



# ANNUAL REPORT 2015



GANNAWARRA  
SHIRE COUNCIL



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## PURPOSE OF THE ANNUAL REPORT

All Councils are required by the Local Government Act 1989 to prepare an annual report each financial year. Using this report we aim to inform our community and stakeholders of our progress, achievements and challenges throughout the year.

## NEED AN EXTRA COPY?

Additional copies of the annual report can be obtained by:

- Visiting our website  
[www.gannawarra.vic.gov.au](http://www.gannawarra.vic.gov.au)
- Calling us on (03) 5450 9333
- Visiting one of our Customer Service Centres  
(See Contact Council section for locations)
- Emailing [council@gannawarra.vic.gov.au](mailto:council@gannawarra.vic.gov.au)
- Writing to Gannawarra Shire Council at  
PO Box 287, Kerang 3579

## FEEDBACK

We welcome feedback regarding the production of our annual report. Feedback provides us with the opportunity to continuously improve our methods for communicating the information contained within this report. If you would like to provide feedback please contact us via the details provided in the Contact Council Section of this report

# ABOUT COUNCIL



## VISION

GANNAWARRA WILL BECOME A PLACE WHICH IS POSITIVELY DEFINED BY ITS DIFFERENCE.

## MISSION

IN PARTNERSHIP WITH THE COMMUNITY, COUNCIL WILL OFFER THE SERVICES AND FACILITIES NEEDED TO BENEFIT RESIDENTS AND FOSTER THE SOCIAL, ECONOMIC AND ENVIRONMENTAL SUSTAINABILITY OF THE MUNICIPALITY.



## VALUES

### COLLABORATIVE

We will work together as a team to use our collective skills and knowledge for the benefit of the community.

We will work in partnership with a range of stakeholders to deliver better outcomes for our community. We will work closely with the community.

### RESOURCEFUL

In keeping with the character of our community, we will remain resourceful and resilient, employing creative problem solving to all our operational challenges. We will be agile and quick to respond to opportunities for our Council when they present.

### INNOVATIVE

We will find new and smarter ways of delivering higher levels of service to our community at lower cost. We will leverage the collective ingenuity of our community.

### FLEXIBLE

We will be proactive in dealing with our community's needs and expectations and respond appropriately. We will use our judgment in matters of common sense to deliver the best possible customer service for residents.

### INTEGRITY

In conducting our business we will take responsibility for the decisions we make and actions we undertake in an open and honest way, free from conflicts of interest, to earn and sustain the trust of our community.





## OUR LOCATION

Bordered by the Murray River to the north, Gannawarra Shire is approximately three hours from Melbourne and around one hour from the neighbouring centres of Swan Hill, Echuca and Bendigo.

Gannawarra Shire is a diverse landscape of lakes and rivers, red gum forests, irrigated agriculture and dryland farming. The magnificent natural landscapes and Mediterranean-style climate make it ideal for agriculture and outdoor recreation.

Gannawarra's primary centres are Kerang, Cohuna and Koondrook. Smaller outlying communities include Leitchville, Quambatook, Murrabit, Lake Charm, Lalbert and Mystic Park.

## OUR PEOPLE

Gannawarra's population is spread across a number of communities, each with a unique identity. The population of Gannawarra Shire has been steadily declining over the past 10 years, partly due to a structural shift in the agricultural sector. Population growth is therefore a significant focus for Council.

### The population of Gannawarra Shire is:

- Resourceful, innovative and creative.
- Committed to volunteerism.
- Highly engaged in the community.
- Active in sport and outdoor recreation.

## OUR LIFESTYLE

Gannawarra Shire is rich in pastoral, cultural and natural history and is a place to enjoy a relaxed and healthy lifestyle.

The region is home to a range of stunning natural attractions including the Murray River, Gunbower National Park and the Kerang Lakes. These environmental assets represent a point of difference for Gannawarra and offer many opportunities for residents and visitors to enjoy outdoor activities such as fishing, boating, skiing and bushwalking.

Gannawarra Shire provides a range of retail, medical, education and professional services. Good connectivity to neighbouring towns enhances access to services, to cater for the needs of residents.

# OUR SHIRE

## OUR POPULATION 10,145

0 – 4 Years 6%

5 – 14 Years 13%

15 – 19 Years 6%

20 – 64 Years 51%

65 Years & Over 24%

### STATS SNAPSHOT

**Area:** 3,736 sq. kilometres

**Population:** 10,145 (as at June 2014)

**Population density:** 2.7 people per square kilometre

**Qualifications:** 56.3% no formal qualifications, 19% vocational qualification, 7.2% Bachelor degree or higher

**85.8 %** of residents have reported **feeling safe** when walking alone in their local area at night, compared to 70.3 per cent for Victoria.\*

**57.4 %** of Gannawarra residents **volunteer their time** to support their community.\*

Information Source – Australian Bureau of Statistics, Regional Population Growth, Australia, 2013-14 and Census 2011 \*Data collected from VicHealth Indicators Survey 2011

# SNAPSHOT OF COUNCIL 2014-15



13,281  
HOURS OF  
DOMESTIC CARE

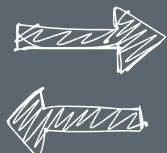


2,150 HOURS  
OF LONG DAY  
CARE PER WEEK

1,905 HOURS OF  
4 YEAR OLD KINDERGARTEN  
PER WEEK



24.1 KM OF  
ROADS RESEALED



900 METRES OF  
FOOTPATH REPLACED



36 KM GRAVEL  
ROAD RE-SHEETED



995 KM OF  
GRAVEL ROADS  
GRADED



206 FOOD  
PREMISES  
REGISTERED OR  
NOTIFIED WITH  
COUNCIL

3,202  
SOCIAL MEALS  
PROVIDED

15,377  
MEALS ON  
WHEELS  
DELIVERED



1134 TONNES  
OF RECYCLABLE  
WASTE COLLECTED



30,543 PHONE  
CALLS RECEIVED BY  
CUSTOMER SERVICE  
CENTRE STAFF



\$98,190  
PROVIDED TO 23  
GROUPS THROUGH THE  
ANNUAL COMMUNITY  
GRANTS PROGRAM



81,519 BOOKS  
AND DVDS LOANED  
THROUGH THE  
LIBRARY SERVICE



113 STRAY  
ANIMALS RE-HOUSED



61 ANIMALS  
RETURNED TO  
THEIR OWNERS



2296  
VACCINATIONS  
ADMINISTERED

2,549 HOURS OF  
TRANSPORT TO MEDICAL  
APPOINTMENTS

# THE YEAR IN REVIEW



## JULY

### → TOUR OF THE MURRAY

Council was pleased to host the professional cycling race the Tour of the Murray. Hosting the race was a great opportunity to showcase our Shire to visitors and provided a short term boost for local businesses.

### → KERANG AERODROME

The Victorian Government announced funding for the \$776,000 upgrade of the Kerang Aerodrome in July and the upgrade was completed in April. The extensive upgrade allows the aerodrome to be used by emergency services and business operators, and encourages investment in the region.



→ The announcement of funding for the Koondrook Wharf

## AUGUST

### → BUSINESS WORKSHOPS

Council hosted small business workshops for Kerang businesses which focused on visual merchandising.

## OCTOBER

### → KOONDROOK WHARF

Council received notification of \$1.5million in joint funding from the State and Federal Governments for construction of the Koondrook Wharf. This was a major step towards maximising the tourism opportunities in our Shire for economic growth.

## SEPTEMBER

### → FITZROY ST

Council undertook Stage 1 of the Kerang CBD Masterplan, the Fitzroy St Upgrade. This included kerb and channel works, installing a pedestrian crossing, beautification works and the installation of street furniture and planter boxes.



### → NATURAL GAS

The Victorian Government announced that Kerang would be connected to natural gas. Council will work closely with developers to investigate the possibility of extending the provision of gas to other parts of the Shire.

### → OLD ECHUCA ROAD BRIDGE

Council completed the replacement of the Old Echuca Road Bridge, which was officially opened in October.



## NOVEMBER

### → YOUTH CHARTER

Council endorsed a Youth Charter to help embed engagement with youth in all of Council's operations. The charter was developed after extensive consultation with young people and staff.

### → CHILDCARE CONSULTATION

Council began consultation with the Cohuna and Koondrook communities about the need for expanded childcare services in each town.

## DECEMBER

### → PLANNING CHANGE ADOPTED

Council adopted Planning Scheme Amendment C30 (implementation of the Planning Scheme Review). The amendment is now awaiting ministerial approval.

## JANUARY

### → AUSTRALIA DAY

The 2015 Australia Day Awards were well received by the community with a large number of nominations and a well-attended awards ceremony. Together with the community, Council celebrated the contribution of some of its outstanding citizens.

### → MACBETH

Council brought Essential Theatre's production of Macbeth to Apex Park in Koondrook. Approximately 200 people attended the event and Council plans to host a similar event again in the future.

### → RAILING AHEAD

Council launched the 'Railing Ahead' initiative, in partnership with Loddon, Swan Hill, Campaspe and Bendigo councils, to advocate for improved passenger rail services. The initiative kicked off with surveys designed to collect information from the community about train services in the region.

## FEBRUARY

### → GREEN WASTE

Following a successful trial Council agreed to offer an opt-in green waste collection service to Kerang and Cohuna residents on a permanent basis.



## MARCH

### → TENDER ANNOUNCED

Council announced the tender to provide red gum timber for the Koondrook Wharf project. Local business Arbuthnot's Sawmills was the successful tenderer.

### → KINDER UPGRADES

Council completed \$34,345 of upgrades to the outdoor areas of kindergartens in Leitchville, Koondrook and Cohuna. This allows children to enjoy enhanced outdoor learning environments.

## APRIL

### → GNETS AWARD

The Gannawarra Non-Emergency Transport volunteers were named finalists in the Victorian Health Minister's Volunteer Awards.

### → REGIONAL LIVING EXPO

Councillors and staff hosted an information booth at the annual Regional Living Victoria Expo, to promote Gannawarra as a lifestyle destination for people looking to relocate.



→ Announcing the planned completion of the Benjeroop-Tresco Road

## MAY

### → ORAL HEALTH CHECK UPS

Oral health check-ups were conducted at kindergartens, primary schools and childcare centres throughout the Shire, as part of Council's participation in the Rural Engaging Communities in Oral Health Project with Latrobe University.

### → BENJEROOP-TRESCO ROAD

Council completed a \$2million upgrade to a 10km section of the Benjeroop-Tresco Road. The road is a crucial link in the Shire's road network.

## JUNE

### → COHUNA PLANNING

Consultation with the Cohuna community to create a master plan for the township began. This will help guide future development in the town.

### → CEO APPOINTED

Council appointed a new CEO, Eric Braslis, after the resignation of previous CEO Jason Russell in April.

### → SOLAR POWER WORKS

Council started work installing solar trackers and panels at two locations in the Shire, to promote the benefits of renewable energy.



→ Children enjoying the new outdoor area at the Leitchville Kinder

# CHALLENGES

## POLICY ENVIRONMENT

Federal and State Government policy in the areas of renewable energy, early years education and aged care, continue to affect Council. Despite approving planning permits for a number of large scale solar projects and working closely with developers, a lack of clarity in the regulatory environment has proved a challenge in getting these projects into the development phase. While the new Victorian Government has signalled greater interest in growing the state's renewable energy sector, over the long term a stable and supportive policy environment is necessary to support investment in large scale renewable energy in our Shire. Like many other small rural councils, Gannawarra Shire Council also faces uncertain policy and funding arrangements in the areas of early years education and aged care services. As the primary service provider in both areas, Council has advocated for clearer and more stable funding and policy arrangements. Some key areas include ongoing funding to support 15 hours of kindergarten for four year olds, childcare support for parents and removing regulatory barriers for rural providers of long day care and kindergarten services. The aged care framework is complex and fragmented, which impacts on Council's ability to continue to offer vital aged care services to community members into the future.

## FINANCIAL SUSTAINABILITY

Reduced grant funding and the pending introduction of rates capping in Victoria pose challenges to Council's financial capability. The Financial Assistance Grants (FAGs), provided by the Federal Government are a vital source of income for Council which assist with the delivery of community infrastructure projects and services. Other funding streams from the Victorian Government which supported road maintenance and upgrades, as well as infrastructure projects in small towns have also ceased. Council believes that placing a cap on future rate increases will threaten its financial sustainability and its ability to provide vital community services. The reasons that rates-capping threatens the viability of small rural councils such as Gannawarra, include the lack of alternative service providers, a low rate base, Council's history of prudent rate rises and wage growth that is greater than CPI. Gannawarra Shire's population is relatively dispersed, increasing the costs of service delivery. Council has been forced to find substantial savings to ensure basic services can be maintained and ratepayers are not burdened.

## CONNECTIVITY

Inadequate passenger rail services connecting Kerang (and the rest of the Shire) to regional centres such as Swan Hill and Bendigo, as well as to Melbourne, present a challenge to economic development. The lack of connectivity makes it more difficult to attract new residents and business investment. It also affects the ability of young people in our Shire to access education and training. As part of the Railing Ahead Working Group (with Loddon, Swan Hill, Bendigo and Campaspe Shire Councils), Council is lobbying for service improvements. Inadequate mobile coverage and internet connectivity remain challenges for Council, despite some progress in the rollout of the National Broadband Network and the announcement of mobile black spot funding.



→ REALISATION OF LARGE SCALE SOLAR FARMS THAT HAVE RECEIVED PLANNING APPROVAL



## THE FUTURE

- Completion of the Koondrook Wharf
- Improved passenger rail services
- Expansion of long day care services
- Continued management of the Kerang and Cohuna pools
- Realisation of upgraded streetscapes outlined in community planning documents
- Ongoing work to address oral health concerns within the Shire

# OUR MESSAGE

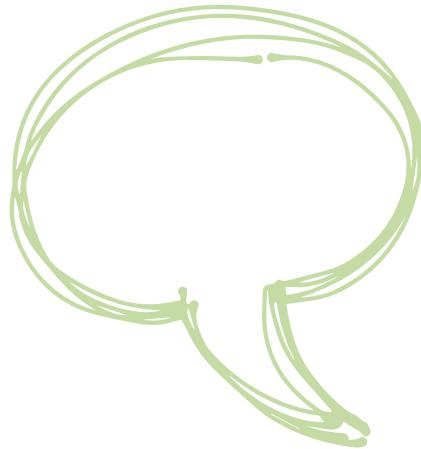
IT IS OUR PLEASURE AS THE MAYOR AND CEO TO PRESENT THE 2014/15 ANNUAL REPORT TO THE GANNAWARRA COMMUNITY. 2014/15 WAS A PRODUCTIVE AND SUCCESSFUL YEAR FOR GANNAWARRA SHIRE COUNCIL.

Highlights of the year include the announcement of funding from the State and Federal Governments for the Koondrook Wharf project which was a significant milestone for Council and for the community. This project will help showcase the beautiful natural environment of Gannawarra Shire and will become the cornerstone of future tourism development.

Other significant milestones include the announcement of natural gas connections for Murray River towns including Kerang. NBN Co also announced that wireless NBN services will start being constructed in some outlying areas of the Shire. Council has continued to advocate for further access to the NBN (including fibre optic cable for Cohuna and Kerang) and for extension of natural gas to other towns in the Shire. These two services support business expansion and development, as well as provide better services to residents, which are critical to the economic development of our Shire.

Councillors and staff worked hard throughout the year to facilitate the development of a number of large scale solar projects. Council has granted planning permits for a number of large scale solar farms. This year, the uncertainty surrounding the Federal Government's renewable energy policy meant investors were unwilling to make any concrete commitments for a large part of the year. However, since the Renewable Energy Target Review was completed, Council is confident of progress on some important projects in the near future. The change of Government at state level has also seen a shift in energy policy and a greater focus on renewable energy, which is encouraging for Council. Council is keen to see these important projects move to the next stage of development as soon as possible.

To demonstrate our commitment to renewable energy, Council this year commenced work on two of its own solar power projects. Council began installing eight dual-axis solar trackers, with a 13kW capacity, north-west of the Sir John Gorton Library in Kerang. Council also entered into a joint project with land management company Kilter, to trial the use of solar panels to power irrigation pump sites. A 16kW single-axis system will be leased to Kilter, and installed at a pump site near Reedy Lake. The trial will be monitored by Kilter and Council and the results will be used to investigate



further use of solar power throughout the Shire. The trial results will also be made available to irrigation farmers who may be considering solar power to reduce their pumping costs. These projects will help raise Council's profile as an attractive destination for large scale solar investors and developers and also demonstrate to the community the possibilities that the renewable energy industry presents.

Council has also facilitated economic development by completing key large scale infrastructure projects throughout the year. The Fitzroy Street Redevelopment was completed which implements the first stage of the Kerang CBD Masterplan. The upgrade has reinvigorated Fitzroy Street and engaged community members and businesses in the design process. The \$776,000 Kerang Aerodrome upgrade was also completed, which has already increased usage of the facility by emergency services and private users. The upgrade will support greater economic development for years to come. The \$2million Benjeroop Tresco Road resealing project was also completed this financial year. This road is now fully sealed and provides a critical link in the Shire's road network.

In January Council hosted Essential Theatre's production of Macbeth in Koondrook's Apex Park. This was the first time Council had supported this type of event. The performance was designed to attract visitors from neighbouring Shires to experience the beautiful natural surrounds of the Murray River in Koondrook. The performance was well attended and local food producers sold food and drinks at the event. Council plans to sponsor a similar event next financial year.

Council continued to support the successful Youth Council program which sees approximately 20 young people between the ages of 14 and 17, meet regularly and contribute to Council events, programs and services. The Youth Council program helps participants develop leadership skills, public speaking ability and confidence. Council also supported a team of six young people to take part in the 2015 Youth Parliament Program, run by the YMCA and the Victorian Government. This year, a Youth Charter was developed to guide Council's interaction with young people. The document was produced with the input of hundreds of local school students and aims to incorporate youth engagement in all areas of the organisation.

As part of its commitment to promoting healthy lifestyles, Gannawarra Shire Council again coordinated Walk To School activities in schools and kindergartens across the Shire. In March, Council also organised Ride2School Day activities in a number of schools throughout the Shire, to further promote the importance of active transport. As a result of our efforts, Council was awarded \$5000 in funding from the Bicycle Network Victoria, to encourage more children to walk and ride to school. Gannawarra Shire Council was one of only two Victorian Councils to be awarded a grant.

Gannawarra Shire Council has continued to work closely with other agencies as part of La Trobe University's Rural Engaging Communities In Oral Health Project (ECOH) to improve children's oral health. Last year workshops were held in Kerang and Cohuna as part of the ECOH project and the community created an action plan to tackle poor oral health outcomes. Since then, ECOH project members, Council and its partner agencies have worked on developing and distributing new information brochures to families at Gannawarra Maternal and Child Health visits and immunisation sessions. During the year Dental Health Services Victoria and Royal Flying Doctors Service staff visited Gannawarra kindergartens and schools to screen children. Information from these screenings is passed onto parents for follow up. Fluoridation of town water supplies is also being investigated. Council is continually looking for new ways to promote healthy lifestyles and to help prevent chronic disease amongst our communities. Engaging with schools and kindergartens helps build healthy habits in children that can stay with them throughout their lives.

The 2014/15 Australia Day awards were very successful, with a strong field of nominees and a large turnout at the civic reception held at the Kerang Seniors' Centre. The awards are an important way of recognising the dedicated and passionate people in our communities who serve others. Council is keen to see these awards continue to develop and to increase community engagement. Other important celebrations throughout the year included the 2015 Reconciliation Week ceremony, various Citizenship Ceremonies to officially welcome residents to the Shire and a number of exhibition openings. The highly successful flood photographic exhibition '100 Frames' was given a farewell showing at the Sir John Gorton Library Foyer in late 2014, with contributors and residents invited to see their work displayed for the last time before being returned to the contributors. This was a fitting end to the exhibition's extensive tour of neighbouring Councils and interstate.

Gannawarra Shire Council again supported the Victorian Seniors Festival, coordinating a jam-packed program of events which ran throughout October. The highlight of the program was the

'Variety Spooktacular', a Halloween-themed talent show, held on Friday 31 October at the Kerang Memorial Hall. Other events included day trips to Perricoota station and the Rex Theatre in Charlton and morning and afternoon teas at the Kerang and Cohuna libraries.

To advance its strategic and long term priorities, Council developed a number of key plans and strategies this year, including a Creative Arts and Activation Strategy, a new Municipal Early Years Plan and a new Strategic Tourism Plan. These documents will provide critical guidance on Council operations for the coming years, and help achieve significant outcomes in each of these areas. An Advocacy Plan was also developed to support Council's lobbying and advocacy activities to politicians, government departments and agencies.

In 2014/15 Council took on the management and maintenance of the Kerang and Cohuna swimming pools for the 2014/15 and 2015/16 seasons. This decision followed the withdrawal of the previous pool operator at the end of the 2013/14 pool season. In the lead up to the pool season, Council employed 26 junior and senior staff members as lifeguards and kiosk attendants. As well as undertaking ongoing maintenance of the two pools, Council made the water slides at both pools free, to ensure the facilities are family-friendly and enjoyed by as many people as possible. Early morning swim sessions continued to be offered and good patronage of both pools was achieved for the summer period. Due to these positive results, Council decided to continue management of both facilities until at least 2019/20.

The Community Satisfaction Survey results which were released in the first half of 2015 showed Council had again achieved consistently good results. This demonstrates that Council is achieving the objectives outlined in the Council Plan and that the community is responding positively to Council's vision and service delivery. We look forward to further developing the way we engage with our community next year, especially when it comes to communicating our advocacy activities and strategic priorities.

We extend our thanks to all Councillors and staff, both past and present, for their dedication and efforts throughout the last 12 months and look forward to a variety of new opportunities and successes in 2015/16.

**Cr Neville Goulding, Mayor and  
Chief Executive Officer Eric Braslis.**



CR NEVILLE  
GOULDING,  
MAYOR



ERIC BRASLIS,  
CHIEF  
EXECUTIVE  
OFFICER

# FINANCE MESSAGE

	\$
TOTAL REVENUE	\$29.3 M
TOTAL EXPENDITURE	\$24.2 M
SURPLUS	\$5 M
TOTAL ASSETS	\$183 M
TOTAL LIABILITIES	\$6 M
EQUITY	\$177 M
NET CASH FROM OPERATION ACTIVITIES	\$11.2 M
DEBT COMMITMENT RATIO	4.35%



## CAPITAL WORKS

Council aims to maintain its infrastructure assets at the expected levels while at the same time continuing to deliver the services needed by the community. Council invested a total of \$9.918 million on renewing, expanding and upgrading existing infrastructure in the 2014/15 financial year. There was also \$1.061 million utilised to build new infrastructure throughout the Shire including Fitzroy St development, Sir John Gorton Precinct, O'Brien Road footbridge, Garden Park and Atkinson Park.

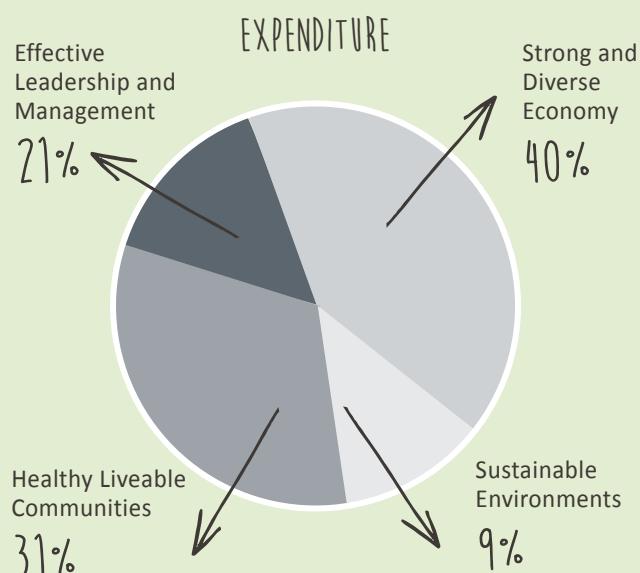
## OPERATING POSITION

Council has achieved a surplus of \$5.055 million in 2014-15. This surplus is a substantial increase on the budgeted surplus of \$1.255 million. This is mainly due to Council receiving a \$2.552 million payment on 30 June 2015, a part payment of the 2015/16 Victorian Grants Commission allocation. \$0.417 million of capital grants were received to part fund the construction of the Koondrook Wharf Project and floating jetties which were both unbudgeted due to the projects being unknown at the time of the preparation of the budget. Council made a decision to undertake the management of the Kerang and Cohuna swimming pools for the 2014/2015 season which resulted in the generation of an extra \$0.090 million of revenue from membership and usage fees.



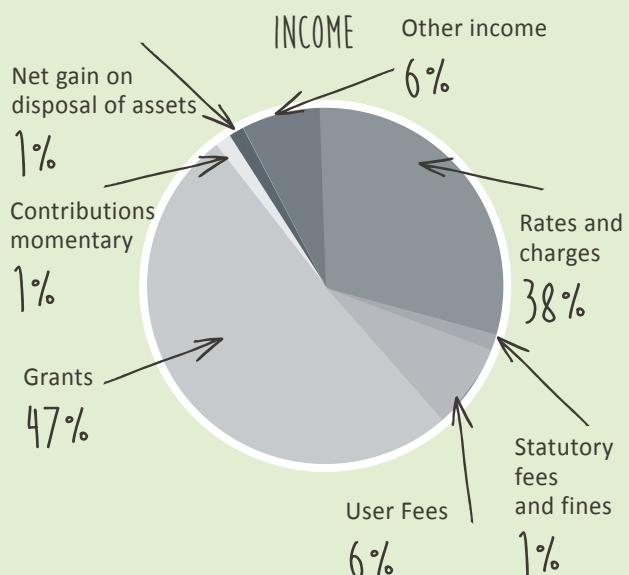
## COUNCIL EXPENDITURE

There are a variety of community services that Council operates alongside its capital work projects. In the 2014/15 financial year, total council expenditure was \$24.232 million, with 40% being spent on building a strong and diverse economy through developing and maintaining our roads, bridges and buildings. Essential waste management services are a big part of Council's priority of creating sustainable living environments for the Gannawarra community. \$1.656 million was utilised in collection of kerbside and public bin waste in addition to the management of the local landfill. 31% of Council's expenditure was dedicated to deliver vital services and resources in line with Council's commitment to producing healthy liveable communities. \$1.898 million was devoted to people in need of our community care services. \$2.418 million was expended on children's services such as kindergarten, long day care and family day care.



## STABILITY AND EFFICIENCY

Council receives income from a number of sources including rates, grants, user fees and fines as well as contributions. Grants are Council's main source of income representing 47% of total income followed by rates and charges, comprising 38%. The introduction of rate capping in the 2016/17 financial year in combination with payments from the Victorian Grant Commission being frozen will impact Council's ability to maintain current service levels into the future.



## DESCRIPTION OF OPERATIONS

Gannawarra Shire Council is responsible for providing a wide range of services ranging from aged and disability care services, to maternal and child health, kindergarten, long and family day care, as well as operating the Gannawarra Library Service, the Kerang and Cohuna swimming pools and the Kerang and Cohuna aerodromes. Council is responsible for maintaining 499 km of sealed roads, 1772km of unsealed roads, 58 bridges and 72 kilometres of footpaths across the Shire, as well as delivering Council's annual Capital Works program. These services and infrastructure connect and serve residents in communities throughout the Shire. Council's vision and plan is laid out in the Council Plan 2013-2017, which is reported against regularly and reviewed each year. The 2014/15 Budget identified key priorities in terms of projects and services which supported the strategic priorities of the Council Plan.

## ECONOMIC FACTORS

In 2014/15 Council began planning for the prospect of rate-capping and reduced grant funding from both the Federal and State governments. Council also continued to experience wage growth that was significantly greater than CPI.

# DESCRIPTION OF OPERATIONS

## MAJOR CAPITAL WORKS

### KERANG AERODROME

The Victorian Government announced funding for the \$776,000 upgrade of the Kerang Aerodrome in July and the upgrade was completed in April. The upgrade included a full reseal of the 1,067m long runway and renewal of line marking, installation of a new self-bunded aviation fuel tank with bowser and automated payment system and upgrading the Pilot Activated Airfield Lighting. Other activities included the installation of a three-phase generator, widening and leveling the taxiway shoulders, re-sheeting the gravel strip and the design and implementation of RNAV approach procedures. The extensive upgrade allows the aerodrome to be used by emergency services and business operators, and encourages investment in the region.



### FITZROY STREET UPGRADE

This \$150,000 project, the first stage of the Kerang CBD Masterplan, was completed at the end of September 2014. The project has improved the convenience and aesthetics of Fitzroy Street and enabled both the community and business to fully utilise and enjoy the streetscape. The upgrade included drainage improvements, extensions to the kerb to create more green, usable space, footpath upgrades and extensive tree planting. Before construction Council undertook extensive community consultation and planning. As part of the project Council installed raised garden beds to be managed by the community. Council called for expressions of interest from business owners and community groups, and provided materials and support for the groups to design and manage their own miniature gardens as part of the streetscape.



### OLD ECHUCA ROAD BRIDGE

This \$525,000 project involved building a new bridge on Old Echuca Road, to replace two bridges. One bridge was located over the Nine Mile Creek, and the other over an anabranch approximately 170 metres to the west. The works included the demolition of both existing timber bridges, and the widening of the waterway on the Nine Mile Creek to accommodate the same waterway capacity achieved previously by the two bridges. The bridges were then replaced with a dual lane multi-span reinforced concrete bridge capable of taking much greater loads than the previous structures. This was funded by the Victorian Government's Country Roads and Bridges Program.

→ IN 2014/15 GANNAWARRA SHIRE COUNCIL TOOK ON THE MANAGEMENT OF THE KERANG AND COHUNA POOLS.



## MAJOR CHANGES

In 2014/15 Gannawarra Shire Council took on the management of the Kerang and Cohuna pools. Following a review of the 2014/15 season, Council will continue to manage both pools until at least the end of the 2019/20 season. The review demonstrated positive results in terms of community usage, customer feedback and overall cost of providing the service. This decision will be subject to satisfactory annual reviews.

Other significant changes include the resignation of CEO Jason Russell in April 2015 and the consequent period of acting arrangements and the recruitment of new CEO Eric Braslis.

## MAJOR ACHIEVEMENTS

In 2014/15 Council completed a feasibility study into childcare needs in Cohuna and Koondrook and a new Municipal Early Years Plan to guide Council's operations in early years for the next four years. Council also completed a Planning Scheme Review and developed a new Creative Arts and Activation Strategy. Other major achievements include the announcement of \$1.5million in Federal and State Government funding for the Koondrook Wharf, which is a critical piece of tourism infrastructure for the Shire. Council's continued advocacy also resulted in an announcement from the State Government in October 2014, that Kerang would gain access to natural gas.

# OUR COUNCIL

GANNAWARRA SHIRE  
IS DIVIDED INTO  
FOUR WARDS:

**AVOCA** – including Lake Charm, Lalbert, Mystic Park and Quambatook.

**MURRAY** – including Koondrook and Murrabit.

**PATCHELL** – including Kerang and Macorna.

**YARRAN** – including Cohuna and Leitchville.



→ THERE ARE SEVEN ELECTED GANNAWARRA SHIRE COUNCILLORS. AVOCA AND MURRAY WARDS ARE EACH REPRESENTED BY ONE COUNCILLOR. YARRAN WARD IS REPRESENTED BY TWO COUNCILLORS. PATCHELL WARD IS REPRESENTED BY THREE COUNCILLORS.

COUNCIL ELECTIONS ARE HELD EVERY FOUR YEARS WITH THE MOST RECENT ELECTION HELD ON 27 OCTOBER 2012.



**CR NEVILLE GOULDING,  
MAYOR**

FIRST ELECTED  
15 MARCH 2003  
(Yarran Ward)

Neville is a local dairy farmer working in partnership with his family just south of Cohuna. Sustainability and waste management are passions for Neville who is chair of the Central Murray Regional Waste Management Group, and the Victorian Association of Regional Waste Management Group.

During his four year term, Neville will focus on promoting and developing tourism opportunities within the Shire, with a focus on the Koondrook Wharf project and the Gunbower National Park.



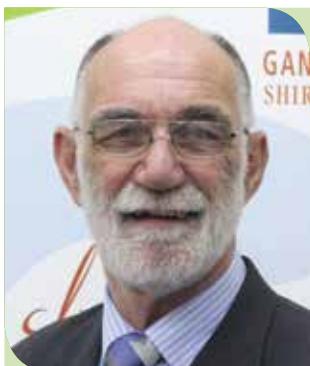
**CR BRIAN GIBSON,**  
FIRST ELECTED  
27 OCTOBER 2012  
(Patchell Ward)

Brian is a police officer residing in Kerang with his family. Supporting the community is a passion for Brian, as well as his family and sport. During his four year term, Brian will focus on ensuring that members of the Gannawarra community are heard and develop community interaction into decision making for specific projects. He will also focus on growth within the tourism industry.



**CR KEITH DEN HOUTING,**  
FIRST ELECTED  
15 MARCH 2003  
(Patchell Ward)

Residing on the outskirts of Kerang, Keith has lived in the region since 1955. Our community is first and foremost for Keith and he is constantly aware of, and advocating for, better deals for local people. Now in his fourth term with Council, Keith enjoys the constant challenges, and regularly takes time out to spend with his family, including four children and nine grandchildren.



**CR OSCAR AERTSEN,**  
FIRST ELECTED  
26 NOVEMBER 2005  
(Murray Ward)

Oscar is a Kerang business owner, residing in Koondrook with his family. Oscar served as a member of the Victorian Police Force for 37 years, before retiring in 2009. He is dedicated to developing and empowering communities to reach their potential, and an avid supporter of giving the youth of our community a voice and a say in their future.



**CR LORRAINE LEARMONT ,**  
FIRST ELECTED  
27 OCTOBER 2012  
(Yarran Ward)

Lorraine recently completed an 11 year stint as the Cohuna Neighbourhood House Coordinator. During her four year term, Lorraine will focus on the liveability of our Shire including increased childcare, the upgrade of pools and further bike and walking tracks. Lorraine will also work on increasing the development of art and culture events across the Shire, as well as investigate the opportunity for an affordable hard rubbish collection for the older residents of the Shire.



**CR MARK ARIANS,**  
FIRST ELECTED  
27 OCTOBER 2012  
(Patchell Ward)  
**DEPUTY MAYOR**  
ELECTED NOVEMBER  
2014

Mark is a project officer with Goulburn Murray Water, who previously served as a police officer in Cohuna. Having lived and worked in rural locations throughout Victoria, he recognises the Shire's attributes and is keen to assist the area reach its full potential. Mark is passionate about our environment, tourism and economic development and regards the maintenance of our environmental assets as key to the future of the region.



**CR NEIL GANNON,**  
FIRST ELECTED  
29 NOVEMBER 2008  
(Avoca Ward)

Neil is serving his second term as Councillor. Having lived and operated businesses in the area for 40 years, he is well aware of the challenges facing business in the Avoca Ward. Neil is acutely aware of the enormous potential of the Lakes area of the Shire, and strongly believes that the lakes system must be protected at all costs.

# OUR EXECUTIVE



**ERIC BRASLIS,  
CHIEF EXECUTIVE  
OFFICER**

Eric joined Council in July 2015. He has previously held the positions of General Manager City Infrastructure and Director of Growth and Development at Ballarat City Council, General Manager of Planning and Development at Stonnington City Council and Director Planning and Environment and Director of Community Services at Hobsons Bay City Council. His qualifications include a Bachelor of Applied Arts, Urban and Regional Planning from Ryerson Polytechnic University in Toronto, Canada and a Masters of Business Administration from Deakin University.

#### AREAS OF RESPONSIBILITY

Human Resources, Marketing and Communications, Council Planning and Performance



**JASON RUSSELL ,  
FORMER CHIEF  
EXECUTIVE  
OFFICER**

Jason started with Gannawarra Shire Council in July 2009. Prior to joining Council Jason was the executive officer of the Central Murray Area Consultative Committee, a Federal Government funded regional development body which worked closely with ten Councils each side of the Murray River, including the Gannawarra Shire. Jason worked for over 12 years in the Funds Management industry at ANZ Funds Management and Allianz Global Investors, where he held senior roles in Client Relations, Marketing and Investment Portfolio Management. He holds a Bachelor of Economics and has held the position of Chief Executive Officer since April 2013. Jason has since taken up the position of CEO of Campaspe Shire Council.

#### AREAS OF RESPONSIBILITY

Human Resources, Marketing and Communications, Council Planning and Performance.



**KEN LEAMING,  
DIRECTOR  
CORPORATE  
SERVICES**

Ken joined Gannawarra Shire Council in the role of Director Corporate Services while Robyn Rudge is on maternity leave. Ken was previously Manager Financial Operations at the City of Melbourne. Ken has held positions in the financial sector in New Zealand and Victoria and has a Bachelor of Business Studies – Accounting and is a member of the Chartered Accountants of Australia and New Zealand.

#### AREAS OF RESPONSIBILITY

Information Technology, Finance and Rates, Governance, Records Management, Customer and Media Relations, Emergency Management, Strategic Asset Management.



**MANDY  
HUTCHINSON,  
EXECUTIVE  
MANAGER  
COMMUNITY  
WELLBEING**

Mandy joined Council in May 2009 taking on the role of Community Care Coordinator. Mandy became Manager, Community Care and Children's Services in June 2012, and Executive Manager, Community Wellbeing in June 2013. Prior to working with Council Mandy was employed as a Case Manager and Client Services Coordinator with Bendigo Health for 15 years. Mandy has a Post Graduate Certificate in Case Management and a Diploma in Management. Mandy is on the Boards of the Southern Mallee Primary Care Partnership and Cohuna District Hospital.

#### AREAS OF RESPONSIBILITY

Community Care Services, Maternal Child Health, Community Health, Children and Youth Services, Immunisation, Community Transport, Libraries, Arts and Culture.



**CHRIS WHITE,  
EXECUTIVE  
MANAGER  
STRATEGIC  
DEVELOPMENT**

Chris joined Gannawarra Shire Council in March 2012 as the Manager Community Sustainability, after relocating to Australia earlier in the year. Prior to joining Council, Chris worked for over 15 years in a range of Planning, Regeneration and Development roles for a number of Local Authorities in the United Kingdom. He has over five years' experience working as a Consultant and Director of a Planning and Regeneration practice in the UK. Chris has a Bachelor degree in Geography and holds a Post Graduate Diploma in Town Planning. He was elected as a Member of the Royal Town Planning Institute (UK) in 1998.

#### AREAS OF RESPONSIBILITY

Grants, Recreation, Community Sustainability, Building, Planning, Tourism and Economic Development.



**GEOFF  
ROLLINSON,  
DIRECTOR  
INFRASTRUCTURE  
SERVICES**

Geoff's earliest qualifications and experience are in agriculture. He gained extensive experience in Local Government and local knowledge when working with both the former Borough and Shire of Kerang and then the Gannawarra Shire upon amalgamation in 1995. He has a Diploma of Civil Engineering and held the positions of Works Engineer and Manager of Operational Services with Gannawarra Shire from 1995 until he started in his current role in 2011.

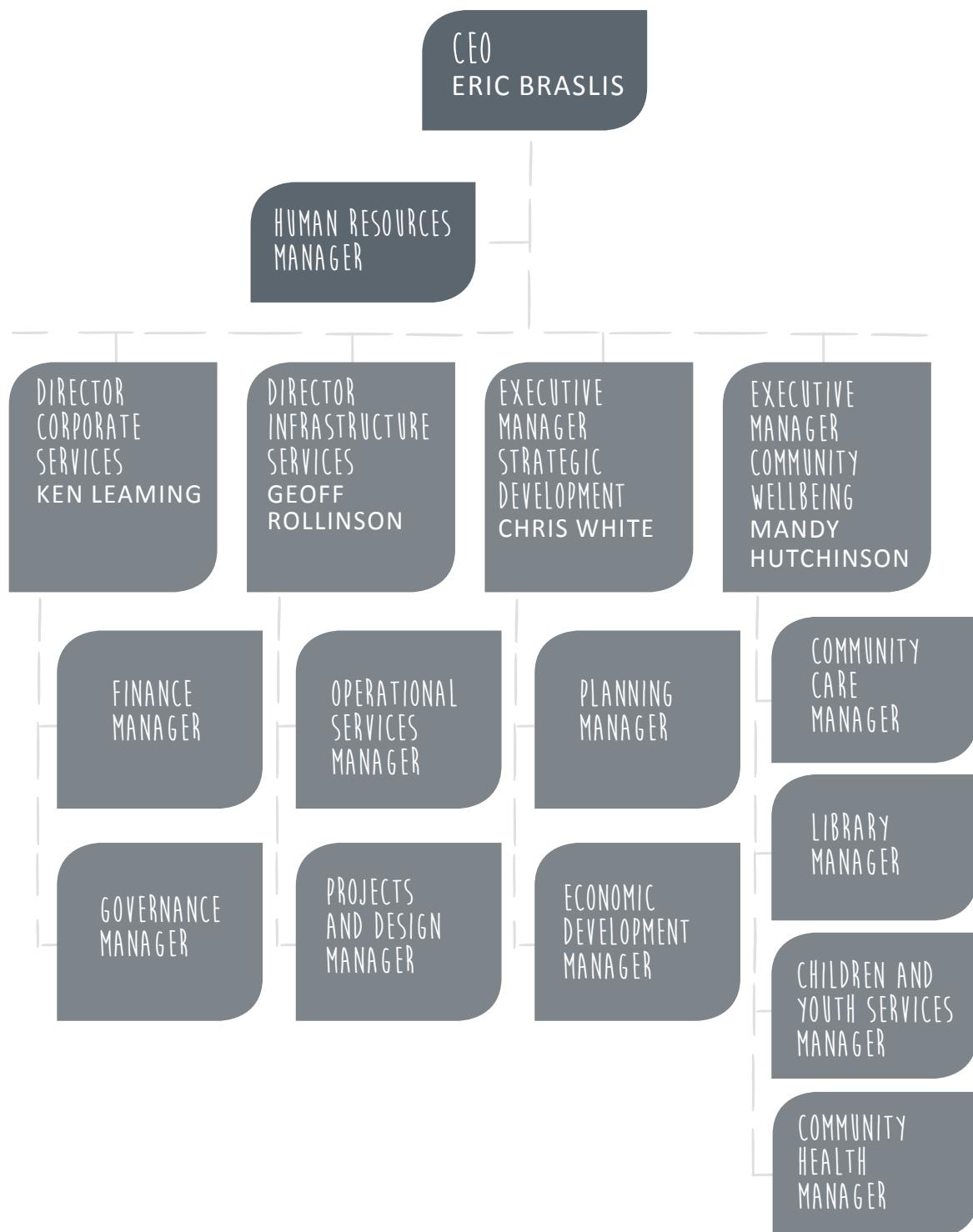
#### AREAS OF RESPONSIBILITY

Asset Management, Operational Services, Engineering, Waste Management, Landfill and Transfer Stations, Local Laws, Flood and Fire Management.

# OUR STRUCTURE

→ COUNCIL HAS FOUR DEPARTMENTS REPORTING TO THE CHIEF EXECUTIVE OFFICER. THE DEPARTMENTS ARE: COMMUNITY WELLBEING, STRATEGIC DEVELOPMENT, INFRASTRUCTURE SERVICES AND CORPORATE SERVICES.

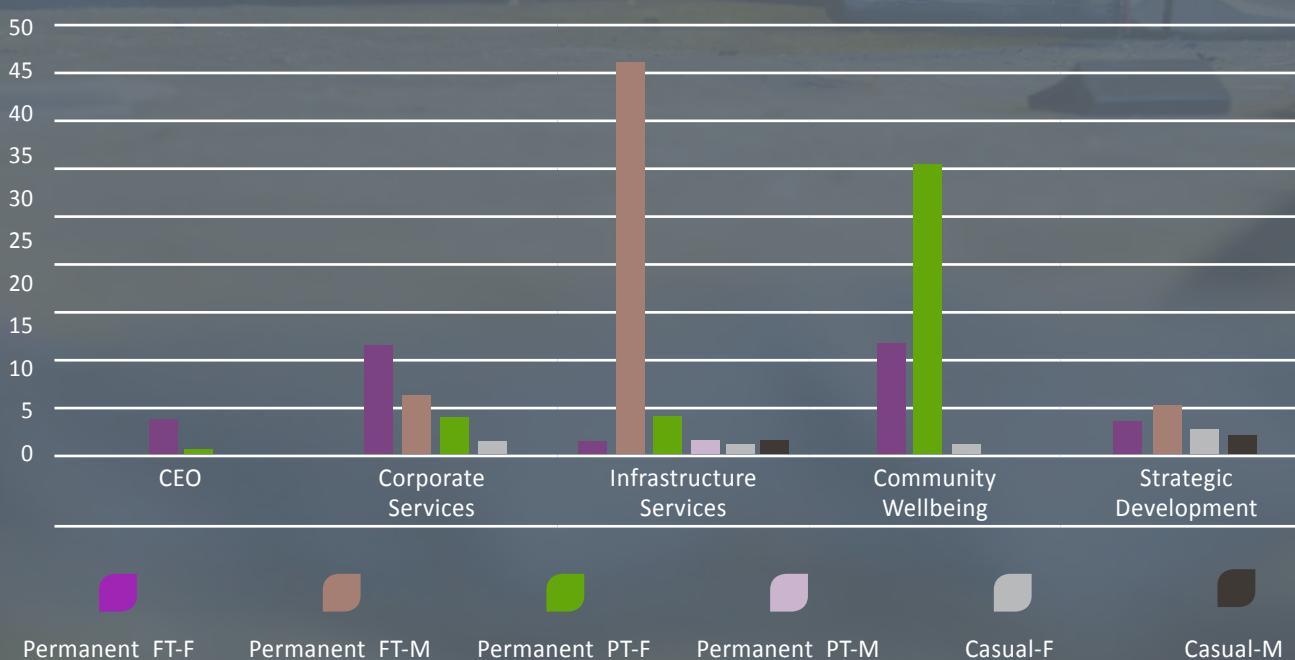
Each of these departments is made up of individual units, each led by a senior officer. The Chief Executive Officer is directly accountable to the Mayor and Councillors, who are elected by Gannawarra Shire ratepayers.



# OUR WORKPLACE

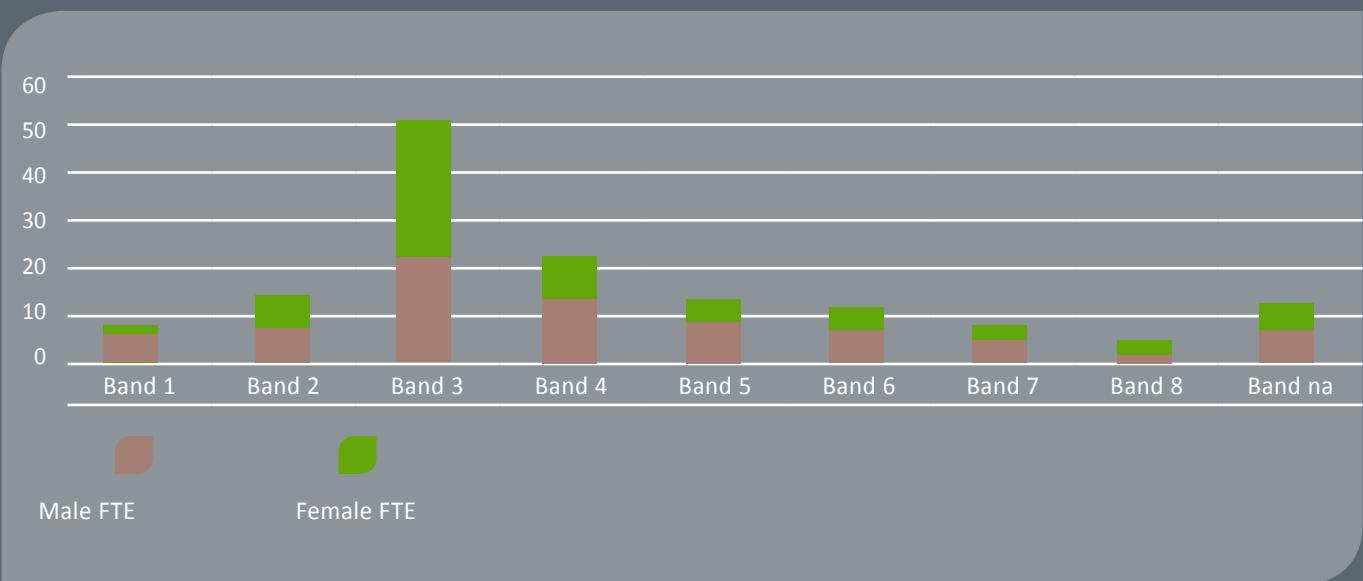
→ BELOW IS A SUMMARY OF FULL TIME EQUIVALENT COUNCIL STAFF BY ORGANISATION STRUCTURE, EMPLOYMENT TYPE AND GENDER.

Employment type/ gender	CEO FTE	Corporate Services FTE	Infrastructure Services FTE	Community Wellbeing FTE	Strategic Development FTE
Permanent FT – F	3	11	1	12	3
Permanent FT – M	0	6	46	0	5
Permanent PT – F	0.18	3.68	3.96	35.5	0
Permanent PT – M	0	0	1	0	0
Casual – F	0	1.14	0.77	0.86	2.44
Casual – M	0	0	1	0	2
Total	3.18	21.82	53.73	48.36	12.44



→ A SUMMARY OF THE NUMBER OF FULL TIME EQUIVALENT STAFF CATEGORISED BY EMPLOYMENT CLASSIFICATION AND GENDER IS PROVIDED BELOW.

Employment Classification	Female FTE	Male FTE	Total EFT
Band 1	4.29	1	5.29
Band 2	8.13	5.36	13.49
Band 3	22.45	28	50.45
Band 4	13.73	8	21.73
Band 5	8.56	5	13.56
Band 6	7.95	4	11.95
Band 7	5.68	3	8.68
Band 8	1	2	3
Band n/a	8.38	3	11.38
<b>Total</b>	<b>80.17</b>	<b>59.36</b>	<b>139.53</b>



## PROFESSIONAL DEVELOPMENT

Council's workforce plays a vital role in ensuring that Council meets current and future business needs. Council is committed to continually developing and improving the skills and capacity of its staff by providing access to a range of professional development opportunities.

This year a number of Council staff completed nationally recognised qualifications in areas such as Aged Care, Children's Services and Aviation. A small number of staff are also working towards their Bachelor qualifications. Staff continue to attend a range of training, conference and forum opportunities to ensure currency in their field of expertise.

Council also supports pathways for local students by providing work experience, scholarships and traineeships. This year Council offered two traineeships, one in Finance and one in Community Care. Council's work experience programs allow students from across the municipality to experience working in a variety of Council departments. This allows young people to see the many career opportunities available in local government and also increase awareness of Council's operations.

→ COUNCIL IS COMMITTED TO CONTINUALLY DEVELOPING AND IMPROVING THE SKILLS AND CAPACITY OF ITS EMPLOYEES.

## HEALTH AND SAFETY

Council is committed to providing its employees, volunteers, contractors and visitors with a healthy and safe work environment.

Council's Occupational Health and Safety Committee continued to work to make the organisation a safer place for all staff. As a result of elections in all Designated Work Groups, in 2014/15 the committee gained four new Health and Safety Representatives. Both elected and Management Representatives continued to carry out ongoing tasks and also set objectives for the next twelve months which will include working closely with the health and wellbeing team to implement the Healthy Together Victoria Achievement Program from workplaces.

Council has continued its proactive approach to encourage Council staff to protect themselves and others from influenza. Council provides free vaccination against influenza to its workforce on an annual basis with 44 per cent of staff, including casual employees, taking the opportunity to be immunised against influenza in 2014/15.

## EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

Council is committed to the principles of equal employment opportunity and will ensure that all workplace employment matters reflect this. Supported by a number of policies, new staff inductions and targeted training, Council ensures that the work environment is respectful and free from discrimination, harassment and bullying.

## VOLUNTEERS

Volunteering has a meaningful and positive impact on our community. We appreciate the enthusiasm our volunteers display and are encouraged by their desire to give back to our community. Our volunteers clearly enjoy their work and the sense of achievement it provides.

This year we have continued to recruit and maintain a network of more than 360 dedicated volunteers. We celebrated our volunteers during National Volunteers Week hosting a barbecue and cruises on the Wetlander to thank them for their efforts and ongoing support.

Council extends its sincere thanks to all volunteers for their hard work, dedication and commitment to improving their communities.



**15,377 MEALS  
PROVIDED BY  
MEALS ON  
WHEELS**



**2,549 HOURS  
OF TRANSPORT  
PROVIDED**



**529 HOURS  
OF L2P  
MENTORING**



**APPROXIMATELY  
1100 HOURS  
PROVIDED BY 40  
VOLUNTEERS AT  
THE GATEWAY TO  
GANNAWARRA  
CENTRE**

## VOLUNTEER-STAFFED SERVICES

### GNETS

The Gannawarra Non-Emergency Transport Service transports frail, aged and disabled community members to medical appointments in Bendigo, Echuca, Swan Hill and Shepparton. The service runs from Monday to Friday and transports people that reside in Gannawarra Shire to medical appointments outside the Shire boundaries. The GNET service picks the client up from, and returns them to their front door. We have 20 dedicated volunteer drivers who ensure the vehicle is available Monday to Friday every week of the year. In 2015-16, 2,549 hours of transport was provided to 102 clients to medical appointments in the Echuca, Swan Hill, Shepparton and Bendigo areas.

### L2P

A small group of dedicated volunteers allow Council to run the L2P program, which sees experienced drivers mentor young learner drivers. Thanks to our volunteer drivers, in 2014/15 31 learner drivers were involved in the L2P Program with a total of 529 driving hours completed. Three learner drivers gained their probationary licence this year.

### MEALS ON WHEELS

Our team of volunteers delivered more than 15,377 meals to clients in their homes in Kerang and Cohuna.

### GATEWAY TO GANNAWARRA

The Gateway to Gannawarra Centre operates with the support of volunteers who provide advice and information to visitors on the many attractions and accommodation options within the Shire and the local produce available for purchase.

→ VOLUNTEERING HAS A MEANINGFUL AND POSITIVE IMPACT ON OUR COMMUNITY.



# PERFORMANCE

The 2013-17 Council Plan outlines strategic objectives and includes indicators for monitoring progress towards these objectives over a four year period.

**The four strategic priorities outlined in the Council Plan are:**

- Strong and Diverse Economy
- Sustainable Environments
- Healthy Liveable Communities
- Effective Leadership and Management

Council's performance for the 2014-15 year has been reported against each strategic objective.

**Performance has been measured in the following ways:**

- Strategic indicators in the Council Plan.
- Progress in relation to major initiatives identified in the Budget.
- Services funded in the Budget and people in the community these services are provided to.
- Results against the prescribed service indicators and measures



→ TOUR OF THE MURRAY

# PRIORITY 1. STRONG AND DIVERSE ECONOMY

→ OUR COMMITMENT: TO CREATE AN ENVIRONMENT SUPPORTIVE OF ECONOMIC GROWTH, STABILITY AND PROSPERITY

## STRATEGIC INDICATOR

1.1.3 Utilise the environs of the rivers lakes and forest for new tourism developments

Secured Federal and Victorian Government funding for Stage 1 of the Koondrook Wharf project

## MAJOR WORKS

Completion of \$150,000 Fitzroy St Upgrade, implementing Stage 1 of the Kerang CBD Master plan.

✓ STATUS - COMPLETE

Completion of the \$776,000 upgrade to the Kerang aerodrome, ensuring greater usability, accessibility and safety for emergency services, visitors and residents.

✓ STATUS - COMPLETE

## SERVICES DESCRIPTION

### COMMUNITY GRANTS PROGRAM

Council's annual Community Grants program provides funding to a wide range of groups within the community. This program provides funding of up to \$7500 to community groups for projects which advance the priorities of the Integrated Community Plan. A wide variety of groups and organisations apply for and receive funding through the Program including sporting clubs, service groups and facility management committees. Council officers provide support to unsuccessful groups to improve their chances of success in future rounds. The 2014-15 Community Grants program saw \$98,190 awarded to community groups.

## ASSET MANAGEMENT

Council maintains an extensive network of roads (Sealed roads 499 km, Unsealed Roads 1772km), footpaths (72km) and bridges (58). Council is also responsible for maintaining recreation reserves, Council buildings, parks and swimming pools.

- Providing inspections on council assets to ensure service standards are maintained
- developing regular renewal programs for assets
- delivering the Capital Works and Building Renewal Program
- Delivering the annual road maintenance and grading program
- maintaining infrastructure including buildings, footpaths, roads, drains, street furniture, playgrounds, barbeques, drinking fountains, park furniture, bins, fences and signs.

## PLANNING AND BUILDING SERVICES

Gannawarra Shire Council's Building Department provides the following services to residents and business developers within the Shire:

- Building permit and inspection service for all classes of buildings.
- Approvals for the siting and construction of structures in caravan parks.

Council's Statutory and Strategic Planning team is responsible for planning scheme amendments, planning permits, subdivisions and providing general advice to the community on town planning matters.

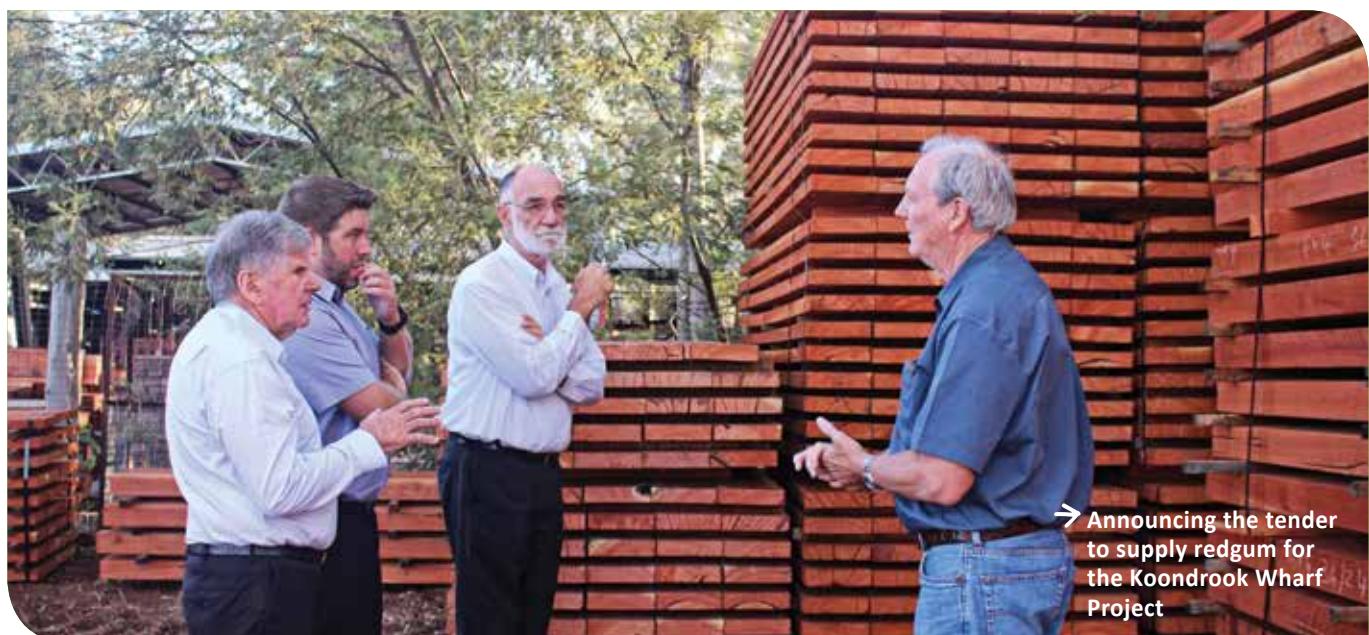
# SERVICE PERFORMANCE INDICATORS

## STATUTORY PLANNING

<b>Timeliness</b>		
Time taken to decide planning applications	42.00	No Material Variations
[The median number of days between receipt of a planning application and a decision on the application]		
<b>Service standard</b>		
Planning applications decided within 60 days	84.85%	No Material Variations
[Number of planning application decisions made within 60 days / Number of planning application decisions made] x100		
<b>Service cost</b>		
Cost of statutory planning service	\$1,585.68	No Material Variations
[Direct cost of the statutory planning service / Number of planning applications received]		
<b>Decision making</b>		
Council planning decisions upheld at VCAT	33.33%	No Material Variations
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100		

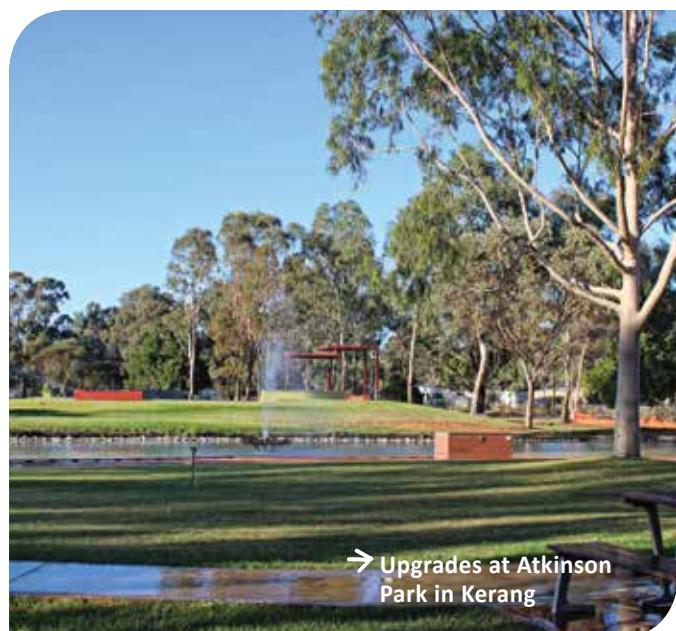
## ROADS

<b>Satisfaction of use</b>		
Sealed local road requests	19.84	No Material Variations
[Number of sealed local road requests / Kilometres of sealed local roads] x100		
<b>Condition</b>		
Sealed local roads below the intervention level	96.91%	No Material Variations
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100		
<b>Service cost</b>		
Cost of sealed local road reconstruction	\$25.03	Includes only reconstruction not new construction
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]		
<b>Service Cost</b>		
Cost of sealed local road resealing	\$5.45	No material variations
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]		
<b>Satisfaction</b>		
Satisfaction with sealed local roads	58.00	An improvement from 53 in 2014
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]		





→ Installation of solar  
trackers at the Sir John  
Gorton Library precinct



→ Upgrades at Atkinson  
Park in Kerang

## PRIORITY 2. SUSTAINABLE ENVIRONMENTS

→ OUR COMMITMENT: THROUGH OUR OPERATIONS AND ADVOCACY, ACHIEVE OUTCOMES WHICH PROTECT AND ENHANCE OUR ENVIRONMENT

### STRATEGIC INDICATOR

2.3.2 Investigate the feasibility of providing green/organic waste bins for residential properties.

Council approved the provision of a permanent opt-in green waste collection service for Kerang and Cohuna residents following a successful trial period.

### MAJOR WORKS

#### ENERGY SAVINGS

Council has completed \$50,000 worth of energy saving initiatives on Council owned buildings and assets, resulting in an expected \$125, 868 of energy savings over the next five years.

✓ STATUS - COMPLETE

#### SOLAR PANELS PROJECT

This year Gannawarra Shire Council started work on two solar power projects to encourage the development of a renewable energy industry in the Shire. Council began installing eight dual-axis solar trackers, with a 13kW capacity, north-west of the Sir John Gorton Library in Kerang. This project is expected to cost approximately \$50,000. This will assist in reducing the Library's energy costs. Council has also entered into a joint project with land management company Kilter, to trial the use of solar panels to power irrigation pump sites. The projects are designed to raise Council's profile as an attractive destination for large scale solar investors and developers and also demonstrate to the community the possibilities that the renewable energy industry presents.

\* STATUS - STARTED, INCOMPLETE

### SERVICES DESCRIPTION

#### WASTE

Gannawarra Shire Council operates a weekly kerbside waste collection, and a fortnightly recycling collection to most properties throughout the Shire. It also operates a fortnightly opt-in green waste collection service to residents in Kerang and Cohuna. Council operates four transfer stations in Kerang, Cohuna, Quambatook and Lalbert which are also drumMUSTER collection sites. Council operates a series of large bins for use by campers throughout the holiday season, through the Public Place Recycling Program.

#### PARKS AND GARDENS

Council maintains the network of parks, gardens and some reserves across the Shire. Council maintains and upgrades plants, turf, irrigation, toilets, play equipment and signage at all these locations, and completes periodic upgrades to ensure that all premises meet community standards.

#### TOURISM

Council works closely with private tourism operators and promotional organisations to showcase and increase environmental tourism opportunities within the Shire. Some examples of this include achieving RV Friendly status to attract tourists who own campervans and motorhomes, working with government departments and agencies to promote access to the Gunbower National Park and Gunbower Island for campers, and promoting Gannawarra Shire as an attractive destination for those who enjoy the lakes and rivers for recreational purposes.

# SERVICE PERFORMANCE INDICATORS

## WASTE COLLECTION

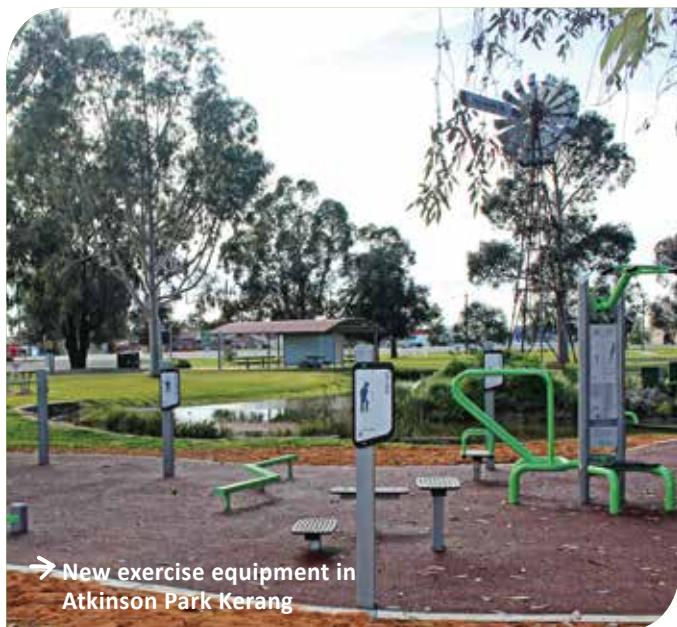
<b>Satisfaction</b>		
Kerbside bin collection requests	16.98	No Material Variations
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000		
<b>Service standard</b>		
Kerbside collection bins missed	25.97	No Material Variations
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000		
<b>Service cost</b>		
Cost of kerbside garbage bin collection service	\$51.61	No Material Variations
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]		
<b>Service cost</b>		
Cost of kerbside recyclables collection service	\$35.07	No Material Variations
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]		
<b>Waste diversion</b>		
Kerbside collection waste diverted from landfill	33.44%	Estimated 10 tonnes from opt-in green waste service
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100		

## ANIMAL MANAGEMENT

<b>Service standard</b>		
Animals reclaimed	30.05%	No Material Variations
[Number of animals reclaimed / Number of animals collected] x100		
<b>Service cost</b>		
Cost of animal management service	\$43.04	No Material Variations
[Direct cost of the animal management service / Number of registered animals]		
<b>Health and safety</b>		
Animal management prosecutions	25.00	No Material Variations
[Number of successful animal management prosecutions]		



→ Gannawarra Shire Council's first Youth Charter



→ New exercise equipment in Atkinson Park Kerang



→ The 2015 Youth Council



→ Activities at the Gannawarra Children's Centre

## PRIORITY 3. HEALTHY LIVEABLE COMMUNITIES

→ OUR COMMITMENT: TO PROMOTE AND ENHANCE THE HEALTH AND WELLBEING OF OUR COMMUNITY

### STRATEGIC INDICATOR

3.1.2 Strengthen and promote a partnership approach to address health and wellbeing issues at a local level

Aligned Council's Health and Wellbeing Plan with local and regional planning processes including Northern District Community Health's Integrated Health Promotion Plan and Southern Mallee Primary Care Partnership Strategic Plan.

3.4.3 Continue to expand youth leadership and engagement opportunities

Development of a Youth Charter to guide Council's engagement with young people throughout the entire organisation.

### MAJOR WORKS PARK UPGRADES

Council completed significant upgrades to both Atkinson Park in Kerang (\$340,000) and Garden Park in Cohuna (\$210,000) including installing new paths, adult exercise equipment, performance shelters and a new boardwalk in Atkinson Park.

✓ STATUS: COMPLETE



### SERVICES DESCRIPTION

#### COMMUNITY CARE

Council offers the following services to aged and disabled residents across the Shire::

- Domestic Care – provides assistance with house cleaning to support clients and carers to maintain a comfortable home environment.
- Personal Care – enables clients to live independently by assisting with personal tasks that they are unable to perform on their own.
- Respite Care – supports the caring relationship by providing carers of frail older people and people of any age with a disability, with a break from their caring responsibilities.
- Property Maintenance – provides assistance with the maintenance and repair of clients' home, garden or yard to maintain the home in a safe and habitable condition.
- Food Services – provides a healthy, well balanced midday meal to eligible residents in Kerang and Cohuna. There is also the option of weekend meals delivered frozen and Social Meals which are held in Quambatook, Leitchville and Koondrook.
- Gannawarra Non-Emergency Transport Service – provides residents with transport to medical appointments in Bendigo, Shepparton, Echuca and Swan Hill.
- Assessment service for residents to determine eligibility and appropriate levels of community care.



## MATERNAL AND CHILD HEALTH

Council's Maternal and Child Health service is a free service for all families with children from birth to school age. Council's three part-time maternal and child health nurses offer:

- Support on topics ranging from child health and nutrition, sleep and settling, accident and injury prevention, immunisation and maternal wellbeing.
- 10 key 'ages and stages' consultations where families can discuss concerns, experiences and growth and development.
- Extra visits are available for families with additional needs.

## YOUTH AND CHILDREN'S SERVICES

Council currently offers a wide variety of services to families and children across the Shire, from birth to secondary school.

- Three and four year old kindergarten programs in Kerang, Cohuna, Leitchville and Koondrook
- Long day care service located in Kerang
- Family Day Care services across the Shire
- Oversees an Early Years Board with representatives of parents, early years educators and Council, to improve early years education across the Shire
- Facilitating the Youth Council Program, in which approximately 20 young people participate for a 12 month period
- Supporting a team of six young people to participate in the YMCA Youth Parliament Program.

## ENVIRONMENTAL HEALTH

Council provides the following services which support community health:

- Providing immunisations under the National Immunisation Program
- Registering food premises, personal hygiene and body arts premises and accommodation
- Undertaking regular inspections of food and health premises to ensure safety standards are being met
- Monitoring the sale of tobacco, the installation of septic tanks and nuisance complaints.

## HEALTH PROMOTION

Council provides a range of services aimed at promoting and improving community health and combating chronic disease.

- Coordinating Ride2School and Walk to School events across the Shire
- Working in partnership with other health agencies to offer services and support health initiatives
- Working in partnership with dental health agencies to improve oral health in children
- Producing brochures and information that inform the community about a range of health issues.

## LIBRARIES

The Gannawarra Library Service consists of branches at Kerang, Cohuna, Leitchville and Quambatook and is the smallest public library service in the state of Victoria. Services include:

- Providing high quality resources to the community including books, DVDs, CDs, audio books and a range of e-resources including e-books and e-audio books
- Facilitating and organising school holiday programs across the Shire during each school holiday period
- Hosting and supporting events, workshops and exhibitions for the community
- Providing meeting rooms and a welcoming space for study and reflection
- Providing internet access and training for the community, especially older residents.

## ARTS AND CULTURE

Council provides the following services to develop and support the arts across the Shire:

- Holding exhibitions of local artists in the exhibition foyer of the Sir John Gorton Library in Kerang
- Supporting visiting exhibitions and events
- Working in partnership with neighbouring Councils and community groups to develop and support events, workshops and exhibitions
- Producing promotional flyers and programs for a range of local events and exhibitions to inform community member of current events.

# SERVICE PERFORMANCE INDICATORS

## SWIMMING POOLS

<b>Service standard</b>		
Health inspections of aquatic facilities	1.33	No Material Variations
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]		
<b>Health and Safety</b>		
Reportable safety incidents at aquatic facilities	0.00	No Material Variations
[Number of WorkSafe reportable aquatic facility safety incidents]		
<b>Service cost</b>		
Cost of indoor aquatic facilities	\$16.87	No Material Variations
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]		
<b>Service Cost</b>		
Cost of outdoor aquatic facilities	\$17.40	No Material Variations
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]		
<b>Utilisation</b>		
Utilisation of aquatic facilities	2.16	No Material Variations
[Number of visits to aquatic facilities / Municipal population]		

## HACC

<b>Service standard</b>		
Compliance with Community Care Common Standards	88.89%	No Material Variations
[Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100		
<b>Participation</b>		
Participation in HACC service	50.96%	No Material Variations
[Number of people that received a HACC service / Municipal target population for HACC services] x100		
<b>Participation</b>		
Participation in HACC service by CALD people	17.02%	No Material Variations
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100		

## LIBRARY

<b>Utilisation</b>		
Library collection usage	1.68	No Material Variations
[Number of library collection item loans / Number of library collection items]		
<b>Resource standard</b>		
Standard of library collection	33.54%	No Material Variations
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100		
<b>Service cost</b>		
Cost of library service	\$5.98	No Material Variations
[Direct cost of the library service / Number of visits]		
<b>Participation</b>		
Active library members	13.48%	No Material Variations
[Number of active library members / Municipal population] x100		

## MATERNAL AND CHILD HEALTH

<b>Satisfaction</b>		
Participation in first MCH home visit	100.00%	No Material Variations
[Number of first MCH home visits / Number of birth notifications received] x100		
<b>Service standard</b>		
Infant enrolments in the MCH service	100.00%	No Material Variations
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100		
<b>Participation</b>		
Participation in the MCH service	72.52%	No Material Variations
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100		
<b>Participation</b>		
Participation in the MCH service by Aboriginal children	59.18%	No Material Variations
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100		

## FOOD SAFETY

<b>Service standard</b>		
Food safety assessments	81.97%	No Material Variations
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100		
<b>Service cost</b>		
Cost of food safety service	\$406.99	No Material Variations
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]		
<b>Health and safety</b>		
Critical and major non-compliance outcome notifications	100.00%	No Material Variations
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100		



→ The 2015 Australia Day  
Awards Ceremony



→ Member for Northern Victoria Jaclyn  
Symes visited Gannawarra Shire in 2015

## PRIORITY 4- EFFECTIVE LEADERSHIP AND MANAGEMENT

→ OUR COMMITMENT: TO ENSURE RESPONSIBLE MANAGEMENT OF COUNCIL'S RESOURCES THROUGH EFFECTIVE AND TRANSPARENT GOVERNANCE, VISIONARY LEADERSHIP AND FULL ACCOUNTABILITY

### STRATEGIC INDICATOR

4.1.2 Advocate on the community's behalf on issues relevant to the Shire

Council launched an Advocacy Plan which outlines its key priorities which require State and Federal Government support. The strategy has strengthened Council's advocacy activities and supported numerous meetings with political representatives and departmental leaders.



COMPLETED

### MAJOR WORKS

#### WEBSITE

A review of Council's website was undertaken during 2014-15 and the development of a new, more accessible website was initiated. This is a major project which will refocus on customer needs and providing accurate, useful and clear information for residents to access easily. The new website will be compliant with accessibility standards and mobile and tablet friendly.

STATUS: ONGOING

### SERVICES

#### FINANCE

Council's Finance Department provides a number of services to Council's service delivery areas including:

- Managing accounting, accounts payable and receivable and payroll services
- Managing rates and valuations, including rates payments
- Managing Council's fleet
- Managing procurement, conduct of public tenders and purchasing system.

#### IT

Council's information services department is responsible for providing the following services to the organisation:

- Managing computer and communication systems across Council
- Managing corporate information and records.

#### HR

Council's human resources department oversees the following:

- Coordinating recruitment, industrial relations, remuneration, award/agreement negotiations
- Staff professional, learning and leadership development
- Coordinating employee performance reporting system.

#### GOVERNANCE

Council's governance department manages and is responsible for the following:

- Managing Freedom of Information and information privacy
- Risk Management
- Correspondence records
- Business continuity
- Managing Occupational Health and Safety and compliance

#### CEO OFFICE

As well as providing leadership to the whole organisation, the CEO office manages the following services and tasks:

- Citizenship Ceremonies and civic events such as Australia Day Ceremonies and Australia Day Awards
- Administration support to Councillors and executive team
- Completing agendas and minutes for Council meetings
- Media and Communications
- Council Plan reporting, advocacy and completing the Annual Report.

# SERVICE PERFORMANCE INDICATORS

## GOVERNANCE

<b>Transparency</b>		
Council decisions made at meetings closed to the public	7.03%	No Material Variations
[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100		
<b>Consultation and engagement</b>		
Satisfaction with community consultation and engagement	65.00	No Material Variations
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement		
<b>Attendance</b>		
Councillor attendance at council meetings	96.43%	No Material Variations
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x100		
<b>Service cost</b>		
Cost of governance	\$36,615.37	No Material Variations
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]		
<b>Satisfaction</b>		
Satisfaction with council decisions	64.00	No Material Variations
[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]		

## ADVOCACY PLAN



A summary of key priorities for the Gannawarra Shire community.



→ ADVOCACY PLAN  
A SUMMARY OF KEY PRIORITIES  
FOR THE GANNAWARRA SHIRE  
COMMUNITY

# COMMUNITY SATISFACTION

## → 2015 COMMUNITY SATISFACTION SURVEY

The Community Satisfaction Survey is undertaken annually by independent market research consultancy Wallis Consulting Group on behalf of the Department of Transport Planning and Local Infrastructure.

Gannawarra Shire Council has participated in this survey for the last 18 years.

## OUR CORE PERFORMANCE

Performance Measures	2014		2015		
	Gannawarra Shire		Gannawarra Shire	Small Rural Shires	State-wide
Overall Performance	69	↓	68	59	60
Community Consultation (Community Consultation and Engagement)	65	-	65	56	56
Advocacy (Lobbying on behalf of the community)	63	↓	62	56	55
Customer Service	76	↑	78	70	70
Overall Council Direction	62	↑	64	53	53

## OUR SERVICE DELIVERY

Category	2014		2015		
	Gannawarra Shire		Gannawarra Shire	Small Rural Shires	State-wide
Elderly Support Services	79	↑	80	72	69
Art Centres and Libraries	79	-	79	69	73
Appearance of Public Areas	78	↑	79	74	72
Recreational Facilities	77	-	77	70	70
Waste Management	75	↑	77	71	72
Family Support Services	73	-	73	67	67
Enforcement of Local Laws	72	↓	71	66	66
Informing the Community	68	-	68	60	61
Business/Community Development/ Tourism	67	↓	66	63	61
Community Decisions	66	↓	64	56	55
Consultation and Engagement	65	-	65	56	56
Lobbying	63	↓	62	56	55
Local Street and Footpaths	58	↑	60	59	58
Sealed Roads	53	↑	58	52	55

# CUSTOMER SERVICE CHARTER – MEETING OUR TARGETS

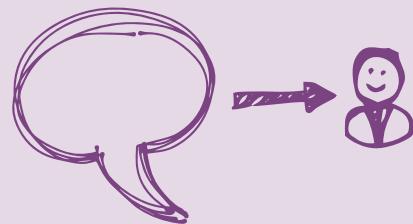
- GANNAWARRA SHIRE COUNCIL IS COMMITTED TO PROVIDING A HIGH LEVEL OF CUSTOMER SERVICE TO INDIVIDUALS AND ORGANISATIONS.

Council's Customer Service Charter outlines the standards that you can expect, how you can measure whether Council is achieving the specified standards, and the rights and obligations you have when using Council services.

## STANDARDS ARE MEASURED IN THE AREAS OF:

- Building and Planning
- Community Care Services
- Community Engagement
- Community Sustainability
- Continuous Improvement
- Customer Service – Frontline
- Infrastructure Services
- Environmental Health
- Finance
- General Service
- Governance
- Human Resources
- Local Laws

## OVERALL ACHIEVEMENT AGAINST STANDARDS



2014/15

98.17%

OF TARGETS  
MET

2013/14

92.2%

OF TARGETS  
MET



# GOVERNANCE



# CORPORATE GOVERNANCE

Gannawarra Shire Council is constituted under The Local Government Act 1989. Under the Act, local government performs the functions and exercises the powers conferred by or under the Act and any other Act for the peace, order and good government of their municipal districts. Council's objectives are:

- (a) to promote the social, economic and environmental viability and sustainability of the municipal district;
- (b) 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;
- (c) to improve the overall quality of life of people in the local community;
- (d) to promote appropriate business and employment opportunities;
- (e) to ensure that services and facilities provided by the Council are accessible and equitable;
- (f) to ensure the equitable imposition of rates and charges;
- (g) to ensure transparency and accountability in Council decision making.

For Council to function effectively and to meet all legislative and regulatory requirements, a strong focus on corporate governance is required. Council does this through a range methods including; adhering to a Code of Conduct, creating annual Budgets and annual reports, reporting against the Council Plan, engaging with the community, managing risk, operating an audit committee and reporting our progress against a number of acts which govern Council's operation.

## COUNCIL MEETINGS

Council's authority is exercised as a collective when sitting as a Council; individual Councillors do not have power to make decisions. In carrying out the responsibilities of public office Councillors are bound by the Local Government Act 1989 and the principles of good governance.

Gannawarra Shire Council holds its regular monthly meetings at 7.00pm on the third Wednesday of the month primarily in the Council Chambers, Kerang. The June Ordinary Council Meeting was held at 5.30pm, as a trial, in order to make Council meetings more accessible to the public. Three meetings throughout the year are held at Cohuna and Koondrook. These meetings enable Councillors and executive staff to meet with community members.

## COUNCILLOR SUPPORT

In line with the Office of Local Government Review of Allowances for Mayors and Councillors the Mayoral allowance is set at \$61,132 including superannuation and Councillors allowance is set at \$20,462 including superannuation. These allowances were effective from 1 December 2014. The Mayor and Councillors have the option to be provided with internet access, a mobile telephone and a tablet device. All Councillors have access to a computer, printer and fax machine at Council's offices. The Mayor is also provided with a vehicle.

## → ATTENDANCE AT COUNCIL MEETINGS

Councillor	Ordinary Council Meetings	Special Council Meetings	Statutory Council Meetings
Cr Neville Goulding	12 out of 12	3 out of 3	1 out of 1
Cr Lorraine Learmonth	12 out of 12	3 out of 3	1 out of 1
Cr Neil Gannon	11 out of 12	3 out of 3	1 out of 1
Cr Keith den Houting	11 out of 12	3 out of 3	1 out of 1
Cr Brian Gibson	11 out of 12	2 out of 3	1 out of 1
Cr Mark Arians	12 out of 12	3 out of 3	1 out of 1
Cr Oscar Aertssen	11 out of 12	3 out of 3	1 out of 1

# PORTFOLIOS AND COMMITTEES

COUNCILLOR PORTFOLIOS AS SET AT 30 JUNE 2015

Councillor	Portfolios	Committee
Cr Neville Goulding	Waste, renewable energy	<ul style="list-style-type: none"> <li>→ Loddon Mallee Waste and Recovery Group</li> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ Cohuna Education and Community Activity Centre</li> <li>→ Murray River Group of Councils</li> <li>→ Municipal Association of Victoria (MAV)</li> <li>→ MAV Rural Councils Victoria</li> <li>→ MAV Loddon Campaspe Council</li> <li>→ Wakool/Gannawarra Planning Committee</li> </ul>
Cr Oscar Aertssen	Youth, education, library, early years	<ul style="list-style-type: none"> <li>→ Youth Council Mentor</li> <li>→ Murray Mallee Local Learning and Employment Network</li> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ Road Focus Group</li> <li>→ Gannawarra/Wakool Planning Committee</li> <li>→ Murray Darling Association</li> </ul>
Cr Neil Gannon	Tourism	<ul style="list-style-type: none"> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> </ul>
Cr Keith den Houting	Environment, planning and building and water	<ul style="list-style-type: none"> <li>→ Wakool/Gannawarra Planning Committee</li> <li>→ Kerang Progress Association</li> <li>→ Internal Audit Committee</li> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ Road Focus Group</li> </ul>
Cr Brian Gibson	Emergency management, asset management, finance and risk management	<ul style="list-style-type: none"> <li>→ Municipal Association of Victoria</li> <li>→ MAV Transport and Infrastructure Committee</li> <li>→ MAV Emergency Management Committee</li> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ Municipal Fire Prevention Committee</li> <li>→ Gannawarra/Wakool Planning Committee</li> <li>→ Road Focus Group</li> </ul>
Cr Mark Arians	Agriculture, communications, transport	<ul style="list-style-type: none"> <li>→ Asset Naming Committee</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ Rail Alliance Committee</li> <li>→ Campaspe Cohuna Local Learning and Employment Network</li> <li>→ Kerang Progress Association</li> <li>→ Kerang Refugee Support Group</li> </ul>
Cr Lorraine Learmonth	Education, seniors, heritage and culture, arts and culture, health promotion	<ul style="list-style-type: none"> <li>→ Wakool/Gannawarra Planning Committee</li> <li>→ Asset Naming Committee</li> <li>→ North Central Catchment Management Authority Community Reference Group</li> <li>→ Mystic Park Cemetery Trust</li> <li>→ MAV Arts and Culture Committee</li> <li>→ MAV Environment Committee</li> <li>→ Road Advisory Group</li> <li>→ Seniors Focus Group</li> <li>→ Early Years Think Tank</li> <li>→ Campaspe Cohuna Local Learning and Employment Network</li> </ul>

## CODES OF CONDUCT

In accepting office Councillors accept certain duties and responsibilities. By signing the declaration of office, Councillors give a solemn undertaking that they will fulfil the duties of office faithfully and impartially, to the best of their ability and judgement.

Elected representatives and staff members are deemed to be public officers and are required to abide by principles of good conduct and standards of behaviour. They are bound by two separate Codes of Conduct and statutory requirements of the Local Government Act 1989 or any other relevant legislation. The two codes are the Employee's Code of Conduct and the Code of Conduct and Values for Elected Members.

The general duty of Council employees is to act honestly and with reasonable care and diligence in the performance and discharge of their functions and duties. Employees of the Council must not make improper use of the information acquired or make improper use of their position. The role of the Council is to provide leadership for the good governance of the Gannawarra Shire.

The Code of Conduct and Values for Elected Members was reviewed in October 2013. The Local Government Amendment (Conflicting Duties) Act 2009, which was assented to 8 September 2009, provides for the conflicting duties of persons who are or want to be Councillors.

## COMMUNITY ENGAGEMENT

Council is committed to representing community interests and providing leadership in an open and accountable way. Effective engagement allows Council to collect useful feedback and incorporate that information into future decision-making. It also means the community is involved in Council decisions and processes and gives residents ownership of projects and plans. Community engagement is a key outcome in the Gannawarra Shire Council Plan key priority area of Effective Leadership and Management.

## COMMUNITY MEETINGS

Community consultation sessions and public meetings are one of the most important ways for Council to engage with the community. They allow community members to provide feedback and to stay informed of Council projects and decisions. They also allow Councillors and staff to demonstrate and explain details regarding projects, services and plans. This year, Council consulted on the draft 2015/16 Budget through meeting with a range of existing community groups and conducting a number of 'listening posts' at key locations across the Shire. Consultation sessions were this year also held in relation to childcare services in Cohuna and Koondrook and to plans to redevelop the Cohuna pool. Community members are always encouraged to attend Council meetings and to ask questions of Councillors and to listen to discussions.

## ONLINE ENGAGEMENT

This year Council launched two new Facebook pages, for the Gannawarra Children's Centre and the Gannawarra Youth Council. This has allowed both the Youth Council and the Children's Centre to communicate and engage with more specific audiences and to keep their respective communities informed of news and events. These pages provide specific relevant information to their audiences and offer their followers another way to provide feedback and find information. A main Gannawarra Shire Council Facebook page continued to operate, and increase engagement with its audience. Council's Twitter feed is also gradually increasing engagement, especially with Council's partner organisations. Council began work to redevelop its website to ensure maximum community use and engagement. It is hoped the new website will be completed by October 2015.

## NEWSPAPER AND RADIO

Council distributes 12 media releases a month which focus on new projects, plans and services. A media release is a good way to let community members know what is happening, encourage participation and gather feedback. Council also produced monthly editions of the Gannawarra News (a full page newsletter style advertisement in the Gannawarra Times). Regular interview segments with Mayor, Cr Neville Goulding on local radio station 3SH allows Council to publicise information relevant to the community. ABC Swan Hill Mildura regularly interviews the Mayor on Monday mornings, which is another way for Council to share information and messages. Council advertises meetings, requests public submissions, and advertises the availability of documents for community viewing as required under the Local Government Act 1989.

## ADVISORY GROUPS

A number of community groups meet regularly with the support and assistance of Council to establish planning priorities of their respective communities. Council then provides assistance to these groups to undertake their priority projects and provides seed funding through the Community Grants Program. Council also distributes information to these community planning groups as a means of informing and engaging with members of the Gannawarra community. The Gannawarra Seniors Advisory Group meet on a quarterly basis and provide a forum for all matters, current and future, relating to senior Shire residents. The group assists Council with projects, strategies and events. Gannawarra Shire Youth Council meets regularly throughout the year, and is made up of about 20 young people from across the Shire. Input and feedback is sought from Youth Council on plans and projects and the Youth Council often takes a lead role in organising youth events.

The Gannawarra Shire Early Years Board meets quarterly and is made up of representatives from kindergarten committees and Council officers. It develops policies and procedures to assist kindergartens and the Shire to work cooperatively.

# INTERNAL MANAGEMENT

## RISK MANAGEMENT

Council understands its obligation to ensure it has a robust and effective Risk Management Framework for the identification and assessment of risk.

Council is committed to ensuring that key risks and opportunities are identified, assessed, responded to and managed so that the organisation maximises its ability to meet its strategic, community, corporate and operational objectives.

During 2014/15 Council:

- Commenced a full review of its Risk Management Framework. The review is expected to be complete by December 2015. The reviewed framework will be supported by a Risk Register contained within the Advent Manager web based compliance system.
- Commenced a full review of its Business Continuity Management including the Business Continuity Plan and development of department contingency Sub-plans. Testing of draft plans is scheduled for September 2015.
- Reviewed Policy No. 100 – Fraud and Corruption Prevention

## CONFLICT OF INTEREST

Councillors, audit committee members and senior staff are required to declare any conflict of interest in any matter, and the nature of that interest, before a matter is discussed in a Council or Committee meeting.

All Councillors, audit committee members and senior staff are required to complete a Form 26, Register of Interest Primary Return when elected or appointed and then every six months complete an Ordinary Return in accordance with the Local Government Act 1989. The Pecuniary Interest Register is available for inspection at the Kerang Council Office.

## COUNCIL AUDIT COMMITTEE

The role of Council's Audit Committee is to independently monitor, review and advise the Council on matters of accountability and internal control affecting the operations of the Council. The Committee exists to assist Council in discharging its responsibilities for financial reporting, maintaining a reliable system of internal controls and fostering the Council's ethical environment.

The Committee makes recommendations on the appointment of an internal auditor and on the adoption of the Budget and Annual Financial and Standard Statements, as well as providing advice to Council and senior management.

### THE 2014/2015 AUDIT COMMITTEE MEMBERS WERE:

#### EXTERNAL MEMBERS:

- Ms Kate Scarce, Ms Deanne Van der Drift, Mr Luigi Basile, Mr Alan Darbyshire

#### COUNCIL MEMBERS:

- Cr Brian Gibson and Cr Keith den Houting

There were 4 meetings for the 2014/2015 financial year on the following dates:

- 26 August 2014
- 11 November 2014
- 10 February 2015
- 12 May 2015

External audit of Council's Financial and Standard Statements is conducted by Crowe Horwath as agent for the Victorian Auditor General.

Committee Member	Number of meetings attended
Ms Kate Scarce	2
Ms Deanne Van der Drift	4
Mr Luigi Basile	3
Mr Alan Darbyshire	1
Cr Brian Gibson	2
Cr Keith den Houting	4

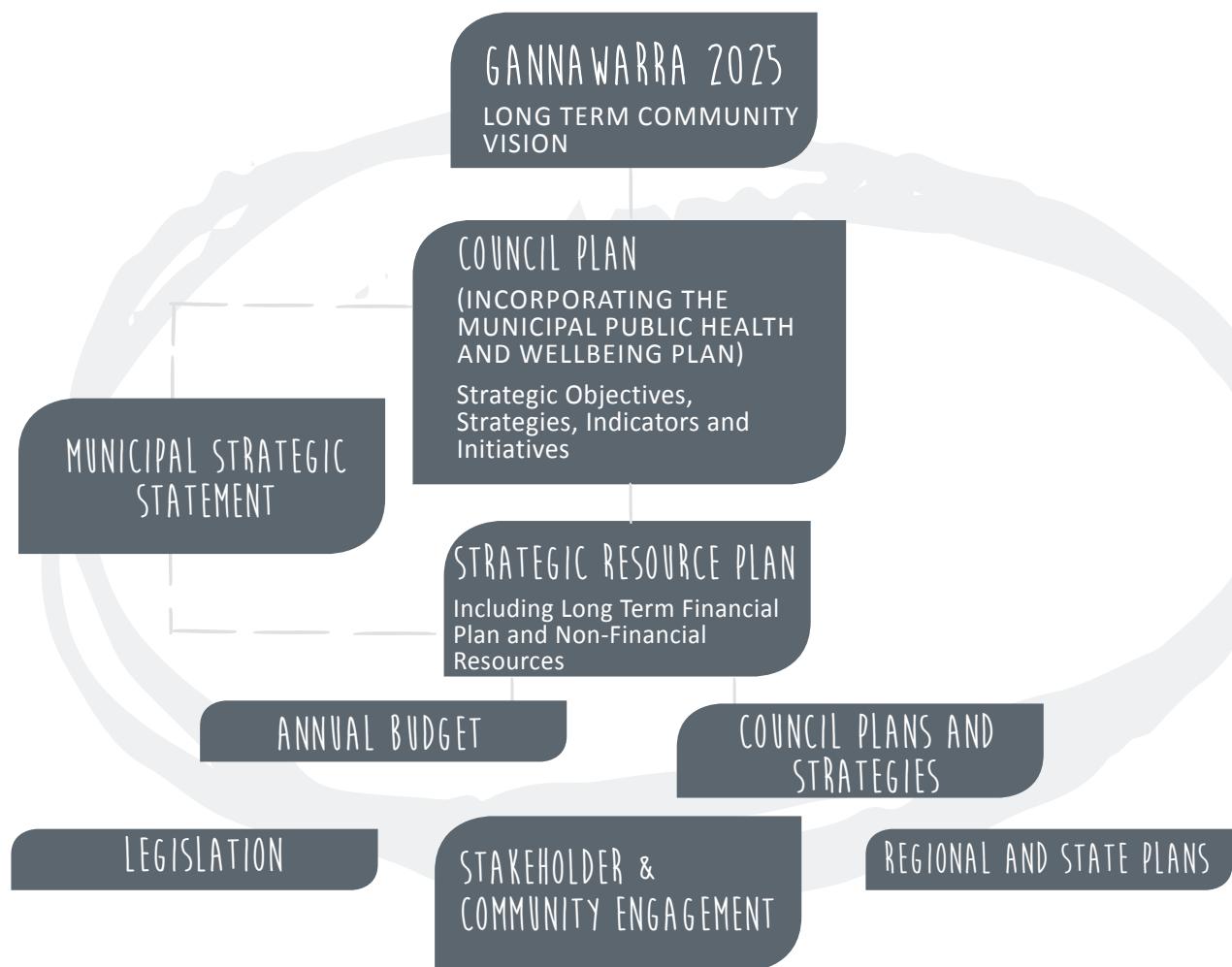
# BEST VALUE STATEMENT

Council is committed to the principles of the Business Excellence Framework which is an integrated leadership and management system that describes the elements essential to sustainable organisational excellence.

The objective of Business Excellence is to use quality management principles and tools in business management with the goal of improving performance based on customer focus, stakeholder value and process management. Council has integrated these principles into its everyday organisational environment. Council adopted its Council Plan 2013 – 2017 to define the goals of the organisation over a four-year period as required by the Local Government Act. The Council Plan contains four Key Priority Areas: Strong and Diverse Economy, Sustainable Environments, Healthy Liveable Communities and Effective Leadership and Management. Each Priority Area contains outcomes, objectives and success indicators.

Council progressively monitors the provision of best practice service against success indicators using reports provided by the Executive Management Team. Shortfalls against these indicators can then be seen as areas for improvement. Our integrated planning framework is essential to the best use of limited resources.

## INTEGRATED PLANNING FRAMEWORK



# BEST VALUE REVIEW

## → COUNCIL IS COMMITTED TO THE PRINCIPLES OF BEST VALUE.

The objective of Best Value is to ensure that the services Council provides meet the expectations of the community. It is a continuous improvement program based on measuring and monitoring service provision to ensure that Council provides services that offer best value in terms of cost, quality and benefit to the community.

## SUMMARY OF RESULTS TABLE

Service	Target Cost Standard set 2014-2015	Target Cost Standard Achieved 2014-2015	Cost Standard Met
			✓ / ✗
Community Care	177	181	✗
Building Control	17	16	✓
Community Development	20	12	✓
Corporate Support	147	138	✓
Customer Service	42	27	✓
Economic Development & Prosperity	20	20	✓
Environmental Health	22	21	✓
Children's Services	227	226	✓
Landfill and Transfer Stations	57	54	✓
Library Services	54	49	✓
Plant/Maintenance/Fleet	100	104	✗
Recreation	71	93	✗
Regulatory Services	36	37	✗
Road Maintenance	249	250	✗
Town Planning	38	33	✓
Waste Collection	67	86	✗

Costs standards are based on budgeted versus actual costs per head of population – 10,461 (source: Australian Bureau of Statistics Census 2011). The cost standard achieved has been calculated on the basis of standard financial reporting procedures.

## SUMMARY OF RESULTS

→ 10 OUT OF 16 COST STANDARDS WERE MET FOR THE 2014/15 YEAR.

The Best Value assessment has identified some areas for improvement in 2015/2016.

# DOCUMENTS AVAILABLE FOR INSPECTION

- Details of current allowances fixed for the Mayor and Councillors under Section 74 or 74A of the Act
- Details of senior officers' total salary packages for the current financial year and two previous years including gross salary, employer superannuation contributions, the value of any motor vehicle provided by Council and the total value of any other benefits or allowances provided by Council
- 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 Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel
- 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, except if the minutes relate to parts of meetings which 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 of each committee
- A list of all special Council committees which 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 which have been closed to members of the public under Section 89 of the Act
- Applications for enrolment on the voters roll under Section 12 and 13 of the Act for the immediate past roll and the next roll being prepared
- A register of delegations kept under Section 87 and 89 of the Act including the date on which the last review under Section 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 the Council as lessor or lessee, including the name of the other party to the lease and the terms and value of the lease
- A register of authorised officers appointed under Section 224 of the Act
- A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant
- A list of the names of the organisations of which the Council was a member during the financial year and the details of all membership fees and other amounts and services provided during that year to each organisation by the Council
- A list of contracts valued at \$130,000 or more for goods and services, and \$180,000 or more for works, which the Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in Section 186(5) of the Act

The public may view or copy any of the below documents at Council's website [www.gannawarra.vic.gov.au](http://www.gannawarra.vic.gov.au) or at the main office of Council located at Patchell Plaza, 47 Victoria Street, Kerang:

- Council agendas and minutes
- Planning schemes
- Local laws
- Pecuniary interest register
- Town planning register
- Annual reports
- Corporate plan
- Yearly financial statements
- Council budgets

## FREEDOM OF INFORMATION

The Freedom of Information Act (1982) provides individuals and organisations with a general right of access to information held by the Gannawarra Shire Council. It also provides a right of appeal to the State FOI Commissioner to review decisions to refuse access to information.

Requests for access to information under the Freedom of Information Act should be lodged on the FOI application form and sent to the Freedom of Information Officer, Gannawarra Shire Council, PO Box 287, Kerang Vic 3579.

Outcomes of two requests received in the period 1 July 2014 to 30 June 2015:

No documents	1
Not proceeded with	1

## INFORMATION PRIVACY

The Privacy and Data Protection Act 2014 and the Health Records Act 2001 require Council to follow information and privacy principles when collecting, managing and using an individual's personal and health information.

Information requests and questions regarding people's rights under privacy legislation can be directed to Council's Privacy Officer.

Council Policy No. 074 – Information Privacy and Health Records, reviewed and adopted by Council in March 2014, can be viewed at Council Customer Service Centres or from Council's website. This policy is currently being reviewed to reflect the new legislation.

## PROTECTED DISCLOSURE ACT 2012

The purposes of the Protected Disclosure Act 2012 are to encourage and facilitate disclosures of improper conduct by public officers, public bodies and other persons; and detrimental action taken in reprisal for a person making a disclosure under this Act. It is also intended to provide protection of persons who make those disclosures and persons who may suffer detrimental action in reprisal for those disclosures; and to provide for the confidentiality of the content of those disclosures and the identity of persons who make those disclosures.

One of Gannawarra Shire Council's five core values is integrity. Council supports the free flow of information, transparency and accountability in its management practices and supports disclosures as defined under the Act.

This support is defined in Council policy 107 Protected Disclosure.

There were no disclosures of improper conduct made to Council or the Ombudsman of Victoria under the Protected Disclosure Act 2012 during 2014/2015.

## NATIONAL COMPETITION POLICY

Gannawarra Shire Council is committed to ensuring compliance with the requirements and principles of the National Competition Policy.

## FOOD ACT MINISTERIAL DIRECTIONS

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

No such ministerial directions were received by Council during the 2014/15 year.

## DOMESTIC ANIMAL MANAGEMENT PLAN

In accordance with the Domestic Animals Act 1994, Council is required to prepare and implement a Domestic Animal Management Plan (DAM Plan) every four years, and evaluate its implementation in the Annual Report.

Council's current DAM Plan 2012-2017, was reviewed and a revised version was adopted in August 2014. This revised plan adopted a stronger focus on rehousing stray animals. In September Council entered into a re-housing agreement with an external organisation. Since that time, 113 animals have been successfully re-homed. Throughout the year Council has aimed to raise community awareness of the importance of responsible pet ownership, in an effort to reduce the number of stray animals impounded by Local Laws officers. Council looks forward to continuing to build on its successes next year.

## DISABILITY ACTION PLAN

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

Council's Disability Action Plan is now due for review; however the following actions were completed this year:

- o Contributed to the now complete Rural Social Inclusion Framework, which is an important guiding document not just for Council but for other rural service providers
- o Delivered 'My Time' support group session for carers of people with a disability in the community.

Council will review and update its Disability Action Plan in the 2015-16 year.

## ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with section 22 of the Road Management Act 2004 Council is required to publish a summary of any ministerial directions received during the financial year in its annual report.

No such ministerial directions were received by Council during the 2014/15 year.

# VICTORIAN LOCAL GOVERNMENT INDICATORS

The Local Government Indicators have been developed to enable Victorian Councils to provide an overview of their performance on a common basis. There are 11 indicators in all, which combined are designed to provide a snapshot of performance. They provide financial information per assessment (rateable property), capital and maintenance expenditure compared to the level of annual compensation of assets (a measure of how many assets are used during the year), and community satisfaction with Council's performance.

	2013/2014	2014/2015
<b>Affordability</b>		
Average rates and charges per assessment	\$1,555	\$1,650
Average rates and charges per residential assessment	\$1,356	\$1,195
<b>Sustainability</b>		
Average liabilities per assessment	\$939	\$898
Operating result per assessment – surplus/deficit	\$285	\$759
<b>Services</b>		
Average operating expenditure per assessment	\$3,446	\$3,638
<b>Infrastructure</b>		
Average capital expenditure per assessment	\$992	\$1,489
Renewal Gap – Current spending on renewal to asset base consumed during the year	108%	140%
Renewal and Maintenance Gap – Current spending on renewal plus maintenance to asset base consumed during the year, plus maintenance	106%	123%
<b>Governance</b>		
Community satisfaction rating for Council's making representation on behalf of the community	63	62
Community satisfaction rating for Council's community consultation and engagement	65	65
Community satisfaction rating for overall performance generally of the Council	69	68

## GOVERNANCE AND MANAGEMENT CHECKLIST

Governance and Management Items	Assessment
Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Council does not currently have a community engagement policy.  The need for a formal community engagement policy has been identified and is currently in development.
Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Council currently does not have any formal community engagement guidelines.  A new communication and engagement plan is in development and is expected to be implemented in the 2015/16 year.
Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act  26/06/ 2013
Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act  23/06/2015
Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Date of operation of current plans  -Buildings AMP - 20/08/2008 -Roads AMP – 18/02/2015 -Bridges AMP- 18/03/2015 -Footpaths AMP – 16/07/2014 -Drainage AMP– 18/05/2011. -Recreation AMP – 17/08/2011. -Levee Banks AMP - 18/03/2015 -Pools Strategic Plan – August 2009.
Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Rating Strategy  19/03/2014
Risk policy ( policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy No. 003 – Risk management  19/12/2012.
Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy No. 100 - Fraud and Corruption Policy  18/03/2015
Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	MEMP prepared and maintained in accordance with section 20 of the Emergency Management Act 1986  01/05/14
Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Policy no. 109 – Procurement Policy  15/10/2014
Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Business Continuity Plan and Department Sub-plans  BCP and Sub-Plans developed 2014/2015, testing of BCP scheduled for August 2015.

Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	In addition to disruption to worksites, Draft BCP referred to above addresses major business interruption events to IT systems, Telecommunication Systems and staff.  Date of operation of current plan- refer BCP above
Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Council currently has a Risk Management Policy, Strategy and Procedure. Strategic Risk Management Framework Review scheduled to commence July 2015.  1/09/2012
Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged  27/11/2014
Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Local Government Performance Reporting Framework  1/07/2014
Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report completed  18/03/2015
Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act  19/11/2014 (September Quarter) 18/03/2015 (December Quarter) 23/06/2015 (March Quarter)
Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	No reports  Reason for no reports – New framework will support regular reporting. Currently reporting is 'by exception' through the Audit Committee.
Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	No reports  Reason for no reports: Was not required under the Act until 30/06/2015
Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Considered at a meeting of Council in accordance with section 134 of the Act  15/10/2014
Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of Conduct and Values for Elected Members – Council  Policy No. 078  Reviewed in accordance with section 76C of the Act: 16/10/2013
Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act  16/10/2013
Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Local Law no. 7 Meetings and Common Seal  20/04/2011

# OUR FINANCES

→ ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED 30 JUNE 2015

# FINANCIAL REPORT

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**Gannawarra Shire Council  
2014/2015 Financial Report****Comprehensive Income Statement  
For the Year Ended 30 June 2015**

	Note	2015 \$'000	2014 \$'000
<b>Income</b>			
Rates and charges	3	10,992	10,438
Statutory fees and fines	4	374	342
User fees	5	1,738	1,594
Grants - operating	6	10,249	5,082
Grants - capital	6	3,573	3,739
Contributions - monetary	7	291	449
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	186	23
Other income	9	1,884	3,382
<b>Total income</b>		<b>29,287</b>	<b>25,049</b>
<b>Expenses</b>			
Employee costs	10	(11,176)	(10,675)
Materials and services	11	(7,464)	(7,003)
Bad and doubtful debts	12	(74)	(10)
Depreciation	13	(5,100)	(5,000)
Borrowing costs	14	(100)	(129)
Other expenses	15	(318)	(317)
<b>Total expenses</b>		<b>(24,232)</b>	<b>(23,134)</b>
<b>Surplus/(deficit) for the year</b>		<b>5,055</b>	<b>1,915</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	27	-	2,417
<b>Total comprehensive result</b>		<b>5,055</b>	<b>4,332</b>

The above comprehensive income statement should be read in conjunction with the accompanying notes set out on pages 6 to 45.

**Balance Sheet**  
**As at 30 June 2015**

	Note	2015 \$'000	2014 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	5,826	5,224
Trade and other receivables	17	1,234	2,106
Other financial assets	18	2,446	585
Inventories	19	568	1,078
Non-current assets classified as held for sale	20	1,361	1,157
Other assets	21	356	250
<b>Total current assets</b>		<b>11,791</b>	<b>10,400</b>
<b>Non-current assets</b>			
Property, infrastructure, plant and equipment	22	171,227	167,884
<b>Total non-current assets</b>		<b>171,227</b>	<b>167,884</b>
<b>Total assets</b>		<b>183,018</b>	<b>178,284</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	23	946	995
Trust funds and deposits	24	175	235
Provisions	25	2,486	2,347
Interest-bearing loans and borrowings	26	333	377
<b>Total current liabilities</b>		<b>3,940</b>	<b>3,954</b>
<b>Non-current liabilities</b>			
Provisions	25	1,111	1,085
Interest-bearing loans and borrowings	26	931	1,264
<b>Total non-current liabilities</b>		<b>2,042</b>	<b>2,349</b>
<b>Total liabilities</b>		<b>5,982</b>	<b>6,303</b>
<b>Net assets</b>		<b>177,037</b>	<b>171,981</b>
<b>Equity</b>			
Accumulated surplus		69,845	64,790
Reserves	27	107,191	107,191
<b>Total Equity</b>		<b>177,036</b>	<b>171,981</b>

The above balance sheet should be read in conjunction with the accompanying notes set out on pages 6 to 45.

**Gannawarra Shire Council  
2014/2015 Financial Report**

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

	Note	Accumulated		Revaluation	Other
		Total \$'000	Surplus \$'000	Reserve \$'000	Reserves \$'000
2015					
Balance at beginning of the financial year		171,981	64,791	107,190	-
Surplus/(deficit) for the year		5,055	5,055	-	-
<b>Balance at end of the financial year</b>		<b>177,036</b>	<b>69,845</b>	<b>107,190</b>	<b>-</b>

	Note	Accumulated		Revaluation	Other
		Total \$'000	Surplus \$'000	Reserve \$'000	Reserves \$'000
2014					
Balance at beginning of the financial year		167,649	62,876	104,773	-
Surplus/(deficit) for the year		1,915	1,915	-	-
Net asset revaluation increment/(decrement)	27	2,417	-	2,417	-
<b>Balance at end of the financial year</b>		<b>171,981</b>	<b>64,791</b>	<b>107,190</b>	<b>-</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes set out on pages 6 to 45.

## Statement of Cash Flows

### For the Year Ended 30 June 2015

	Note	2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		10,934	10,372
Statutory fees and fines		411	376
User fees		1,912	1,754
Grants - operating		11,274	5,590
Grants - capital		3,930	4,113
Contributions - monetary		291	493
Interest received		215	291
Trust funds and deposits taken		86	-
Other receipts		1,669	3,401
Net GST refund(payment)		84	162
Employee costs		(11,176)	(10,675)
Materials and services		(7,968)	(9,939)
Trust funds and deposits repaid		(146)	-
Other payments		(318)	(317)
<b>Net cash provided by/(used in) operating activities</b>	<b>28</b>	<b>11,199</b>	<b>5,621</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	22	(9,918)	(6,661)
Proceeds from sale of property, infrastructure, plant and equipment		448	343
Payments for investments		(648)	(585)
<b>Net cash provided by/(used in) investing activities</b>		<b>(10,118)</b>	<b>(6,903)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(101)	(158)
Repayment of borrowings		(378)	(354)
<b>Net cash provided by/(used in) financing activities</b>		<b>(479)</b>	<b>(512)</b>
Net increase (decrease) in cash and cash equivalents		602	(1,794)
Cash and cash equivalents at the beginning of the financial year		5,224	7,018
<b>Cash and cash equivalents at the end of the financial year</b>	<b>29</b>	<b>5,826</b>	<b>5,224</b>
Restrictions on cash assets	16		

The above statement of cash flows should be read in conjunction with the accompanying notes set out on pages 6 to 45.

**Gannawarra Shire Council  
2014/2015 Financial Report****Statement of Capital Works  
For the Year Ended 30 June 2015**

	Note	2015 \$'000	2014 \$'000
<b>Property</b>			
Land non-specialised		711	
Land improvements		2,343	1,273
<b>Total land</b>		<u>3,054</u>	<u>1,273</u>
Buildings		259	1,197
<b>Total buildings</b>		<u>259</u>	<u>1,197</u>
<b>Total property</b>		<u>3,313</u>	<u>2,470</u>
<b>Plant and equipment</b>			
Plant machinery and equipment		1,244	1,101
Fixtures fittings and furniture		-	1
Computers and telecomms		173	209
Library books		69	66
<b>Total plant and equipment</b>		<u>1,486</u>	<u>1,378</u>
<b>Infrastructure</b>			
Roads		3,684	1,139
Bridges		477	329
Footpaths and cycleways		115	104
Drainage		-	14
Works in progress		812	1,189
Road kerb and channel		32	38
<b>Total infrastructure</b>		<u>5,120</u>	<u>2,813</u>
<b>Total capital works expenditure</b>		<u>9,918</u>	<u>6,661</u>
<b>Represented by:</b>			
New asset expenditure		1,061	684
Asset renewal expenditure		7,065	5,390
Asset expansion expenditure		308	218
Asset upgrade expenditure		1,484	369
<b>Total capital works expenditure</b>		<u>9,918</u>	<u>6,661</u>

The above statement of capital works should be read in conjunction with the accompanying notes set out on pages 6 to 45.

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

### Introduction

The Gannawarra Shire Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate.

The Council's main office is located at 47 Victoria Street, Kerang.

### Statement of compliance

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

### Note 1 Significant accounting policies

#### (a) Basis of accounting

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

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

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

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

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

#### (b) Changes in accounting policies

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

#### (c) Principles of consolidation

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

At 30 June 2015 there were no entities controlled by Council that required consolidating with Council's financial statements.

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

### Note 1 Significant accounting policies (cont.)

#### (d) Committees of management

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

#### (e) Accounting for investments in associates and joint arrangements

Council has no investments in associates nor entered into any joint arrangements.

#### (f) Revenue recognition

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

##### *Rates and Charges*

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

##### *Statutory fees and fines*

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

##### *User fees*

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

##### *Grants*

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in note 6. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

##### *Contributions*

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

##### *Sale of property, infrastructure, plant and equipment*

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

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

### Note 1 Significant accounting policies (cont.)

#### (f) Revenue recognition (cont.)

##### *Interest*

Interest is recognised as it is earned.

##### *Dividends*

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

##### *Other Income*

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

#### (g) Fair value measurement

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

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

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

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

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

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

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

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

#### (h) Cash and cash equivalents

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

#### (i) Trade and other receivables

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

## Notes to the Financial Report

### For the Year Ended 30 June 2015

**Note 1 Significant accounting policies (cont.)****(j) Other financial assets**

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

**(k) Inventories**

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

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

A non-current asset classified as held for sale are at independent market valuation or cost.

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

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

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

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

*Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 22, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

*Land under roads*

Council is yet to recognise the land under roads it controls.

## Notes to the Financial Report

### For the Year Ended 30 June 2015

#### Note 1 Significant accounting policies (cont.)

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

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

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

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

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

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

<i>Asset recognition thresholds and depreciation periods</i>	<i>Depreciation Period</i>	<i>Threshold Limit</i>
	\$	
<b>Property</b>		
land non-specialised	-	2,000
land improvements	40 - 50 years	5,000
<b>Buildings</b>		
buildings	50 years	5,000
<b>Plant and Equipment</b>		
plant, machinery and equipment	2 - 25 years	2,000
fixtures, fittings and furniture	2 - 10 years	2,000
computers and telecommunications	2 - 10 years	2,000
library books	15 - 20 years	1,000
<b>Infrastructure</b>		
roads	15 - 25 years	10,000
bridges	100 years	5,000
footpaths and cycleways	20 - 40 years	5,000
drainage	80 years	10,000
road kerb and channel	80 years	5,000

##### (o) Repairs and maintenance

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

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

### Note 1 Significant accounting policies (cont.)

#### (p) Investment property

Investment property, comprising freehold office complexes have been classified as buildings and included as part of property, plant and equipment. Whilst these properties are not occupied by Council and only earn rental income, the Council has used the exemption open to not for profit entities under AASB140 to classify the buildings as other than investment properties. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

#### (q) Impairment of assets

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

#### (r) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 24).

#### (s) Borrowings

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

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

##### *Borrowing costs*

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

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

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

### **Note 1 Significant accounting policies (cont.)**

#### **(t) Employee costs and benefits**

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

##### *Wages and salaries and annual leave*

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

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

##### *Long service leave*

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

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

The components of this current liability are measured at :

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

##### *Classification of employee costs*

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

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

#### **(u) Landfill rehabilitation provision**

Council is obligated to restore Denyers landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard.

Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

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

### Note 1 Significant accounting policies (cont.)

#### (v) Leases

##### *Operating leases*

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

##### *Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

#### (w) Goods and Services Tax (GST)

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

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

#### (x) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 32 Contingent Liabilities and Contingent Assets.

#### (y) Contingent assets and contingent liabilities and commitments

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

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

#### (z) Pending accounting standards

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

#### (aa) Rounding

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

**Note 2 Budget comparison**

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 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 detailed below are those adopted by Council on 16 July 2014. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

**a) Income and Expenditure**

	Budget 2015	Actual 2015	Variance 2015	Ref
	\$'000	\$'000	%	
<b>Income</b>				
Rates and charges	10,856	10,992	1%	
Statutory fees and fines	347	374	8%	
User fees	1,290	1,738	35%	1
Grants - operating	7,480	10,249	37%	2
Grants - capital	3,231	3,573	11%	3
Contributions - monetary	175	291	66%	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	21	186	802%	5
Other income	1,736	1,884	9%	
<b>Total income</b>	<b>25,136</b>	<b>29,287</b>	<b>17%</b>	
<b>Expenses</b>				
Employee costs	10,895	11,176	(3%)	
Materials and services	7,577	7,464	2%	
Bad and doubtful debts	-	74	-	
Depreciation and amortisation	5,024	5,100	(2%)	
Borrowing costs	100	100	(0%)	
Other expenses	284	318	(12%)	6
<b>Total expenses</b>	<b>23,880</b>	<b>24,232</b>	<b>(1%)</b>	
<b>Surplus/(deficit) for the year</b>	<b>1,256</b>	<b>5,055</b>	<b>302%</b>	

**Note 2 Budget comparison (cont)****(i) Explanation of material variations**

Variance Ref	Item	Explanation
1	User fees	Council has undertaken the operation of the two major swimming pools within the Shire, in the past the operation of the pools was undertaken by contract. Entrance and membership fees have been included this item (\$59,459). At the time of budget preparation the operation of the pools had been included as contractor payments under materials and services. In addition, Council had undertaken works requested by private individuals totalling \$331,000 this amount had not been included during the budget process.
2	Grants - operating	Victorian Grants Commission made an advanced payment of 50% of the 2015/2016 general purpose grant in June 2015 totalling \$2.552m.
3	Grants - capital	Grant funding for projects not known at the time of preparing the budget include \$0.300m for the Koondrook Wharf and \$0.117m for floating jetties.
4	Contributions - monetary	Includes an unbudgetted amount for the Powercor Network Contribution Rebate of \$62,000 following the works undertaken at the Kerang industrial estate. Contributions have also been received from various community groups as a result of funded programs received during the year (Lalbert Netball Club \$\$20,800 and Kerang Tennis Club \$17,000)
5	Net gain/loss on sale	The sale of major plant generated a gain of \$87,000 in excess of budget due to the age of the plant sold (fully depreciated) and the favourable sale prices received. No industrial estate land was sold during 2014/15 and a net cost of \$52,000 had been allowed in the budget.
6	Other expenses	Advised of final payment for Valuation Contract 2014 (\$15,710) included in 2014/2015 not 2013/2014.

**Note 2 Budget comparison (cont)****b) Capital Works**

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Variance 2015 %	Ref
<b>Property</b>					
Land	2,886	3,054	168	6%	
<b>Total Land</b>	<b>2,886</b>	<b>3,054</b>	<b>168</b>	<b>6%</b>	
Buildings	725	259	(466)	(64%)	1
<b>Total Buildings</b>	<b>725</b>	<b>259</b>	<b>(466)</b>	<b>(64%)</b>	
<b>Total Property</b>	<b>3,611</b>	<b>3,313</b>	<b>(298)</b>	<b>(8%)</b>	
<b>Plant and Equipment</b>					
Plant, machinery and equipment	1,225	1,244	19	2%	
Computers and telecommunications	170	173	3	2%	
Library books	70	69	(1)	(2%)	
<b>Total Plant and Equipment</b>	<b>1,465</b>	<b>1,486</b>	<b>21</b>	<b>1%</b>	
<b>Infrastructure</b>					
Roads	3,199	3,684	485	15%	2
Bridges	375	477	102	27%	3
Footpaths and cycleways	285	115	(170)	(59%)	4
Drainage	190	-	(190)	(100%)	5
Works in progress	-	812	812	100%	6
Road kerb and channel	35	32	(3)	(8%)	
<b>Total Infrastructure</b>	<b>4,084</b>	<b>5,120</b>	<b>1,036</b>	<b>25%</b>	
<b>Total Capital Works Expenditure</b>	<b>9,160</b>	<b>9,918</b>	<b>758</b>	<b>8%</b>	
<b>Represented by:</b>					
New asset expenditure	993	1,061	68	7%	
Asset renewal expenditure	6,371	7,065	694	11%	
Asset expansion expenditure	192	308	116	61%	
Asset upgrade expenditure	1,604	1,484	(120)	(8%)	
<b>Total Capital Works Expenditure</b>	<b>9,160</b>	<b>9,918</b>	<b>758</b>	<b>8%</b>	

**Gannawarra Shire Council  
2014/2015 Financial Report****Notes to the Financial Report  
For the Year Ended 30 June 2015****Note 2 Budget comparison (cont)****(i) Explanation of material variations****Variance Item****Ref**

1	Buildings: The budget allowed for \$330k for Koondrook Caravan Park toilets and \$200k for the Cohuna Memorial Hall toilets. As the projects had not been completed by 30 June the expenditure is recorded as Works in Progress.
2	Roads: Benjeroop Tresco Road was completed during the year, the amount allowed for the completion of works was \$1.000million actual costs amounted to \$1.225million. The total cost of the road works were \$1.591million.
3	Bridges: The budget allowed for \$300k as carried forward works for the Old Echuca Road Bridge, the amount required to complete the bridge was \$477k.
4	Footpaths and cycleways: Works on Penglase Street Koondrook were not completed by 30 June and cost totalling \$163k are shown in Works in Progress the budget allowed \$150k.
5	Drainage: The budget allowed for the replacement of stormwater pumps, replacement works were still being undertaken at 30 June, \$63k has been shown as Works in Progress.
6	Works in progress include:
	Energy Saving Initiatives 53
	Koondrook Caravan Park Toilets and Laundry 50
	Cohuna Memorial Hall Toilets 4
	Footbridge O'Brien Road 78
	Penglase Street 163
	Koondrook Wharf 142
	Koondrook Wharf Construction 70
	Stormwater Pumps 63
	Skate Park Relocation 30
	Lake Charm Highway Stop Designs 5
	Keene Street Koondrook 127
	<hr/> <hr/> <hr/>
	785

**Gannawarra Shire Council  
2014/2015 Financial Report****Notes to the Financial Report  
For the Year Ended 30 June 2015**

	2015	2014
	\$'000	\$'000
<b>Note 3 Rates and charges</b>		
Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its value at which the unencumbered land might be expected to realise in an open market at the time of the valuation.		
The valuation base used to calculate general rates for 2014/15 was \$1,457,798,200 (2013/14 \$1,450,642,600). The 2014/15 rate in the CIV dollar was 0.006141(2013/14, 0.005912) residential, 0.006095 (2013/14, 0.005794) farm irrigation district, 0.004831 (2013/14, 0.004730) farm dryland, 0.006586 (2013/14, 0.006444) commercial/industrial.		
Residential Rates	5,404	5,088
Commercial & Industrial Rates	755	728
Farm Rates	2,244	2,179
Farm Dry Land	993	935
Cultural & Rec Charges	10	9
Green Waste	25	-
Garbage charge	1,561	1,499
<b>Total rates and charges</b>	<b><u>10,992</u></b>	<b><u>10,438</u></b>
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation was first applied in the rating year commencing 1 July 2014.		
<b>Note 4 Statutory fees and fines</b>		
Animal control	134	158
Health and preventative services	57	45
Library fees	1	-
Office services	2	3
Recreation	60	2
Town planning and building control	112	123
Other fees and charges	8	11
<b>Total statutory fees and fines</b>	<b><u>374</u></b>	<b><u>342</u></b>

**Gannawarra Shire Council  
2014/2015 Financial Report****Notes to the Financial Report  
For the Year Ended 30 June 2015**

		2015	2014
Note		\$'000	\$'000
<b>Note 5</b>	<b>User fees</b>		
	Animal control	1	1
	Aged service fees	408	356
	Child care/children's program fees	382	391
	External works	312	340
	Hall hire	14	16
	Health and preventative services	-	7
	Library fees	6	4
	Office services	20	23
	Recreation	109	15
	Tourism	16	15
	Town planning and building control	1	-
	Waste and Environment	457	400
	Other fees and charges	12	26
	<b>Total user fees</b>	<b>1,738</b>	<b>1,594</b>
<b>Note 6</b>	<b>Grants</b>		
	Grants were received in respect of the following :		
	Commonwealth funded grants	11,025	6,066
	State funded grants	2,797	2,755
	<b>Total</b>	<b>13,822</b>	<b>8,821</b>
	<b>Operating Grants</b>		
	<i>Recurrent - Commonwealth Government</i>		
	Victoria Grants Commission - unallocated	4,752	1,481
	Victoria Grants Commission - local roads	2,926	938
	Family Day Care	189	99
	Senior citizens	46	41
	Library	-	2
	<i>Recurrent - State Government</i>		
	State Emergency Services (SES)	13	13
	Flood Recovery	-	15
	Infant Health	172	169
	Children and Families	23	147
	Heritage and Culture	164	204
	Recreation	97	186
	Preventative Services	11	16
	Community Services	1,658	1,570
	Tourism	13	33
	Economic Development	10	1
	School Crossings	14	13
	Landcare	49	49
	Other	42	82
	<b>Total recurrent operating grants</b>	<b>10,179</b>	<b>5,059</b>

**Gannawarra Shire Council  
2014/2015 Financial Report****Notes to the Financial Report  
For the Year Ended 30 June 2015**

Note 6	<b>Grants (cont.)</b>	<b>2015</b>	<b>2014</b>
		\$'000	\$'000
<i>Non-recurrent - Commonwealth Government</i>			
Roads and Bridges			
<i>Non-recurrent - State Government</i>			
Buildings	30	19	
Flood Recovery	26	-	
Heritage and Culture	14	4	
<b>Total non-recurrent operating grants</b>	<b>70</b>	<b>23</b>	
<b>Total operating grants</b>	<b>10,249</b>	<b>5,082</b>	
<b>Capital Grants</b>			
<i>Recurrent - Commonwealth Government</i>			
Roads to recovery	1,119	711	
<b>Total recurrent capital grants</b>	<b>1,119</b>	<b>711</b>	
<i>Non-recurrent - Commonwealth Government</i>			
Regional	993	1,793	
Roads and bridges	1,000	1,000	
<i>Non-recurrent - State Government</i>			
Recreation	461	235	
<b>Total non-recurrent capital grants</b>	<b>2,454</b>	<b>3,028</b>	
<b>Total capital grants</b>	<b>3,573</b>	<b>3,739</b>	
<b>Conditions on grants</b>			
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:	392	630	
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:	512	1,621	
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(120)	(991)	

**Gannawarra Shire Council  
2014/2015 Financial Report****Notes to the Financial Report  
For the Year Ended 30 June 2015**

		2015	2014
		\$'000	\$'000
<b>Note 7</b>	<b>Contributions</b>		
	Monetary	291	449
	Total contributions	<u>291</u>	<u>449</u>
<b>Note 8</b>	<b>Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
	Proceeds of sale	448	343
	Write down value of assets disposed property, plant and equipment	(262)	(152)
	Value of non-current assets classified as held for sale disposed	-	(168)
	<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>186</b>	<b>23</b>
<b>Note 9</b>	<b>Other income</b>		
	Interest	215	291
	Investment property rental	215	211
	Reimbursements		
	Welfare	1,046	1,012
	Garbage collection and recycling	227	188
	Flood recovery	-	1,534
	Other	181	146
	<b>Total other income</b>	<b>1,884</b>	<b>3,382</b>
<b>Note 10 (a)</b>	<b>Employee costs</b>		
	Wages and salaries	8,107	7,621
	Annual leave and long service leave	1,170	1,178
	Other leave	704	648
	Superannuation	930	858
	Workcover	205	226
	Fringe benefits tax	47	64
	Salaries capitalised	(199)	(119)
	Other	212	199
	<b>Total employee costs</b>	<b>11,176</b>	<b>10,675</b>

**Note 10 (b) Superannuation**

Council made contributions to the following funds:

**Defined benefit fund**

	2015	2014
	\$'000	\$'000
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	766	792
Employer contributions - other funds	163	66
	<hr/>	<hr/>
	929	858

Council account for its obligations under the defined benefit fund as if it was a defined contribution plan. The reason for this is that the fund manager, Vision Super, is unable to provide accurate information to each employer in a timely manner. Additional information about Council's exposure in relation to the defined benefit fund is detailed at note 32.

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

**Accumulation**

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

**Defined Benefit**

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

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

**Gannawarra Shire Council  
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For the Year Ended 30 June 2015**

		2015	2014
		\$'000	\$'000
<b>Note 11</b>	<b>Materials and services</b>		
Operational Materials		1,636	1,750
Operational Services		3,033	2,622
Contract payments		14	10
Building maintenance		17	10
Utilities		822	665
Office administration		757	774
Information technology		265	253
Bank Charges		34	30
Insurance		297	293
Consultants		212	252
Contributions		377	344
<b>Total materials and services</b>		<b>7,464</b>	<b>7,003</b>
<b>Note 12</b>	<b>Bad and doubtful debts</b>		
Infringement debtors		38	-
Rates debtors		10	8
Other debtors		26	2
<b>Total bad and doubtful debts</b>		<b>74</b>	<b>10</b>
<b>Note 13</b>	<b>Depreciation</b>		
Land improvements		254	233
Buildings		778	750
Plant and equipment		714	690
Office equipment		212	190
Library books		64	60
Roads		2,432	2,432
Bridges		208	208
Footpaths		107	106
Drainage		152	152
Road kerb and channel		178	178
Office furniture		1	1
<b>Total depreciation</b>		<b>5,100</b>	<b>5,000</b>
<i>Refer to note 22 for a more detailed breakdown of depreciation charges.</i>			
<b>Note 14</b>	<b>Borrowing costs</b>		
Interest - Borrowings		100	129
Less capitalised borrowing costs on qualifying assets		-	-
<b>Total borrowing costs</b>		<b>100</b>	<b>129</b>

	2015 \$'000	2014 \$'000
<b>Note 15 Other expenses</b>		
Auditors' remuneration - VAGO	36	36
Auditors' remuneration - Internal and project acquittal	20	19
Councillors' allowances	184	179
Valuations	78	83
<b>Total other expenses</b>	<b>318</b>	<b>317</b>

**Note 16 Cash and cash equivalents**

Cash on hand	2	2
Cash at bank	3,211	300
Term deposits	2,613	4,922
	<b>5,826</b>	<b>5,224</b>

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

- Trust funds and deposits (Note 24)	175	235
Total restricted funds	<b>175</b>	<b>235</b>
Total unrestricted cash and cash equivalents	<b>5,651</b>	<b>4,989</b>

**Intended allocations**

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

- Cash held to fund carried forward capital works	765	1,125
- Cash held as grant monies received but not yet expended	2,944	630
Total funds subject to intended allocations	<b>3,709</b>	<b>1,755</b>

**Gannawarra Shire Council**  
**2014/2015 Financial Report**

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

	2015	2014
	\$'000	\$'000
<b>Note 17 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	727	659
Infringement debtors	42	52
Provision for doubtful debts - Rates	(84)	(73)
Net GST Receivable	84	161
Other debtors	510	1,313
Provision for doubtful debts - other debtors	(45)	(6)
<b>Total trade and other receivables</b>	<b>1,234</b>	<b>2,106</b>
<b>a) Ageing of Receivables</b>		
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 (excluding statutory receivables) was:		
Current (not yet due)	288	359
Past due by up to 30 days	158	34
Past due between 30 and 60 days	4	858
Past due between 60 and 120 days	5	8
Past due by more than 120 days	55	55
<b>Total trade &amp; other receivables</b>	<b>510</b>	<b>1,313</b>
<b>b) Movement in provisions for doubtful debts</b>		
Balance at the beginning of the year	80	70
New Provisions recognised during the year	49	10
Balance at end of year	129	80
<b>Note 18 Other financial assets</b>		
Term deposits	2,446	585
<b>Total other financial assets</b>	<b>2,446</b>	<b>585</b>
<b>Note 19 Inventories</b>		
Inventories held for distribution	568	1,078
<b>Total inventories</b>	<b>568</b>	<b>1,078</b>
<b>Note 20 Non current assets classified as held for sale</b>		
Cost of acquisition	1,156	806
Capitalised development costs (e.g. roads, drainage)	205	520
Industrial Estate land Sales	-	(169)
<b>Total non current assets classified as held for resale</b>	<b>1,361</b>	<b>1,157</b>
<b>Note 21 Other assets</b>		
Prepayments	194	250
Accrued income	162	-
<b>Total other assets</b>	<b>356</b>	<b>250</b>

**Note 22 Property, infrastructure plant and equipment**

<b>Land and Buildings</b>	<b>Note</b>	<b>Land - non specialised improvements</b>	<b>Total Land</b>	<b>Buildings</b>	<b>Total Buildings</b>	<b>Work In Progress</b>	<b>Total Property</b>
At fair value 1 July 2014	8,787	12,726	<b>21,513</b>	42,698	<b>42,698</b>	285	<b>64,496</b>
Accumulated depreciation at 1 July 2014	-	(6,767)	<b>(6,767)</b>	(21,786)	<b>(21,786)</b>	-	<b>(28,553)</b>
	<b>8,787</b>	<b>5,959</b>	<b>14,746</b>	<b>20,912</b>	<b>20,912</b>	<b>285</b>	<b>35,943</b>
<b>Movements in fair value</b>							
Acquisition of assets at fair value	711	2,343	<b>3,054</b>	258	<b>258</b>	381	<b>3,693</b>
	<b>711</b>	<b>2,343</b>	<b>3,054</b>	<b>258</b>	<b>258</b>	<b>381</b>	<b>3,693</b>
<b>Movements in accumulated depreciation</b>							
Depreciation	13	-	(255)	(255)	(778)	(778)	(1,033)
Transfers	-	-	-	-	-	-	(285)
	-	(255)	(255)	(778)	(778)	(285)	(1,318)
<b>At fair value 30 June 2015</b>	<b>9,497</b>	<b>15,069</b>	<b>24,566</b>	<b>42,957</b>	<b>42,957</b>	<b>381</b>	<b>67,904</b>
Accumulated depreciation at 30 June 2015	-	(7,021)	(7,021)	(22,565)	(22,565)	-	(29,586)
	<b>9,497</b>	<b>8,048</b>	<b>17,545</b>	<b>20,392</b>	<b>20,392</b>	<b>381</b>	<b>38,318</b>

**Note 22 Property, infrastructure plant and equipment (cont'd)**

<b>Plant and Equipment</b>	<b>Note</b>	<b>Plant machinery and equipment</b>	<b>Fixtures fittings and furniture</b>	<b>Computers and telecomms</b>	<b>Library books</b>	<b>Total plant and equipment</b>
At fair value 1 July 2014		7,654	99	1,411	938	10,102
Accumulated depreciation at 1 July 2014		(3,821)	(95)	(963)	(475)	(5,354)
		<u>3,833</u>	<u>4</u>	<u>448</u>	<u>463</u>	<u>4,748</u>
<b>Movements in fair value</b>						
Acquisition of assets at fair value		1,244	-	173	69	1,486
Fair value of assets disposed		(865)	-	(39)	-	(904)
		<u>379</u>	<u>-</u>	<u>134</u>	<u>69</u>	<u>582</u>
<b>Movements in accumulated depreciation</b>						
Depreciation	13	(714)	(1)	(212)	(64)	(991)
Accumulated depreciation of disposals		603	-	38	-	641
		<u>(111)</u>	<u>(1)</u>	<u>(174)</u>	<u>(64)</u>	<u>(350)</u>
At fair value 30 June 2015						
Accumulated depreciation at 30 June 2015		8,034	99	1,544	1,006	10,684
		(3,932)	(96)	(1,137)	(539)	(5,704)
		<u>4,102</u>	<u>3</u>	<u>408</u>	<u>467</u>	<u>4,980</u>

**Note 22 Property, infrastructure, plant and equipment (cont'd)**

		Roads	Bridges	Footpaths and cycleways	Drainage	Road kerb and channel	Work In Progress	Infrastructure	Total	Total property, plant and equipment and infrastructure
Infrastructure	Note	158,641 (64,100)	22,169 (8,735)	8,586 (3,461)	12,166 (6,133)	14,243 (7,109)	926	216,731 -	291,329 (89,538) (123,445)	
<b>Movements in fair value</b>										
Acquisition of assets at fair value	3,684	477	115	-	-	32	431	4,739	9,918	
Fair value of assets disposed	-	-	-	-	-	-	-	-	(904)	
	3,684	477	115	-	-	32	431	4,739	9,914	
<b>Movements in accumulated depreciation</b>										
Depreciation	(2,432)	(208)	(107)	(152)	(178)	-	-	(3,077)	(5,101)	
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	641	
Transfers	-	-	-	-	-	-	(926)	(926)	(1,211)	
	(2,432)	(208)	(107)	(152)	(178)	(926)	(4,003)	(5,671)		
<b>At fair value 30 June 2015</b>										
Accumulated depreciation at 30 June 2015	162,325 (66,532)	22,646 (8,943)	8,701 (3,568)	12,166 (6,285)	14,275 (7,287)	431	220,544 (92,615)	299,132 (127,905)		
	95,793	13,703	5,133	5,881	6,988	431	127,929	171,227		

**Note 22 Property, infrastructure, plant and equipment cont'd***Valuation of land and buildings*

Valuation of land and buildings were undertaken by a qualified independent valuer, LG Valuation Services Pty Ltd. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

	Level 1	Level 2	Level 3
Land	-	1,430,532	8,067,154
Land improvements	-	18,000	8,030,211
Buildings	-	-	20,391,962
Roads	-	-	95,792,610
Bridges	-	-	13,703,116
Footpaths and cycleways	-	-	5,133,394
Drainage	-	-	5,881,342
Kerb and channel	-	-	6,987,896
Total	-	1,448,532	163,987,685

*Valuation of infrastructure*

Valuation of bridges as at 01/07/2008 has been determined in accordance with a Council valuation undertaken by Mr Scott Cavanagh, BE (Enviro) (Hons), Grad Cert T&T, GAICD.

Other infrastructure assets valued at 30/06/2013 had been determined in accordance with an independent valuation undertaken by Mr P Moloney, Dip. C.E., M.I.E.A., E.W.S., B.Surv. MBA.

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

**Note 22 Property, infrastructure, plant and equipment cont'd***Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 25% and 75%. The market value of land varies significantly depending on the location of the land and the current market conditions.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$250 to \$1,470 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and a useful life of 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 15 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

**Gannawarra Shire Council  
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For the Year Ended 30 June 2015**

	2015	2014
	\$'000	\$'000
<b>Note 23 Trade and other payables</b>		
Trade payables	300	526
Accrued expenses	646	469
<b>Total trade and other payables</b>	<b>946</b>	<b>995</b>
<b>Note 24 Trust funds and deposits</b>		
Refundable deposits	3	4
Fire services levy	76	66
Retention amounts	19	82
Other refundable deposits	77	83
<b>Total trust funds and deposits</b>	<b>175</b>	<b>235</b>

*Purpose and nature*

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

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

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

**Note 25 Provisions**

	Landfill restoration	Other	Total
<b>2015</b>	<b>\$ '000</b>	<b>\$ '000</b>	<b>\$ '000</b>
Balance at beginning of the financial year	900	2,532	3,432
Additional provisions	-	1,224	1,224
Amounts used	-	(1,059)	(1,059)
<b>Balance at the end of the financial year</b>	<b>900</b>	<b>2,697</b>	<b>3,597</b>
<b>2014</b>			
Balance at beginning of the financial year	900	2,244	3,144
Additional provisions	-	1,306	1,306
Amounts used	-	(1,018)	(1,018)
<b>Balance at the end of the financial year</b>	<b>900</b>	<b>2,532</b>	<b>3,432</b>

**Gannawarra Shire Council      Notes to the Financial Report**  
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Note 25 Provisions (cont'd)	2015 \$'000	2014 \$'000
<b>(a) Employee provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	625	607
Long service leave	398	377
Other	4	1
	<b>1,027</b>	<b>985</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	265	231
Long service leave	1,194	1,131
	<b>1,459</b>	<b>1,362</b>
Total current provisions	<b>2,486</b>	<b>2,347</b>
<b>Non-current</b>		
Long service leave	211	185
Total non-current provisions	<b>211</b>	<b>185</b>
Aggregate carrying amount of employee provisions:		
Current	2,486	2,347
Non-current	211	185
Total aggregate carrying amount of employee provisions	<b>2,697</b>	<b>2,532</b>

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

Weighted average increase in employee costs	4.44%	4.44%
Weighted average discount rates	3.03%	3.57%
Weighted average settlement period	11 mths	11 mths

**Gannawarra Shire Council      Notes to the Financial Report**  
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**Note 25 Provisions (cont'd)**

	2015	2014
	\$'000	\$'000
<b>(b) Land fill restoration</b>		
Current	-	-
Non-current	900	900
	<b>900</b>	<b>900</b>

The following assumptions were adopted in measuring the present value of landfill rehabilitation:

Weighted average increase in costs	3.40%	3.40%
Weighted average discount rates	3.57%	3.57%
Weighted average settlement period	5 yrs	5 yrs

**Note 26 Interest-bearing****Current**

Borrowings - secured	333	377
	<b>333</b>	<b>377</b>

**Non-current**

Borrowings - secured	931	1,264
	<b>931</b>	<b>1,264</b>
<b>Total</b>	<b>1,264</b>	<b>1,641</b>

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

Not later than one year	333	377
Later than one year and not later than five years	475	700
Later than five years	456	564
	<b>1,264</b>	<b>1,641</b>

b) Aggregate carrying amount of interest-bearing loans and borrowings:

Current	333	377
Non-current	931	1,264
	<b>1,264</b>	<b>1,641</b>

**Note 27 Reserves**

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
<b>(a) Asset revaluation reserves</b>			
<b>2015</b>			
<b>Property</b>			
Land and improvements	2,572	-	2,572
Buildings	9,840	-	9,840
	<hr/> 12,412	<hr/> -	<hr/> 12,412
<b>Infrastructure</b>			
Roads	86,996	-	86,996
Bridges	6,227	-	6,227
Footpaths and cycleways	1,556	-	1,556
	<hr/> 94,779	<hr/> -	<hr/> 94,779
<b>Total asset revaluation reserves</b>	<b>107,191</b>	<b>-</b>	<b>107,191</b>
<b>2014</b>			
<b>Property</b>			
Land and improvements	2,712	(140)	2,572
Buildings	7,283	2,557	9,840
	<hr/> 9,994	<hr/> 2,417	<hr/> 12,412
<b>Infrastructure</b>			
Roads	86,996	-	86,996
Bridges	6,227	-	6,227
Footpaths and cycleways	1,556	-	1,556
	<hr/> 94,780	<hr/> -	<hr/> 94,779
<b>Total asset revaluation reserves</b>	<b>104,774</b>	<b>2,417</b>	<b>107,191</b>

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

**Gannawarra Shire Council  
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	2015	2014
	\$'000	\$'000
<b>Note 28 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	5,055	1,915
Depreciation/amortisation	5,100	5,000
Profit/(loss) on disposal of property, infrastructure, plant and equipment	(186)	(23)
Finance costs	100	159
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	872	(445)
(Increase)/decrease in prepayments	(105)	(103)
Increase/(decrease) in trade and other payables	(49)	(183)
(Decrease)/increase in other liabilities	(60)	(104)
(Increase)/decrease in inventories	510	(362)
Increase/(Decrease) in provisions	166	287
(Increase)/decrease in land held for resale	(205)	(520)
Net cash provided by/(used in) operating activities	<u>11,198</u>	<u>5,621</u>

**Note 29 Reconciliation of cash and cash equivalents**

Cash and cash equivalents (see note 16)	5,826	5,224
	<u>5,826</u>	<u>5,224</u>

**Note 30 Commitments**

The Council has entered into the following commitments

2015			Later than 1 year and not later than 2 years		Later than 2 years and not later than 5 years		Later than 5 years	Total
	Not later than 1 year	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Operating</b>								
Interest on loans	76	57	124	125	382			
Garbage collection	463	472	1,473	511	2,919			
Office equipment	15	15	26	-	56			
Total	554	544	1,623	636	3,357			

**Capital**

		Later than 1 year and not later than 2 years		Later than 2 years and not later than 5 years		
	Not later than 1 year	\$'000	\$'000	\$'000	\$'000	Total
<b>Operating</b>						
Roads and bridges	111	-	-	-	-	111
Drainage	92	-	-	-	-	92
Koondrook Wharf	18	-	-	-	-	18
Library books	12	-	-	-	-	12
Swimming pools	45	-	-	-	-	45
Energy saving initiatives	5	-	-	-	-	5
Total	283	-	-	-	-	283

2014			Later than 1 year and not later than 2 years		Later than 2 years and not later than 5 years		Later than 5 years	Total
	Not later than 1 year	\$'000	\$'000	\$'000	\$'000	\$'000		
<b>Operating</b>								
Interest on loans	101	76	147	106	430			
Garbage collection	447	458	517	-	1,422			
Office equipment	9	4	-	-	13			
Total	557	538	664	106	1,865			

**Capital**

		Later than 1 year and not later than 2 years		Later than 2 years and not later than 5 years		
	Not later than 1 year	\$'000	\$'000	\$'000	\$'000	Total
<b>Operating</b>						
Roads	759	-	-	-	-	759
Industrial Estate	94	-	-	-	-	94
Total	853	-	-	-	-	853

**Gannawarra Shire Council  
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For the Year Ended 30 June 2015**

	2015	2014
	\$'000	\$'000
<b>Note 31 Operating leases</b>		
<b>(a) Operating</b>		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	15	9
Later than one year and not later than five years	42	4
	<hr/> 57	<hr/> 13

**(b) Operating lease receivables**

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

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

Not later than one year	272	222
Later than one year and not later than five years	1,110	944
Later than five years	1,382	1,318
	<hr/> 2,764	<hr/> 2,484

**Note 32 Contingent liabilities and contingent assets****Contingent liabilities**

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

**Funding arrangements**

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

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

Net investment returns	7.5% pa
Salary information	4.25% pa
Price inflation (CPI)	2.75% pa.

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

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

#### **Employer contributions**

##### *Regular contributions*

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

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

##### *Funding calls*

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

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

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

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

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

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

**Latest actuarial investigation surplus amounts**

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

- A VBI surplus of \$77.1 million; and
- A total service liability surplus of \$236 million.

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

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

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

**Superannuation contributions**

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

<b>Scheme</b>	<b>Type of Scheme</b>	<b>Rate</b>	<b>2015</b>	<b>2014</b>
			\$	\$
Vision Super	Defined Benefits	9.5%	91,724	89,640
Vision Super	Accmulation	9.5%	674,651	701,696

**Landfill**

The following Bank Guarantee is held by State of Victoria - Environment Protection Authority on behalf of Council:

Kerang Landfill Financial Assurance	1/04/2013	\$246,773
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**Contingent assets**

The following Bank Guarantees are held by Council for contract works being undertaken:

JT and MJ and CR Waters - Waters Excavations - CP 262 - Kerang Industrial Estate (Tate Drive)	30/4/2014	\$ 7,201
Boral Resources (VIC) Pty Ltd T/A Boral Asphalt - CP 259 - Reseal	15/11/2013	\$ 34,009
Boral Resources (VIC) Pty Ltd T/A Boral Asphalt - CP 259 - Reseal	15/11/2013	\$ 34,009

**Note 33 Financial Instruments****(a) Objectives and policies**

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

**(b) Market risk**

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

***Interest rate risk***

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

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

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

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

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

**(c) Credit risk**

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

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

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

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

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 32.

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

**(d) Liquidity risk**

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 32, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 26.

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

**e) Fair value**

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

*Fair value hierarchy*

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

**(f) Sensitivity disclosure analysis**

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

- A parallel shift of +1% and -2% in market interest rates (AUD) from year-end rates of 2.5%.

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

**Gannawarra Shire Council**  
**2014/2015 Financial Report**

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

**Note 34 Related party transactions**

**(i) Responsible Persons**

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

**Councillors**                    Councillor Neville Goulding  
                                       Councillor Keith den Houting  
                                       Councillor Neil Gannon  
                                       Councillor Oscar Aertssen  
                                       Councillor Brian Gibson  
                                       Councillor Lorraine Learmonth  
                                       Councillor Mark Arians

**Chief Executive Officer**      Jason Russell (Resigned 23 April 2015)  
                                       Geoff Rollinson (Acting CEO 24 April - 31 May 2015)  
                                       Chris White (Acting CEO 1 June - 30 June 2015)

**(ii) Remuneration of Responsible Persons**

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

	2015 No.	2014 No.
\$10,000 - \$19,999	2	-
\$20,000 - \$29,999	6	6
\$60,000 - \$69,999	1	1
\$150,000 - \$159,999	1	-
\$170,000 - \$179,999	-	1
	<hr/> 10	<hr/> 8

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

\$363,137      \$363,885

**(iii) Senior Officers Remuneration**

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

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

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

	2015 No.	2014 No.
Income Range:		
<\$99,999	5	6
\$100,000 - \$119,999	2	1
\$120,000 - \$129,999	-	1
\$160,000 - \$169,999	-	-
	<hr/> 7	<hr/> 8

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

\$621,538      \$679,972

**Note 34 Related party transactions (cont'd)****(iv) Responsible persons retirement benefits**

No retirement benefits have been made by the Council to a Responsible Person.  
(2013/14 \$0).

**(v) Loans to responsible persons**

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2013/14 \$0).

**(vi) Transactions with responsible persons**

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2013/14 \$0).

**Note 35 Events occurring after balance date**

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

**Gannawarra Shire Council  
2014/2015 Financial Report**

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### Certification of the Financial Statements

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



*Sid Hutchinson, DipAcc*  
**Principal Accounting Officer**  
**Date :** 16/9/15  
Kerang

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

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

*Cr Neville Goulding*

**Councillor** 

**Date :** 16/9/15

Kerang



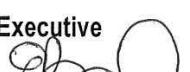
*Cr Brian Gibson*

**Councillor**

**Date :** 16/9/15

Kerang

*Eric Braslis*

**Chief Executive  
Officer** 

**Date :**

Kerang 16/9/15



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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Gannawarra Shire Council

#### *The Financial Report*

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

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

The Councillors of the Gannawarra Shire Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

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

#### *Auditor's Responsibility*

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

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

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

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

*Auditing in the Public Interest*

### Independent Auditor's Report (continued)

#### *Independence*

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

#### *Opinion*

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



 John Doyle M.Acc FCA  
Auditor-General

MELBOURNE  
17 September 2015

# OUR PERFORMANCE

→ PERFORMANCE  
STATEMENT 2015  
FOR THE YEAR ENDED 30 JUNE 2015

## → GANNAWARRA SHIRE COUNCIL

### PERFORMANCE STATEMENT 2015

#### DESCRIPTION OF MUNICIPALITY

Bordered by the Murray River to the north, Gannawarra Shire is approximately three hours from Melbourne and around one hour from the neighbouring centres of Swan Hill, Echuca and Bendigo. The municipality is 3,735 square kilometres and has a population of 10,145 people. The population of Gannawarra Shire has been steadily declining over the past 10 years, partly due to a structural shift in the agricultural sector. Gannawarra Shire is a diverse landscape of lakes and rivers, red gum forests, irrigated pasture, broad acre dry land farm land and Mallee scrub. The magnificent natural landscapes and Mediterranean-style climate make it ideal for agriculture and outdoor recreation. Gannawarra's primary centres are Kerang, Cohuna and Koondrook. Smaller outlying communities include Leitchville, Quambatook, Murrabit, Lake Charm, Lalbert and Mystic Park.

### SUSTAINABLE CAPACITY INDICATORS

For the year ended June 2015

Indicator/measure	Results 2015	Material Variations
<b>Population</b>		
Expenses per head of municipal population [ <i>Total expenses / Municipal population</i> ]	\$2,388.66	*
Infrastructure per head of municipal population [ <i>Value of infrastructure / Municipal population</i> ]	\$15,941.74	*
Population density per length of road [ <i>Municipal population / Kilometres of local roads</i> ]	4.46	*
<b>Own-source revenue</b>		
Own-source revenue per head of municipal population [ <i>Own-source revenue / Municipal population</i> ]	\$1,495.71	*
<b>Recurrent grants</b>		
Recurrent grants per head of municipal population [ <i>Recurrent grants / Municipal population</i> ]	\$1,113.65	*
<b>Disadvantage</b>		
Relative Socio-Economic Disadvantage [ <i>Index of Relative Socio-Economic Disadvantage by decile</i> ]	3.00	*

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

#### Definitions

- “infrastructure” means non-current property, plant and equipment excluding land
- “local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
- “population” means the resident population estimated by council
- “own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
- “relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA
- “SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website
- “unrestricted cash” means all cash and cash equivalents other than restricted cash.

## SERVICE PERFORMANCE INDICATORS

For the year ended June 2015

Service/indicator/measure	Results 2015	Material Variations
<b>Aquatic Facilities</b>		
<b>Utilisation</b>		
Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	2.16	*
<b>Animal Management</b>		
<b>Health and safety</b>		
Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>	25.00	*
<b>Food Safety</b>		
<b>Health and safety</b>		
Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	100.00%	*
<b>Governance</b>		
<b>Satisfaction</b>		
Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	64.00	*
<b>Home and Community Care (HACC)</b>		
<b>Participation</b>		
Participation in HACC service <i>[Number of people that received a HACC service / Municipal target population for HACC services] x100</i>	50.96%	*
<b>Participation</b>		
Participation in HACC service by CALD people <i>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</i>	17.02%	*
<b>Libraries</b>		
<b>Participation</b>		
Active library members <i>[Number of active library members / Municipal population] x100</i>	13.48%	*
<b>Maternal and Child Health (MCH)</b>		
<b>Participation</b>		
Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	72.52%	*
<b>Participation</b>		
Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	59.18%	*

<b>Roads</b>		
<b>Satisfaction</b>		
Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	58.00	An improvement from 53 in 2014
<b>Statutory Planning</b>		
<b>Decision making</b>		
Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	33.33%	*
<b>Waste Collection</b>		
<b>Waste diversion</b>		
Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	33.44%	Estimated 10 Tonnes from opt-in Green waste service

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

#### Definitions

“Aboriginal child” means a child who is an Aboriginal person

“Aboriginal person” has the same meaning as in the Aboriginal Heritage Act 2006

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

“annual report” means an annual report prepared by a council under sections 131, 132 and 133 of the Act

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

“food premises” has the same meaning as in the Food Act 1984

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

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

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004

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

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

“population” means the resident population estimated by council

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

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

## FINANCIAL PERFORMANCE INDICATORS

For the year ended June 2015

Dimension/indicator/measure	Results 2015	Forecasts				Material Variations		
		2016	2017	2018	2019			
<b>Efficiency</b>								
<b>Revenue level</b>								
Average residential rate per residential property assessment	\$1,080.80	\$1,124.40	\$1,169.40	\$1,216.20	\$1,264.80	No material variations		
<i>[Residential rate revenue / Number of residential property assessments]</i>								
<b>Expenditure level</b>								
Expenses per property assessment	\$3,461.86	\$3,512.86	\$3,601.14	\$3,698.14	\$3,798.43	No material variations		
<i>[Total expenses / Number of property assessments]</i>								
<b>Workforce turnover</b>								
Resignations and terminations compared to average staff	6.75%	6.17%	6.17%	6.17%	6.17%	No material variations		
<i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</i>								
<b>Liquidity</b>								
<b>Working capital</b>								
Current assets compared to current liabilities	299.26%	210.25%	216.61%	200.46%	194.59%	Working capital has been materially affected by the advance payment by the Victorian Grants Commission.		
<i>[Current assets / Current liabilities] x100</i>								
<b>Unrestricted cash</b>								
Unrestricted cash compared to current liabilities	176.14%	42.70%	37.60%	16.27%	11.72%	The high level of unrestricted cash is due to the early payment of \$2.525 million by the Victorian Grants Commission.		
<i>[Unrestricted cash / Current liabilities] x100</i>								
<b>Obligations</b>								
<b>Asset renewal</b>								
Asset renewal compared to depreciation	138.50%	102.07%	94.74%	110.19%	93.83%	Additional funding was required in 2015 to complete the renewal of the Benjeroop Tresco Road (\$0.225 million) and additional reseal works undertaken on the Kerang Leitchville Road (\$0.280 million).		
<i>[Asset renewal expense / Asset depreciation] x100</i>								
<b>Loans and borrowings</b>								
Loans and borrowings compared to rates	11.50%	8.14%	6.40%	5.38%	4.39%	No material variations		
<i>[Interest bearing loans and borrowings / Rate revenue] x100</i>								

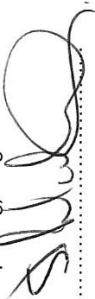
Loans and borrowings repayments compared to rates <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	4.35%	3.57%	1.90%	1.15%	1.10%	No material variations
<b>Indebtedness</b>						
Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>	13.46%	12.13%	11.23%	10.33%	9.44%	No material variations
<b>Operating position</b>						
<b>Adjusted underlying result</b>						
Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>	9.69%	-16.18%	-3.66%	-3.53%	-3.41%	The adjusted underlying deficit has been materially affected by the advance payment by the VGC as an operating grant.
<b>Stability</b>						
<b>Rates concentration</b>						
Rates compared to adjusted underlying revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>	40.96%	54.03%	48.90%	49.47%	50.03%	No material variations
<b>Rates effort</b>						
Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.75%	0.77%	0.78%	0.79%	0.80%	No material variations
<b>Definitions</b>						
Adjusted underlying revenue means total income other than— (a) non-recurrent grants used to fund capital expenditure; and (b) non-monetary asset contributions; and (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)						
“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure						
“asset renewal expenditure” means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability						
“current assets” has the same meaning as in the AAS						
“current liabilities” has the same meaning as in the AAS						
“non-current assets” means all assets other than current assets						
“non-current liabilities” means all liabilities other than current liabilities						
“non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan						
“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)						
“population” means the resident population estimated by council						
“rate revenue” means revenue from general rates, municipal charges, service rates and service charges						
“recurrent grant” means a grant other than a non-recurrent grant						
“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties						
“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year						
“unrestricted cash” means all cash and cash equivalents other than restricted cash.						

## → BASIS OF PREPARATION

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014. Where applicable the results in the performance statement have been prepared on an accounting basis consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics). The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature. Council adopted the Council Plan and Strategic Resource Plan on 23 June 2013, the strategic resource plan was revised and adopted by Council on 16 July 2014. The forecast figures included in the performance statement are those adopted by council in the revised plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

## Certification of the performance statement

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



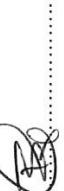
Sid Hutchinson, DipAcc  
Principal Accounting Officer  
Date: 16/9/15

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

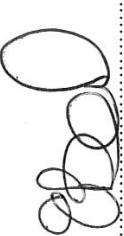
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

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



Brian Gibson  
Councillor  
Date: 16/9/15



Eric Braslis  
Chief Executive Officer  
Date: 16/9/15



Cr Neville Goulding  
Councillor  
Date: 16/9/15



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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Gannawarra Shire Council

#### *The Performance Statement*

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

#### *The Councillors' Responsibility for the Performance Statement*

The Councillors of the Gannawarra 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.

*Auditing in the Public Interest*

## Independent Auditor's Report (continued)

### *Independence*

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

### *Auditor's Opinion*

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



J.D. Doyle  
John Doyle M.Acc FCA  
Auditor-General

MELBOURNE  
17 September 2015



## GLOSSARY

**Advocacy** - Lobbying for the needs of the community through reasoned argument to the relevant authorities.

**Asset** - A physical component of a facility that has a value, enables a service to be provided and has an economic life greater than 12 months. Roads, halls and footpaths are assets.

**Asset management** - The processes by which Council collects and maintains a comprehensive database of asset conditions and uses this information to prioritise works funding and maintain existing assets at desired condition levels.

**Business Excellence Framework** - A framework or foundation used to create an environment for continuous improvement that leads to sustainable organisational success.

**Capital works** - Work undertaken to either renew, upgrade, or construct assets owned by the Gannawarra community. Renewal capital works extend the functional use of an existing asset by complete or part refurbishment or replacement. These works are usually carried out on an asset which is deteriorating to an unacceptable service level. Upgrade capital works intentionally improve the level of service provided by an existing asset, due to performance requirements having increased beyond current capacity.

**Codes of conduct** - Statements of how the Councillors and/or staff will interact and work with colleagues and the community.

**Community plan** - Plan developed by a community that outlines the community's priorities.

**Community planning group** - Group of community representatives who volunteer to oversee the implementation of the community plan in their community.

**Community Satisfaction Survey** - An independent annual survey of community satisfaction, jointly sponsored by the Department of Planning and Community Development (DPCD) and local governments.

**Continuous improvement** - Process of ensuring that review and improvement practises are built into operational activities.

**Council Plan 2013-2017** - Plan written to guide Council's activities for a four-year period. Details the strategic directions and objectives for the municipality, and underpins all the decision making processes, policies and procedures of Council.

**Depreciation and amortisation** - An expense which recognises the value of a fixed asset as it is used up over time.

**Employee benefits** - Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax, Work Cover and redundancy payments.

**Equity** - Residual interest in the assets of Council after the deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.

**Expense** - An outgoing payment made by Council.

**Governance** - How Council operates as a decision making body, its relationship with the administration, and the ways that Council engages with its community in this process.

**Infrastructure** - Physical assets required to enable the community to be connected and operational. This includes roads, drains, footpaths and public open spaces as well as public facilities and buildings.

**Liabilities** - Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.

**Revenue** - The amount of money that Council actually receives from its activities, mainly from rates and services provided to customers and ratepayers.

**Risk management** - Discipline for developing appropriate procedures to reduce the possibility of adverse effects from future events.

**Road Management Plan/Road Asset Management Plan**

- Plan developed to establish a management system for the public road functions that are the responsibility of the Council. The management system is based on policy and operational objectives and at the same time recognises resource limitations in undertaking the necessary levels of service and performance standards outlined in the plan.

**Wards** - The geographical area of Gannawarra Shire is broken into four electoral divisions named wards. Each ward has elected representatives.

## ABBREVIATIONS AND ACRONYMS

CEO	Chief Executive Officer
CFA	Country Fire Authority
CO2	Carbon dioxide
Cr	Councillor
EFT	Equivalent Full Time
GNETS	Gannawarra Non-Emergency Transport Service
KM	Kilometres
MAV	Municipal Association of Victoria
MRGC	Murray River Group of Councils
OHS	Occupational Health and Safety

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