.23%</b>	<b>7.23%</b>

## Note 20 Financial Instruments (Cont'd)

### 20.3 Net Fair Value

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at 30 June 2013, are as follows:

	Total Carrying Amount as per the Balance Sheet		Aggregate Net Fair Value (i)	
	2013 \$	2012 \$	2013 \$	2012 \$
<b>Financial Assets</b>				
Cash Assets	15,693,080	18,419,205	15,693,080	18,419,205
Other Financial Assets	46,764	42,929	46,764	42,929
Receivables	1,198,011	808,300	1,198,011	808,300
Accrued Income	224,279	21,416	224,279	21,416
<b>Total Financial Assets</b>	<b>17,162,134</b>	<b>19,291,850</b>	<b>17,162,134</b>	<b>19,291,850</b>
<b>Financial Liabilities</b>				
Payables	7,136,405	5,171,634	7,136,405	5,171,634
Trusts	873,613	821,224	873,613	821,224
Borrowings	8,310,706	9,286,648	8,310,706	9,286,648
<b>Total Financial Assets</b>	<b>16,320,724</b>	<b>15,279,506</b>	<b>16,320,724</b>	<b>15,279,506</b>

(i) The following methods and assumptions are used to determine the net fair values of financial assets and liabilities.

#### Recognised Financial Instruments

**Cash Assets:** The carrying amount approximates fair value because of their short-term to maturity.

**Other Financial Assets, Receivables, Accrued Income, Payables, Trusts and Finance Leases:** The carrying amount approximates fair value.

**Borrowings:** The fair values of long-term borrowings are estimated using discounted cash flow analysis, based on government bond rates issued by the Department of Treasury and Finance.

#### **20.4 Credit Risk Exposures**

The Council's maximum exposures to credit risk at balance date in relation to each class of recognised financial assets is the carrying amount of those assets as indicated in the Balance Sheet.

##### **Concentrations of Credit Risk**

The Council minimises concentrations of credit risk in relation to receivables by undertaking transactions with a large number of customers.

Credit risk in receivables is managed in the following ways:

- payment terms are either statutory or 30 days.
- a first charge over property applies to rate debtors.

##### **Risks and mitigation**

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

##### **Market risk**

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

## Note 20 Financial Instruments (Cont'd)

### Interest rate risk

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

Council's loan borrowings are sourced from major Australian banks by a tender process. Council manages interest rate risk on its net debt portfolio by:

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

Council manages the interest rate exposure on its net debt portfolio by appropriate budgeting strategies and long term financial planning.

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

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

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

### Credit risk

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

- Council has a policy for establishing credit limits for the entities it deals with;
- Council may require collateral where appropriate ; and
- Council only invests surplus funds with financial institutions which are included on the APRA “List of Authorised Deposit Taking Institutions”.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council’s financial assets is minimal because the main debtors are State and Federal Governments. Apart from the Governments, Council does not have any significant credit risk exposure to a single customer or group of customers. Ongoing credit evaluation is performed on the financial condition of customers and, where appropriate, an allowance for doubtful debts is raised. Rate debtors are effectively secured by the property upon which they’re levied and do not represent a significant credit risk.

	2013	2012
	\$'000	\$'000
<b>Movement in Provisions for Doubtful Debts</b>		
Balance at the beginning of the year	550	550
New Provisions recognised during the year	-	-
Amounts already provided for and written off as uncollectible	-	-
Amounts provided for but recovered during the year	-	-
<b>Balance at end of year</b>	<b>550</b>	<b>550</b>

## Note 20 Financial Instruments (Cont'd)

### Ageing of Trade and Other Receivables

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

	2013 \$'000	2012 \$'000
Current (not yet due)	457,498	443,398
Past due by up to 30 days	351,950	162,397
Past due between 31 and 180 days	24,234	16,801
Past due between 181 and 365 days	-	504
Past due by more than 1 year	-	6,307
<b>Total Trade &amp; Other Receivables</b>	<b>833,682</b>	<b>629,407</b>

### Liquidity risk

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

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

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

### Sensitivity disclosure analysis

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

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

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

		Interest Rate Risk			
		+1%		-2%	
		Profit \$'000	Basis Points Equity \$'000	Profit \$'000	Basis Points Equity \$'000
<b>2013</b>	<b>\$'000</b>				
<b>Financial assets:</b>					
Cash and cash equivalents	15,693,080	156,931	156,931	(313,862)	(313,862)
Trade and other receivables	1,198,011	11,980	11,980	(23,960)	(23,960)
<b>Financial liabilities:</b>					
Interest bearing loans and borrowings	8,310,706	(83,107)	(83,107)	166,214	166,214

		Interest Rate Risk			
		+1%		-2%	
		Profit \$'000	Basis Points Equity \$'000	Profit \$'000	Basis Points Equity \$'000
<b>2012</b>	<b>\$'000</b>				
<b>Financial assets:</b>					
Cash and cash equivalents	18,419,205	184,192	184,192	(368,384)	(368,384)
Trade and other receivables	808,300	8,083	8,083	(16,166)	(16,166)
<b>Financial liabilities:</b>					
Interest bearing loans and borrowings	9,286,648	(92,866)	(92,866)	185,733	185,733

### Fair Value Hierarchy

All financial assets carried at fair value are measured at quoted prices in active markets for identical assets or liabilities.

	2013	2012
	\$	\$
<b>Note 21 Reconciliation of Net Result with Cash Provided by Operating Activities</b>		
<b>Surplus for the year</b>	<b>(6,513,807)</b>	<b>7,920,166</b>
<b>Remove non-cash items in surplus for year:</b>		
Depreciation	8,688,263	8,149,422
Net Loss/(Gain) on Disposal of Property, Plant and Equipment	6,241	10,896
Written Down Value of Land Sold	117,615	-
Written Down value of Infrastructure Assets Replaced	3,936,962	-
Work in Progress-prior year expensed	2,352,826	-
Assets Contributed	(826,038)	(1,186,608)
Bad and Doubtful Debts	11,120	10,750
Work in Progress expensed	30,950	55,322
Small plant write off	13,159	48,509
Sec 86 expenditure capitalised	-	(72,386)
Share of Net Loss/(Gain) of Associated Entity Accounted for by the Equity Method	(45,459)	(58,794)
Interest on Unwinding of Discount on Provisions	276,228	449,991
Fair value adjustment of Intangible Asset	29,222	366,309
Net Previously unrecognised asset	(3,393,432)	-
<b>Changes in assets and liabilities (changes in assets and liabilities that related to operating activities):</b>		
Decrease / (Increase) in Trade and Other Receivables	(518,502)	85,123
Decrease / (Increase) in Inventories	(124,469)	2,902
Decrease / (Increase) in Other Assets	(206,698)	102,558
(Increase) / (Decrease) in Trade and Other Payables	2,275,297	2,957,534
Increase / (Decrease) in Provisions	(268,689)	70,371
<b>Net Cash Provided by Operating Activities</b>	<b>5,840,789</b>	<b>18,912,065</b>

### Note 22 Special Committees

Council has established several committees in accordance with section 86 of the Local Government Act 1989. Revenue and expenses transacted by these committees have been included in the Council's financial statements:

	2013	2012
	\$	\$
Revenue	645,369	621,093
Expenses	1,053,604	1,088,170
	<b>(408,235)</b>	<b>(467,077)</b>

### Note 23 Auditors Remuneration

	2013	2012
	\$	\$
Audit fee to conduct external audit - Victorian Auditor-General	39,900	34,965
Internal audit fees - Johnson MME	-	18,412
Internal audit fees - AFS Pty Ltd	27,481	-
	<b>67,381</b>	<b>53,377</b>

### Note 24 Events Occuring After Balance Date

At that date of this report there were no matters or circumstances that have arisen since the end of the financial year which have significantly effected or may significantly effect the operations of the Council, the results of its operations or its state of affairs, which is not already reflected in this report.

### Note 25 Intangible Assets

	2013	2012
	\$	\$
<b>Opening Balance</b>	<b>1,047,688</b>	<b>1,413,997</b>
Movement in revaluation	(29,222)	(366,309)
At realisable value as at 30 June 2013	<b>1,018,466</b>	<b>1,047,688</b>

The useful lives of the assets are infinite.

In recent years the Council has undertaken research to determine what legal entitlements to water rights it holds. This research has been concluded and the asset has been brought to account in 2011.

## Note 26 Contingent Liabilities and Contingent Assets

### Contingent Liabilities

Council received an opinion from an external consultant regarding the full impact of the FBT process. Council will be seeking a private ruling from the ATO in regards to this issue because it does not agree with the opinion of the Consultant and in order to fully substantiate the impact and allocate a amount moving forward. Given this difference of opinion a figure cannot be reasonably established in relating to the FBT provision and consequently no amount has been stated under Contingent Liabilities. Council has reworked the Base value of the Motor Vehicles for the last five years and an estimate of \$10,000 has been worked out and provision made thereof.

### Contingent Assets

Developer contributions expected to be received in respect of property sub-divisions currently under development total \$200,000 (2012/13 \$200,000).

	2013	2012
	\$	\$
<b>Note 27 Capital Expenditure</b>		
Bridges	42,652	13,831
Buildings	1,398,520	1,075,290
Culverts & Floodways	50,103	181,895
Drainage	46,267	431,915
Footpath	407,238	87,266
Kerb & Guttering	389,013	193,043
Land	33,004	718,610
Land Improvements	80,280	415,496
Other Assets	97,305	368,400
Plant & Equipment	524,077	958,312
Playground equipment	-	282,657
Pumps	114,693	33,070
Roads	3,525,430	5,284,739
Work in Progress	1,123,254	2,451,816
<b>TOTAL CAPITAL WORKS</b>	<b>7,831,836</b>	<b>12,496,340</b>
<b>Represented by:</b>		
Renewal of infrastructure	5,026,790	6,549,020
Upgrade of infrastructure	1,893,793	2,748,973
Expansion of infrastructure	911,253	2,240,035
New plant and equipment	-	958,312
<b>TOTAL CAPITAL WORKS</b>	<b>7,831,836</b>	<b>12,496,340</b>

## Note 27 Capital Expenditure (Cont'd)

### Property, plant and equipment, infrastructure movement

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

	2013	2013
	\$	\$
Total capital works	7,831,836	12,496,340
Other Capitalisation/reclassification	-	72,386
Assets Found	3,393,432	-
Asset revaluation movement	9,459,068	7,362,380
Flood impairment	17,429,319	(21,479,404)
Landfill provision movement	-	(1,278,255)
Depreciation/amortisation	(8,688,263)	(8,149,422)
Written down value of assets sold/write off	(4,157,512)	(480,106)
Industrial land reclassified	90,000	491,095
Capital Work in progress expensed	(2,383,781)	-
Contributions - non-monetary assets	826,039	1,186,608
<b>Net movement in property, plant and equipment, infrastructure</b>	<b>23,800,138</b>	<b>(9,778,378)</b>

#### (a) Renewal

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

#### (b) Upgrade

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

#### (c) Expansion

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

## Contacting Council

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### OFFICE LOCATIONS

44 Station Street, Cobram  
100 Belmore Street, Yarrowonga  
Monday to Friday, 8.30 am to 5pm

### CUSTOMER SERVICE AGENCIES

Barmah Forest Heritage and Education Centre, Nathalia  
Numurkah Visitor Information Centre

### INFORMATION AGENCIES

Barmah Post Office  
Katamatite Post Office  
Katunga Post Office  
Strathmerton Post Office  
Tungamah Post Office  
Wunghnu Post Office