

# Annual Report 2013-2014



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## At a glance

16,137

Estimated resident population  
ABS Estimated Residential Population 2013

3.32%

Unemployment rate 2013  
ABS Labour Force Survey 2013

910

Kilometres of local sealed roads

1,297

Kilometres of local unsealed roads

95

Kilometres of footpaths

2.43

Average household size

9,536

Rateable properties

8,281

Employed residents

2,343

Local businesses

6.6%

Population born overseas  
ABS 2011

4,820

Tonnes of waste collected

14,800

Street trees maintained

20

Public playgrounds

6

Skateparks

Lake Bullen Merri



## About Corangamite Shire

Corangamite Shire is located 180 kilometres south west of Melbourne in the Great South Coast region. The municipality is approximately 4,600 square kilometres and stretches from the Great Ocean Road in the south to the pastoral area of Skipton to the north.

Corangamite takes its name from the huge inland lake on the Shire's eastern boundary. The name 'Corangamite' is said to be derived from the local aboriginal word for 'bitter' or 'salt water', as it refers to the high salt level of the water.

The Shire is a renowned farming region, producing milk, wool, beef and prime lamb. For residents and visitors alike, Corangamite offers beaches, rugged coastline, volcanic lakes and craters and vast pastoral country. Tourism, is therefore an important employer in the area. The Twelve Apostles is one of the nation's most popular visitor destinations with approximately 2.6 million people visiting each year. Corangamite's townships include Camperdown, Terang, Timboon, Port Campbell, Cobden, Lismore, Derrinallum, Skipton, Princetown, Simpson, Noorat and Darlington.

## About the Annual Report

The Corangamite Shire Annual Report provides a comprehensive account of Council's performance from 1 July 2013 to 30 June 2014. The 2013-2017 Council Plan is the guiding document for this Annual Report. The report provides information on progress towards the strategic objectives, key strategies and performance measures contained in the Council Plan. It also reports on the outcomes of actions identified in our Annual Plan for 2013-2014.

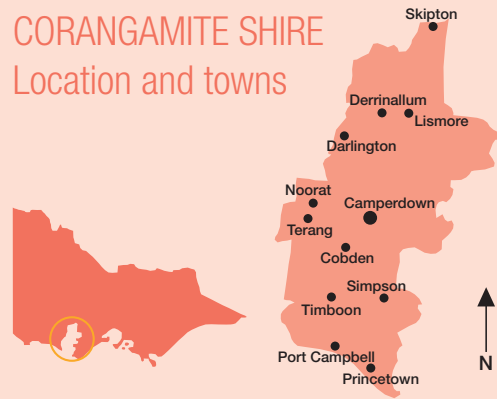
The 2013-2014 Annual Report addresses the highlights and achievements of the Council throughout the year, as well as the challenges encountered, and identifies future directions and challenges in the coming year. It contains a summary of our financial performance with more detailed financial and performance statements contained in the CD attached to the inside back cover of this report. The contents of this report are produced to meet legislative requirements and are guided by best practice.

## Our staff

At the end of June 2014, Council's staff numbered 295. The effective full time equivalent staff number was 186.67. The number of staff who work full time has decreased since last year with more staff electing to work part time under flexible work arrangements. Variances in childcare, kindergarten and aged care service levels were responsible for an increase of 1.05 EFT from last year. Staff turnover continues to be stable and below the state average.

Along with the general population, the workforce is ageing, with 57% of the workforce aged over 45 years and 32% aged over 55 years. This is a national issue which requires a strategic approach to attraction, retention and workforce flexibility.

## CORANGAMITE SHIRE Location and towns



## OUR VISION

Our communities will be vibrant, prosperous and growing

## OUR MISSION

Capitalising on the benefits Corangamite has to offer, we will work with our residents to keep our communities thriving and full of opportunities.

## OUR VALUES AND BEHAVIOURS

Integrity . Respect . Community Focus . Commitment  
Innovation

We will:

- Make decisions that are honest, open and accountable
- Act in an honest, open and equitable manner
- Be accountable for our actions and decisions
- Will not use our position for personal gain
- Have respect for diversity of opinion and cultural background
- Hold honest and robust discussion
- Respect and support decisions of Council
- Remain committed to achieving outcomes for our community
- Engage with our residents and recognise the value of their contribution
- Improve the long term capacity of our local communities
- Address social disadvantage in our decision making
- Encourage teamwork
- Have pride in our organisation and our community
- Seek to improve efficiency within our organisation
- Encourage learning and professional development of Council and staff
- Support innovation within our communities

# Year in review

View of Western Plains

## Stewardship, Governance, Advocacy and Collaboration

See pages 16-18 for more details

### Highlights

- Improvement in customer satisfaction with Council performance across all core measures and strong community support for Council's direction
- First year of the Council Plan 2013-2017 implemented
- Re-election of Mayor for a second term

### Challenges

- Participation in the Local Government Performance Reporting Framework pilot in preparation for implementation in 2014-2015

### Looking ahead

Developing our capacity for data collection both for internal monitoring and for reporting against performance measures required for the Local Government Performance Reporting Framework which will be compulsory for all Victorian councils in 2014-2015.

## Positioning for economic growth

See pages 19-22 for more details

- Expansion of investment in the local dairy industry
- Increase of cattle through Camperdown sale yards
- Launch of the Corangamite Retailers Network
- Publication of a guidebook and website page for Chinese visitors
- 93% of planning and building permit applications have been made within the statutory timeframe

- Continuing decline in Corangamite population
- Continually changing planning legislation and policy landscape

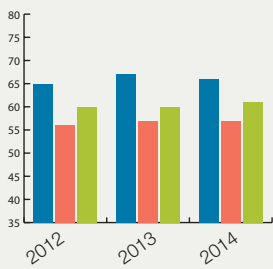
- Potential to establish a regional livestock selling centre
- Student and graduate rural recruitment and retention project
- The roll out of VicSmart, a fast track planning permit process to be introduced in September 2014 for dealing with straightforward applications within a 10 day 'submission to decision' timeframe



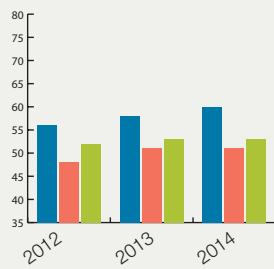


## Community Satisfaction Survey results

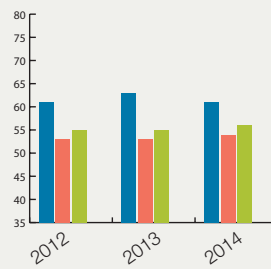
### Overall performance



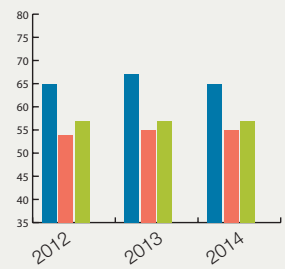
### Overall direction



### Advocacy/lobbying

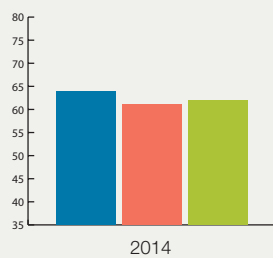


### Community consultation

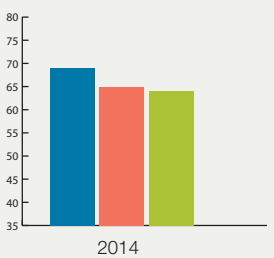


■ Corangamite Shire ■ Large rural shires ■ State-wide

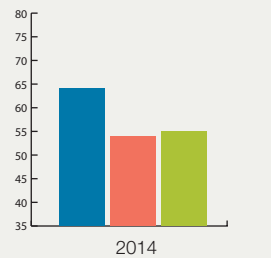
### Business & community development



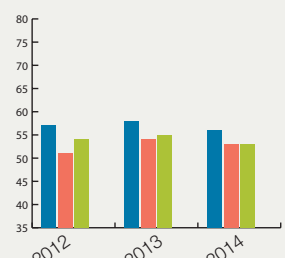
### Tourism development



### General town planning policy



### Planning and building permits



■ Corangamite Shire ■ Large rural shires ■ State-wide

## Sustaining our natural assets

See pages 23-27 for more details

### Highlights

- Environment and Sustainability Strategy adopted by Council
- Twenty-one community projects funded by the Environment Support Fund
- A Roadside Partnerships Pilot Program established in partnership with local landholders and Landcare groups
- Implementation of a new management plan for Mt Leura & Mt Sugarloaf
- Council's diversion rates for kerbside recycling have increased

### Challenges

- Reduction in community satisfaction with roadside weeds and slashing
- Application of higher standards by Environment Protection Agency to closed landfills

### Looking ahead

- Delivering a larger weed program across Council
- Implementing a carbon assessment of the Council offices and operations
- Assessment of the impact of removal of the carbon tax on landfill customers

## Strengthening our communities

See pages 28-37 for more details

- Successful accreditation outcome for Home & Community Care services meeting all 15 Commonwealth Community Care Standards
- BRICKs program delivered for the first time to all Year 9 students at all secondary schools across the Shire
- Adoption of the Municipal Emergency Management and Corangamite Flood Emergency Plans
- Council's recreation programs have shown a total 5% increase in physical activity. Recreation Give it A Go participation increased by 20%

- The ongoing uncertainty over the continuation of funding for 15 hours of kindergarten
- Fall in immunisation rates
- Emergency incident at Derrinallum

- Continued partnership and collaboration as part of Strengthen our Communities Pillar of the Great South Coast Group
- Council will be undertaking a review of Local Laws in 2015
- Preparation of Twelve Apostles Trail Business Case to attract funding

## Infrastructure

See pages 38-41 for more details

- Successful completion of Stage 2 of the Terang Streetscape
- Upgrade of Cobden Aerodrome

- Significant deterioration in the condition of roads owned by VicRoads resulting in low community satisfaction survey results
- Delivery of Capital Works Program

- Budget allocation for resheeting of gravel roads to be doubled in 2014-2015
- Preserving condition of the road network
- Refresh of Camperdown Streetscape

## Our organisation

See pages 42-50 for more details

- Staff turnover continues to be stable and well below the State average
- Increase in community satisfaction with Customer Service
- Twelve Community Plans completed and 36 community projects identified

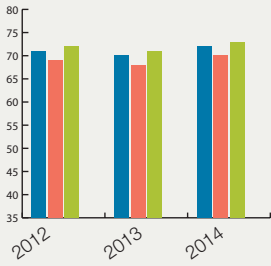
- Ageing workforce
- Expanding mobile technology for staff

- Attracting skilled, experienced employees
- Completion of Terang and Noorat Public Art projects
- Launch of the Customer Service Charter
- Implementation of Digitisation Plan

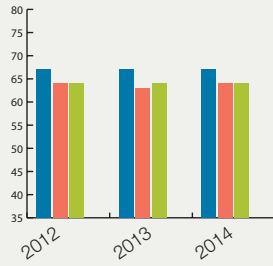


# Community Satisfaction Survey results

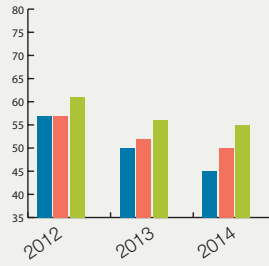
## Waste management



## Environmental sustainability



## Roadside slashing and weed control

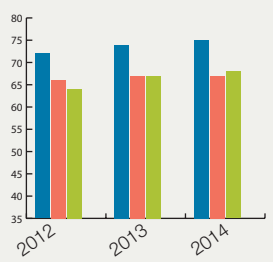


Corangamite Shire Large rural shires State-wide

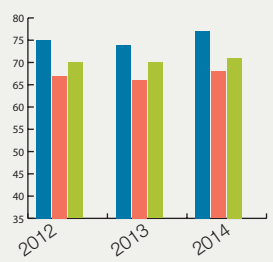
## Elderly support services



## Family support services

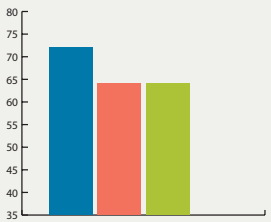


## Recreational facilities

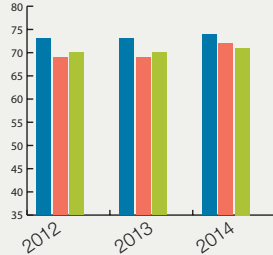


Corangamite Shire Large rural shires State-wide

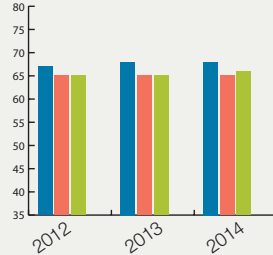
## Disadvantaged support services



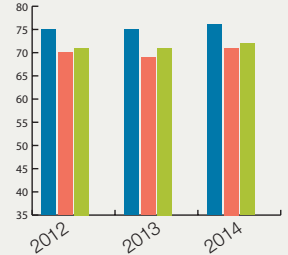
## Emergency & disaster management



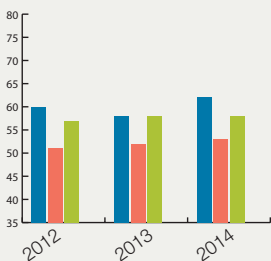
## Enforcement of local laws



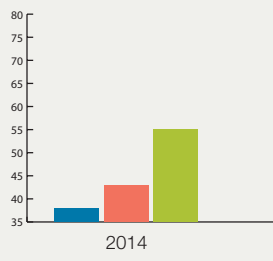
## Appearance of public areas



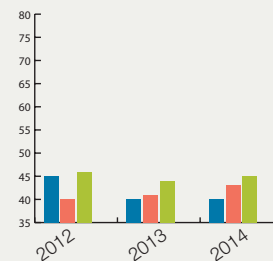
## Condition of local streets and footpaths



## Condition of sealed local roads

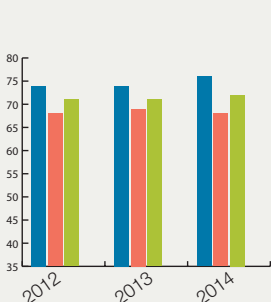


## Maintenance of unsealed roads

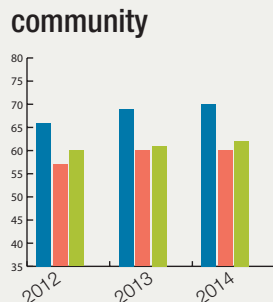


Corangamite Shire Large rural shires State-wide

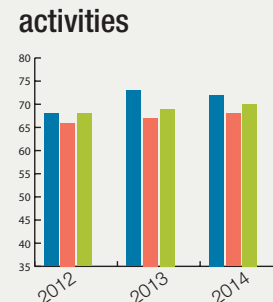
## Customer service



## Informing the community



## Community & cultural activities



Corangamite Shire Large rural shires State-wide

# Mayor's message

It gives me great pleasure to reflect from both a personal and Council perspective, on the challenges that were presented and the wide range of achievements that have been completed in my second term as Mayor, while also looking forward to the future at Corangamite.

I very much appreciate the support and guidance provided by my fellow Councillors. During this time I came to realise that the position of Mayor is very similar to that of a coach. As Mayor you are the face of the Council, representing the organisation and not yourself. There is also a responsibility to work with the Councillors as a team and to use their individual talents to combine and create a group that can achieve so much more than they could as individuals.

Advocacy on behalf of our local communities is one of Council's primary roles and an important objective in our Council Plan. It is through our advocacy activities with governments and other organisations that we are able to obtain further support for our communities. I have had the opportunity to meet regularly with members of both State and Federal Government to promote the needs of our communities and the wider Great South Coast region, in order to secure support for some of our local and regional priority projects.

With over 2000 kilometres of roads in our Shire, a high proportion of our capital works budget is used in their construction and maintenance. There are two categories of roads in our Shire, one being the responsibility of VicRoads and the other being the responsibility of Council. The category Council receives most complaints about is the main arterial roads that are maintained by VicRoads which includes the Foxhow and Ayresford Roads and the Princes Highway.

The Great South Coast Group has identified a \$220 million shortfall of maintenance funding, just to get the roads in the south-west up to the standard of other parts of country Victoria. With the upcoming State Government election in November 2014, we need a commitment from both sides of Government that such an anomaly does not become a disincentive to do business and invest in the south-west and the Corangamite Shire.

The proposal for a Regional Saleyard was supported by Council, provided it is located in Corangamite Shire. The establishment of a regional livestock exchange within the Shire would be of benefit to local livestock producers and would also ensure future long term economic benefits to the municipality. The establishment of a regional saleyard facility is a shared objective of both Corangamite and Warrnambool City Councils and Expressions of Interest have been invited by both Councils. We will continue to work with neighbouring shires and local industry representatives to ensure our farmer's interests are protected and that competition in the industry is increased.



Mayor Chris O'Connor (left) with Environment Coordinator Belinda Bennett and Landfill Manager Glenn Busuttill.

As Mayor I have had many opportunities to meet with our communities and celebrate significant events and milestones across the Shire, such as Skipton's celebration of the town's 175th anniversary. At the Australia Day celebrations, I also particularly enjoyed congratulating and recognising those in our Shire who have been nominated by their peers for going above and beyond what is the normal expectation of their local communities.

Red Cross volunteers from across Corangamite Shire were recognised for their service at a Civic Reception held by Council this year. Skipton Red Cross celebrated its 75th year with four current members who have served more than 50 years. The compassion and generosity of volunteers continues to make Red Cross the organisation it is today, playing a vital role during local natural disasters.

I would like to acknowledge my fellow Councillors, senior management and all Council officers for their commitment and hard work throughout the year. I would also like congratulate fellow Councillor Ruth Gstrein who was recognised for her service as a Councillor by the Municipal Association of Victoria. Cr Gstrein was presented with a Victorian Councillor Service Award that recognises the 10 years of service she has completed at Corangamite Shire Council, including three terms as Mayor (2006-2009).

In reflection I would say the best part of being Mayor is getting around the community and working with people. The amount of people and groups doing great work in our Shire is quite incredible. I wish to take this opportunity to thank these volunteers for their contribution to the communities they serve and I look forward to the future with great enthusiasm and confidence through the passion and hard work I see displayed in Corangamite Shire.

A handwritten signature in black ink, appearing to read 'Chris O'Connor'.

Mayor Chris O'Connor



# CEO's message

This year's Annual Report highlights another busy and successful year.

Integrity is one of the Council values and we have continued to ensure that all staff understand the importance of ethical and lawful behaviour. This has been achieved through training and talking to staff about the type of issues they may confront.

I am pleased to report that results from the 2014 Community Satisfaction Survey, conducted by the State Government, have confirmed that Corangamite continues to perform at a high level, significantly outperforming State and group averages on all core performance areas and the majority of individual service areas tested. The areas of weeds and roads have continued to be of concern to the community and we have developed plans to address these issues.

In November 2013, Cr Gstrein, Ian Gibb, Director Sustainable Development and I spent an informative and busy two days in north west Tasmania visiting Councils in Burnie and Devonport to learn more about waste, tourism and food tourism. The trip reinforced to me the importance of continuing to learn and be open to new or different approaches and ideas.

In June this year I was fortunate to represent Corangamite Shire on the Victorian Government's Super Trade Mission to South East Asia, visiting Malaysia, Indonesia and Thailand. The Mission highlighted the significant opportunities open to food producers in these expanding and increasingly wealthy nations.

The 2013-2014 fire season was reasonably benign with only one major fire at Stoneyford. Council supported the fire control effort with the provision of water cartage, graders, road signage and other actions as required. Corangamite, however, was one of many Councils across Victoria who provided assistance to Latrobe City Council during the prolonged coal fire at Morwell under the MAV's state wide resource sharing protocol for emergencies.

Unfortunately, a major explosion occurred later in the year near Derrinallum, causing prolonged closure of the Hamilton Highway. During this incident, Corangamite Shire worked closely with police and other emergency services assisting in their response efforts in a number of ways, including use of Council plant, sourcing specialist equipment, mapping and property information, collating details of business impact and most importantly, keeping the community abreast of the incident through the provision of information on Council's website, the Mayor's Facebook page and by officers attending the Derrinallum community meetings.

Annual festivals such as Camperdown Cruise and the Robert Burns Scottish Festival involve a huge behind the scenes effort by many Council staff volunteers. The economic benefit they bring to the local economy also extends to accommodation



CEO Andrew Mason (right) with Mayor Chris O'Connor and Cr Ruth Gstrein.

businesses and creates fundraising opportunities for community groups and sporting clubs. Festivals also create significant media exposure at local, national and even international levels and help promote the Shire as a great place to both live and visit.

I would like to acknowledge our Councillors and staff whose many achievements throughout 2013-2014 are described in this report and who have contributed to delivering our Council's Vision, Mission and Council Plan.

**Andrew Mason**  
Chief Executive Officer

# Financial reports summary



Our Financial Statements are prepared under the Australian Accounting Standards. They include an Income Statement, Balance Sheet and Cash Flow Statement. The reports provide a snapshot of Council's financial performance for the year ended 30 June 2014. The Financial Statements have been prepared under the model Financial Reports developed by the Department of Transport, Planning and Local Infrastructure to achieve best practice in reporting for the Victorian Local Government Sector.

## Financial Strategic Plan

Council reviews its Financial Strategic Plan (or Long Term Financial Plan) annually. This Plan provides information and recommendations on financial issues and highlights options for strategic direction including: financial position, capital works, asset management, loans and rating strategy.

The Financial Strategic Plan and 2013-2014 Budget address important issues and key decisions that impact on Council's operations, particularly continued infrastructure reinvestment.

The key financial objectives underpinning the Financial Strategic Plan are:

- Maintaining existing service levels
- Continued reinvestment in infrastructure
- Achieve a break-even (at least) annual operating result
- Achieve a balanced budget on a cash basis
- Maximise interest income from short term investments
- Completion of annual capital works program

## Financial climate

The budget for 2013-2014 included a 5% increase in the general rate and municipal charge, an additional one off increase in the municipal charge of \$60 and an increase in the garbage charge of \$14. This was necessary to:

- Maintain existing services
- Fund infrastructure and other capital works
- Maintain maintenance expenditure on public buildings
- Maintain expenditure in waste and environmental management to reflect the full year operation of a new contract
- Continue with township streetscape programs

## Income Statement

Council's actual result for the 2013-2014 year is a surplus of \$0.625 million compared to a surplus of \$1.274 million in 2012-2013.

Revenue and expenditure has remained relatively steady at \$39.585 million and \$38.96 million respectively. Employee costs increased by 4.4% and materials and services cost increased by 3.9%, and are both in line with expected increases due to CPI, enterprise agreement, superannuation guarantee increases and recruitment to previous vacant positions.

Depreciation and amortisation decreased by 9.7% due to the reassessment of asset conditions during the year. Council's long-term financial objective to continue to maintain service levels and undertake appropriate asset renewal in a prudent manner has been achieved in a fiscally challenging environment.

## Balance Sheet

Council's equity position increased by 8.5% (\$32.31 million) which is predominantly due to the asset revaluation increment (\$31.69 million) and the operating surplus achieved for the year. Council continues to be in a strong position to meet current liabilities as and when they fall due. This is indicated by a healthy working capital ratio of 190.1%.

Council's loans and borrowings increased during 2013-2014 to \$4.65 million (\$4.071 million in 2012-2013) as a result of new borrowings of \$1.5 million less repayment of existing loans of \$0.921 million.

## Cash Flow Statement

Council's balance of cash and investments on hand at 30 June 2014 increased to \$11.697 million from \$8.111 million in 2012-2013 as a result of the following:

- Cash inflow from operations increased by \$4.171 million to \$11.266 million in 2013-2014 mainly due to flood recovery reimbursement from prior years received (\$1.074 million) and an increase in capital grants received (\$1.923 million) offset by a decrease in materials and services and other expenses payments associated with accrued expenditure (\$4.136 million) and a decrease in operating grants of \$3.104 million predominantly due to the prepayment of 50% of 2013-2014 VGC allocation in 2012-2013.
- Cash outflows used in investing activities declined by \$2.335 million due to delays in completing in capital works.



Prinetown viewing platform



- Cash outflows used in financing activities increased by \$1.068 million due to new borrowings (\$1.5 million) and budgeted principal repayments (\$0.921 million).

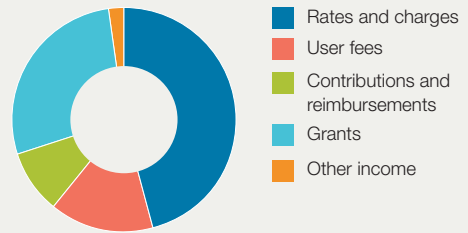
Detailed financial statements are enclosed on CD or available in print from the Civic Centre or online at [www.corangamite.vic.gov.au](http://www.corangamite.vic.gov.au)

### Some of the projects funded in 2013-2014

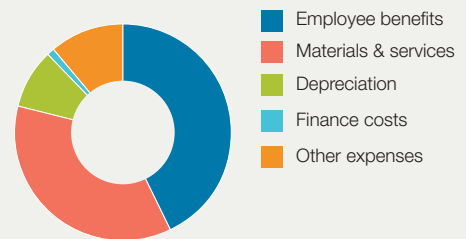
A total capital works program of \$8.869 million including:

- Roads (\$5.638 million) – including roads to recovery projects, resheeting, minor patching, safety improvements and urban and rural reseals
- Footpaths (\$322,000) – including footpath renewal and installation of crossings
- Recreation, leisure and community facilities (\$259,000) – including work on the Camperdown Playspace and minor playground and facility upgrades
- Buildings (\$0.966 million) – including disability access, fire service upgrades, Timboon House Abbeyfield redevelopment contribution, libraries, preschools upgrades and swimming pool improvements
- Light and Heavy equipment (\$1.112 million) – including scheduled replacement of Council's light and heavy fleet
- Peter's Project Donation - \$50,000
- Camperdown Court House Upgrade - \$15,000
- South West Games - \$15,000
- Terang kindergarten planning work - \$24,000
- Terang Public Art - \$30,000
- Community Planning Initiatives - \$206,000
- War Memorial Restoration - \$10,000
- Derrinallum Oval Lighting Upgrade - \$95,000
- Environmental Initiatives - \$69,000
- Support for events including the Camperdown Cruise Rockabilly weekend, Terang Country music festival, Melbourne food and wine event, Camperdown Horse trials, Tour of Great South Coast and Skipton Australia Day Celebrations - \$90,000.

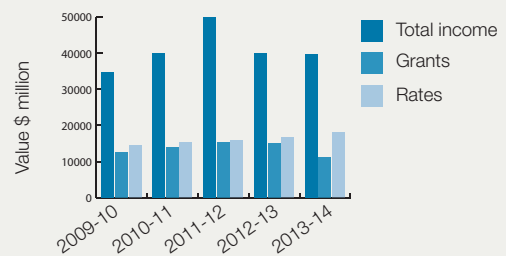
### Revenue \$39.58 million



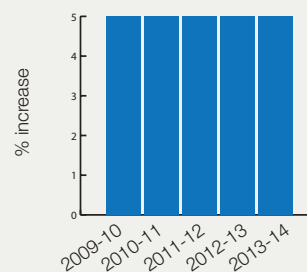
### Expenditure \$38.96 million



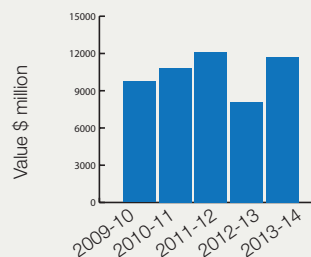
### Total revenues 2009-2014



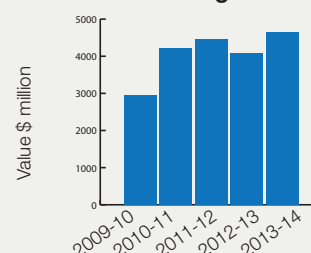
### Rate increases 2009-2014



### Cash and Investments 2009-2014



### Total borrowings 2009-2014



# Our Council



## Cr Chris O'Connor Central Ward

Preferred phone contact: 0429 954 265  
Email: [chris.oconnor@corangamite.vic.gov.au](mailto:chris.oconnor@corangamite.vic.gov.au)



Cr O'Connor represents Central Ward, was elected to Council in 2008 and elected Mayor in November 2012. He has a farming background as well as owning and developing commercial property, breeding and racing horses, and grazing cattle. He is married to Jeanette and has five adult children. He follows his children's sport and maintains a keen interest at Terang Mortlake Football and Netball Club. Councillor O'Connor is an ex-officio member of the Council's Audit Committee, a member of the CEO Performance Review Committee, Saleyards Advisory Committee, and Corangamite Shire Integrated Fire Management Planning Committee. He is Chair of the Great South Coast Group and the South West Regional Waste Committee. He also recently completed the Australian Institute of Company Directors' course.

Percentage of meetings attended	
2013-2014	100%
2012-2013	100%
2011-2012	100%
2010-2011	100%
2009-2010	100%
First elected November 2008	

## Cr Ruth Gstrein Central Ward

Preferred phone contact: 0407 320 283  
Email: [ruth.gstrein@corangamite.vic.gov.au](mailto:ruth.gstrein@corangamite.vic.gov.au)



Cr Gstrein was first elected in March 2002, and served three terms as Mayor in 2007, 2008 and 2009. Cr Gstrein has a long term involvement in Local Government, is active in community life, and lives in Camperdown with her husband and two adult children. She believes that building capacity within our communities is essential for their sustainability. Continued focus on economic and population growth across the Shire needs to remain a Council priority. Cr Gstrein is a member of Council's Audit Committee, CEO Performance Review Committee, Corangamite Regional Library Service, Heritage Steering Committee, Robert Burns Festival Committee and the Arts & Culture Advisory Committee. She represents the region on the boards of the Municipal Association of Victoria and Regional Development Australia.

Percentage of meetings attended	
2013-2014	100%
2012-2013	100%
2011-2012	100%
2010-2011	100%
2009-2010	100%
First elected March 2002	

## Cr Wayne Oakes Central Ward

Preferred phone contact: 0429 933 254  
Email: [wayne.oakes@corangamite.vic.gov.au](mailto:wayne.oakes@corangamite.vic.gov.au)



Cr Oakes continues to enjoy the challenges involved in serving his community through his role on Council. The experience has been a very steep learning curve but with the support of his wife Judi and fellow Councillors and Council staff, he has become part of a progressive and cohesive team of people who function with the best interests of the Shire of Corangamite at heart. He believes Corangamite has the ability to offer its citizens and visitors a wealth of experiences unique to the south west and is confident that our best ambassadors are our residents themselves. Cr Oakes is currently a member of the Corangamite Arts and Culture Steering Group, Youth Council and Central Pools Advisory Committee. He is also Vice District Governor for Lions District 201V2, President of the Camperdown Ambulance Auxiliary, Chairman of Uniting Church Property and Maintenance Committee, member of Camperdown Lions Club, and a Disaster Chaplain with the Victorian Council of Churches.

Percentage of meetings attended	
2013-2014	100%
2012-2013	91%
First elected October 2012	

**Cr Neil Trotter**  
South West Ward

**Preferred phone contact: 0407 101 872**  
**Email: [neil.trotter@corangamite.vic.gov.au](mailto:neil.trotter@corangamite.vic.gov.au)**



Cr Trotter's second year on Council has been very rewarding and he continues to enjoy his time on Council. He acknowledges the input and collaboration of fellow Councillors and staff who work together to develop positive outcomes for the Corangamite Shire and its residents. Councillors representing individual Wards are able to work through parochial issues and maintain a positive working relationship when at times having divergent viewpoints. Concentrating on issues, rather than allowing political or personal agendas to take precedence is pivotal for a good working relationship. He believes positives for the South West Ward have been the announcement of funding for the upgrade and maintenance of a number of important community facilities. Cr Trotter is a representative on the Lake Bullen Merri and Gnotuck Advisory Committee, Central Pools Committee, Cobden Racecourse Reserve Committee and Council's Audit Committee. He is also a member of the Origin Energy, Energy Australia and BHP Gas Plant Community Reference Group.

**Percentage of meetings attended**  
2013-2014 100%  
2012-2013 100%  
First elected  
October 2012

**Cr Geoff Smith**  
North Ward

**Preferred phone contact: 5597 9254**  
**Email: [geoff.smith@corangamite.vic.gov.au](mailto:geoff.smith@corangamite.vic.gov.au)**



Cr Smith represents the North Ward which has four of the Shire's 12 towns. He strives to attend many meetings and functions, making himself available to the community. He believes that building stronger Community Plans for each of these towns, led by local people, makes the Shire a more attractive place to live and another reason why people might decide to move to the Shire. Cr Smith is Chairman of the Environmental Monitoring Committee Saleyards Advisory Committee, Berrybank Wind Farm Community Engagement Committee, and is a member of the Australia Day Awards Nominations Committee.

**Percentage of meetings attended**  
2013-2014 100%  
2012-2013 93%  
2011-2012 100%  
2010-2011 100%  
2009-2010 100%  
First elected 1996

**Cr Jo Beard**  
South Central Ward

**Preferred phone contact: 0417 369 457**  
**Email: [jo.beard@corangamite.vic.gov.au](mailto:jo.beard@corangamite.vic.gov.au)**



Cr Beard has represented South Central Ward since 2011. She currently lives in Cobden with her husband Daniel and two sons and is an active member of Progressing Cobden, Cobden Lake Committee, Cobden Aerodrome Committee and Secretary of Cobden Cemetery Trust. Cr Beard also represents Council on the Corangamite Youth Council, Municipal Fire Management Planning Committee, Municipal Emergency Management Planning Committee, and Australia Day Award Nominations Committee. Cr Beard's vision for Corangamite is to see continued growth in our industrial ventures and population increase across the Shire. The expansion of the dairy industry within our Shire demonstrates confidence in our farmers and economic future. Cr Beard is in the second year of a three year course studying Diploma of Local Government (Elected Member).

**Percentage of meetings attended**  
2013-2014 86%  
2012-2013 100%  
2011-2012 100%  
2010-2011 100%  
First elected by  
by-election April 2011

**Cr Peter Harkin**  
Coastal Ward

**Preferred phone contact: 0408 177 563**  
**Email: [peter.harkin@corangamite.vic.gov.au](mailto:peter.harkin@corangamite.vic.gov.au)**



Cr Harkin believes that the role of Councillor is rewarding despite requiring a huge commitment of time. He believes a major challenge for our Shire is to keep pushing both State and Federal Governments to increase levels of support for rural areas like our Shire. In the longer term he believes we need more business and industry to expand locally, leading to growth in employment and population. Cr Harkin is pleased to see the Shire's Community Plans all up and going and the enthusiasm shown by the communities. He would like to see the 12 Apostles Trail funded. Cr Harkin represents Council on the Saleyards Advisory Committee, Elm Tree Reference Group, CEO Performance Review Committee, and the South West Local Learning & Employment Network.

**Percentage of meetings attended**  
2013-2014 100%  
2012-2013 91%  
First elected  
October 2012



# Senior Officers

## Chief Executive Officer - September 2010 - present

Andrew Mason BA (Planning), MBA



Andrew's role is to ensure the Council can operate effectively and efficiently by establishing appropriate structures and resources. He is responsible for ensuring that Council decisions are implemented and the operations of Council are consistent with the Council Plan. Andrew emphasises the value of Council having strong connections to the community and the support of a professional and motivated workforce. He oversees the governance, corporate planning and community relations department including customer service, arts and culture, and community engagement.

Andrew became Chief Executive Officer in September 2010 after working as Corangamite Shire's Director Sustainable Development for two years. Prior to this Andrew gained extensive experience as a planning consultant and held senior management positions in both the State and Local Government sectors. He spent five years as the Director of Planning and Environment with Bass Coast Shire. Andrew works actively with private and government stakeholders as a member of many external committees.

## Director Works and Services - August 2008 - present

Alex Green BSc, MBA



Alex oversees the construction and maintenance of roads, bridges and footpaths, contract administration, recreational facilities, including halls, playgrounds, sports stadiums, parks and gardens, and also the management of recreation programs.

Prior to joining Corangamite Shire and local government, Alex worked in land management for conservation and forestry agencies. His experiences have focused on asset management, including a role as Infrastructure Manager in plantation forests. Alex has lived in the Port Campbell community since moving to the area with his family in 2004. He and his family are an active part of the local community, having always enjoyed living in rural and regional Australia.

## Director Corporate and Community Services - April 2012 - present

David Rae B.Bus, CPA



David is responsible for the overall management and leadership of the Corporate and Community Services department including financial management, human resources, risk management, information and communication services, property and rating, community services, aged and disability and children's services.

David took over the role of Director in April 2012 following a seven year hiatus from local government. David is a qualified accountant who commenced his local government career with Warrnambool City Council in 1996 where he held several roles including Finance Manager. Prior to joining Corangamite Shire he was employed as Sub-Regional Finance Director at Western District Health. He holds qualifications in accounting and is a CPA.

## Director Sustainable Development - October 2010 - present

Ian Gibb, BA Arts (Hons), Master of Urban Planning, Dip. Frontline Management



Ian has overall management responsibility for economic development, tourism, strategic and statutory planning, building services, emergency management, public safety and amenity, environmental health, saleyards and environmental services.

Ian commenced in the position as Director Sustainable Development in October 2010. He has senior management experience at a State and Local Government level, including five years as Director of Planning and Environment with the Shire of Yarra Ranges. He has also spent time working for private planning consultancy firms.

# Organisational structure





Councillors at the Corangamite Shire Civic Centre

## Stewardship, Governance, Advocacy and Collaboration

### COUNCIL PLAN COMMITMENT:

Council will demonstrate high levels of ethical behaviour and corporate governance standards. We will make budgetary decisions that are reflective of our financial circumstances. We will advocate for and with the community to achieve outcomes.



## GOVERNANCE

### Overview of service

The Governance team provides support services to Councillors and the Senior Officer Group by facilitating council meetings, training and professional development. The department is responsible for ensuring Council complies with the *Local Government Act 1989*, reviewing Council policies and managing delegations. It supports organisational planning, providing regular strategic advice to Councillors and management.

### Year in review

#### Re-election of Mayor

The Mayor, Chris O'Connor, was re-elected by Council for a second term in November 2013.

#### Advocacy and Strategic Engagement

Councillors and the Senior Officer Group attended a three day workshop in Melbourne. The program provided opportunities for advocacy and strategic engagement, including meetings with a number of Ministers and Shadow Ministers at Parliament House and discussions with State Government and other agencies on transport and infrastructure planning, food and agriculture, trade and export markets and aged care. A similar workshop is planned for 2015.

Councillors O'Connor, Oakes and Trotter attended the National General Assembly of Local Government 2014.

#### Policy Review

A review of current Policies and Procedures was conducted with 24 new or revised policies endorsed by Council and 22 outdated policies revoked by Council.

#### Local Government Performance Reporting (LGPRF) Pilot Program

Corangamite Shire participated in the pilot of a Local Government Performance Reporting Program, established by the State Government to ensure that all councils are measuring and reporting on their performance in a consistent way. Our participation has positioned the organisation to effectively meet all the reporting requirements for 2014-2015.

#### Events

- Civic Reception held in May 2014 to celebrate 100 years anniversary of Australian Red Cross
- Seven Citizenship Ceremonies were conducted during 2013-2014 with 11 new citizens welcomed to Corangamite Shire

### HIGHLIGHTS

- Improvement in customer satisfaction with Council performance across all core measures and overwhelming community support for Council's direction
- First year of the Council Plan 2013-2017 was implemented

### CHALLENGES

- Participation in the Local Government Performance Reporting Framework pilot in preparation for implementation in 2014-2015

### LOOKING AHEAD

- Reporting against performance measures for the Local Government Performance Reporting Framework which will be compulsory for all Victorian councils in 2014-2015



## FINANCE SERVICES

### Overview of service

The Finance department's key activities for the year are the preparation and reporting of key financial data to Council, the Audit Committee and Senior Officer Group on a timely basis. Duties also include the preparation of the Annual Financial Report and the Annual Budget and Strategic Resource Plan. The Finance department assists managers and staff preparing acquittals and monitoring budgets throughout the year. It is responsible for rate collections, accounts payable, accounts receivable and payroll services.

### Year in review

#### HIGHLIGHTS

- Adoption of Annual Budget and Strategic Resource Plan within legislative timeframe
- Completion of internal audit reviews on contract management and OH&S practices and procedures
- The OneCouncil business information system continues to be improved and augmented to ensure return on investment is achieved

#### CHALLENGES

Implementation of the Fire Services Property Levy placed additional pressure on staff to ensure levy was collected, reported and remitted to the State Revenue Office and CFA

#### LOOKING AHEAD

An increase in statutory performance reporting requirements due to the updated Local Government (Finance and Reporting) Regulations will bring challenges. However regular monthly internal reporting and quarterly reporting to Council will embed the performance monitoring into Council's reporting framework

## Stewardship, Governance, Advocacy and Collaboration

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Develop an advocacy plan and supporting documents for Corangamite Shire	●	Corangamite Priorities identified and advocacy plan developed in collaboration with Great South Coast
Finalise the Long Term Financial Plan	●	The Long Term Financial Plan was reviewed and workshopped with Council
Investigate and research quality management approach to improve organisational efficiency	●	Researched business improvement models implemented by other Councils. Further investigation of benefits and costs to be undertaken
Provide training in relation to fraud prevention for Councillors	●	Fraud prevention training provided for Councillors and staff



Council welcomed new Finance Manager Kathy Crothers in 2013



Councillor Jo Beard (second from left) attends the announcement of the new Fonterra plant in Cobden



## Positioning for economic growth

### COUNCIL PLAN COMMITMENT:

The economy of Corangamite Shire is strong but there are significant opportunities for Council to play an active role in business development and attraction. Continuing to grow our population is important to economic opportunity and the long term prosperity of the area.



## ECONOMIC DEVELOPMENT & TOURISM

### Overview of service

The Economic Development and Tourism Unit works to provide development and investment opportunities to support an economically sustainable community.

We aim to encourage employment opportunities and business growth as well as provide support to already established businesses. The Unit is responsible for the management of the Port Campbell Visitor Information Centre (VIC) and the Camperdown Saleyards.

### Year in review

#### Investment in local industry

2013-2014 has seen an expansion in investment in the dairy manufacturing sector including:

- Camperdown Dairy International Company has taken over the old milk factory site in Camperdown and is expecting to rebuild the site with a \$100 million investment
- Fonterra has announced that it has entered into a contract to supply fresh milk from the Cobden factory site and is investing \$30 million to refit the former UHT site on Cobden Warrnambool Road
- Camperdown Dairy Company has continued to expand its foothold in Camperdown and has broadened its range of dairy products into yoghurt and butter

#### Rural employment and population attraction programs

Corangamite Shire's estimated population of 16,387 has been declining by an average of 0.49% over the past 10 years. Loss of young people (18-24 years) to major centres, such as Warrnambool, Ballarat, Geelong and Melbourne is a significant issue. Population attraction is a high priority for Corangamite Shire.

Council has continued to promote existing and upcoming employment opportunities in the Corangamite area at events such as the Rural Living Expo, Geelong Jobs Fair and Victorian Farmers Federation Small Farming Expo.

A Regional Open Weekend was held for individuals and families who are considering relocating to our region. During the visit, representatives of Council, business, industry, education, health and community groups met with prospective new residents.

#### Saleyards

Stock numbers sold through Camperdown Saleyards increased by 18% in 2013-2014. Council is investigating the potential for establishment of a regional saleyard facility.

#### Camperdown Courthouse

After almost a year of operations the Courthouse Information and Arts Centre (CHI&AC) has serviced more than 5,000 visitors to Camperdown. The 70 volunteers who keep the Centre open seven days a week have observed a steady increase in visitors from across Victoria and overseas, including an increasing number of Chinese visitors in recent times. The CHI&AC is evolving into a meeting space for a number of community groups and initiatives, including art classes and exhibitions.

#### Food Artisan Group

Council continues to work closely with and support the work of the 12 Apostles Food Artisans. Projects in 2013-2014 included Corangamite Foodies Feast, Development of Food Artisans website and other marketing materials.

#### The Corangamite Retailers Network

The Network was launched in June 2014 attracting 11 local business people. The Network will enable businesses to work together to promote their local industry on projects such as Christmas marketing campaigns and training opportunities. It will also provide a clear and united voice on challenges or issues confronting the local industry.

#### Welcoming Chinese Visitors Program

Key facets of this program included the development of a Chinese language microsite for the region and production of a Chinese language guidebook to assist visitors when in-destination. Key messages and content for the guidebook and website were developed through workshops with local business operators. China is Australia's second largest source of international visitors and these are important resources to create a welcoming atmosphere.

#### Grants received

- \$132,000 Federal Government transport safety program, new ramps at saleyards
- \$5,000 Support Small Business Day
- \$10,000 Regional Living Expo collateral
- \$20,000 Street life funding, social media/visual merchandising
- \$20,000 Rural Recruitment and Retention Project
- \$10,000 Technology Supporting Creative Industries Project



Port Campbell Visitor Information Centre Coordinator Mark Cuthell celebrates Chinese Mooncake Festival

## HIGHLIGHTS

A successful program of events was held throughout the year, including:

- Camperdown Cruise Rockabilly Festival attracted thousands of people to Camperdown in the last weekend of October
- Foodies Feast - 180 people enjoyed four courses of local produce at Camperdown's Five Star Function Centre
- Terang Country Music Festival attracted people from across Victoria and interstate and continues to grow in numbers each year
- Robert Burns Scottish Festival held for a third year included a weekend of dance, music and poetry celebrating Camperdown's link to Scotland's National Bard
- The Great Victorian Bike Ride attracted thousands of participants who stayed for two nights in Port Campbell in November
- Tour of the Great South Coast – the final stage was held on Camperdown's picturesque lakes circuit which attracted wide television coverage on SBS

## CHALLENGES

- Continuing decline in Corangamite population
- Lack of buy in by producers attending farmers markets across the Shire

## LOOKING AHEAD

- Potential to establish a regional livestock selling centre
- Small Business Festival to include events for the Home-based Business Network, Retailers Group and Farmers Market Stallholders
- Rural Recruitment and Retention Project – an Internship program for university students and graduates to run over the summer break
- Technology Supporting Creative Industries Project providing co-working space for six month trial period

## PLANNING AND BUILDING SERVICES

### Overview of service

- The provisions of regulatory services as they relate to Planning and Building regulations
- To implement a strategic planning program improving the Corangamite Planning Scheme
- Provide a service to the community for all planning and building matters

### Year in review

The Planning landscape continues to change and there is no sign of the changes letting up. New Building legislation changes will also continue with a greater trend from the Victorian Building Authority to work more closely with private building surveyors to improve industry standards. Heritage Victoria co-contributed \$5,000 to the funding for a heritage advisory service which has contributed to the service being made available for the community.

#### HIGHLIGHTS

- The achievement of three planning scheme amendments and one comprehensive heritage study. A significant reduction in cost of operating the Building Services Unit with no significant loss of service
- The Planning and Building Unit has produced its own mechanism for process improvement and this has resulted in over 93% of permit applications being made within the statutory timeframe

#### CHALLENGES

- The loss of momentum from staff movement within the department
- A significant challenge has been the continually changing planning legislation and planning policy by the State Government

#### LOOKING AHEAD

The Unit will continue its ambitious strategic planning program and continue to improve its processes with the roll out of VicSmart, a new fast track planning permit process to be introduced in September 2014

## Positioning for economic growth

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Include Chinese language on website and visitor information	●	Website and brochure in Chinese language has been completed. Several industry forums held with over 50 businesses attending
Rezone land for industrial development	●	Industrial Land Strategy considered by the public and adopted by Council. The Strategy will be referred to the Minister's Office for consideration. There is potential to attract industrial investment, particularly in agri-processing, transport and storage industries. It is important to provide industrial land to facilitate these developments as they are shown to be growing in the region
Pursue funding for the construction of the 12 Apostles Trail	●	No funding commitments have been made to date. Advocacy for the Trail has involved Federal and State Government representatives, Austrade, Regional Development Australia, Great South Coast and Great Ocean Road Tourism The Trail has been identified as a key priority project in the Shipwreck Coast Masterplan and as a significant trail in the Growing Adventure Tourism in the Barwon South West Project.
Participate in the Iconic Landscape Masterplan Project	●	A draft Shipwreck Coast Draft Master Plan has been prepared, proposing an innovative approach to improving visitor experiences by diversifying the range of attractions and creating new ways to explore the 28 km stretch of coast between Princetown and Boat Bay. The plan will be available for public consultation in September
Attract additional population to Corangamite Shire	●	Attendance at Regional Living Expo, Victorian Farmers Federation Conference and Geelong Jobs Fair. Creation of a new population prospectus for distribution. Participation in regional strategy with web presence and new jobs portal established





Environment Officer Jileena Baensch unpacks LED street lighting

## Sustaining our natural assets

### COUNCIL PLAN COMMITMENT:

Corangamite Shire has a rich natural environment. The Council will work closely with the community to address environmental issues. Council is also committed to improving its own environmental practices.

## ENVIRONMENT

### Overview of service

The Environment department provides a range of services and programs to support the community and other departments within Council to achieve improved environmental and sustainability outcomes. These programs and services include, grant programs, weed control, greenhouse gas reduction actions, site inspections, community education and events and biodiversity improvement projects.

### Year in review

#### Environment and Sustainability Strategy adopted by Council

Council adopted the Corangamite Shire Environment and Sustainability Strategy 2014-2019. The Strategy contains seven priority areas to guide Council in working towards achieving environmental and sustainability goals.



#### Environment Support Fund

Twenty-one community projects were funded in 2013-2014 thanks to Council's Environment Support Fund. The program, which has been running for more than 13 years, is offered annually by Council to help support the community to undertake environmental and sustainability projects across the Shire.

The 2013-2014 funding round supported work at a range of sites including the Timboon Community Garden, Bostocks Creek, Deep Lake, the Camperdown-Timboon Rail Trail, Lake Gnotuk and the Port Campbell Cemetery.

Community enthusiasm and involvement was pivotal to the success of these projects, with volunteers providing over \$96,574 worth of cash and in-kind contributions to projects in 2013-2014.

#### Blackberry Roadside Weed Control

Council's annual roadside weed control program targeted weeds on 550 kilometres of roadsides in 2013-2014, with a major focus on tackling Blackberry on roadsides with significant native vegetation. Other priority weeds were also targeted including control of Ragwort along 38 roadsides, Gorse along 19 roadsides and the emerging weed Pampas Grass along 40 roadsides. Other weeds controlled include Sweet Pittosporum, Blue Periwinkle, Cape Ivy, English Ivy and Mirror Bush. Council also completed spot-spraying of invasive plants on roadsides in the Shire's north to protect our highly threatened native grasslands.

In addition to the annual program, Council will continue to work in partnership with community groups to undertake weed control projects in areas of local priority. With the support of Council, passionate and knowledgeable community volunteers are achieving great results through innovative weed control partnership projects. These include:

- The Community Awareness and Habitat Enhancement Project

- The Stony Rises Blackberry Action Group
- The Port Campbell Bio-Links Project

#### Roadside Partnerships Pilot Program

In 2013-2014, Council's annual roadside weed control program was complemented by a new initiative being delivered in partnership with local landholders and Landcare groups. The 'Roadside Partnerships Pilot Program' was established in response to community concern about roadside weeds, and is being used to assess the efficacy and cost-effectiveness of different approaches to roadside weed control. The Pilot Program supported landholders to undertake weed control on roadsides adjoining their properties, and provided assistance for Landcare groups to complete works on roadsides of local priority.

#### Community Energy Efficiency Program (CEEP)

Corangamite Shire was successful in securing \$48,400 from the Australian Government Community Energy Efficiency Program (CEEP) in June 2012 to invest in improving the energy efficiency at Council buildings. Corangamite Shire supported the project with a further \$47,800 budget allocation. A range of retrofits were undertaken, including changing lights to LED technology, installing insulation and draft proofing, and reviewing the heating and cooling.

#### Renewable energy in Corangamite Shire

Council has continued to expand the installation of alternative energy and solar hot water units across the Shire.

This program is aimed at not only reducing Council's energy use, but also assisting with community education and supporting residents to make sustainable alternative energy decisions. Council completed a project to retrofit two Council facilities with more energy smart devices. This project has complemented solar power at one of the sites and contributed significantly to reducing energy usage in the other. As part of the project the Camperdown Community Centre was opened up to the public to participate in guided tours. These tours allow participants to view the changes and discuss the types of energy saving the facility could expect from the alterations.

Council installed an additional 73.41KW of solar panels, five solar hotwater systems and continues to investigate alternatives to potable water supply.

#### Grants received

- \$40,000 Victorian Adaptation and Sustainability Partnership funding to support the development of a climate resilient infrastructure project
- \$600,000 Regional Climate Resilient Communities funding across 10 councils
- \$48,400 Community Energy Efficiency Program funding





Tree planting coordinated by Council's Environment team

## HIGHLIGHTS

- Weed Management Program expanded
- CEEP Program completed and energy efficient lighting installed at the Camperdown community centre and Council Depot
- Environment Support Fund allowed a number of environmental projects to be supported
- Council planted native vegetation to offset Council's vehicle emissions. The 2014 program was delivered in a new format with Council staff invited to plant seedlings at a planting day which will then be used by community groups to revegetate key areas within the Shire
- Through the Great South Coast Street lighting program 50% of Council's eligible street lights have been replaced with more energy efficient lights

### **Mt Leura and Mt Sugarloaf**

- Implemented a new management plan, including removal of trees to restore viewlines and planning for fire access tracks
- Currently planning for a new building to be shifted to the reserves to serve as an educational centre

## CHALLENGES

- Landholder participation in a trial to encourage roadside weed control has not been strongly supported
- Continuing decline in community satisfaction with roadside weeds and slashing
- Fuel reduction burns identified by Council and the community have not been completed by CFA. This is a combination of weather conditions and managing risk at the end of the fire season

## LOOKING AHEAD

- Delivering a larger weed program across Council and participating in the state biological control program which may include legislative issues to get the program running in a 12 month period
- Implementing a carbon assessment of the Council offices and operations without a standard methodology



## WASTE MANAGEMENT

### Overview of service

The waste management area of Council manages the Corangamite Regional Landfill at Naroghid which provides services not only to the Corangamite Shire community, but also receives waste from contractors and residents in Moynes, Warrnambool, Colac Otway and Golden Plains shires.

This area of Council also administers and manages contracts for the provision of the three bin kerbside waste collection system to residential areas and street litter bin collections within towns. There are six transfer stations for community members, which also provide a range of recycling opportunities including e-waste, silage wrap, waste oil, co-mingled recycling, scrap metal and batteries.

The Regional Landfill Transfer Station facility also collects for recycling waste oil drums, tyres and gas bottles.

### Year in review

#### Landfill

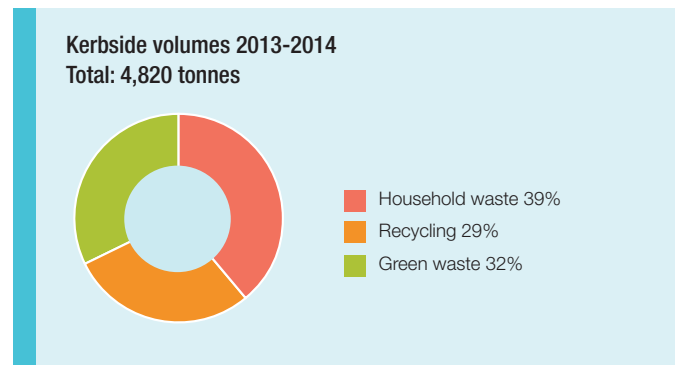
Landfill excavation and cell construction was significantly increased during 2013-2014 in an effort to expand the landfill cell, extend the life of the landfill within the same area and improve cost efficiencies in the construction process. This resulted in extensive earthworks covering the majority of the operating site and storage of overburden in areas that have previously been rehabilitated. Although Cell 13 was not fully completed, it has reached a standard that allows further work to commence on the next cell while waste continues to be placed in Cell 12. This will allow Council to move forward with scheduling of the waste placement and cell development program. These works have put Council in a good position to have sufficient available airspace once Cell 12 is filled.

#### Kerbside collection

Kerbside diversion has again performed well with the overall diversion from landfill increasing to 61%. This is a great

achievement with the majority of increase associated with an increase in recyclable materials and green waste.

This has, however, resulted in the average kilograms per household of waste creation increasing by almost 1 kilogram per household from 17.63 kilograms to 18.53 kilograms.



#### Noorat Closed Landfill

The Environment Protection Authority (EPA) is currently issuing new Pollution Abatement Notices to closed landfills to align with new EPA guidelines. Noorat Landfill has been included in this process. In total, Council is facing costs of up to \$880,000 over the next three to four years on a site that has been rehabilitated to the EPA standard and where there is no evidence that the site is currently having a detrimental impact on groundwater beneficial uses.

#### Grants received

Council obtained a grant of \$60,000 for:

- Expansion of the compost area
- Excavator sorting bucket to improve recycling of bricks and concrete
- Compost turner purchased to improve systems and processing quality of organics.

Installation of public place recycling infrastructure both directly through Sustainability Victoria and via the regional waste management group.

### HIGHLIGHTS

- Significant expansion of landfill cells
- Increase in recycling recovery rates
- Hosted an organic waste processing forum and site tour at Naroghid Landfill for community members and organics processors

### CHALLENGES

- Constructing bund walls between old cells and new EPA compliant cells has been an expensive and slow process
- Leachate infrastructure requires upgrading to cope with the larger operation footprint. This will be achieved with the development of new leachate infrastructure, such as evaporation ponds
- Managing the demands of the Best Practice Environmental Management guidelines while still developing the landfill in a strategic way will be an ongoing issue over the next three to four years. This process will require the investigation of alternative liner systems and as a longer term option waste management technologies

### LOOKING AHEAD

Uncertainty about the carbon tax and what impact the removal of this tax will have on other landfills and customers using the Naroghid Landfill



Cell construction at Naroghid Landfill

## Sustaining our natural assets

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Implement staff training program on invasive weed recognition control in work practices	●	Some informal training in-house with follow-up training required
Install energy efficient infrastructure on Council owned properties	●	Council installed 14 Solar PV systems on Council and community buildings and implemented energy savings to two Council owned assets. Solar systems installed during 2013 -2014 total 73.41KW
Retrofit 50% of Council's street lighting to more energy efficient lighting options	●	Completed through the Great South Coast Street Lighting Program
Develop a Climate Change Adaptation Strategy	●	Council participated in a regional Climate Resilient Communities Project which developed a resilience analysis for Council and identified a number of key areas for Council to consider into the future to improve climate resilience
Develop the Corangamite Shire Environmental Strategy	●	This strategy was developed with extensive community consultation and will provide future guidance for Council projects and strategies
Implement Year 1 Actions from the Rural Roadside Management Plan that support partnerships with landowners to protect and manage roadsides	●	Partnership programs have been established with landowners, Landcare and CFA in an effort to test the most effective treatment options for weeds on roadsides. Limited uptake so program will continue for a further 12 months before review and evaluation





## Strengthening our communities

### COUNCIL PLAN COMMITMENT:

Corangamite Shire's communities are welcoming and provide support and a sense of belonging. Council will work to improve and enhance community health, wellbeing and connectedness. Council has an important role in planning to ensure townships grow in a sustainable manner.



## COMMUNITY SERVICES

### Overview of service

Community Services comprise:

- Services for families with young children comprising maternal and child health, kindergarten, family day care, in-home care and mobile childcare
- Services for the frail, aged or disabled comprising Home and Community Care (HACC) services (domestic assistance, personal care, respite care, property maintenance, meals on wheels, community transport, planned activity group)
- Youth Services comprising youth leadership and development, FReeZa, and Youth Council

### Year in review

#### 2013-2017 Health and Wellbeing Plan

The Action Plan for 2014-2015 has been developed identifying key actions, lead agencies and partners. An external Health and Wellbeing Reference Group has been formed.



#### Health and Community Care Services (HACC)

- Successful accreditation outcome for HACC services meeting all 15 Commonwealth Community Care Standards
- Service efficiencies introduced in the HACC program through the successful introduction of mobile phone technology with Community Care workers

#### Early Childhood Programs

- The Kids Matter early childhood mental health and wellbeing program and Smiles 4 Miles oral health program implemented across Council's kindergarten, Family Day Care and Mobile Child Care programs

#### Maternal and Child Health

- Centralised enrolment introduced for Council's Maternal & Child Health Care service leading to increased attendance at key age stage visits and timing for receipt of birth notifications reduced to an average of 1.6 days – a significant reduction

#### Other programs

- Corangamite Shire became a member of the Corangamite/Colac-Otway Child and Family Services Alliance. This has resulted in joint training and a shared and increased understanding of vulnerable children and families resulting in more responsive and effective interventions, advocacy and support
- Partnership with Warrnambool City Council in the delivery of the Baby Makes 3 Plus Program
- Youth Council membership expanded to include students from the Hampden Special School and the Pathfinders program
- Council endorsement of the Great South Coast Prevention of Violence Against Women and Children Strategy

#### Year 12 Education Attainment

Council is a member of the Great South Coast Education Attainment Group that is working towards increasing completion rates for Year 12 or equivalent across the Great South Coast. Council chairs and facilitates the Corangamite Education Attainment Working group that is working on attainment rates at the local level.

#### Grants received

- \$2,000 received from Office for Youth for to run activities in Skipton as part of Youth Week
- \$30,000 received from Commonwealth Department of Education to support the Mobile Child Care program for staff training and vehicle fit outs
- \$43,500 from Department of Education and Early Childhood Development (DEECD) for a Kindergarten Leadership and Service Improvement Grant to review Cluster Management governance and increased access for vulnerable children
- \$4,000 from Dental Health Victoria for the Smiles 4 Miles program to improve oral health for children in the early years
- \$19,440 from Office for Youth for Freeza funding to run five alcohol free events for young people

#### Events

- Five FreeZa events held
- Youth Week in Skipton



The Hampden Hurricanes football team



## HIGHLIGHTS

- Increase in breastfeeding rates
- BRICKs Program delivered to all Year 9 students
- Increased attendance at key age stage visits at Maternal and Child Health Services
- Annual Youth Awards
- Aged and Disability Services Award for outstanding Program 'Eat Well Be Active'

## CHALLENGES

- Unsuccessful application for \$800,000 from the Department of Education and Early Childhood Development (DEECD) to construct an integrated children's centre in Terang following a successful Expression of Interest process for this grant application
- The ongoing uncertainty over the continuation of funding for 15 hours of kindergarten has been disappointing and Council has advocated strongly for the continued funding of the extra five hours

## LOOKING AHEAD

- Council will submit another application to DEECD for funding to construct an integrated children's centre in Terang
- Changes to the Home and Community Care (HACC) program resulting from the transition to the Commonwealth Home Support Program will present significant challenges
- Continued partnership and collaboration as part of the Strengthen Our Communities Pillar of the Great South Coast Group, the Great South Coast Early Years Network and the South West Primary Care Partnership will assist Council to identify and deliver projects into the Corangamite Shire and advocate on behalf of our community



# FACILITIES AND RECREATION

## Overview of service

Council's Facilities and Recreation department plans and coordinates management, maintenance and use of Council's community buildings, property and recreation facilities including township halls, senior citizens centres, the Lakes and Craters Holiday Park, kindergartens, playgrounds, swimming pools, sports stadiums, libraries and public open space.

The team plans and advocates for community partnerships in the delivery of recreation needs and service provision, asset management and facility development.

## Year in review

The Facilities and Recreation team delivered nearly \$2.8 million in building and facilities service provision and maintenance, \$0.4 million in recreation services and development and \$1.1 million in building capital works.

Projects supported throughout the year included:

- Cobden Civic Hall access ramp
- Cobden Racecourse Reserve Masterplan implementation
- Derrinallum Park - oval lighting upgrade
- Playground Upgrades - Camperdown Apex Park Playspace
- Swimming Pool upgrades - Skipton wetdeck
- Terang Library - Automatic door
- Timboon Library - Access ramp and cooling system
- Timboon Kindergarten extension.

A number of planning initiatives were undertaken around key community infrastructure including:

- Public Toilet Service Review and Strategic Plan 2014
- Lakes Recreation Reserve toilet upgrade
- Monument / Memorial Condition & Maintenance Audit
- Terang Civic Hall Masterplan
- Camperdown Theatre Stage reinforcement.

Council supported recreation development initiatives aimed at increasing participation in recreation and providing opportunities for improved health and wellbeing.

Council's recreation programs have shown a total 5% increase in physical activity. Recreation *Give it A Go* participation increased by 20%.

### Grants received

- Federal Government Anzac Centenary Local Grants Program 2014–2015 to upgrade war memorials and precincts:
  - \$3,812 Cobden, \$3,455 Derrinallum, \$5,000 Camperdown, \$3,015 Terang and Port Campbell, \$4,445 Skipton
- State Government Anzacs Centenary Grants to upgrade war memorials:
  - \$4,400 Cobden, \$13,645 Terang
- Community Facilities Funding
  - \$70,000 Terang Play Space
- Living Libraries Infrastructure Program
  - \$34,000 Refurbishments of Derrinallum, Terang and Timboon Libraries
- Putting Locals First
  - \$149,000 Camperdown Apex Park Stages 2-4
- Country Football Netball Program
  - \$70,000 Derrinallum Park Reserve Oval Lighting Project
- \$5,000, Gwen & Edna Jones Foundation - Camperdown Apex Park Stage
- \$1,200, Telstra Kids Fund Grant - Camperdown Apex Park.

### Events

- South West Games
- Walktober
- Recreation Give it a Go
- Shove It Skate Series
- Barwon South West Skate Series
- Soccer World Cup Live Site

## HIGHLIGHTS

- 5% increase in participation in physical activity
- 20% increase in Recreation *Give it A Go* participation
- \$2.8 million worth of building and facilities services and maintenance provided to local communities

## CHALLENGES

- Reinforcement of Camperdown Theatre Stage floor delayed due to external contractor preparation of engineer designs and Heritage Victoria permit requirements
- Capital Works Program delayed due to inclement weather conditions
- Lack of external funding sources to support development of Camperdown Heritage Centre project to install accessible toilets
- Delays in Simpson Reserve Social Hub project due to restricted funding sources

## LOOKING AHEAD

- Timing of the Twelve Apostles Trail Business Case to attract funding prior the State Government election
- Simpson Reserve Social Hub to commence



Recreation and Facilities Manager Brooke Love at the Camperdown Courthouse



**Thelma Timmermans 1955-2014**

In May 2014 we farewelled our colleague Thelma Timmermans who joined Corangamite Shire as an immunisation nurse in 2007. Thelma's courage and commitment to her work inspired us all.



# ENVIRONMENTAL HEALTH AND IMMUNISATION

## Overview of service

The Environmental Health department provides services to the community to promote and ensure a high standard of environmental health is achieved. Some of the key areas include wastewater permits and inspections, food premises permits, prescribed accommodation, public swimming pool sampling and tobacco sales.

The immunisations area ensures the community is involved and aware of current immunisation programs and the range of services delivered by Council.

## Year in review

The Environmental Health Service was brought back to Council after 13 years of contract service. This provides Council with an opportunity to reduce cost and identify areas for improvement and expansion of this service.

The Domestic Wastewater Management Plan has been developed over the past 12 months in an effort to assist the community to understand the new requirements of the Environment Protection Authority (EPA) Code of Practice for Domestic Wastewater Management. This code specifically related to households and determines both the type and specification requirements for wastewater systems across Victoria. The plan includes a risk based assessment for each lot within the Shire and allows the owner and Council staff to gain a better understanding of the constraints associated with their property and domestic wastewater management.

### Registrations and permit statistics

Septic tank permits	40
Prescribed accommodation registrations	53
Registered Premises (hair and beauty)	32

### Registered Food Premises

Class 1:	10	Class 3:	60
Class 2:	138	Class 4:	63

There were 17 new premises registered during the year. However, the total number of registered premises in the Shire remains the same due to just as many registrations being removed.

### Immunisations

From 2013 to 2014 immunisation rates in Victoria fell from 91.93% to 91.60%. Corangamite Shire's immunisation rates reflected this decline dropping from 71.20% to 71.09%. It should be noted that the Shire's immunisation rates are not comparable to the State rates as a number of residents are immunised at medical clinics across the Shire. The State rate represents the total number of immunisations.

In response to the drop in immunisation rates, the State Government has developed an education campaign and further work will be undertaken to better engage parents and staff.

Council again provided community flu immunisation sessions to more than 582 community members and 24 businesses. This is an increase on previous years.

### Grants received

- \$5,000 funding to help with inspections and enforcement of new underage sporting event smoking legislation
- \$3,570 immunisation grant received to allow the program to be delivered to an extended age group over the 2014-2015 year
- \$3,960 received for the purchase of improved data loggers for immunisation fridges across the Shire

## HIGHLIGHTS

- Environmental Health Services brought in-house
- Development of a Domestic Wastewater Management Plan
- 17 new premises registered

## CHALLENGES

- Reporting requirements from the Department of Health have been inconsistent with Council IT systems and causing ongoing issues
- Immunisation rates have fallen across the State and in Corangamite over the past 12 months. In an effort to improve immunisation rates a revised program will be delivered which will look at motivators and leadership across the Shire
- Council's network of immunisation fridges required significant servicing and maintenance costs with two fridges being totally replaced and all others receiving a high level of inspection

## LOOKING AHEAD

- Re-registration of caravan parks and ensuring all parks have an endorsed Emergency Management Plan
- Updating reporting for the Department of Health to be consistent with Council systems and causing ongoing issues
- Immunisation program delivery age groups have changed which now requires all students from year 7 to 10 to have an immunisation in 2015

# EMERGENCY MANAGEMENT

## Overview of service

The Emergency Management area provides support and leadership to the community and agencies across all four areas of emergency management (Prevention, Preparedness, Response and Recovery). This includes:

- The development and maintenance of a range of plans and strategies including the Municipal Emergency Management Plan and associated sub plans
- The implementation of prevention strategies such as slashing, education and fuel reduction
- Pre-bushfire season fire inspection program
- Issuing stubble burning permits to farmers
- The establishment of a Municipal Emergency Coordination Centre for the provision and sourcing of resources during an emergency to assist response agencies
- The establishment and management of emergency relief centres to provide immediate and basic services to people affected by an emergency
- Assisting communities to recover and rebuild from emergencies and support communities to implement recovery projects.

## Year in review

### Review and adoption of the Municipal Emergency Management Plan (MEMP) 2014

The MEMP was reviewed and revised in consultation with the MEMP Committee and other stakeholders in preparation for auditing in July 2014.

### Adoption of the Corangamite Flood Emergency Plan

This plan identifies flood risk and minimising the effects of flooding in Corangamite Shire. It was developed in consultation with the Corangamite Flood Committee and the Corangamite MEMP Committee.

### Cross Council Recovery Committee (CCRC)

A collaboration between Corangamite, Colac-Otway and Surf Coast Shires. This committee aims to ensure that councils in the collaboration work together on common emergency management relief and recovery challenges. Achievements of CCRC in 2014 include:

- Development of a Memorandum of Understanding between councils – Otway District Relief and Recovery Collaboration

- Regional multi agency relief centre exercise – Surfex
- Development of standardised Emergency Relief Centre (ERC) Guidelines
- Development of standardised municipal Relief and Recovery Plans.

### Skipton Resilience Project

Development of Skipton local emergency plan, which included the development of a user-friendly brochure for residents.

### Fire inspection program

- 420 Fire Prevention Notices issued
- 231 Schedule 13 Stubble Burn Permits issued

### Derrinallum incident

The Derrinallum Bomb Incident proved to be an unusual incident which created challenges for Emergency Management (EM) agencies. Council's EM department actively cooperated with Victoria Police and other EM agencies by:

- contributing to inter-agency EM briefings and meetings
- assisting in road closures and diversions
- providing mapping and property/resident data
- disseminating community information
- contributing to community meetings
- sourcing Council and contractor resources as requested
- contributing to the development of a possible community evacuation plan.

### Stoneyford fire

The 580 hectare Stoneyford Fire in February saw Council contributing a range of resources at the request of CFA. These resources included the provision of water carts, graders and road signage.

### Proposed Timboon burn

A proposed asset protection burn in Timboon's main street was not conducted. This was disappointing considering that significant planning had taken place and a mail-out to neighbouring residents and business owners had already been conducted. A burn plan had been developed by CFA but unfortunately the local CFA brigade did not undertake the burn.



Councillor Neil Trotter prepares for fire season



## HIGHLIGHTS

- Review and adoption of the Municipal Emergency Management Plan 2014
- Adoption of the Corangamite Flood Emergency Plan
- Establishment of a Cross Council Recovery Committee
- Resilience Building Project in Skipton

## CHALLENGES

- The pre-summer bushfire inspection program resulted in 420 Fire Prevention Notices (FPNs) being issued. Most recipients of FPNs completed the necessary works in a timely manner but not all recipients complied and five infringements had to be issued
- Derrinallum bomb incident

## LOOKING AHEAD

- Hosting a regional Emergency Relief Centre recovery exercise in Corangamite Shire will be a key challenge as we test the new standard operating guidelines
- Updating the pre-summer fire inspection process, so that there is greater compliance within the community
- The stubble burning process need to be continually reviewed. There needs to be greater visibility and involvement from CFA at Group Level in all aspects of the process to engender confidence within the farming community and ensure greater compliance with permit conditions
- As a resilience building project we have assisted the Skipton community to develop a fridge magnet that provides emergency information

## LOCAL LAWS AND SCHOOL CROSSINGS

### Overview of service

The Local Laws area undertakes a range of functions that relate to community safety, the ownership of animals and use of Council land. Officers regularly patrol towns across the Shire and respond to community complaints that fall within their authorisation.

Council provides four funded school crossing locations within the Shire which are staffed in both the morning and evening of each school day. Staff are trained to identify school crossing safety issues and report issues to both Council and Victoria Police as required.

### Year in review

The number of impounded animals increased slightly over the past 12 months. Staff have been working with animal owners to identify issues promptly in an effort to prevent recurrence. The number of animals correctly microchipped and registered also increased which has allowed a large majority of the impounded animals to be returned to the correct owner.

Staff again completed Restricted Breed Dog Identification Training with the new standards and requirements for restricted breeds.

As required under the *Domestic Animal Act 1994*, Council has reviewed and updated the Domestic Animal Management Plan. Since the adoption of the Plan a range of actions have been implemented to improve domestic animal management within Corangamite Shire.

A Domestic Animal Registration program has been undertaken to remind residents of their responsibilities to register animals. This program has been highly successful with registration numbers in some areas increasing. Local Laws officers have continued to respond to stock on roads and domestic animals when contacted by the community or as identified while on patrols.

#### Domestic Animal Impoundments

The annual microchipping week has again been a success with community members taking the opportunity to register and microchip their animals.

#### School Crossings

The School Crossing team has had a number speed related issues with drivers not obeying speed signs or parking in the path of the crossing. In most instances these issues have been resolved with the crossing supervisor reporting the issue to Victoria Police or Council.

A number of small improvements have been made to some crossings in an effort to manage vehicles moving in the vicinity of the crossings.

#### Grants received

The crossing supervisor scheme has again received funding support from the State Government to ensure eligible crossings are staffed within the Shire.

### HIGHLIGHTS

- Implementation of a rehousing program for dogs and investigation of rehousing program for cats
- Annual Microchipping Week
- Funding of the school crossing supervisor scheme

### CHALLENGES

- Late Domestic Animal Registration renewals have resulted in a number of compliance notices
- Barking dogs are a consistent issue across the community with many dog owners struggling to understand their responsibilities and take action once complaints have been reported. The Department of Justice has received a number of mediation referrals in relation to barking dogs
- Council can only provide a limited service out of hours due to staff and budget constraints

### LOOKING AHEAD

Council will be undertaking a review of Local Laws in 2015 which will allow for emerging issues to be considered and existing Local Laws to be clarified as required.



Local Laws Officer Warren Stewart



## Strengthening our communities

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Develop the 2013-2017 Municipal Public Health and Wellbeing Plan	●	2013-2017 Municipal Public Health and Wellbeing Plan completed and Year 1 Action Plan developed
Develop the Domestic Animal Management Plan and implement Year 1 actions	●	The Domestic Animal Management Plan adopted and Year 1 actions implemented
Provide education opportunities to enhance volunteers and community club/group development and operations	●	Two development sessions were held for clubs in the Corangamite Shire. Topics included media, grant finding and writing. Ten clubs were involved in each session
Establish Council relief and recovery committee and ensure standard operating procedures are implemented	●	A committee has been established in partnership with Colac Otway and Surf Coast Shires. Standard operating procedures for relief and recovery centres have been developed and are currently being implemented and updated as required
Community emergency resilience program developed ready for implementation	●	Council has been working with the Skipton township to further refine emergency management capabilities and resilience. The community has developed a Reference Guide for emergencies
Undertake key strategic planning projects	●	Completed Skipton Flood Study Amendment Completed Industrial Land Review Amendment Completed Heritage Study Stage 3 Amendment Other Planning Scheme Amendments
Implement efficiency improvements to reduce turnaround time for planning and building permits	●	The Planning and Building Unit has undertaken process improvement and this has resulted in over 93% of permit applications being made within the statutory timeframe



Funding announced for upgrade to the Cobden Aerodrome



## Infrastructure

### COUNCIL PLAN COMMITMENT:

We will maintain a focus on the importance of our assets and infrastructure to underpin service delivery. We will implement processes that ensure our infrastructure continues to meet the requirements of our community.

## ASSET MANAGEMENT

### Overview of service

Council's Assets department monitors road conditions, develops strategies for the long term preservation of the road assets, prioritises funding and works, designs upgrades and specifies and tenders works. Additionally, the department submits funding applications to State and Federal Government programs for local roads. The department monitors assets including local sealed and unsealed roads, bridges and major culverts, footpaths and kerb and channel. It also monitors street lights, school bus shelters and road signage.

**910 kms**

Local sealed roads network

**1,297 kms**

Local unsealed roads

**180 kms**

Kerb and channel

**96**

buildings

**95 kms**

footpaths

**14,800**

street trees

**100**

bridges

**900**

street lights

### Grants received

- \$1.6 million from the Federal Government for final year of 2009-2014 Roads to Recovery program for renewal/improvement works on local roads and bridges network
- \$1 million from the State Government for Country Roads & Bridges Initiative for renewal/improvement works on the local roads and bridges network
- \$367,000 from Regional Development Victoria (RDV) from its *Putting Locals First Program* for Stage 2 of the Terang Streetscape
- \$55,000 from RDV from its *Local Government Infrastructure Fund* for the sealing of Tomahawk Creek Road to Simpson Recreation Reserve entrance
- \$155,000 from the Federal Government from its *Community Energy Efficient Program* for conversion of network of street lights on Council's roads to more energy efficient types

### HIGHLIGHTS

- Our Community Satisfaction Survey results for the condition of local streets and footpaths continues to be in the top 25% of Large Rural Shires and is nine points higher than the average
- Successful completion of Stage 2 of the Terang Streetscape works
- Installation of energy efficient street lights on the local roads in Cobden, Timboon, Terang and Noorat providing significant energy and cost savings to Council
- Asset department staff assisted the communities of Derrinallum and Skipton with the development of walking track projects in their townships. These projects were also identified in towns' community plans
- Council policies for cattle underpasses, school bus shelters, road opening works permits and vehicle crossings were revised

### CHALLENGES

- Teething problems were experienced nationwide with the introduction of the new National Heavy Vehicle Regulator (NHVR)
- Community satisfaction survey results for roads in general remained low for Corangamite Shire

### LOOKING AHEAD

- There is continual increasing demand for industry to use heavy vehicles with higher mass limits on Council's local road network. Council will continue to seek to preserve the current condition of its road network with the funding that is currently available to it to meet these demands. Discussions will continue with industry to determine where the future heavy vehicle transport needs will be on our network so that a strategic approach can be taken to the road network preservation and enhancement where required
- The resheet program for gravel roads in the Shire will double in 2014-2015 with a budget allocation of \$2 million
- A refresh of the Camperdown Streetscape to be undertaken
- Existing street lights in the local roads of Camperdown, Skipton, Lismore, Derrinallum, Darlington, Simpson, Port Campbell and Princetown will be replaced with more energy efficient LED types
- Designs will be prepared for a future realignment of the Castle Carey Road bridge over Mount Emu Creek in Glenormiston



## WORKS

### Overview of service

The Works department has a proud history of delivering a wide and diverse range of services to the Corangamite Shire.

The main services delivered are road and bridge construction and maintenance across the Shire, heavy and light fleet management including maintenance and procurement of all Council fleet items, maintenance of town parks and gardens, provision of emergency response teams and VicRoads maintenance activities.

### Year in review

There were several highlights for the Works department, including the internal recruitment of a new leadership team from the Works crews. The team, comprising three new team leaders and a new Works Manager, has made significant progress in reinvigorating the Works department.

#### Cobden Aerodrome upgrade

The upgrade to Cobden Aerodrome was funded by the Regional Aviation Fund and delivered by Council staff. While the Aerodrome Committee of Management had some reservations about Council staff undertaking the works, the team that

worked on the project soon put those concerns to rest and delivered a quality project to time and budget.

The delivery of the capital program, especially the gravel resheeting program coming under budget, allowed another several segments to be resheeted.

In the past six months, five people have been trained in how to operate the graders. Whilst these operators are not at finishing level, they are in a position to take over maintenance grading in the future and then progress through to finishing.

A work practice review was undertaken on gravel resheeting. The result was a great discussion of resheeting ideas and how we can try new things. The group discussed plant, materials, additives and practices and how they could be improved to give better value for money.

#### Grants received

- \$200,000 Regional Aviation Fund Grant for the upgrade of the Aerodrome. This work included a lighting upgrade to the Pilot Activated Lighting system, reshaping the runway, strengthening the runway, sealing and linemarking of the runway

### HIGHLIGHTS

- Recruitment of a new Works Manager and establishment of a new department leadership team
- Upgrade of Cobden Aerodrome
- Gravel resheeting program

### CHALLENGES

- The condition of the roads owned by VicRoads continues to be the biggest disappointment of 2013-2014 with the road network having heavily deteriorated

### LOOKING AHEAD

- Implement and progress a preventative rather than reactive maintenance system and culture. Focusing on work practices and processes to develop a best practice work system that allows things to be done better. While this has already started the challenge is to continue down this path and measure some real benefits. This means that the Works department will need to continue to look for areas of improvement and innovations.
- The changes to the way VicRoads procures its maintenance is another major challenge ahead. Late 2013-2014 saw a refocus on staff and their development as people and employees. 2014-2015 will continue this trend of training and up skilling our staff in critical areas so the next generation of leaders, grader operators and plant operators are ready and primed to take over.



Council welcomed new Managers David Moloney (Works) and Greg Hayes (Planning and Building)



Councillor Geoff Smith (second from left) and Works Director Alex Green (second from right) at Foxhow Road



## Infrastructure

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Review Special Charge Schemes policy with a view to increasing the footpath network	●	Special Charge Scheme (SCS) retained in current format with new footpaths subject to SCSs. Policy for sealing of unsealed roads in relation to SCSs is to be reviewed
Undertake condition assessments of Council's sealed and unsealed road networks and analyse data in comparison with previous assessments	●	Preparations made for undertaking condition assessments of local road network in later part of 2014
Update Council's Road Safety Strategy in conjunction with Colac Otway Shire	●	Draft Road Safety Strategy prepared in conjunction with Colac Otway Shire and public comment received
Review and update Asset Management Plans for Council's assets – roads, buildings, pools, halls, etc	●	Development of Council's building asset business rules and modelling for 10 year budget requirements undertaken for road asset renewals
Develop a plan to become a trial site for High Mass Limit vehicles	●	Advocacy activity to Federal and State Government around key priority project
Obtain core level of maturity in asset management performance and sustainability when assessed against the National Asset Management Assessment Framework	●	Asset Management Policy and Plans continue to be developed



# CORANGAMITE SHIRE



## Our organisation

### COUNCIL PLAN COMMITMENT:

We will create a supportive, vibrant and exciting workplace which is diverse in culture, choice and opportunity. Our organisation will provide a high level of customer service and be responsive to community needs.



# HUMAN RESOURCES

## Overview of service

The Human Resources and Risk Management department is responsible for managing employee relations, recruitment and training, industrial relations and enterprise agreement bargaining, diversity and equal opportunity, Council's insurances and risk, and occupational health and safety. The department also oversees Council's legislative responsibilities regarding Information Privacy and Protected Disclosures.

## Year in review

### Our staff

At the end of June 2014, Council staff numbered 295. The effective full time equivalent staff number was 186.67. The number of staff who work full time has decreased since last year with more staff electing to work part time under flexible work arrangements. Variances in childcare, kindergarten and aged care service levels were largely responsible for an increase of 1.05 EFT from last year.

### Staff turnover

Staff turnover continues to be stable and below the Rural Shire average. (See graph below right).

### Enterprise Bargaining

After six months of negotiations, agreement was close to being reached with unions and management on the terms and conditions of a new Enterprise Agreement for staff. When it comes into operation, the Agreement will provide staff with sustainable terms and conditions of employment and greater workplace flexibility.

### Student work placements

Council provides opportunities for local secondary school students to gain workplace exposure and experience in a number of career streams with Council. Thirteen students from secondary schools across the municipality participated in either the work experience or Victorian Certificate of Applied Learning (VCAL) program. We also support tertiary students to undertake their compulsory work placement necessary to graduate. Five students from local training providers and a further five university students were placed with mobile childcare, kindergartens, tourism and maternal and child health.

### Health and Wellbeing

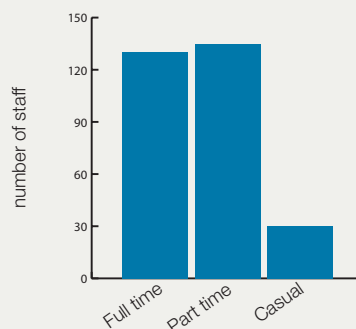
Programs designed to improve staff health and wellbeing conducted in 2013-2014 include:

- staff immunisation
- Quit Smoking program
- stress management
- skin checks for outdoor workers
- healthy lifestyle

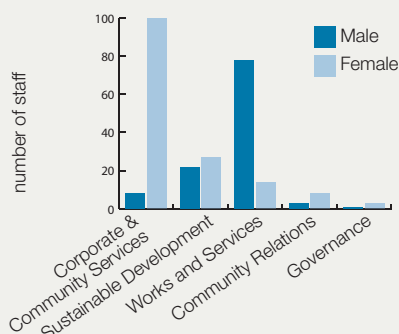
Staff initiatives included:

- Council Relay for Life team
- Regular blood donations
- Whale Boat team
- Netball team.

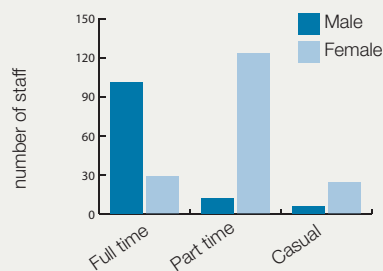
### Employment status



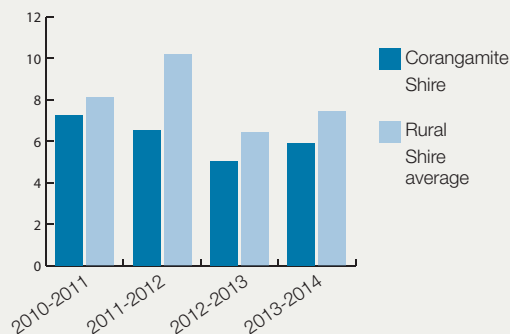
### Gender breakdown by department



### Gender breakdown by employment status



### Staff turnover %





Council staff proactively manage their health and wellbeing with organised exercise sessions at lunchtimes and after work, walking/running groups and participation in 'Recreation Give it a Go week'. Staff organise and actively participate in White Ribbon Day, Red Nose Day, Jeans for Genes, Biggest Morning Tea, Pink for breast cancer awareness, Movember and other community and charitable activities.

### Occupational Health and Safety and Risk Management

Council implemented an Occupational Health and Safety Management System based on the Australian Standard to meet its legislative requirements in a proactive and efficient manner. Ongoing training and programs such as ergonomic assessments aim to reduce physical and stress injuries. Our OHS performance is consistently among the best performers in the State, which is reflected in our workcover claims history which continues to achieve positive premium performance. Although Council's workcover premium increased during 2013-2014, Council is performing 45.59% better than the industry average.

The graph (above right) shows how Council compares to the industry rate.

### Risk Management

A new risk framework has been developed to provide an integrated approach to managing risk across Council. The Risk Register maintains a record of Council's strategic and operational risks, and it reports on actioning treatment plans and controls to senior management and the internal audit committee.

The biennial property risk management audit conducted by Council's property insurer is used to test Council's risk management processes in relation to property management.

### Staff recognition

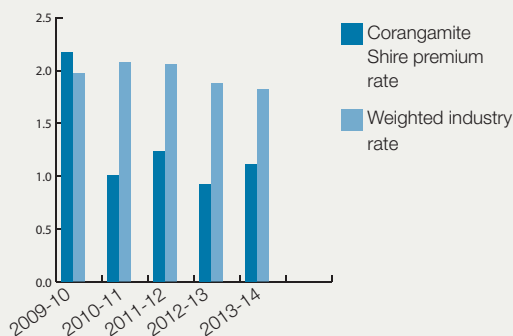
Council is committed to creating a positive environment that motivates and encourages people to succeed, by recognising and appreciating the efforts of staff. Three staff received service milestone awards at the annual Christmas function for achieving 20 year's service, three more for 25 year's service, two for 35 years and one employee has reached the 40 year milestone.

### Leadership

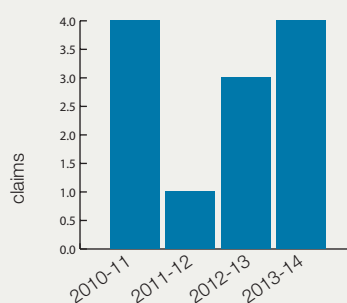
Effective and strategic leadership is fundamental to the quality of the services and long term plans for our communities. Council is strengthening and developing the capacity of its leaders through structured leadership programs, tertiary study support and other training and development programs.

All Managers, Directors and the Chief Executive Officer successfully completed the LGPro Mastering Management Program. A Development Program for managers in Local Government in Victoria. Two of our staff were selected to participate in the Leadership Great South Coast Program. The program focuses on the region's future and expands the knowledge, ethical decision making capacity and leadership ability of our leaders and emerging leaders.

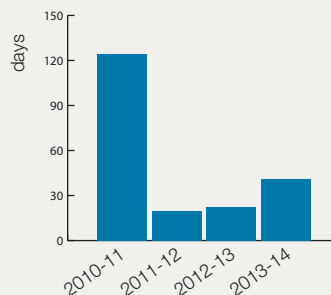
Premium rate v Industry rate



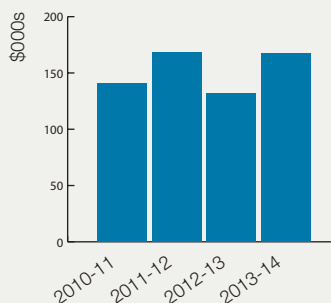
Number of standard Workcover claims



Time lost due to injury



Workcover premium



Information technology specialist Steven Welsh (pictured below right) was selected as one of 24 aspiring Local Government leaders to participate in the LGPro Emerging Leaders Program. The program provides a unique year of leadership focused experiences and activities designed to develop and inspire emerging leaders in local government in Victoria.

### Learning and development

Encouraging and supporting a program of lifetime learning and development for staff is a Council priority. Council's program is aligned with its objectives and designed to facilitate continuous improvement and innovation, it is compliant with legislative requirements and designed to enhance personal development.

The learning process begins during an employee's first week of employment, with an individualised induction program to help employees understand their role and Council's expectations of them. Council has successfully "grown" several of its own leaders by providing tertiary study assistance in recognised courses relevant to an employee's role. Tertiary assistance provided in 2013-2014 included financial assistance to staff undertaking:

- Master of Planning for Community Development
- Master of Information Technology
- Bachelor of Public Relations
- Bachelor of Management
- Advanced Diploma of Public Safety
- Diploma of Property Services

Other training and short courses conducted were:

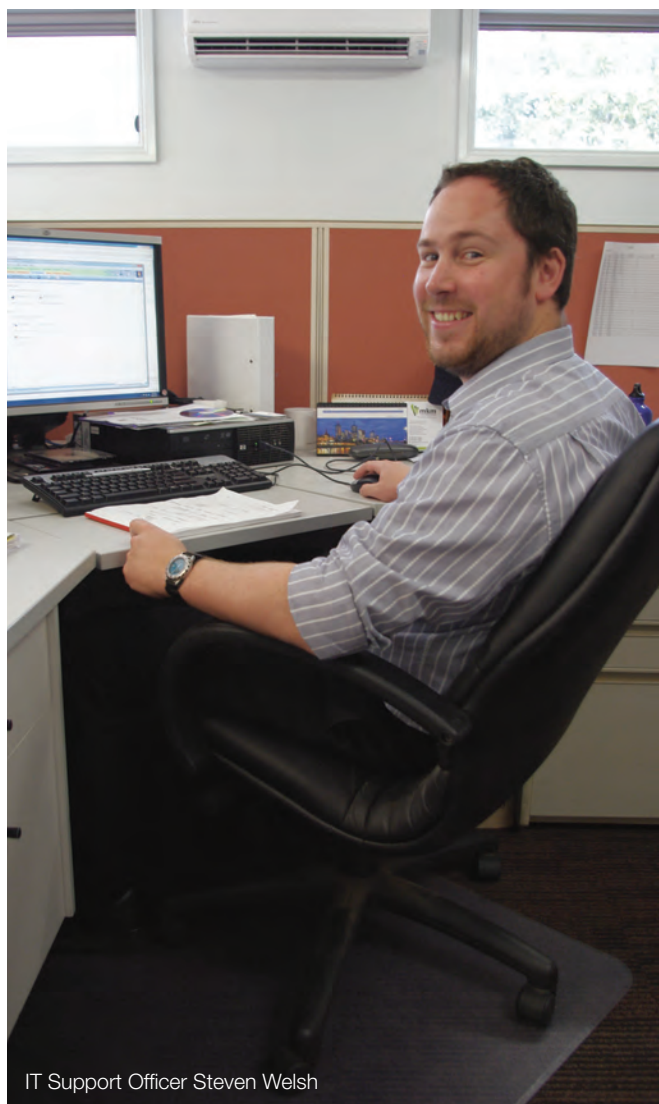
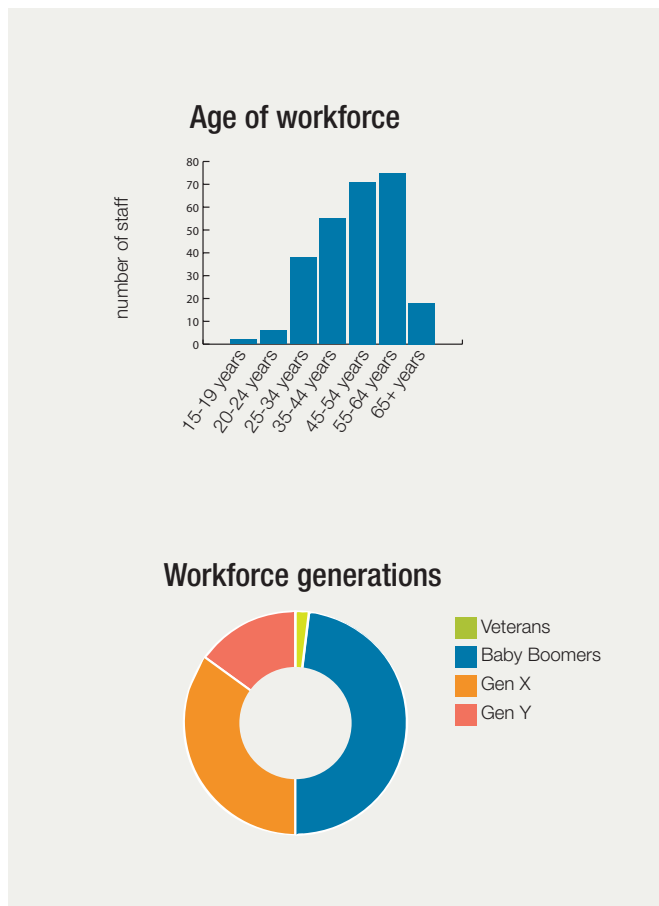
- First aid/CPR and Anaphylaxis
- Studer training-enhancing excellence
- Xpedite training
- Fraud Awareness
- Traffic Controller
- Chainsaw Operator
- Farm Chemical User Course
- Forklift Operator
- Front End Loader
- Understanding the Code of Conduct

### Ageing population

Along with the general population the workforce is ageing, with 57% of the workforce aged over 45 years and 32% aged over 55 years. (See graph above right) This is a national challenge which requires a strategic approach to attraction, retention and workforce flexibility.

### Grants received

\$7,440 received from JLT Municipal Asset Protection Plan (JMAPP) surplus disbursement for completion of a business continuity management program.



IT Support Officer Steven Welsh

## COMMUNITY RELATIONS

### Overview of service

The Community Relations team provides internal and external communications, media liaison, marketing and a wide range of customer service. It also incorporates community engagement and planning, arts and culture including events and festivals and manages venue hire and theatre operations.

### Year in review

#### HIGHLIGHTS

- An increase in Council's Customer Service Satisfaction rating in the annual Community Satisfaction Survey results
- Relaunch of the Intranet to improve internal communication across the organisation
- Conducted a review of four policies - Media Relations, Flying of Flags, Australia Day and Official Newspaper
- Completion of Community Plans in Darlington and Princetown
- Completion of various projects that were identified in township community plans across the Shire
- Council's Australia Day celebration in Skipton

#### CHALLENGES

The delay in the installation of public art in Terang which will be completed in October 2014

#### LOOKING AHEAD

- Completion of the Terang Public Art and Noorat Public Art projects
- Commencing reviews of completed Community Plans across the Shire
- Completing a new Arts and Cultural Strategy for the Shire
- Launch of the Customer Service Charter

Performers at the Robert Burns Scottish Festival July 2013







**Community Planning**

Community planning came to Corangamite Shire with the Building Stronger Corangamite Communities (BSCC) project – a joint initiative of Council and the State Government of Victoria. The four-year program has produced a Community Plan for each of the Shire’s 12 townships, starting with Cobden in 2010 and concluding with Darlington in May of this year.

The community planning process has sought to involve as many interested people as possible, through surveys and public meetings, to come up with plans which recognise the strengths and the aspirations of each Corangamite township. So far it has involved around 10% of the Shire’s population. Each plan has set out to identify those aspects of our towns which local people most value and want to see protected and maintained. In some cases it has been possible to arrive at a town ‘vision’.

A major part of each Community Plan has been the identification of projects to change or create things to improve liveability and prosperity. Some of these projects are large and ambitious and others are small things which are easily addressed. Each Corangamite township community has been working away on their priority list of 10-20 projects to complete over the 10 year life of their Community Plan. Over the past four years Council has provided its 12 township communities with \$882,000 in project seed funding which communities have used to fund their projects. Most communities have used this funding to secure other matching grants. Corangamite Shire has been especially successful in securing more than \$2 million in funding from the Victorian Government’s *Putting Locals First Fund*, which provides matching 3-for-1 funding.

**Community projects**

- CAMPERDOWN**
  - Courthouse Tourism Information and Arts
  - Botanic Gardens and Arboretum restoration
  - Apex Park Playspace
- COBDEN**
  - Sealing and upgrading Cobden’s Airstrip
  - Cobden Lake Project
  - Connecting Cobden Newsletter
- DARLINGTON**
  - Hard rubbish collection trial
  - Darlington Hall repairs/improvements
  - Street tree planting/maintenance
- DERRINALLUM**
  - Town entry signage
  - Mount Elephant/Avenue walking track
  - Deep Lake BBQs and shelter
- LISMORE**
  - Lismore Discovery Trail
  - Community celebrations
  - Social tennis group
- NOORAT**
  - Mount Noorat walk
  - Renewing Noorat town garden
  - Noorat Newsletter





While community projects are perhaps the most visible aspect of community planning, there are other dimensions of community planning which are equally important. Community planning operates at a number of different levels. It provides a structural framework for local communities to come together to decide on those things they most value about their local community and an action agenda upon which communities can agree. This has become an important tool for Council to better represent and support community aspirations, either through the Council's program of works or through advocacy on behalf of local communities.

The BSCC project formally concluded on 30 June 2014 but its work continues, focused on supporting communities with grant funding and project implementation, updating Community Plans and developing Shire-wide approaches to issues which are common to a number of Corangamite communities.

#### **Cultural change program**

A critical part of the Building Stronger Corangamite Communities project involves a cultural change program within Council designed to improve the way the Shire relates to its local communities and other stakeholders. This program derives from Council's Vision, Mission, Values and Behaviours statement in the Council Plan 2013-2017, which places 'community' at the heart of Council's work. Corangamite Shire's Council Plan 2013-2017 outlines a commitment to continually improve the way we listen to our communities and to respond to local needs and concerns.

#### **PORT CAMPBELL**

Arts hub/Old Baptist Church relocation  
Port Campbell walking trails  
Town entry signage

#### **PRINCETOWN**

Community hub - stages 1 and 2  
Town entry signage  
Kangaroo viewing platform

#### **SIMPSON**

Sealing Tomahawk Creek Road  
Kindergarten to town centre footpath  
Simpson Function Centre

#### **SKIPTON**

Skipton Rail Trail walking track  
Street tree planting and landscaping  
Town entry signage

#### **TERANG**

War memorial lighting  
New Terang Playspace  
Terang Lake precinct development

#### **TIMBOON**

Timboon Railway precinct development  
Timboon town walk maintenance program  
Town centre pedestrian crossing



# INFORMATION SERVICES

## Overview of service

Information Services records, maintains and provides access to information received and created by Council to allow the efficient operation of all Council departments in servicing the community. Information Services also manages Council's obligations under Victoria's *Freedom of Information Act 1982*.

## Year in review

### Digitisation Plan

As part of Council's move towards becoming more sustainable, the Knowledge and Records Services (KaRS) Team is developing Council's Digitisation Plan. This plan will allow Council to use scanned electronic documents as original Records in accordance with the *Evidence Act 2008* and allow the KaRS Team to dispose of hardcopy source documents six months after they have been scanned into Council's electronic document management system.

### HIGHLIGHTS

- Successful integration between Council's electronic document management system and OneCouncil Property and Rating completes the implementation of TechnologyOne
- Installation of a Compactus for more efficient storage of records
- Development and broad participation in eLearning modules resulting in more effective use of our electronic document management system
- Development of a Digitisation plan to enable Council to move towards a paperless environment

### CHALLENGES

- Prioritising projects and activities to meet increasing demand
- Managing limited onsite storage space for Council records

### LOOKING AHEAD

- Maximise the benefits from Council's corporate information system TechnologyOne, by selectively implementing new modules which demonstrate improved efficiency and service to the community
- Implementing Council's Digitisation Plan to improve efficiency and reduce costs of stationery and storage
- Increasing mobility of workers requiring current information on the road
- Broadening the scope of Information and Communication Technology services to meet the needs of the community



Manager Information, John VanNieuwkerk





Our organisation supports Australia's campaign to stop violence against women

## Our organisation

### Report against Annual Action Plan

● Completed ● In progress ● Delayed

Planned action	Status	Outcome
Implement prioritised outcomes of the Human Resources Strategy	●	A fair and sustainable Enterprise Agreement was negotiated Service milestones recognised annually All mandatory training conducted Leadership development undertaken by entire Management Team
Identify strategic and operational risks to the organisation and manage within the Corporate Risk Register	●	Review of Risk Management Policy undertaken Development of a Risk Strategy and Risk Management Framework for managing risk
Complete a review of our Business Continuity Plan	●	Review of our Business Continuity Plan including development of an Information Technology Disaster Recovery Plan and conducting a Business Continuity Impact Analysis
Investigate alternatives for an organisational project management system	●	Identifying and developing a framework and system which is an enabler for Corangamite Shire from the range of alternatives available Project Management Framework and Policy
Investigate alternatives for an organisational Performance and Quality Management Framework	●	Researched business improvement models implemented by other Councils Further investigation of benefits and costs to be undertaken

# CORPORATE GOVERNANCE

## Council's role

As a statutory body, Corangamite Shire is one of 79 Victorian Councils that derives its role, powers and functions primarily from the *Local Government Act 1989* (the Act). Under the Act a council is elected to provide leadership for the good governance of the municipal district and the local community. Corangamite Shire Council performs this role by setting the strategic direction of the municipality, establishing and guiding policies, setting service delivery standards and monitoring the performance of the organisation on behalf of our community.

## Council Plan Framework

The Council Plan for 2013-2017 focuses on six key directions:

1. Stewardship, Governance, Advocacy and Collaboration
2. Positioning for Economic Growth
3. Sustaining our Natural Assets
4. Strengthening our Communities
5. Infrastructure
6. Our Organisation

Each year, Council reviews the strategic objectives of the Council Plan to ensure continued relevance to Corangamite's needs and aspirations. This annual planning process commenced in February 2014 when an Annual Action Plan for 2014-2015 was developed. The Council Plan 2013-2017 remains unchanged and a new Action Plan for 2014-2015 and a revised Strategic Resource Plan for 2014-2018 were endorsed by Council.

## Council Meetings

Council meetings are held on the fourth Tuesday of each month in the Killara Centre, Camperdown. Twice a year Council meetings are held in two of our other towns. In 2013-2014 the September 2013 meeting was held in Derrinallum and March 2014 meeting was held in Cobden. Council meetings are rotated through all of our towns to ensure Council meetings are accessible to all of our communities.

## Protected Disclosures

The Independent Broad-based Anti-corruption Commission (IBAC) is responsible for identifying and preventing serious corrupt conduct across the public sector, including Councils.

The purpose of the *Protected Disclosure Act* is to encourage and facilitate disclosures of improper conduct by Council or Council employees and to provide protection for those who are involved in a disclosure.

Corangamite Shire has developed a procedure for reporting disclosures of improper conduct or detrimental action by Council or its employees. Disclosures about Council staff may be made to nominated people at Council who will refer assessable disclosures to the IBAC, or disclosures may be referred directly to the IBAC.

A disclosure about a Councillor must be made directly to IBAC or the Victorian Ombudsman. A Protected Disclosure can be

made by an employee or a member of the public. A copy of the procedure is available from Council offices and Council's website [www.corangamite.vic.gov.au](http://www.corangamite.vic.gov.au)

## Freedom of Information (FOI)

The *Freedom of Information (FOI) Act 1982* gives the community a legal right of access to certain Council documents. Corangamite Shire Council is subject to the *Freedom of Information Act* and responds to requests directly related to its operations. Any person may request access to information that is held by Corangamite Shire Council.

In the 2013-2014 financial year, Council received six requests under the *Freedom of Information Act 1982*. Seven decisions were completed within the 2013-2014 financial year with two FOI requests carried on from the 2012-2013 year, while one request has carried over into 2014-2015.

## Councillor Code of Conduct

Our Councillor Code of Conduct governs not only the use of resources, but also relationships between Councillors, recognising that these relationships are critical to sound, effective government. It is underpinned by the *Local Government Act 1989* (the Act), and complements our *Local Law No. 3: Processes of Municipal Government 2009* as well as other Council policies. The Councillor Code of Conduct sets the standards expected of councillor behaviour and decision making, and identifies a process for resolving complaints. No complaints were received in 2013-2014.

## Information Privacy

Council collects large amounts of personal information about individuals. This includes information about ratepayers/residents, Council staff and contractors.

Corangamite Shire Council believes that protection of an individual's privacy is part of its commitment towards accountability and integrity, and is strongly committed to protecting every individual's right to privacy. Council will restrict access to personal information to 'a need to know' basis and will only use personal information provided by an individual for the purposes for which it was collected, or a related purpose that the individual would reasonably expect to occur.

## Council Remuneration

Allowances were last set by resolution of Council on 22 January 2013, fixing remuneration of the Mayor and Councillors.

On 24 December 2013, the State Minister for Local Government announced an increase of 2.5% in Councillor allowances, which increased the Mayor's remuneration to \$69,868 per annum and Councillors' remuneration to \$24,478 per annum, including 9.25% superannuation guarantee. All Councillors and the Mayor are provided with an iPad and smart phone. Additional associated costs, including travel, training and development, childcare and stationery, are also paid by Council. The Mayor is also provided with a car.



## Public Register

In accordance with the *Local Government Act 1989*, Council is required to have the following documents available for public inspection. These documents are regularly updated and can be viewed at the Corangamite Shire Civic Centre, 181 Manifold Street, Camperdown from 8.30 am to 5 pm Monday to Friday:

- Details of current allowances fixed for the Mayor and Councillors.
- Details of senior officer's total salary packages for the current financial year and previous year.
- Details of overseas or interstate travel undertaken in an official capacity by Councillors or any Council Staff in the previous 12 months.
- Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- Names of Councillors who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- Names of Audit Committee Members who were required to submit a return of interest during the financial year and the dates the returns were submitted.
- Agendas and minutes for Ordinary and Special Council meetings held in the previous 12 months.
- A list of all special committees established by the Council and the purpose for which each committee was established.
- A list of all special committees established by Council 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 last 12 months.
- A register of delegations kept under the *Local Government Act 1989*.
- Submissions received under Section 223 of the Local Government Act 1989 during the previous 12 months.
- Agreements to establish a regional library service.
- Details of all property, finance and operating leases entered into by Council.
- Register of authorised officers appointed under Section 224 of the *Local Government Act 1989*.
- A list of donations and grants made by the Council during the financial year.
- A list of the names of the organisations of which the Council was a member during the financial year.
- A list of contracts valued at \$100,000 or more which Council entered into during the financial year without first engaging in a competitive process and which are not contracts referred to in 186(5) of the *Local Government Act 1989*.
- Returns provided by Candidates in accordance with section 62 of the Local Government Act 1989 (Campaign Donation Return).

## Equal Opportunity and Human Rights

Council is committed to ensuring the principles of equal opportunity in the workplace and it does not tolerate any form of discrimination or harassment. Policies and procedures are in place to support access and equity for all employees

Council decisions, reports, policies and local laws are required to consider whether everyone can exercise their human rights, and they contain a statement asserting that there is no negative impact on people's human rights.

Council has an ongoing training program to educate employees and Councillors about how to implement the principles of equal opportunity, anti-discrimination and the Human Rights Charter in the workplace.

### *Carer's Recognition Act 2012*

- Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012* (the Act). Council has promoted the principles of the Act to people in care relationships who receive Council services; to people in care relationships and to the wider community by:
  - Distributing printed material through relevant Council services
  - Providing links to State government resource materials on Council's website

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

- Council induction and training programs for staff working in HACC services
- Induction and training programs for volunteers working with clients in Home and Community Care programs

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

- Insertion of information into HACC Client and Carer Handbooks
- Insertion of information on *Carers Recognition Act 2012* in HACC Policy and Procedure Manual
- Support for and promotion of Carers Week
- Affiliate of the Companion Card program

### **Audit Committee**

Corangamite Shire's Audit Committee, established under the *Local Government Act 1989*, continues to play a vital role in oversight of Council business. The Audit Committee reports directly to Council on matters it is dealing with and makes recommendations in relation to the annual financial statements. The committee also reviews Council policy, risk and legislative compliance.

Members of the Members of the Audit Committee in 2013-2014 were:

Ms Nancy Johnson (Chair)

Mr Andrew Jeffers

Ms Jacinta Ann Baker

Cr Chris O'Connor (ex officio)

Cr Ruth Gstrein

Cr Neil Trotter

Internal audit activity for 2013-2014 was completed in accordance with the reviews approved by Council in July 2014.

### **Special Committees of Council**

Under Section 86 of the *Local Government Act 1989*, Council may appoint special committees of Council to undertake a range of activities under delegation from Council. As required by the Act, Council reviewed its Instruments of Delegation to the following special committees in 2013.

#### **Berrybank Hall Committee of Management**

Appointed for the purpose of generally overseeing the management of the hall on behalf of Council.

#### **Camperdown Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council.

#### **Cobden Airstrip Committee of Management**

Appointed for the purpose of generally overseeing the management of the airstrip on behalf of Council.

#### **Cobden Civic Hall Committee of Management**

Appointed for the purpose of generally overseeing the management of the hall on behalf of Council.

#### **Cobden Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council.

#### **Ecklin Hall Committee of Management**

Appointed for the purpose of generally overseeing the management of the hall on behalf of Council.

#### **Kilnoorat Cemetery Committee of Management**

Appointed for the purpose of generally overseeing the management of the cemetery on behalf of Council.

#### **Lake Tooliorook Committee of Management**

Appointed for the purpose of generally overseeing the management of Lake Tooliorook on behalf of Council.

#### **Lismore Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council.

#### **Mount Leura and Mount Sugarloaf Management Committee of Management**

Appointed for the purpose of generally overseeing the management of the Mount Leura and Mount Sugarloaf Development on behalf of Council.

#### **Port Campbell Public Purposes Reserve Committee Management**

Appointed for the purposes of overseeing the reserve.

#### **Simpson and District Public Hall Committee of Management**

Appointed for the purpose of generally overseeing the management of the hall on behalf of Council.

#### **Skipton Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council.

#### **Terang Civic Centre Committee of Management**

Appointed for the purpose of generally overseeing the management of the Terang Civic Centre on behalf of Council.

#### **Terang Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council.

#### **Timboon and District Public Hall Committee of Management**

Appointed for the purpose of generally overseeing the management of the hall on behalf of Council.

#### **Timboon Sporting Centre Committee of Management**

Appointed for the purpose of generally overseeing the management of the sporting centre on behalf of Council.

#### **Timboon Swimming Pool Committee of Management**

Appointed for the purpose of generally overseeing the management of the swimming pool on behalf of Council. Committee members undertake this work on a voluntary basis and their commitment and dedication is acknowledged.



## Local Government Indicators

The Victorian Government Indicators are a standard set of indicators that councils have committed to measure and report on and include Community Satisfaction Survey results and financial measures. The following financial indicators provides comparisons over a five year period.

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Average rates and charges per assessment	\$1,552.19	\$1,606.03	\$1,685.80	\$1,768.00	\$1,911.53
Average residential rates	\$872.56	\$862.94	\$945.20	\$1,053.00	\$1,224.00
Operating result per assessment	\$251.14	\$61.83	\$883.90	\$133.80	\$65.75
Infrastructure renewal and maintenance	\$25,768,000	\$18,342,000	\$19,908,000	\$16,182,000	\$16,622,000
Average liabilities per assessment	\$1,031.25	\$1,399.15	\$1,651.92	\$1,290.80	\$1,712.18
Average operating expenditure per assessment	\$3,416.59	\$4,167.71	\$4,378.95	\$4,051.25	\$4,098.46
Average capital expenditure per assessment	\$1,115.45	\$1,233.25	\$1,219.03	\$1,1168.98	\$932.99

### Best Value Principles

Council continues to follow the principles of Best Value as required by legislation and regularly reviews its policies, plans and services as required by the *Local Government Act 1989*.

### Continuous Improvement

A review of Council and organisational policies was undertaken during the year. As a result, a number of outdated policies were revoked by Council, many current policies were revised and updated, and some new policies identified and developed. A total of 24 new or revised Council policies were adopted by Council and 22 were revoked. For an up to date list of current Council policies, please visit [www.corangamite.vic.gov.au](http://www.corangamite.vic.gov.au)

Council participates annually in the Local Government Community Satisfaction Survey, benchmarking its service delivery and community satisfaction. Results are used to determine areas in need of review and improvement. Internal processes are also reviewed regularly. A full analysis of results of the 2014 survey is available online at [www.corangamite.vic.gov.au](http://www.corangamite.vic.gov.au) and a summary of results is provided in the Year in Review Section.

The implementation of OneCouncil has enabled organisation wide reporting and consistent data to be collected, both for internal performance monitoring and external reporting.

### Quality and cost standards

Council reviewed its fees and charges policy to ensure fair and reasonable service delivery. Our Procurement Policy is reviewed annually to ensure appropriate cost, service and delivery standards are met. Some of the tenders awarded included:

- Annual Sealing Tender
- Supply and Delivery of a new Motor Grader
- Vegetation Management
- Supply and Delivery of 2 Horizontal Discharge Units
- Terang Streetscape Stage 2
- Water Quality and Gas Monitoring Services at the old Noorat Landfill and Corangamite Regional Landfill.

### Responsiveness to community needs

The four-year Building Stronger Corangamite Communities Program has produced a Community Plan for each of the Shire's 12 townships, starting with Cobden in 2010 and concluding with Darlington in May 2014.

### Accessibility and appropriately targeted services

Council is committed to promoting an inclusive and accessible community where all people, including people with a disability, are provided for. A strategic objective of the Council Plan 2013-2017 is "to recognise and reduce social disadvantage in our community".

### Accountability

Corangamite Shire participated in the pilot program for establishment of the Local Government Performance Reporting Framework in 2013-2014 which will ensure our capacity to report against standard measures when it is fully implemented across all Victorian Councils in 2014-2015.

### Regular community consultation on all services and activities

Council undertakes regular community consultation and is committed to engaging where ever possible with our communities. Our Community Engagement strategy guides communication, consultation and cooperation both internally and externally on Council's various projects and plans.

### Frequent community reporting

Council regularly reports to the community through Council reports, Council newsletters, media releases, website and evolving use of social media such as Mayor's Facebook page and Twitter.

Council also reports to all stakeholders through this annual report and from 2014-2015 will be collecting and reporting data for publication on the Local Government Performance and Reporting Framework website.





**CORANGAMITE  
SHIRE**

**Corangamite Shire Council**

Civic Centre, 181 Manifold Street, Camperdown VIC 3260

Telephone 03 5593 7100 Facsimile 03 5593 2695 Email [shire@corangamite.vic.gov.au](mailto:shire@corangamite.vic.gov.au)

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

Please call us for a translation of any part of this document. Corangamite's Annual Report can also be downloaded from our website.

The Annual Report is printed on Tudor 100% recycled paper.



# Annual Financial Report

For the year ended 30 June 2014

**Corangamite Shire Council**  
**Financial Report**  
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## Comprehensive Income Statement For the Year Ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
<b>Income</b>			
Rates and charges	2	18,171	16,798
Statutory fees and fines	3	277	243
User fees	4	5,796	5,386
Contributions - cash	6	50	220
Reimbursements	7	3,514	2,762
Grants - Operating (recurrent)	5	6,430	10,079
Grants - Operating (non-recurrent)	5	466	461
Grants - Capital (recurrent)	5	1,761	1,488
Grants - Capital (non-recurrent)	5	2,466	1,879
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	(20)	(201)
Other income	9	640	746
Share of net profits/(losses) of associates and joint ventures accounted for by the equity method	16	34	(11)
<b>Total income</b>		<b>39,585</b>	<b>39,850</b>
<b>Expenses</b>			
Employee costs	10	(13,917)	(13,331)
Materials and services	11	(11,828)	(11,379)
Bad and doubtful debts	12	(14)	(48)
Depreciation and amortisation	13	(9,290)	(10,287)
Finance costs	14	(264)	(215)
Other expenses	15	(3,647)	(3,316)
<b>Total expenses</b>		<b>(38,960)</b>	<b>(38,576)</b>
<b>Surplus/(deficit)</b>		<b>625</b>	<b>1,274</b>
<b>Other comprehensive income</b>			
Net asset revaluation increment(decrement)		31,690	101
Share of other comprehensive income of associates and joint ventures accounted for by the equity method		(5)	(10)
<b>Total comprehensive result</b>		<b>32,310</b>	<b>1,365</b>

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



**Balance Sheet**  
**As at 30 June 2014**

	Note	2014 \$'000	2013 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	11,697	8,111
Trade and other receivables	18	2,440	1,637
Inventories	19	115	106
Other assets	20	335	2,008
<b>Total current assets</b>		<b>14,587</b>	<b>11,862</b>
<b>Non-current assets</b>			
Trade and other receivables	18	84	140
Investments in regional library corporation	16	311	279
Property, infrastructure, plant and equipment	21	413,741	380,213
<b>Total non-current assets</b>		<b>414,136</b>	<b>380,632</b>
<b>Total assets</b>		<b>428,723</b>	<b>392,494</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	22	2,366	2,560
Trust funds and deposits	23	388	145
Provisions	24	3,592	3,272
Interest-bearing loans and borrowings	25	1,326	985
<b>Total current liabilities</b>		<b>7,672</b>	<b>6,962</b>
<b>Non-current liabilities</b>			
Provisions	24	5,280	2,309
Interest-bearing loans and borrowings	25	3,324	3,086
<b>Total non-current liabilities</b>		<b>8,604</b>	<b>5,395</b>
<b>Total liabilities</b>		<b>16,276</b>	<b>12,357</b>
<b>Net Assets</b>		<b>412,447</b>	<b>380,137</b>
<b>Equity</b>			
Accumulated surplus		208,305	207,923
Reserves	26	204,142	172,214
<b>Total Equity</b>		<b>412,447</b>	<b>380,137</b>

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

**Statement of Changes in Equity  
For the Year Ended 30 June 2014**

2014	Note	Total 2014 \$'000	Accumulated Surplus 2014 \$'000	Revaluation Reserve 2014 \$'000	Other Reserves 2014 \$'000
Balance at beginning of the financial year		380,137	207,923	172,105	109
Surplus / (Deficit)		625	625	-	-
Net asset revaluation increment (decrement)	26(a)	31,690	-	31,690	-
Transfers from other reserves	26(b)	(5)	-	(5)	-
Transfers to other reserves	26(b)	-	(243)	-	243
<b>Balance at end of the financial year</b>		<b>412,447</b>	<b>208,305</b>	<b>203,790</b>	<b>352</b>

2013		2013 \$'000	Accumulated Surplus 2013 \$'000	Revaluation Reserve 2013 \$'000	Other Reserves 2013 \$'000
Balance at beginning of the financial year		378,769	206,539	172,009	221
Surplus / (Deficit)		1,274	1,274	-	-
Net asset revaluation increment (decrement)		101	-	101	-
Transfers from other reserves	26(b)	(12)	110	(5)	(117)
Transfers to other reserves	26(b)	5	-	-	5
<b>Balance at end of the financial year</b>		<b>380,137</b>	<b>207,923</b>	<b>172,105</b>	<b>109</b>

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

**Cash Flow Statement**  
**For the Year Ended 30 June 2014**

	2014	2013
Note	Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>		
Rates and charges	18,110	16,688
Statutory fees and fines	277	243
User fees	5,035	5,115
Contributions	43	215
Reimbursements	4,588	3,020
Developer Contributions	7	5
Grants - operating	7,436	10,540
Grants - capital	4,276	2,353
Other receipts (inclusive of GST)	403	941
Interest	278	417
Net GST refund/payment	161	922
Fire service property levy payable	70	-
Employee costs	(13,521)	(13,331)
Material and consumables	(12,185)	(16,138)
Other payments	(3,712)	(3,895)
<b>Net cash provided by (used in) operating activities</b>	<b>11,266</b>	<b>7,095</b>
<b>Cash flows from investing activities</b>		
Payments for property, infrastructure, plant and equipment	(8,869)	(11,131)
Proceeds from sale of property, infrastructure, plant and equipment	624	551
Repayments of loans and advances from community organisations	7	7
<b>Net cash provided by (used in) investing activities</b>	<b>(8,238)</b>	<b>(10,573)</b>
<b>Cash flows from financing activities</b>		
Finance costs	(264)	(215)
Trust funds and deposits	243	44
Proceeds from borrowings	1,500	800
Repayment of borrowings	(921)	(1,139)
<b>Net cash provided by (used in) financing activities</b>	<b>558</b>	<b>(510)</b>
Net increase (decrease) in cash and cash equivalents	3,586	(3,988)
Cash and cash equivalents at the beginning of the financial year	8,111	12,099
<b>Cash and cash equivalents at the end of the financial year</b>	<b>11,697</b>	<b>8,111</b>
Financing arrangements	30 960	960
Restrictions on cash assets	31 1,107	4,122

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



## Introduction

- (a) The Corangamite Shire was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate.  
The Council's main office is located at 181 Manifold Street, Camperdown, Victoria 3260.
- (b) The purpose of the Council is to:
- provide for the peace, order and good government of its municipal district;
  - to promote the social, economic and environmental viability and sustainability of the municipal district;
  - to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
  - to improve the overall quality of life of people in the local community;
  - to promote appropriate business and employment opportunities;
  - to ensure that services and facilities provided by the Council are accessible and equitable;
  - to ensure the equitable imposition of rates and charges; and
  - to ensure transparency and accountability in Council decision making.

External Auditor - Auditor-General of Victoria

Internal Auditor - Crowe Horwath

Solicitors - SLM Law, 119 Murray Street Colac

Bankers - Commonwealth Bank of Australia

Website address - [www.corangamite.vic.gov.au](http://www.corangamite.vic.gov.au)

This financial report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004 and succeeded by the Local Government (Planning and Reporting) Regulations 2014

## Note 1 Significant accounting policies

### (a) Basis of accounting

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

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, have been included in this financial report. All transactions between these entities and the Council have been eliminated in full. Details of entities not included in this financial report based on their materiality are detailed in note 43.

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

**(b) Change in accounting policies**

*AASB 13 Fair Value Measurement*

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 Share-based Payment, leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

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 in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2013 comparative period (please see note 21 disclosures).

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the 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.

*AASB 119 Employee benefits*

In the current year, Council has applied AASB 119 Employee Benefits (as revised in 2011) and the related consequential amendments for the first time. AASB 119 changes the definition of short-term employee benefits. These were previously benefits that were due to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly before twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by Council as short-term benefits no longer meet this definition and are now classified as long-term benefits. This has resulted in a change of measurement for that portion of annual leave provision from an undiscounted to discounted basis.

This change in classification has not materially altered Councils measurement of the annual leave provision

(c) **Revenue recognition**

*Rates, grants and contributions*

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

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

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

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

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

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

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

*User fees and fines*

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

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

*Sale of property, 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.

*Rental*

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

*Interest*

Interest is recognised as it is earned

*Dividends*

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



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

**(d) Trade and other receivables and inventories**

*Trade and other receivables*

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

A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred.

*Inventories*

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

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

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

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

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

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

Artworks are not depreciated.

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

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

	<b>Period 2014</b>
Property	
Land	
land improvements	25 years
Buildings	
buildings	100 years
building improvements	10 years
leasehold building improvements	25 years
heritage buildings	100 years
Plant and Equipment	
plant, machinery and equipment	10 years
fixtures, fittings and furniture	10 years
computers and telecommunications	3-5 years
motor vehicles	2-5 years
Infrastructure	
Roads	
road pavements and seals	12-100 years
road kerb, channel and minor culverts	79 years
road other culverts and retaining walls	79 years

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

**(e) Depreciation and amortisation of property, infrastructure, plant and equipment (cont'd)**

Bridges	
bridges including footbridges	8-100 years
footpaths and cycleways	8-47 years
drainage	100 years
recreational, leisure and community facilities	25 years
waste management	25 years
parks, open space and streetscapes	25 years

**(f) Repairs and maintenance**

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

**(g) Borrowing costs**

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

Borrowing costs include interest on bank overdrafts and interest on borrowings.

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

**(h) Recognition and measurement of assets**

Acquisition

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

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

The following classes of assets have been recognised in note 21.

In accordance with Council's policy, the threshold limits detailed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	Threshold Limit \$'000
Property	
Land	
land	10
land under roads	10
land improvements	10
Buildings	
buildings	10
building improvements	10
leasehold building improvements	10
heritage buildings	10
Plant and Equipment	
plant, machinery and equipment	5
fixtures, fittings and furniture	5
computers and telecommunications	2
motor vehicles	5
Infrastructure	
Roads	
roads	3
road substructure	3
road formation and earthworks	3
road kerb, channel and minor culverts	3
bridges	3
footpaths and cycleways	3
drainage	3
recreational, leisure and community facilities	3
waste management	3
parks, open space and streetscapes	3
culverts and retaining walls	3



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

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

Revaluation

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

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

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. More details about the valuation techniques and inputs used in determining the fair value of non-financial physical assets are discussed in Note 21 Property, Infrastructure, Plant and Equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 3 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 recognised the value of land under roads it controlled as at 30 June 2008 at deemed cost. Land under roads acquired after 30 June 2008 is brought to account using the cost basis.

**(i) Cash and cash equivalents**

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

**(j) Accounting for investments in associates**

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

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

**(k) Tender deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 23).

**(l) Employee costs**

*Wages and salaries*

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

*Annual leave*

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

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

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 representing 7 years 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. Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service.

The components of this current liability are measured at :

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

Classification of employee costs

Non-current liability - conditional LSL representing less than 7 years 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.

*Superannuation*

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees. In addition Council may, periodically be required to contribute to the defined benefits schemes for current and former employees. Details of these arrangements are recorded in note 32

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

**(m) 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. At balance date, leasehold improvements are amortised over a 25 year period.

**(n) Allocation between current and non-current**

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

**(o) Agreements equally proportionately unperformed**

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

**(p) Web site costs**

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

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

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

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

**(r) 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.



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

**(s) 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.

**(t) Financial guarantees**

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

**(u) 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.

**(v) Pending Accounting Standards**

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

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

Note 1 Significant accounting policies (cont)

Pronouncement	Summary	Application Date	Impact on Council
AASB 9 Financial Instruments	<p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas.</p> <p>AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the ‘available for sale’ and ‘held-to-maturity’ categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the tainting rules associated with held-to-maturity assets.</p> <p>The new categories of financial assets are:</p> <ul style="list-style-type: none"> <li>· Amortised cost – those assets with ‘basic’ loan features’.</li> <li>· Fair value through other comprehensive income - this treatment is optional for equity instruments not held for trading (this choice is made at initial recognition and is irrevocable).</li> <li>· Fair Value through profit and Loss - everything that does not fall into the above two categories.</li> </ul> <p>The following changes also apply:</p> <ul style="list-style-type: none"> <li>· Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure of fair value where there is insufficient more recent information available to determine a fair value.</li> <li>· There is no longer any requirement to consider whether ‘significant or prolonged’ decline in the value of financial assets has occurred. The only impairment testing will be on those assets held at amortised cost, and all impairments will be eligible for reversal.</li> </ul> <p>Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity.</p>	1-Jul-15	<p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities.</p> <p>This will also create a requirement to measure some instruments annually that has not previously existed.</p>

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

<b>Note 1 (v) (cont)</b>			
Pronouncement	Summary	Application Date	Impact on Council
AASB 10 Consolidated Financial Statements	<p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p> <p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p>	1-Jul-14	The AASB have finalised deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, Council will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.
AASB 11 Joint Arrangements	<p>This Standard deals with the concept of joint control, and sets out a new principles-based approach for determining the type of joint arrangement that exists and the corresponding accounting treatment. The new categories of joint arrangements under AASB 11 are more aligned to the actual rights and obligations of the parties to the arrangement.</p>	1-Jul-14	The AASB have finalised deliberations and any modifications made to AASB 11 for not-for-profit entities, Council will need to assess the nature of arrangements with other entities in determining whether a joint arrangement exists in light of AASB 11.
AASB 12 Disclosure of Interests in Other Entities	<p>This Standard requires disclosure of information that enables users of financial statements to evaluate the nature of, and risks associated with, interests in other entities and the effects of those interests on the financial statements. This Standard replaces the disclosure requirements in AASB 127 Separate Financial Statements and AASB 131 Interests in Joint Ventures.</p> <p>The exposure draft ED 238 proposes to add some implementation guidance to AASB 12, explaining and illustrating the definition of a 'structured entity' from a not-for-profit perspective.</p>	1-Jul-14	Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from AASB 10, AASB 11 and AASB 128 Investments in Associates and Joint Ventures.



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

**Note 1 (v) (cont)**

Pronouncement	Summary	Application Date	Impact on Council
AASB 127 Separate Financial Statements	This revised Standard prescribes the accounting and disclosure requirements for investments in subsidiaries, joint ventures and associates when an entity prepares separate financial statements.	1-Jul-14	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities.
AASB 128 Investments in Associates and Joint Ventures	This revised Standard sets out the requirements for the application of the equity method when accounting for investments in associates and joint ventures.	1-Jul-14	The impact of this standard will need to be assessed in line with the final deliberations by the AASB on the application of this standard to not for profit entities.
AASB 1053 Application of Tiers of Australian Accounting Standards and AASB 2010-2 Amendments to Australian Accounts Standard arising from Reduced Disclosure Requirements	These standards set out the tiers of financial reporting and the reduced disclosure framework.	1-Jul-14	Council has yet to determine the impact of this standard

	2014 \$'000	2013 \$'000
<b>Note 2 Rates and charges</b>		
Council uses capital improved value as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its market value.		
The valuation base used to calculate general rates for 2013/14 was \$5.022 billion (2012/13 \$5.015 billion). The 2013/14 rate in the capital improved value dollar was 0.003077 (2012/13, 0.002931).		
General	5,858	5,549
Farm/Rural	9,104	8,711
Cultural and recreation	6	6
Supplementary rates and rate adjustments	(22)	(35)
Municipal charge	1,903	1,337
Garbage charge	1,322	1,230
	<b>18,171</b>	<b>16,798</b>
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation will be first applied in the rating year commencing 1 July 2014.		
The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation first applied to the rating period commencing 1 July 2012.		
<b>Note 3 Statutory fees and fines</b>		
Infringements and costs	22	24
Town planning fees	65	79
Land information certificates	13	10
Health registrations	60	53
Permits	21	15
Landfill Levy	96	62
	<b>277</b>	<b>243</b>
<b>Note 4 User Fees and Charges</b>		
Leisure centre fees	24	18
Private works	192	209
Waste management	2,643	2,331
Family Day Care	1,106	930
Home and community care	396	444
Saleyards	676	563
Mobile child care/In Home child care	95	105
Recreation programs	6	7
Caravan parks	45	193
Meals on wheels	67	73
Preschools	78	81
Local laws/ animal control	95	80
Legal expenses recovered	2	3
Tourism projects	68	74
Cultural programs	47	70
Rental and lease	41	51
Building services fees	147	124
Health fees	18	18
Youth Programs	11	-
Environment programs	-	9
Other fees and charges	39	3
	<b>5,796</b>	<b>5,386</b>

	2014 \$'000	2013 \$'000
<b>Note 5 Grants</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Federally funded grants	3,133	9,698
State funded grants	7,983	4,198
Others	7	11
<b>Total</b>	<b>11,123</b>	<b>13,907</b>
<b>Recurrent</b>		
Commonwealth Government - roads to recovery	1,761	1,488
Commonwealth Government - family and children	560	558
Victoria Grants Commission - general	1,780	1,675
Victoria Grants Commission - local roads	1,531	1,431
Victoria Grants Commission - general forward funding	-	1,895
Victoria Grants Commission - local roads forward funding	-	1,620
Community health	35	33
School crossing supervisors	20	13
Maternal and child health	185	160
Family and children	982	801
Home help/linkages	761	714
Senior citizen centres	28	62
Transport	49	165
Adult day care	68	142
Assessment/welfare support	165	163
Economic development	10	47
Recreation	20	55
Planning and development	5	-
State emergency service	52	51
Emergency management	-	16
Tourism	-	139
Community planning	81	85
Organisational training	8	66
Youth services	50	53
Environment	-	108
Meals on wheels	41	27
<b>Total recurrent</b>	<b>8,192</b>	<b>11,567</b>
<b>Non-recurrent</b>		
Flood funding	24	34
Roads grants	1,055	1,050
Footpaths	5	30
Streetscape works	1,030	300
Building projects	91	292
Other recreation projects	319	283
Economic development	39	0
Corporate development	10	0
Other infrastructure	52	-
Art installatons	30	-
Community services	24	-
Health services	-	50
Transport plan	18	-
Youth	2	38
Landfill/Waste management	107	250
Environment	75	7
Families and children	51	6
<b>Total non-recurrent</b>	<b>2,932</b>	<b>2,340</b>



	2014 \$'000	2013 \$'000
<b>Note 5 Grants (cont)</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:		
Victorian Grants Commission	-	3,515
Local Government Infrastructure Fund	19	-
Timboon Preschool Project	101	286
HACC minor capital grant	28	41
Mobile child care minor capital grant	30	-
Camperdown racecourse grandstand	-	17
Mt Leura CCMA grant	8	9
Smiles for miles	6	-
Small rural kindergarten grant	46	-
VASP program	10	-
Public place recycling grant	46	-
War memorial restoration grants	22	-
Feasibility study grant	35	-
Lake Bullen Merri master plan grant	70	-
	<u>421</u>	<u>3,868</u>
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
Victorian Grants Commission	3,515	3,497
Local Government Infrastructure Fund	-	182
Timboon Preschool Project	185	-
HACC minor capital grant	13	-
Camperdown racecourse grandstand	17	-
Mt Leura CCMA grant	1	-
	<u>3,731</u>	<u>3,679</u>
Net (decrease) increase in restricted assets resulting from grant revenues for the year:	<u>(3,310)</u>	<u>189</u>

	2014 \$'000	2013 \$'000
<b>Note 6 Contributions</b>		
<b>Cash</b>		
Open Space contributions*	7	5
Roads	-	86
Recreational, leisure and community facilities	24	115
Economic development	14	14
Environment	5	-
<b>Total contributions</b>	<b>50</b>	<b>220</b>
* Open Space contribution received during the year are transferred to other reserves pursuant to section 18 of the Subdivision Act 1988 (Resort and Recreation Reserve) (refer note 26(b))		
<b>Note 7 Reimbursements</b>		
Vicroads	1,533	1,191
Swimming pools	51	15
Recreational Facilities	107	153
Roads	344	-
Valuations	4	4
Emergency	71	-
Landcare	24	125
Insurance payments	83	181
Preschool	41	21
Flood recovery works	1,173	1,041
Other	83	31
<b>Total</b>	<b>3,514</b>	<b>2,762</b>
<b>Note 8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
Proceeds of sale	624	551
Write down value of assets sold	(573)	(543)
Write down value of disposed infrastructure assets	(71)	(209)
<b>Total Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(20)</b>	<b>(201)</b>
<b>Note 9 Other income</b>		
Interest	278	422
Interest on rates	56	92
Ararat Shire Council*	63	98
Legal Costs Recovered	42	34
Other	201	100
<b>Total other income</b>	<b>640</b>	<b>746</b>
* Corangamite Shire Council's building surveyor, during the year was employed between Corangamite Shire Council and Ararat Shire Council. Corangamite Shire payed all wages and associated costs and seeks reimbursement from Ararat Shire Council throughout the year		
<b>Note 10 Employee costs</b>		
Wages and salaries	10,780	10,434
WorkCover	197	143
Annual leave and long service leave	1,391	1,254
Superannuation	1,197	1,153
Fringe benefits tax	184	141
Other employee related expenditure	168	206
<b>Total employee costs</b>	<b>13,917</b>	<b>13,331</b>

	2014 \$'000	2013 \$'000
<b>Note 11 Materials and services</b>		
Contract payments	6,396	6,584
Building maintenance	-	8
Materials and services	4,701	4,257
Utilities	731	530
<b>Total materials and services</b>	<b>11,828</b>	<b>11,379</b>
<b>Note 12 Bad and doubtful debts</b>		
Other debtors	14	48
<b>Total bad and doubtful debts</b>	<b>14</b>	<b>48</b>
<b>Note 13 Depreciation and amortisation</b>		
<b>Property</b>		
<i>Property</i>		
Land		
Land improvements	159	63
Buildings		
Buildings	767	908
Leasehold improvements	98	98
Heritage buildings	76	75
<i>Plant and Equipment</i>		
Plant, machinery and equipment	1,808	1,288
Fixtures, fittings and furniture	12	14
Computers and telecommunications	285	336
<i>Infrastructure</i>		
Roads	4,723	6,001
Bridges	248	317
Footpaths and cycleways	159	186
Drainage	267	265
Recreational, leisure and community facilities	59	52
Parks, open space and streetscapes	99	99
Kerb and channel	231	263
Culverts and retaining walls	298	322
Bus Shelters	1	-
<b>Total depreciation and amortisation</b>	<b>9,290</b>	<b>10,287</b>

	2014 \$'000	2013 \$'000
<b>Note 14 Finance costs</b>		
Bank overdraft charges	1	1
Interest - Borrowings	263	214
<b>Total finance costs</b>	<b>264</b>	<b>215</b>
<b>Note 15 Other expenses</b>		
Councillors' allowances	224	212
Council contributions	1,529	1,547
Insurance	501	460
Telephone and internet	263	227
Printing, stationery and photocopying	109	153
Legal costs	101	86
Levies	286	13
Rent, rates and charges	93	41
Advertising and promotion	176	155
Meals, accomodation and refreshments	64	73
Postage	41	40
Subscriptions, publications and memberships	105	100
Bank charges	61	56
Other	94	153
<b>Total other expenses</b>	<b>3,647</b>	<b>3,316</b>
<b>Note 16 Investment in associates</b>		
Investments in associates accounted for by the equity method are:		
- Corangamite regional library corporation	311	279
<b>Total Corangamite regional library corporation</b>	<b>311</b>	<b>279</b>
<i>Background</i>		
Council shares an interest in the Corangamite regional library with Colac-Otway Shire, Moyne Shire and Warrnambool City Council. Council's share of the investment in the library is based on the census estimates of the Corangamite Shire's population as a percentage of the four Councils. The equity share is based on the audited accounts for the year ended 30 June 2014. Corangamite's share as at 30 June 2014 is 18.7% (2012/2013 19%)		
<i>Council's share of accumulated surplus(deficit)</i>		
Council's share of accumulated surplus(deficit) at start of year	(124)	(110)
Council's share of surplus(deficit) for year	34	(11)
Transfers (to) from reserves	3	(3)
<i>Council's share of accumulated surplus(deficit) at end of year</i>	<b>(87)</b>	<b>(124)</b>
<i>Council's share of reserves</i>		
Council's share of reserves at start of year	409	406
Transfers (to) from reserves	(3)	3
<i>Council's share of reserves at end of year</i>	<b>406</b>	<b>409</b>
<i>Movement in carrying value of specific investment</i>		
Carrying value of investment at start of year	279	294
Share of surplus(deficit) for year	34	(11)
Share of reserves	(2)	(4)
<i>Carrying value of investment at end of year</i>	<b>311</b>	<b>279</b>



	2014 \$'000	2013 \$'000
<b>Note 17 Cash and cash equivalents</b>		
Cash on hand	3	6
Cash at bank	2,194	1,355
Money market call account	5,500	750
Term deposits	4,000	6,000
<b>Total Cash and cash equivalents</b>	<b>11,697</b>	<b>8,111</b>
Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
- Reserve funds allocated for specific future purposes (Note 26(b))	298	109
- Trust funds and deposits (Note 23)	388	145
- Grants received but not acquitted (Note 5)	421	3,868
Restricted Funds	<b>1,107</b>	<b>4,122</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>10,590</b>	<b>3,989</b>
<b>Note 18 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	680	615
Loans and advances to community organisations	9	9
Other debtors	1,578	855
Provision for doubtful debts - other debtors	(11)	(49)
Net GST receivable	184	207
<b>Total</b>	<b>2,440</b>	<b>1,637</b>
<b>Non-current</b>		
Special charge scheme	37	86
Loans and advances to community organisations	47	54
<b>Total</b>	<b>84</b>	<b>140</b>
<b>Total Trade and other receivables</b>	<b>2,524</b>	<b>1,777</b>
<b>Note 19 Inventories</b>		
Inventories held for distribution	92	85
Inventories held for sale	23	21
<b>Total Inventories</b>	<b>115</b>	<b>106</b>
<b>Note 20 Other assets</b>		
Prepayments	210	303
Accrued income	125	1,705
<b>Total Other assets</b>	<b>335</b>	<b>2,008</b>

	2014 \$'000	2013 \$'000
<b>Note 21 Property, infrastructure, plant and equipment</b>		
<b>Summary</b>		
at cost	21,849	41,455
Less accumulated depreciation	11,450	14,310
	<b>10,399</b>	<b>27,145</b>
at fair value	568,785	487,224
Less accumulated depreciation	165,443	134,156
	<b>403,342</b>	<b>353,068</b>
<b>Total</b>	<b>413,741</b>	<b>380,213</b>
<b>Property</b>		
<b>Land</b>		
at cost		737
at fair value	9,009	6,139
	<b>9,009</b>	<b>6,876</b>
<b>Land under roads</b>		
at deemed cost 30 June 2008	42,009	42,009
	<b>42,009</b>	<b>42,009</b>
<b>Land improvements</b>		
at fair value	4,773	1,882
Less accumulated depreciation	159	64
	<b>4,614</b>	<b>1,818</b>
<b>Total Land</b>	<b>55,632</b>	<b>50,703</b>
<b>Buildings</b>		
at cost	-	5,987
Less accumulated depreciation	-	853
	<b>-</b>	<b>5,134</b>
at fair value	39,010	37,620
Less accumulated depreciation	19,100	17,008
	<b>19,910</b>	<b>20,612</b>
<b>Leasehold improvements</b>		
at cost	1,603	1,603
Less accumulated amortisation	1,147	1,061
	<b>456</b>	<b>542</b>

**Note 21 Property, infrastructure, plant and equipment (cont)****Heritage buildings**

at fair value	17,106	10,790
Less accumulated depreciation	11,765	3,883
	<b>5,341</b>	<b>6,907</b>

**Total Buildings**

	<b>25,707</b>	<b>33,195</b>
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**Total Property**

	<b>81,339</b>	<b>83,898</b>
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Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1	Level 2	Level 3
Land - Non specialised	-	9,009	-
Land - Specialised	-	-	-
Land under roads	-	-	42,009
Land Improvements	-	-	4,614
Buildings - Non specialised	-	1,682	-
Buildings - Specialised	-	-	18,228
Leasehold improvements	-	-	456
Heritage Buildings	-	-	5,341
Total	-	10,691	70,648

**Plant and Equipment****Plant, machinery and equipment**

at cost	10,719	10,822
Less accumulated depreciation	6,233	4,999
	<b>4,486</b>	<b>5,823</b>

**Fixtures, fittings and furniture**

at cost	1,118	156
Less accumulated depreciation	253	129
	<b>865</b>	<b>27</b>

**Computers and telecommunications**

at cost	1,696	1,682
Less accumulated depreciation	1,181	896
	<b>515</b>	<b>786</b>

**Motor Vehicles**

at cost	2,113	2,072
Less accumulated depreciation	831	835
	<b>1,282</b>	<b>1,237</b>

**Artworks**

at cost	110	110
Less accumulated depreciation	-	-
	<b>110</b>	<b>110</b>

**Total Plant and Equipment**

	<b>7,258</b>	<b>7,983</b>
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**Note 21 Property, infrastructure, plant and equipment (cont)****Infrastructure****Roads**

at fair value	299,112	271,864
Less accumulated depreciation	86,644	77,290
	<b>212,468</b>	<b>194,574</b>

at cost	-	11,486
Less accumulated depreciation	-	3,221
	<b>-</b>	<b>8,265</b>

**Bridges**

at cost	-	860
Less accumulated depreciation	-	84
	<b>-</b>	<b>776</b>

at fair value	45,798	37,495
Less accumulated depreciation	4,646	3,588
	<b>41,152</b>	<b>33,907</b>

**Footpaths and cycleways**

at cost	-	844
Less accumulated depreciation	-	200
	<b>-</b>	<b>644</b>

at fair value	16,068	6,740
Less accumulated depreciation	3,905	1,619
	<b>12,163</b>	<b>5,121</b>

**Drainage**

at cost	-	407
Less accumulated depreciation	-	179
	<b>-</b>	<b>228</b>

at fair value	35,608	29,611
Less accumulated depreciation	15,398	12,603
	<b>20,210</b>	<b>17,008</b>

**Recreational, leisure and community facilities**

at cost	1,777	1,583
Less accumulated depreciation	719	686
	<b>1,058</b>	<b>897</b>

**Parks, open space and streetscapes**

at cost	2,172	2,041
Less accumulated depreciation	1,086	986
	<b>1,086</b>	<b>1,055</b>

**Kerb and channel**

at cost	-	647
Less accumulated depreciation	-	172
	<b>-</b>	<b>475</b>

at fair value	33,331	18,941
Less accumulated depreciation	8,892	4,882
	<b>24,439</b>	<b>14,059</b>



**Note 21 Property, infrastructure, plant and equipment (cont)****Culverts and retaining walls**

at cost	-	125
Less accumulated depreciation	-	6
	<u>-</u>	<u>119</u>

at fair value	26,919	24,133
Less accumulated depreciation	14,930	13,219
	<u>11,989</u>	<u>10,914</u>

**Bus Shelters**

at cost	-	28
Less accumulated depreciation	-	3
	<u>-</u>	<u>25</u>

at fair value	42	-
Less accumulated depreciation	4	-
	<u>38</u>	<u>-</u>

**Total Infrastructure**

<u>324,603</u>	<u>288,067</u>
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	Level 1	Level 2	Level 3
Roads	-	-	212,648
Bridges	-	-	41,152
Footpaths and Cycleways	-	-	12,163
Drainage	-	-	20,210
Recreational, leisure and community facilities	-	-	1,058
Parks, open space and streetscapes	-	-	1,086
Kerb and channel	-	-	24,439
Culverts and retaining walls	-	-	11,989
Bus Shelters	-	-	38
Total	-	-	324,603

**Work in progress**

Buildings at cost	300	150
Roads at cost	185	-
Drainage at cost	-	10
Footpaths at cost	-	2
Leaehold improvements at cost	1	-
Parks, open space and streetscapes at cost	26	6
Recreational, leisure and community facilities	29	79
Culverts and retaining walls at cost	-	18
<b>Total Work in progress</b>	<u>541</u>	<u>265</u>

**Total property, infrastructure, plant and equipment**

<u>413,741</u>	<u>380,213</u>
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## **Note 21 Property, infrastructure, plant and equipment (cont)**

### **Valuation basis**

#### *Non-specialised land, non-specialised buildings*

Non-specialised land and non-specialised buildings are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and non-specialised buildings, an independent valuation was performed by Mr Stephen Davey AAPI Certified Practising Valuer of Opteon Property Advisors to determine the fair value using the market based direct comparison method. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

#### *Specialised land and specialised buildings*

The market based direct comparison method is also used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. For Council specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. Specialised assets contain significant, unobservable adjustments, therefore these assets are classified as Level 3 fair value measurements.

An adjustment is made to reflect a restriction on the sale or use of an asset by Council. The adjustment is an allowance made to reflect the difference in value between unrestricted assets and those held by the Council which are impacted by external restraints on their use.

An independent valuation of Council's specialised land and specialised buildings was performed by Mr Stephen Davey AAPI Certified Practising Valuer of Opteon Property Advisors. The valuation was performed using either the market based direct comparison method or depreciated replacement cost, adjusted for restrictions in use. The effective date of the valuation is 30 June 2014.

#### *Land Under Roads*

Land under roads 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.

#### *Infrastructure*

Infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the building/component after applying depreciation rates on a useful life basis. Replacement costs relate to costs to replace the property to an "as new" standard. Economic obsolescence has also been factored into the depreciated replacement cost calculation.

Where it has not been possible to examine hidden works such as structural frames and floors, the use of reasonable materials and methods of construction have been assumed bearing in mind the age and nature of the building. The estimated cost of reconstruction including structure services and finishes, also factors in any heritage classifications as applicable.

Infrastructure assets contain significant unobservable adjustments, therefore these assets are classified as Level 3.

A valuation of Council's infrastructure assets was performed by Mr Ashay Prabhu MIE Aus CPEng of Assetic Asset Management Practitioners. The valuation was performed based on the depreciated reproduction cost of the assets. The effective date of the valuation is 30 June 2014.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use.

Note 22 Property, infrastructure, plant and equipment (cont)

Reconciliation of Level 3 fair value					
2014	Specialised Land and Land Improvements	Specialised Buildings	Land Under Roads	Heritage Buildings	Infrastructure
Opening Balance	2,360	19,183	42,009	6,907	288,066
Depreciation	(256)	(556)		(76)	(6,085)
Impairment Loss					
Revaluation	2,966	(2,456)		(1,490)	35,943
Acquisitions (Disposals)		34			6570
Transfers					109
Closing Balance	5,070	16,205	42,009	5,341	324,603

Description of significant unobservable inputs into level 3 valuations				
	Valuation Technique	Significant Unobservable Inputs	Range	Sensitivity
Land Improvements	Market based direct comparison approach	Estimated Cost for ongoing Maintenance of Landfill as per EPA guidelines  Discount factor	\$225 per unit – Maintenance - \$750,000 initial cell rehabilitation  2.45% - 3.67%	Increase or decrease in Council's community service obligation would result in a decrease or increase in fair value.  Increase or decrease in the discount factor would result in a decrease or increase in fair value.
Specialised Buildings	Depreciated Replacement Cost	Direct cost per square metre  Useful life of specialised buildings	\$2250 - \$2600  50 Years	Increase or decrease in the direct cost per square metre adjustment would result in a significantly higher or lower fair value.  Increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower fair value.
Land Under Roads	Deemed Cost at 30 June 2008	Average Cost per square metre  Land Adjustment (discount) Factor	0.2442 – 7.3229 /m2  95%	Increase or decrease in the discount factor due to Council's community service obligation would result in a decrease or increase in fair value.
Heritage Buildings	Depreciated Replacement Cost	Direct Cost per square metre  Useful Life	\$1,500 - \$3,500 /m2  125 – 175 Years	Increase or decrease in the direct cost per square metre adjustment would result in a significantly higher or lower fair value. Increase or decrease in the estimated useful life of the asset would result in a significantly lower or higher fair value.
Infrastructure	Depreciated Replacement Cost	Cost per unit  Useful life of infrastructure	<b>Roads</b> \$2.10 - \$38.05 /m2 12-100 Years <b>Footpaths</b> \$1.85 - \$46.00 /m2 10-50 Years <b>Kerb and Channel</b> \$112.00 /m 50-80 Years <b>Bridges</b> \$1,400 - \$2,500m2 40-100 Years <b>Slip Stabilisation</b> \$520 m2 30-50 Years <b>Drainage</b> \$105-\$2600 lm 100 Years /m <b>Culverts</b> \$319 - \$9460 /m 80 Years	Increase or decrease in the cost per unit would result in a significantly higher or lower fair value.  Increase or decrease in the estimated useful life would result in a significantly higher or lower fair value.

Note 21 Property, infrastructure, plant and equipment (continued)

2014	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 26(a))	Depreciation and amortisation (note 13)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers (b)	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>								
land	6,876	-	2,133	-	-	-	-	9,009
land under roads	42,009	-	-	-	-	-	-	42,009
land improvements	1,818	-	2,966	(159)	-	-	(12)	4,613
<b>Total land</b>	<b>50,703</b>	<b>-</b>	<b>5,099</b>	<b>(159)</b>	<b>-</b>	<b>-</b>	<b>(12)</b>	<b>55,631</b>
buildings	20,613	-	(234)	(469)	-	-	-	19,910
building improvements	5,134	724	(4,847)	(298)	-	-	(713)	-
leasehold improvements	542	-	-	(98)	-	-	12	456
heritage buildings	6,907	-	(1,490)	(76)	-	-	-	5,341
<b>Total buildings</b>	<b>33,196</b>	<b>724</b>	<b>(6,571)</b>	<b>(941)</b>	<b>-</b>	<b>-</b>	<b>(701)</b>	<b>25,707</b>
<b>Total property</b>	<b>83,899</b>	<b>724</b>	<b>(1,472)</b>	<b>(1,100)</b>	<b>-</b>	<b>-</b>	<b>(713)</b>	<b>81,338</b>
<b>Plant and Equipment</b>								
plant, machinery and equipment	7,060	1,053	-	(1,808)	(537)	-	-	5,768
fixtures, fittings and furniture	27	26	-	(12)	-	-	824	865
computers and telecommunications	786	33	-	(285)	-	-	(19)	515
artworks	110	-	-	-	-	-	-	110
<b>Total plant and equipment</b>	<b>7,983</b>	<b>1,112</b>	<b>-</b>	<b>(2,105)</b>	<b>(537)</b>	<b>-</b>	<b>805</b>	<b>7,258</b>
<b>Infrastructure</b>								
roads	202,837	5,453	8,901	(4,723)	-	-	-	212,468
bridges	34,683	84	6,634	(248)	-	-	-	41,153
footpaths and cycleways	5,765	322	6,284	(159)	(51)	-	2	12,163
drainage	17,237	131	3,099	(267)	-	-	10	20,210
recreational, leisure and community facilities	897	179	-	(59)	(38)	-	79	1,058
parks, open space and streetscapes	1,055	131	-	(99)	-	-	-	1,087
kerb and channel	14,533	152	9,996	(231)	(12)	-	-	24,438
retaining walls and small culverts	11,034	91	1,152	(298)	(8)	-	18	11,989
bus shelters	25	13	1	(1)	-	-	-	38
<b>Total infrastructure</b>	<b>288,066</b>	<b>6,556</b>	<b>36,067</b>	<b>(6,085)</b>	<b>(109)</b>	<b>-</b>	<b>109</b>	<b>324,604</b>
<b>Work in progress</b>								
buildings	150	242	-	-	-	-	(92)	300
roads	-	185	-	-	-	-	-	185
bridges	-	-	-	-	-	-	-	-
footpaths	2	-	-	-	-	-	(2)	-
kerb and channel	-	-	-	-	-	-	-	-
parks, open space and streetscapes	6	20	-	-	-	-	-	26
drainage	10	-	-	-	-	-	(10)	-
retaining walls and small culverts	18	-	-	-	-	-	(18)	-
recreational, leisure and community facilities	79	29	-	-	-	-	(79)	29
leasehold improvements	-	1	-	-	-	-	-	1
<b>Total works in progress</b>	<b>265</b>	<b>477</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(201)</b>	<b>541</b>
<b>Total Property, infrastructure, plant and equipment</b>	<b>380,213</b>	<b>8,869</b>	<b>34,595</b>	<b>(9,290)</b>	<b>(646)</b>	<b>-</b>	<b>-</b>	<b>413,741</b>

(a) Impairment losses

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

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

(b) Transfers

Work in progress is transferred to the appropriate asset class resulting in no net movement



Note 21 Property, infrastructure, plant and equipment (continued)

2013	Balance at	Acquisition of	Revaluation	Depreciation	Written down	Impairment	Transfers	Balance at
	beginning of		increments	and	value of	losses		end of
	financial year	assets	(decrements)	amortisation	disposals	recognised in	(b)	financial year
			(note 26(a))	(note 13)		(a)		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>								
land	6,876	-	-	-	-	-	-	6,876
land under roads	42,009	-	-	-	-	-	-	42,009
land improvements	1,417	-	464	(63)	-	-	-	1,818
<b>Total land</b>	<b>50,302</b>	<b>-</b>	<b>464</b>	<b>(63)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50,703</b>
buildings	21,082	-	-	(469)	-	-	-	20,613
building improvements	4,776	779	-	(439)	-	-	18	5,134
leasehold improvements	627	10	-	(98)	-	-	3	542
heritage buildings	6,982	-	-	(75)	-	-	-	6,907
<b>Total buildings</b>	<b>33,467</b>	<b>789</b>	<b>-</b>	<b>(1,081)</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>33,196</b>
<b>Total property</b>	<b>83,769</b>	<b>789</b>	<b>464</b>	<b>(1,144)</b>	<b>-</b>	<b>-</b>	<b>21</b>	<b>83,899</b>
<b>Plant and Equipment</b>								
plant, machinery and equipment	6,950	1,941	-	(1,288)	(543)	-	-	7,060
fixtures, fittings and furniture	38	3	-	(14)	-	-	-	27
computers and telecommunications	1,038	84	-	(336)	-	-	-	786
artworks	83	27	-	-	-	-	-	110
<b>Total plant and equipment</b>	<b>8,109</b>	<b>2,055</b>	<b>-</b>	<b>(1,638)</b>	<b>(543)</b>	<b>-</b>	<b>-</b>	<b>7,983</b>
<b>Infrastructure</b>								
roads	203,162	5,604	-	(5,999)	(61)	-	131	202,837
bridges	34,456	530	-	(317)	(7)	-	21	34,683
footpaths and cycleways	5,312	718	-	(186)	(80)	-	1	5,765
drainage	17,250	252	-	(265)	-	-	-	17,237
recreational, leisure and community facilities	811	138	-	(52)	-	-	-	897
parks, open space and streetscapes	650	452	-	(99)	-	-	52	1,055
kerb and channel	14,414	316	-	(263)	(29)	-	95	14,533
retaining walls and small culverts	11,301	87	-	(322)	(32)	-	-	11,034
bus shelters	10	17	-	(2)	-	-	-	25
<b>Total infrastructure</b>	<b>287,366</b>	<b>8,114</b>	<b>-</b>	<b>(7,505)</b>	<b>(209)</b>	<b>-</b>	<b>300</b>	<b>288,066</b>
<b>Work in progress</b>								
buildings	110	58	-	-	-	-	(18)	150
roads	131	-	-	-	-	-	(131)	-
bridges	21	-	-	-	-	-	(21)	-
footpaths	1	2	-	-	-	-	(1)	2
retaining walls	-	-	-	-	-	-	-	-
kerb and channel	95	6	-	-	-	-	(95)	6
parks, open space and streetscapes	52	10	-	-	-	-	(52)	10
drainage	-	18	-	-	-	-	-	18
computers and telecommunications	-	79	-	-	-	-	-	79
leasehold improvements	3	-	-	-	-	-	(3)	-
<b>Total work in progress</b>	<b>413</b>	<b>173</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(321)</b>	<b>265</b>
<b>Total Property, infrastructure, plant and equipment</b>	<b>379,657</b>	<b>11,131</b>	<b>464</b>	<b>(10,287)</b>	<b>(752)</b>	<b>-</b>	<b>-</b>	<b>380,213</b>

(a) Impairment losses

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

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

(b) Transfers

Work in progress is transferred to the appropriate asset class resulting in no net movement

	2014	2013
	\$'000	\$'000
<b>Note 22 Trade and other payables</b>		
Trade payables	1,804	1,863
Accrued expenses	562	697
	<u>2,366</u>	<u>2,560</u>
<b>Note 23 Trust funds and deposits</b>		
Refundable building deposits	23	28
Refundable contract deposits	110	42
Refundable house excision deposits	15	15
Other refundable deposits	240	60
	<u>388</u>	<u>145</u>

Note 24 Provisions

	Annual leave \$ '000	Long service leave \$ '000	Landfill restoration \$ '000	Total \$ '000
<b>2014</b>				
Balance at beginning of the financial year	1,143	2,477	1,882	5,502
Additional provisions	1,201	544	2,891	4,636
Amounts used	(1,109)	(236)		(1,345)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-	-
Balance at the end of the financial year	<b>1,235</b>	<b>2,785</b>	<b>4,773</b>	<b>8,793</b>
<b>2013</b>				
Balance at beginning of the financial year	1,187	2,529	1,598	5,314
Additional provisions	1,051	107	284	1,442
Amounts used	(1,095)	(159)	-	(1,254)
Balance at the end of the financial year	<b>1,143</b>	<b>2,477</b>	<b>1,882</b>	<b>5,502</b>

	2014 \$'000	2013 \$'000

(a) Employee provisions

Current provisions expected to be settled within 12 months

Annual leave	1,235	1,143
Long service leave	200	200
	<b>1,435</b>	<b>1,343</b>

Current provisions expected to be settled after 12 months

Annual leave	-	-
Long service leave	2,157	1,929
	<b>2,157</b>	<b>1,929</b>
Total Current provisions	<b>3,592</b>	<b>3,272</b>

Non-current

Long service leave	428	348
	<b>428</b>	<b>348</b>

Aggregate carrying amount of employee provisions:

Current	3,592	3,272
Non-current	428	348
	<b>4,020</b>	<b>3,620</b>

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

Weighted average increase in employee costs	3.65%	4.50%
Weighted average discount rates	1.15%	1.20%

(b) Landfill restoration

Council is obligated to restore the Naroghid landfill site to a particular standard. Current projections indicate that the site will cease operation in 2040 and restoration work is expected to commence shortly thereafter. 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.

(c) Other Provisions

Non-current

Naroghid Landfill	4,773	1,882
Other minor quarries	79	79
<b>Total Other Provisions</b>	<b>4,852</b>	<b>1,961</b>

	2014 \$'000	2013 \$'000
<b>Note 25 Interest-bearing loans and borrowings</b>		
<b>Current</b>		
Borrowings - secured	1,326	985
	<u>1,326</u>	<u>985</u>
<b>Non-current</b>		
Borrowings - secured	3,324	3,086
	<u>3,324</u>	<u>3,086</u>
<b>Total</b>	<u>4,650</u>	<u>4,071</u>
The maturity profile for Council's borrowings is:		
Not later than one year	1,326	985
Later than one year and not later than five years	1,523	2,096
Later than five years	1,801	990
	<u>4,650</u>	<u>4,071</u>
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,326	985
Non-current	3,324	3,086
	<u>4,650</u>	<u>4,071</u>



Note 26 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Disposal of Revalued Assets (Infrastructure)	Share of increment (decrement) on revaluation of Corangamite Regional Library Corporation	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2014</b>					
<b>Property</b>					
Land	4,090	2,133	-	-	6,223
Land improvements	207	75	-	-	282
Buildings	16,232	(4,972)	-	-	11,260
Heritage buildings	1,193	(1,490)	-	-	(297)
	<b>21,722</b>	<b>(4,254)</b>	<b>-</b>	<b>-</b>	<b>17,468</b>
<b>Infrastructure</b>					
Roads	87,850	8,901	-	-	96,751
Bridges	28,276	6,634	-	-	34,910
Footpaths and cycleways	6,083	6,161	-	-	12,244
Drainage	13,224	3,099	-	-	16,323
Kerb and channel	10,238	9,996	-	-	20,234
Recreation, leisure and community facilities	58	-	-	-	58
Parks, open spaces and streetscapes	26	-	-	-	26
Culverts and retaining walls	4,136	1,152	-	-	5,288
Furniture and equipment	141	-	-	-	141
Library	351	-	-	(5)	346
Bus shelters	-	1	-	-	1
	<b>150,383</b>	<b>35,944</b>	<b>-</b>	<b>(5)</b>	<b>186,322</b>
<b>Total asset revaluation reserves</b>	<b>172,105</b>	<b>31,690</b>	<b>-</b>	<b>(5)</b>	<b>203,790</b>
<b>2013</b>					
<b>Property</b>					
Land	4,090	-	-	-	4,090
Land improvements	106	101	-	-	207
Buildings	16,232	-	-	-	16,232
Heritage buildings	1,193	-	-	-	1,193
	<b>21,621</b>	<b>101</b>	<b>-</b>	<b>-</b>	<b>21,722</b>
<b>Infrastructure</b>					
Roads	87,850	-	-	-	87,850
Bridges	28,276	-	-	-	28,276
Footpaths and cycleways	6,083	-	-	-	6,083
Drainage	13,224	-	-	-	13,224
Kerb and channel	10,238	-	-	-	10,238
Recreation, leisure and community facilities	58	-	-	-	58
Parks, open spaces and streetscapes	26	-	-	-	26
Culverts and retaining walls	4,136	-	-	-	4,136
Furniture and equipment	141	-	-	-	141
Library	356	-	-	(5)	351
	<b>150,388</b>	<b>-</b>	<b>-</b>	<b>(5)</b>	<b>150,383</b>
<b>Total asset revaluation reserves</b>	<b>172,009</b>	<b>101</b>	<b>-</b>	<b>(5)</b>	<b>172,105</b>

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

Note 26 Reserves

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>				
<b>2014</b>				
Resort and recreation reserve	109	7		116
Saleyards	-	54		54
Landfill rehabilitation reserve	-	35		35
Other reserves	-	147		147
<b>Total Other reserves</b>	<b>109</b>	<b>243</b>	<b>-</b>	<b>352</b>
<b>2013</b>				
Resort and recreation reserve	104	5	-	109
Saleyards	117		(117)	-
<b>Total Other reserves</b>	<b>221</b>	<b>5</b>	<b>(117)</b>	<b>109</b>

The resort and recreation reserve was established to control contribution from developers that will, upon completion of developments, be utilised to develop recreation and other facilities for residents in the respective development areas. The saleyards reserve was established to fund minor improvements at the saleyards or to fund operating deficits when required. Additions to the reserve are saleyards operating surpluses and reductions are from saleyard operating deficits.

	2014 \$'000	2013 \$'000
<b>Note 27 Adjustments directly to equity</b>		
Recognition of proportion of Library Surplus	34	-
<b>Note 28 Reconciliation of cash flows from operating activities to surplus (deficit)</b>		
Surplus / (Deficit)	32,310	1,365
Share of revaluation (increment)/decrement of associates and joint ventures accounted for by the equity method	5	10
Net asset revaluation (increment)/decrement	(31,690)	(101)
Depreciation/amortisation	9,290	10,287
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	20	201
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(748)	(33)
(Increase)/decrease in prepayments	93	19
(Increase)/decrease in inventories	(9)	(41)
(Increase)/decrease in accrued income	1,580	(1,371)
Increase/(decrease) in trade and other payables	(194)	(3,326)
Increase/(decrease) in provisions	400	118
Increase/(decrease) in trust funds and deposits	243	(44)
Share in (profit)/loss in Library Corporation equity	(34)	11
<b>Net cash provided by/(used in) operating activities</b>	<b>11,266</b>	<b>7,095</b>
<b>Note 29 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (see note 17)	11,697	8,111
<b>Total Reconciliation of cash and cash equivalents</b>	<b>11,697</b>	<b>8,111</b>
<b>Note 30 Financing arrangements</b>		
Bank overdraft	960	960
<b>Unused facilities</b>	<b>960</b>	<b>960</b>
<b>Note 31 Restricted assets</b>		
Council has cash and cash equivalents (note 17) that are subject to restrictions. As at the reporting date, Council had the following restrictions on its cash and cash equivalents:		
Trust funds and deposits	388	145
Resort and recreation reserve funds (note 26b)	116	109
Landfill rehabilitation reserve (note 26b)	35	-
Other cash backed reserves (note 26b)	147	-
Grants received but not acquitted (note 5)	421	3,868
<b>Total restricted assets</b>	<b>1,107</b>	<b>4,122</b>

	2014 \$'000	2013 \$'000
<b>Note 32 Superannuation</b>		
Council made contributions to the following funds:		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	277	278
	<u>277</u>	<u>278</u>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	-	2
	<u>-</u>	<u>2</u>
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	858	806
Employer contributions to other funds	388	248
	<u>1,246</u>	<u>1,054</u>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	34	30
Employer contributions payable to other funds	17	13
	<u>51</u>	<u>43</u>

The Corangamite Shire 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. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from the Corangamite Shire and the Corangamite Shire's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

#### Defined Benefit

As provided under Paragraph 34 of AASB 119, the Corangamite Shire 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 multi-employer sponsored plan.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, 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 [Employer name] in the Fund cannot be measured as a percentage compared with other participating employer. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

#### Funding arrangements

The Corangamite Shire 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 employer funding arrangements comprise of three components (which are detailed below) are:

1. Regular contributions - which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
2. Funding calls – which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
3. Retrenchment increments – which are additional contributions to cover the increase in liability arising from retrenchments.

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

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



**Note 33 Commitments**

The Council has entered into the following commitments

2014	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	185	-	-	-	185
Garbage collection	166	-	-	-	166
Green waste collection	117	-	-	-	117
Skip bin transfer	70	140	-	-	210
Recreation facility management	300	9	-	-	309
Environmental Health	-	-	-	-	-
Banking	53	-	-	-	53
Home care services	-	-	-	-	-
Meals for delivery	-	-	-	-	-
Water Quality Monitoring	41	82	-	-	123
<b>Total</b>	<b>932</b>	<b>231</b>	<b>-</b>	<b>-</b>	<b>1,163</b>

2013	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Operating</b>					
Recycling	345	365	-	-	710
Garbage collection	268	275	-	-	543
Meals for delivery	188	193	-	-	381
Hard and green waste collection	113	116	-	-	229
Home maintenance services	313	290	26	-	629
Recreation facility management	46	-	-	-	46
Environmental health	42	-	-	-	42
Property valuation	164	168	-	-	332
Banking services	112	115	-	-	227
<b>Total</b>	<b>1,591</b>	<b>1,522</b>	<b>26</b>	<b>-</b>	<b>3,139</b>

	2014 \$'000	2013 \$'000
<b>Note 34 Operating leases</b>		
<b>(a) Operating lease commitments</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	124	120
Later than one year and not later than five years	444	464
Later than five years	2,660	2,005
	<u>3,228</u>	<u>2,589</u>

**Note 35 Contingent liabilities and contingent assets**

**Contingent liabilities**

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in this financial report.

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

Council operates a landfill at Naroghid. Council will have to carry out site rehabilitation works in the future.

Council has taken action to minimise the potential discharge of waste water into the nearby waterways from the Council saleyards. While this action does minimise the risk, there is a contingent liability of \$250,000 if such an event occurs.

**Guarantees for loans to other entities**

Guarantee - Camperdown Football Netball Club - Original Loan \$300,000  
The amount outstanding as at 30 June 2014 is \$14,110 (2013 \$29,330)  
Guarantee is in respect of a loan from the ANZ bank.

Security Deposit Guarantee - National Australia Bank - Original Loan \$300,000  
This guarantee has been in place since 9 February 1996 for \$45,000

Contract Performance Guarantee - Department of Natural Resources and Environment  
This guarantee has been in place since 24 March 1999 for \$42,500

Contract Performance Guarantee - State of Victoria - Environment Protection Authority  
This guarantee has been in place since 30 April 2008 for \$728,000. The guarantee is in respect of remedial action for the Corangamite Regional Landfill

Other Guarantee - Environment Protection Authority (formally Department of Agriculture, Energy and Minerals). This guarantee has been in place since 20 March 1996 for \$6,000.  
Extractive Industry Licence # 1280

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Note 36 Financial Risk Management

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
<b>Financial assets</b>			
<b>Cash and cash equivalents</b>	17	Cash on hand and at bank and money market call account are valued at face value.  Interest is recognised as it accrues.  Investments are held to maximise interest returns of surplus cash.	On call deposits returned a floating interest rate of 2.4% and 4.00% (3.25% in 2012/2013).  Term deposits returned a fixed interest rate of between 4.29% (5.55% in 2012/2013), and 3.23% (3.93% in 2012/2013) net of fees.
<b>Trade and other receivables</b>			
<b>Other debtors</b>	18	Receivables are carried at amortised cost using the effective interest method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and do not attract an interest rate. Credit terms are based on 30 days.
<b>Financial Liabilities</b>			
<b>Trade and other payables</b>	22	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
<b>Interest-bearing loans and borrowings</b>	25	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 5.41% (6.29% in 2012/2013).
<b>Bank overdraft</b>	30	Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. The interest rate as at balance date was 9.48% (9.73% in 2012/2013)

Note 36 Financial instruments (cont.)

(b) Interest Rate Risk

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

2014	Fixed interest maturing in:					Total \$'000
	Floating interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
<b>Financial assets</b>						
Cash and cash equivalents	7,697	4,000	-	-	-	11,697
Other financial assets	-	-	-	-	115	115
Trade and other receivables	9	-	-	-	2,431	2,440
Other assets	-	-	-	-	335	335
<i>Total financial assets</i>	<u>7,706</u>	<u>4,000</u>	<u>-</u>	<u>-</u>	<u>2,881</u>	<u>14,587</u>
Weighted average interest rate	2.77%	3.62%				
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	2,366	2,366
Trust funds and deposits	-	-	-	-	388	388
Interest-bearing loans and borrowings	-	1,326	1,523	1,801	-	4,650
<i>Total financial liabilities</i>	<u>-</u>	<u>1,326</u>	<u>1,523</u>	<u>1,801</u>	<u>2,754</u>	<u>7,404</u>
Weighted average interest rate		5.41%	5.63%	5.76%		
Net financial assets (liabilities)	<u>7,706</u>	<u>2,674</u>	<u>(1,523)</u>	<u>(1,801)</u>	<u>127</u>	<u>7,183</u>

2013	Fixed interest maturing in:					Total \$'000
	Floating Interest rate \$'000	1 year or less \$'000	Over 1 to 5 years \$'000	More than 5 years \$'000	Non-interest bearing \$'000	
<b>Financial assets</b>						
Cash and cash equivalents	2,111	6,000	-	-	-	8,111
Other financial assets	-	-	-	-	106	106
Trade and other receivables	9	-	140	-	1,562	1,711
Other assets	-	-	-	-	2,008	2,008
<i>Total financial assets</i>	<u>2,120</u>	<u>6,000</u>	<u>140</u>	<u>-</u>	<u>3,676</u>	<u>11,936</u>
Weighted average interest rate	3.25%	3.93%				
<b>Financial liabilities</b>						
Trade and other payables	-	-	-	-	2,494	2,494
Trust funds and deposits	-	-	-	-	145	145
Interest-bearing loans and borrowings	-	985	2,096	990	-	4,071
<i>Total financial liabilities</i>	<u>-</u>	<u>985</u>	<u>2,096</u>	<u>990</u>	<u>2,639</u>	<u>6,710</u>
Weighted average interest rate		6.29%	5.92%	5.71%		
Net financial assets (liabilities)	<u>2,120</u>	<u>5,015</u>	<u>(1,956)</u>	<u>(990)</u>	<u>1,037</u>	<u>5,226</u>



Note 36 Financial Instruments (cont.)

(c) Net Fair Values

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>Financial assets</b>				
Cash and cash equivalents	11,697	8,111	11,697	8,111
Trade and other receivables	2,524	1,777	2,524	1,777
Other assets	450	2,114	450	2,114
<i>Total financial assets</i>	<u>14,671</u>	<u>12,002</u>	<u>14,671</u>	<u>12,002</u>
<b>Financial liabilities</b>				
Trade and other payables	2,366	2,560	2,366	2,560
Trust funds and deposits	388	145	388	145
Interest-bearing loans and borrowings	4,650	4,071	4,650	4,071
<i>Total financial liabilities</i>	<u>7,404</u>	<u>6,776</u>	<u>7,404</u>	<u>6,776</u>

(d) Credit Risk

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

(e) Risks and mitigation

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

**Market risk**

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

**Interest rate risk**

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

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

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

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

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

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

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

Note 36 Financial Instruments (cont.)

**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

- 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

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 35.

**Movement in Provisions for Doubtful Debts**

	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Balance at the beginning of the year	49	6
New Provisions recognised during the year	11	43
Amounts already provided for and written off as uncollectible	(48)	-
Amounts provided for but recovered during the year	(1)	-
Balance at end of year	<u>11</u>	<u>49</u>

**Ageing of Trade and Other Receivables**

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

	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Current (not yet due)	1,703	972
Past due by up to 30 days	79	98
Past due between 31 and 180 days	429	542
Past due between 181 and 365 days	16	-
Past due by more than 1 year	158	99
Total Trade & Other Receivables	<u>2,385</u>	<u>1,711</u>

Note 36 Financial Instruments (cont.)

**Liquidity risk**

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

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

To help reduce these risks we:

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

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

The table below lists the contractual maturities for Financial Liabilities

These amounts represent undiscounted gross payments including both principal and interest amounts

2014	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	2,366	-	-	-	-	2,366
Trust funds and deposits	-	-	-	-	388	388
Interest-bearing loans and borrowings	664	662	781	742	1,801	4,650
<b>Total financial liabilities</b>	<b>3,030</b>	<b>662</b>	<b>781</b>	<b>742</b>	<b>2,189</b>	<b>7,404</b>

2013	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	2,494	-	-	-	-	2,494
Trust funds and deposits	-	-	-	-	145	145
Interest-bearing loans and borrowings	516	469	777	1,318	991	4,071
<b>Total financial liabilities</b>	<b>3,010</b>	<b>469</b>	<b>777</b>	<b>1,318</b>	<b>1,136</b>	<b>6,710</b>

**(f) Sensitivity disclosure analysis**

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

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

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

2013	\$'000	Interest rate risk			
		-2%		+1%	
		-200 Profit \$'000	basis points Equity \$'000	+100 Profit \$'000	basis points Equity \$'000
<b>Financial assets:</b>					
Cash and cash equivalents	11,697	(234)	(234)	117	117
Trade and other receivables	2,524	-	-	25	25
<b>Financial liabilities:</b>					
Interest-bearing loans and borrowings	4,650	(93)	(93)	47	47

**(g) Fair Value Hierarchy**

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

	2014	2013
	\$'000	\$'000
<b>Note 37 Auditors' remuneration</b>		
Audit fee to conduct external audit - Victorian Auditor-General	48	46
Internal audit fees - Crowe Horwath	19	16
	<u>67</u>	<u>62</u>

**Note 38 Events occurring after balance date**

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

**Note 39 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 Chris O'Connor (Mayor 7/11/12 to current)  
Councillor Ruth Gstrein (1/7/12 to current)  
Councillor Geoff Smith (1/7/12 to current)  
Councillor Jo Beard (1/7/12 to current)  
Councillor Peter Harkin (7/11/12 to current)  
Councillor Wayne Oakes (7/11/12 to current)  
Councillor Neil Trotter (7/11/12 to current)

**Chief Executive Officer** Andrew Mason

**(ii) Remuneration of Responsible Persons**

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

	2014 No.	2013 No.
\$1 - \$9,999	-	2
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	6	4
\$50,000 - \$59,999	-	1
\$70,000 - \$79,999	1	-
\$200,000 - \$209,999	-	-
\$210,000 - \$219,999	1	1
	8	11

	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	440	428

**(iii)** No retirement benefits have been made by the Council to a Responsible Person. (2012/13, Nil).

**(iv)** No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2012/13, Nil).

**(v) Other Transactions**

No transactions other than remuneration payments or the reimbursement of approved

**(vi) 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 \$133,000

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

	2014 No.	2013 No.
Income Range:		
< \$133,000	2	1
\$140,000 - \$149,999	-	-
\$150,000 - \$159,999	2	3
\$160,000 - \$169,999	1	-
	5	4

	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to	550	570



Note 40 Income, expenses and assets by function/activities

	Governance	Corporate Services	Community Services	Works and Services	Sustainability and Environment	Total
	2014	2014	2014	2014	2014	2014
	\$'000	\$'001	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>						
Grants	114	3,323	2,966	5,496	397	12,296
Other	91	18,782	1,809	2,394	4,213	27,289
<b>TOTAL</b>	<b>205</b>	<b>22,105</b>	<b>4,775</b>	<b>7,890</b>	<b>4,610</b>	<b>39,585</b>
<b>EXPENSES</b>						
	(2,161)	(12,431)	(5,037)	(11,051)	(8,280)	(38,960)
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(1,956)</b>	<b>9,674</b>	<b>(262)</b>	<b>(3,161)</b>	<b>(3,670)</b>	<b>625</b>
<b>ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*</b>	<b>42,009</b>	<b>10,499</b>	<b>25,251</b>	<b>330,913</b>	<b>5,069</b>	<b>413,741</b>

\*Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

	Governance	Corporate Services	Community Services	Works and Services	Sustainability and Environment	Total
	2013	2013	2013	2013	2013	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INCOME</b>						
Grants	-	3,636	2,972	7,624	716	14,948
Other	218	21,726	1,684	885	389	24,902
<b>TOTAL</b>	<b>218</b>	<b>25,362</b>	<b>4,656</b>	<b>8,509</b>	<b>1,105</b>	<b>39,850</b>
<b>EXPENSES</b>						
	(2,606)	(14,558)	(5,798)	(10,320)	(5,294)	(38,576)
<b>SURPLUS (DEFICIT) FOR THE YEAR</b>	<b>(2,388)</b>	<b>10,804</b>	<b>(1,142)</b>	<b>(1,811)</b>	<b>(4,189)</b>	<b>1,274</b>
<b>ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*</b>	<b>42,009</b>	<b>7,799</b>	<b>29,018</b>	<b>299,027</b>	<b>2,360</b>	<b>380,213</b>

\*Assets have been attributed to functions/activities based on the control and/or custodianship of

**Governance**

Council Operations  
Executive Services  
Elections  
Public Relations  
Customer Services

**Corporate Services**

Finance, rating and valuation services  
Information services  
General office and administration  
Human resource  
Risk management and occupation  
Includes abnormal and extraordinary items

**Community Services**

Family services  
Aged and disability services  
Community transport  
Children's services  
Youth services  
Community housing

**Works and Services**

Construction and maintenance of roads, bridges, street lighting, parks and gardens, Civic Centre and multi purpose halls, swimming pools, sporting facilities, libraries, caravan parks and other cultural activities  
Contract administration  
Plant operations

**Sustainability and Environment**

Environmental and Waste management  
Saleyards  
Public safety and amenity  
Planning and Building  
Economic Development  
Industrial Estates  
Environmental health  
Tourism

Note 41 Financial ratios (Performance indicators)	2014 \$'000	2014 (%)	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)
<b>(a) Debt servicing ratio</b> (to identify the capacity of Council to service its outstanding debt)						
<u>Debt servicing costs</u>	264		215		247	
Total revenue	39,585	= 0.67%	39,850	= 0.54%	49,955	= 0.49%
Debt servicing costs refer to the payment of interest on loan borrowings, finance lease, and bank overdraft. The ratio expresses the amount of interest paid as a percentage of Council's total revenue.						
<b>(b) Debt commitment ratio</b> (to identify Council's debt redemption strategy)						
<u>Debt servicing &amp; redemption costs</u>	1,185		1,354		1,138	
Rate revenue	18,171	= 6.52%	16,798	= 8.06%	15,964	= 7.13%
The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.						
<b>(c) Revenue ratio</b> (to identify Council's dependence on non-rate income)						
<u>Rate revenue</u>	18,171		16,798		15,964	
Total revenue	39,585	= 45.90%	39,850	= 42.15%	49,955	= 31.96%
The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.						
<b>(d) Debt exposure ratio</b> (to identify Council's exposure to debt)						
<u>Total indebtedness</u>	16,276		12,357		15,579	
Total realisable assets	51,388	= 31.67%	53,734	= 23.00%	56,233	= 27.70%
For the purpose of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.						
Any liability represented by a restricted asset (note 31) is excluded from total indebtedness.						
The following assets are excluded from total assets when calculating Council's realisable assets: land and buildings on Crown land; restricted assets; heritage assets; total infrastructure assets; and Council's investment in associate.						
This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the percentage of total liabilities for each dollar of realisable assets.						
<b>(e) Working capital ratio</b> (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	14,587		11,862		14,351	
Current liabilities	7,672	= 190.13%	6,962	= 170.38%	10,497	= 136.72%
The ratio expresses the level of current assets the Council has available to meet its current liabilities.						
<b>(f) Adjusted working capital ratio</b> (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	14,587		11,862		14,351	
Current liabilities*	7,472	= 195.22%	4,767	= 248.84%	8,204	= 174.93%
The ratio expresses the level of current assets the Council has available to meet its current liabilities.						
* Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.						

	Note	2014 \$'000	2013 \$'000
<b>Note 42 Capital expenditure</b>			
<b>Capital expenditure areas</b>			
Bridges		84	530
Buildings		843	837
Information Technology		33	84
Drainage		131	262
Footpaths		445	720
Fixtures, fittings and furniture		26	3
Artworks		0	27
Kerb and Channel		152	316
Land		-	10
Waste		1	-
Motor Vehicles		552	796
Plant and Machinery		501	1,145
Parks and Gardens		151	458
Playgrounds		208	217
Roads		5,742	5,726
<b>Total capital works</b>		<b>8,869</b>	<b>11,131</b>
Represented by:			
Renewal of infrastructure	(a)	6,491	5,107
Upgrade of infrastructure	(b)	249	1,194
New road related infrastructure		173	243
New buildings		352	-
Renewal of building infrastructure		391	737
Upgrade of building infrastructure	(b)	100	100
Renew plant and equipment	(a)	1,113	3,750
<b>Total capital works</b>		<b>8,869</b>	<b>11,131</b>

#### Property, plant and equipment, infrastructure movement

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

Total capital works		8,869	11,131
Asset revaluation movement (excluding library)	26(a)	34,520	-
Asset revaluation movement - Valuation of Landfill Rehabilitation		75	464
Depreciation/amortisation	13	(9,290)	(10,287)
Found Assets	21	-	-
Written down value of assets sold	8	(646)	(752)
<b>Net movement in property, plant and equipment, infrastructure</b>	21	<b>33,528</b>	<b>556</b>

#### (a) Renewal

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

#### (b) Upgrade

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

#### (c) Expansion

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

**Note 43 Special committees and other activities**

The following section 86 committees are not included in this financial report:

Berrybank Hall Committee of Management  
Camperdown Swimming Pool Committee of Management  
Cobden Airstrip Committee of Management  
Cobden Civic Hall Committee of Management  
Cobden Swimming Pool Committee of Management  
Ecklin Hall Committee of Management  
Kilnoorat Cemetery Committee of Management  
Lismore Swimming Pool Committee of Management  
Mount Leura and Mount Sugarloaf Committee of Management  
Port Campbell Public Purposes Reserve Committee of Management  
Simpson and District Public Hall Committee of Management  
Skipton Swimming Pool Committee of Management  
Terang Civic Centre Committee of Management  
Terang Swimming Pool Committee of Management  
Timboon and District Public Hall Committee of Management  
Timboon Sporting Centre Committee of Management  
Timboon Swimming Pool Committee of Management

## Certification of the Financial Report



David Rae  
Principal Accounting Officer

Date : 23-September-2014  
Skipton, Victoria

In our opinion the accompanying financial statements present fairly the financial transactions of Corangamite Shire Council for the year ended 30 June 2014 and the financial position of the Council as at that date.

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

We have been authorised by the Council on 23 September 2014 to certify the financial statements in their final form.



Neil Trotter  
Councillor

Date : 23-September-2014  
Skipton, Victoria



Ruth Gstrein  
Councillor

Date : 23-September-2014  
Skipton, Victoria



Andrew Mason  
Chief Executive Officer

Date : 23-September-2014  
Skipton, Victoria



# Annual Standard Statements

For the year ended 30 June 2014

# Standard Statements

## Note 1 - Basis of preparation

The Corangamite Shire Council is required to prepare and include audited Standard Statements within its Annual Report. Four Statements are required:

- Standard Income Statement
- Standard Balance Sheet
- Standard Cash Flow Statement and;
- Standard Statement of Capital Works

These statements and the supporting notes form a special purpose financial report prepared to meet the requirements of the *Local Government Act 1989* and *Local Government (Finance and Reporting) Regulations 2014*. The Standard Statements have been prepared on accounting bases consistent with those used for the General Purpose Financial Statements and the Budget. The results reported in these statements are consistent with those reported in the General Purpose Financial Report. The Standard Statements are not a substitute for the General Purpose Financial Statements. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare the Council's financial plan, expressed through its budget, with actual performance. The *Local Government Act 1989* requires explanation of any material variances. The Council has adopted a materiality threshold of 10 per cent.

Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature. The budget figures included in the Statements are those adopted by the Council on 25 June 2013.

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

Detailed information on the actual financial results are contained in the General Purpose Financial Report. The detailed budget can be obtained by contacting Council or through the Council's website - [ww.corangamite.vic.gov.au](http://ww.corangamite.vic.gov.au)  
The Standard Statements must be read with reference to these documents.

**Standard Income Statement**  
**For the year ended 30 June 2014**

	BUDGET 2013-	ACTUAL 2013-			
	2014	2014	VARIANCE	%	REF:
	\$'000	\$'000	\$'000		
<b>REVENUE</b>					
Rates and charges	18,181	18,171	(10)	-	
Statutory fees and fines	1,246	277	(969)	(77)	1
User fees	5,155	5,796	641	12	2
Contributions	579	50	(529)	(91)	3
Grants - Operating	10,627	6,930	(3,697)	(34)	4
Grants - Capital	4,429	4,193	(236)	(5)	
Reimbursements	2,414	3,514	1,100	45	5
Other Revenue	365	640	275	75	6
Net gain/ (loss) on disposal of property, infrastructure, plant and equipment	4	(20)	(24)	(600)	7
Share of net profits/ (losses) of associates and joint ventures accounted for by the equity method	-	34	34	(100)	8
<b>Total revenue</b>	<b>43,000</b>	<b>39,585</b>	<b>(3,415)</b>		
<b>EXPENDITURE</b>					
Employee benefits	13,639	13,917	(278)	(2)	
Materials and services	11,618	11,828	(210)	(1)	
Bad and doubtful debts	2	14	(12)	(600)	9
Depreciation	9,750	9,278	472	4	
Finance costs	285	264	21	7	
Other expenses	3,946	3,647	299	7	
<b>Total expenditure</b>	<b>39,241</b>	<b>38,948</b>	<b>293</b>		
<b>Surplus/ (deficit) from operations</b>	<b>3,759</b>	<b>637</b>	<b>(3,708)</b>		
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	-	(5)	(5)	(100)	10
Net Increase (decrease) in asset revaluation reserve		31,690	31,690	(100)	11
<b>Surplus / (deficit) for the period</b>	<b>3,763</b>	<b>32,322</b>	<b>28,559</b>		

## Variance Explanation Report

<b>Ref - Item</b>	<b>Explanation</b>
1 - Statutory fees and fines	The levy that is charged the landfill and transfer stations has now been classified as a "Statutory" fee as the amounts are set set by the Environment Protection Authority. As the fee is collected and remitted to the EPA, the levy expense is now offset with the income resulting in lower than budgeted Statutory fees and Other expenses. As a consequence actual statutory fees colleted are lower by \$1.095 million. The decrease is slightly offset by a small increase in Planning and Health Services fees (\$17,000 and \$13,000 increase respectively)
2 - User Fees	Increase mainly due to higher than budgeted volumes of waste deposited at the landfill and the associated user fees generated (\$565,000 increase) as well as increased utilisation of Family Day care (\$196,000 increase). Paritally offset by decrease in user fees for Home and Community Care Services (\$75,000 decrease).
3 - Contributions	Contributions from the community are generally sort after completion of works. The decreased in contributions is mainly due to delay in commencement or completion of special charge scheme kerb and footpath works (\$171,000 decrease), as well as delay in works associated with community facilities due to delay or inability to secure associated grant funding (\$165,000 decrease) or due to delay in completion of works (\$89,000 decrease).
4 - Operating grants	Decrease of 34% primarily due to the prepayment of 2 installments of 2013-2014 Victorian Grants Commission (VGC) payment in 2012-2013, this amount totalled \$3.515 million. No prepayment of the 2014-2015 occured resulting in lower than bugeted operating grants.

## Variance Explanation Report Continued

<b>Ref - Item</b>	<b>Explanation</b>
5 - Reimbursements	Increase due to unbudgeted recovery of utility, operating and unscheduled maintenance expenses for Council's community facilities (\$263,000 increase), as well as additional private works income (\$552,000 increase), flood recovery works (\$132,000 increase) and provision of landcare payroll service (\$24,000 increase).
6 - Other revenue	Increase mainly due to reclassification of insurance reimbursement and income from shared costs from user fees and reimbursements (\$105,000 increase) as well as unbudgeted Planning services income (\$75,000).
7 - Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Income received from the sale of plant was less than originally budgeted (\$30,500 decrease).
8 - Share of net profits/ (losses) of associates and joint ventures accounted for by the equity method	These are unknown and involve complexities regarding ownership based on population and the result of the Corangamite Regional Library Corporation, whose accounts are completed by the Colac Otway Shire, as such Council does not budget for these amounts.
9 - Bad and doubtful debts	Small increase in debts unlikely to be collected. Efforts are still being undertaken to recover amounts, however an impairment, has been recognised.
10 - Share of other comprehensive income of associates and joint ventures accounted for by the equity method	These are unknown and involve complexities regarding ownership based on population and the result of the Corangamite Regional Library Corporation, whose accounts are completed by the Colac Otway Shire, as such Council does not budget for these amounts as they are equity accounted only.
11 - Net Increase (decrease) in asset revaluation reserve	Council Policy is not to Budget for revaluation increments or decrements as the amounts are unknown until revaluation is undertaken.



**Standard Balance Sheet**  
**For the year ended 30 June 2014**

	<b>BUDGET</b>	<b>ACTUAL</b>	<b>VARIANCE</b>	<b>%</b>	<b>REF:</b>
	<b>2013-2014</b>	<b>2013-2014</b>	<b>\$'000</b>		
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>		
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	9,208	11,697	2,489	27	<b>12</b>
Trade and other receivables	2,531	2,440	(91)	(4)	
Inventories	65	115	50	77	<b>13</b>
Other assets	656	335	(321)	(49)	<b>14</b>
<b>Total Current Assets</b>	<b>12,460</b>	<b>14,587</b>	<b>2,127</b>		
<b>NON CURRENT ASSETS</b>					
Trade and other receivables	143	84	(59)	(41)	<b>15</b>
Investments in associates	294	311	17	6	
Fixed assets	382,051	413,741	31,690	8	
<b>Total Non Current Assets</b>	<b>382,488</b>	<b>414,136</b>	<b>31,648</b>		
<b>Total Assets</b>	<b>394,948</b>	<b>428,723</b>	<b>33,775</b>		
<b>CURRENT LIABILITIES</b>					
Trade and other payables	2,922	2,366	(556)	(19)	<b>16</b>
Trust funds and deposits	101	388	287	284	<b>17</b>
Interest bearing liabilities	1,331	1,326	(5)	(0)	
Provisions	3,350	3,592	242	7	
<b>Total Current Liabilities</b>	<b>7,704</b>	<b>7,672</b>	<b>(32)</b>		
<b>NON CURRENT LIABILITES</b>					
Interest bearing liabilities	3,136	3,324	188	6	
Provisions	2,685	5,280	2,595	97	<b>18</b>
<b>Total Non Current Liabilities</b>	<b>5,821</b>	<b>8,604</b>	<b>2,783</b>		
<b>Total Liabilities</b>	<b>13,525</b>	<b>16,276</b>			
<b>Net Assets</b>	<b>381,423</b>	<b>412,447</b>			
<b>EQUITY</b>					
Accumulated surplus	209,158	208,305			
Asset revaluation reserve	172,009	203,790			
Cash backed reserves	139	298			
Other reserves	117	54			
<b>Total Equity</b>	<b>381,423</b>	<b>412,447</b>			

## Variance Explanation Report

<b>Ref - Item</b>	<b>Explanation</b>
12 - Cash and cash equivalents	<p>Opening cash reserves at the start of the year exceeded budget due to the budget being set prior to the completion of the 2012-2013 audit.</p> <p>Other factors resulting in a higher than expected cash position:-</p> <ul style="list-style-type: none"><li>- delay in completion of capital projects due to unfavourable weather conditions through the year.</li><li>- postponing the replacement of several large items of plant and equipment</li><li>- deferral of borrowings by six months</li></ul>
13 - Inventories	<p>The budgeted amount of inventories is an estimate based on historical data. Council manages its inventory using various systems and completes a manual stocktake at year end. The difference is a timing issue depending on materials used and delivered in the last few weeks of June.</p>
14 - Other assets	<p>The budgeted amount of other assets is based on historical trends, and the decrease relates to a decrease in actual accrued income compared to budget.</p>
15 - Non-Current trade and other receivables	<p>The budgeted amount of trade and other receivables is an estimate based on historical data and can vary due to timing of payments of rates and other debtors.</p>
16 - Trade and payables	<p>The budgeted amount of trade and other payables is an estimate based on historical data and can vary due to timing of payments.</p>
17 - Trust funds and other deposits	<p>Council recognised as income several bonds for footpaths, previously held as part of planning requirements. Amounts vary depending on planning activity during any given year.</p>
18 - Provisions	<p>Council's provisions have increased by \$2,595 against budget. The main driver of this increase is due to the higher than expected increase in the provision of landfill rehabilitation (\$2.9 million increase) which is revalued annually, with the building of the new cell, larger long term expenditure in ongoing maintenance need to be provided for. Council established a cash backed reserve for this purpose during the year. Employee provisions had a modest increase of \$400,000.</p>

**Standard Cash Flow Statement**  
For the year ended 30 June 2014

	BUDGET 2013-2014 \$'000	ACTUAL 2013-2014 \$'000	VARIANCE \$'000	%	REF:
<b>Cash flows from operating activities</b>					
<i>Receipts</i>					
Rate and charges	17,806	18,110	304	2	
Statutory fees and fines	1,246	277	(969)	(78)	<b>19</b>
User fees	5,030	5,035	5	0	
Contributions	579	43	(536)	(93)	<b>20</b>
Reimbursements	2,414	4,588	2,174	90	<b>21</b>
Developer Contributions	-	7	7	100	<b>22</b>
Grants - Operating	10,627	7,436	(3,191)	(30)	<b>23</b>
Grants - Capital	4,429	4,276	(153)	(3)	
Other Revenue	365	842	477	131	<b>24</b>
	<u>42,496</u>	<u>40,614</u>	<u>(1,882)</u>		
<i>Payments</i>					
Payments to employees	(13,279)	(13,521)	(242)	2	
Payments to suppliers	(15,565)	(15,827)	(262)	2	
	<u>(28,844)</u>	<u>(29,348)</u>	<u>(504)</u>		
<b>Net cash provided by operating activities</b>	<u>13,652</u>	<u>11,266</u>	<u>(2,386)</u>		
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, infrastructure, plant and equipment	654	624	(30)	(5)	
Payments for property, infrastructure, plant and equipment	(11,176)	(8,869)	2,307	(21)	<b>25</b>
Repayment of loans and advances from community organisations	-	7	7		
<b>Net cash flow from investing activities</b>	<u>(10,522)</u>	<u>(8,238)</u>	<u>2,284</u>		
<b>Cash flows from financing activities</b>					
Finance costs	(285)	(264)	21	(7)	
Proceeds from Borrowings	1,500	1,500	-	-	
Trust funds and deposits	-	243	243	-	
Repayment of interest bearing loans and borrowings	(1,185)	(921)	264	(22)	<b>26</b>
<b>Net cash from financing activities</b>	<u>30</u>	<u>558</u>	<u>528</u>		
Net increase (decrease) in cash and cash equivalents	3,160	3,586			
Cash and cash equivalents at the beginning of the year	6,047	8,111			
<b>Cash and cash equivalents at the end of the year</b>	<u>9,208</u>	<u>11,697</u>			

## Variance Explanation Report

<b>Ref/Item</b>	<b>Explanation</b>
19 - Statutory fees and fines	The levy that is charged the landfill and transfer stations has now been classified as a "Statutory" fee as the amounts are set set by the Environment Protection Authority. As the fee is collected and remitted to the EPA, the levy expense is now offset with the income resulting in lower than budgeted Statutory fees and Other expenses. As a consequence actual statutory fees colleted are lower by \$1.095 million.
20 - Contributions	Contibutions from the community are generally sort after completion of works. The decreased in contributions is mainly due to delay in commencement or completion of special charge scheme kerb and footpath works (\$171,000 decrease), as well as delay in works associated with community facilities due to delay or inability to secure associated grant funding (\$165,000 decrease) or due to delay in completion of works (\$89,000 decrease).
21 - Reimbursements	Payments for flood recovery works undertaken in 2012-2013 delayed to 2013-2014 due to lengthy aquittal process.(\$1.04 million increase) as well as additional reimbursement income received throughout the year (\$1.1 million increase)
22 - Developer Contributions	Developer contributions are infrequent and unknow at budget time. Therefore Council does not budget for developer contributions.
23 - Grants - operating	Decrease in cash from operating grants primarily due to the prepayment of 2 installments of 2013-2014 Victorian Grants Commission (VGC) payment in 2012-2013, this amount totalled \$3.515 million. No prepayment of the 2014-2015 occurred.
24 - Other revenue	The other revenue classification includes \$161,000 Net GST payment which is not included at budget time.
25 - Payments for property, infrastructure plant and equipment	Decrease in budgeted cash outflows due to delays in completion of capital projects that will be carried forward to 2014-2015 (\$2.2 million decrease) mainly due to unfavourable weather conditions throughout the year and timing of heavy plant purchases.
26 - Repayment of interest bearing loans and advances	A decrease from budget of 22% was due to the delay in loan draw down by six months due to adequate cash balance during the year.

**Standard Statement of Capital Works**  
For the year ended 30 June 2014

	BUDGET 2013-2014 \$'000	ACTUAL 2013-2014 \$'000	VARIANCE \$'000	%	REF:
<b>Capital Expenditure Areas</b>					
Artworks	-	-	-	-	
Bridges	350	84	266	76	27
Buildings	1,644	843	801	49	28
I.T. Hardware/Software	70	33	37	53	29
Drainage	80	131	(51)	(64)	30
Footpaths	698	445	253	36	31
Furniture and equipment	26	26	-	-	
Kerb and channel	51	152	(101)	(198)	32
Leasehold improvements	-	1	(1)	100	33
Motor vehicles	735	552	183	25	34
Plant and machinery	880	501	379	43	35
Parks and gardens	180	151	29	16	36
Playgrounds	255	208	47	18	37
Roads	6,207	5,742	465	7	
<b>Total Capital Works</b>	<b>11,176</b>	<b>8,869</b>	<b>2,307</b>	<b>21</b>	
Represented by:					
Asset renewal	6,565	6,882	(317)	(5)	
New Assets	1,440	525	915	64	
Asset expansion/upgrade	1,530	349	1,181	77	
Plant, furniture and equipment	1,641	1,113	528	32	
<b>Total Capital Works</b>	<b>11,176</b>	<b>8,869</b>	<b>2,307</b>	<b>21</b>	
Total Capital Works	11,176	8,869	2,307	21	
Asset Revaluation increment	-	34,595	(34,595)	100	
Depreciation	(9,750)	(9,290)	(460)	5	
Written down value of assets sold	(650)	(646)	(4)	1	
<b>Net movement in property, plant and equipment</b>	<b>776</b>	<b>33,528</b>	<b>(32,752)</b>	<b>(4,221)</b>	



## Variance Explanation Report

<b>Ref - Item</b>	<b>Explanation</b>
27 - Bridges	Decrease in budget due to delay in completing Camerons Hill road bridge and Nelsons bridge (\$151,000 decrease) as well as cost savings identified during the year (\$110,000).
28 - Buildings	Decrease due to reclassification on capitalisation of Terang streetscape to Road, footpath, drainage, kerb and channel (\$550,000 decrease) as well as Building projects to be completed in 2014-2015 (\$334,000 decrease) and projects abandoned due to unsuccessful grant applications (\$170,000 decrease). Slightly offsetting this are Building project brought forward from 2012-2013 (\$535,000 increase).
29 - I.T. Hardware/Software	Completion of enterprise software to continue into 2014-2015 (\$36,000 decrease).
30 - Drainage	Increase due to items reclassified as part of the Terang Streetscape program.
31 - Footpaths	Decrease in budget due to delay in completing various footpath works including special charge schemes. \$165,000 worth of footpath projects to be completed in 2014-2015. Other footpath works have not gone ahead due to unsuccessful grant funding applications (\$320,000 decrease).
32 - Kerb and channel	Increase due to items reclassified as part of the Terang Streetscape program.
33 - Leasehold improvements	Upgrades of transfer stations required, \$1,000.
34 - Motor Vehicles	Reduction in fleet replacement for cost saving purposes.
35 - Plant and machinery	Deferral of Heavy plant purchase to 2014-2015.
36 - Parks and gardens	Decrease due to deferral of botanic gardens projects due to unsuccessful grant applications in 2013-2014 offset by reclassification of Terang and Princetown streetscape works to parks and gardens (\$137,000 increase).
37 - Playgrounds	Camperdown playspace project incomplete and will be carried forward to the 2014-2015 financial year.

## **Certification of the Standard Statements Statement by Principal Accounting Officer**

In my opinion the accompanying standard statements have been prepared on accounting basis consistent with the financial statements in accordance with the *Local Government Act 1989* and the *Local Government (Finance and Reporting) Regulations 2014*.

  
\_\_\_\_\_  
**David Rae**  
**Principal Accounting Officer**

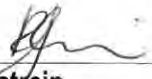
**Date:** 23-September-2014  
**Skipton, Victoria**

## **Statement by Councillors and Chief Executive Officer**

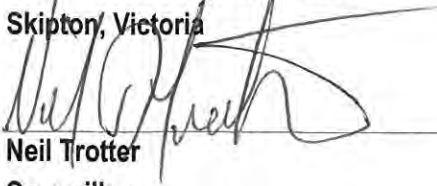
In our opinion the accompanying standard statements have been prepared on accounting basis consistent with the financial statements in accordance with the *Local Government Act 1989* and the *Local Government (Finance and Reporting) Regulations 2014*.

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

We have been authorised by the Council on 23 September 2014 to certify the standard statements in their final form.

  
\_\_\_\_\_  
**Ruth Gstrein**  
**Councillor**

**Date:** 23-September-2014  
**Skipton, Victoria**

  
\_\_\_\_\_  
**Neil Trotter**  
**Councillor**

**Date:** 23-September-2014  
**Skipton, Victoria**

  
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**Andrew Mason**  
**Chief Executive Officer**

**Date:** 23-September-2014  
**Skipton, Victoria**

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Corangamite Shire Council

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

The accompanying financial report for the year ended 30 June 2014 of the Corangamite Shire Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2014 of Corangamite Shire Council which comprises standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of the standard statement have been audited.

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

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

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

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

#### *Auditor's Responsibility*

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

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

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



## Independent Auditor's Report (continued)

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

### *Independence*

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

### *Opinion*

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Corangamite Shire Council as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and the requirements of the *Local Government Act 1989*.


### *Basis of Accounting for Standard Statements*

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

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

This auditor's report relates to the financial report and standard statements of the Corangamite Shire Council for the year ended 30 June 2014 included both in the Corangamite Shire Council's annual report and on the website. The Councillors of the Corangamite Shire Council are responsible for the integrity of the Corangamite Shire Council's website. I have not been engaged to report on the integrity of the Corangamite Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE  
24 September 2014

  
Dr Peter Frost  
Acting Auditor-General

# Performance Statement

For the year ended 30 June 2014



## KEY STRATEGIC ACTIVITIES

### For the year ending 30 June 2014

This statement reviews Council's Key Strategic Activities Performance targets as set in the annual budget, and actual performance in relation to these.

#### STEWARDSHIP, GOVERNANCE, ADVOCACY AND COLLABORATION

Key Strategic Activity	Performance Measure	Target	Actual Performance	Target Achieved (Achieved / Not Achieved)
Improve Council's sound financial position using key sustainability indicators	Working capital ratio	100% - 150%	198.8%	Achieved
	Indebtedness	<40%	24.4%	Achieved
Council will maintain strong and effective relationships with Federal and State Governments, other councils and peak bodies to ensure the needs and expectations of our community are addressed	Community Satisfaction Survey rating for Council performance	> 60	66.0%	Achieved
Advocate on behalf of our communities	Community Satisfaction Survey rating for advocacy	> 60	61.0%	Achieved

#### POSITIONING FOR ECONOMIC GROWTH

Key Strategic Activity	Performance Measure	Performance	Performance	Performance
Improve planning to ensure our decision making reflects community values and provide for sustainable growth	Proportion of applications decided within statutory timeframe per annum	> 75%	94.0%	Achieved
	Community satisfaction with planning and building permits	> 55	56.0%	Achieved
Support the expansion of economic development	Community satisfaction with business and community development and tourism	>60	64% & 69% respectively	Achieved

#### SUSTAINING OUR NATURAL ASSETS

Key Strategic Activity	Performance Measure	Performance	Performance	Performance
Foster environmentally sustainable behaviour in the community and our organisation	Percentage of material collected from kerbside that is recycled including green organics	> 50%	61.0%	Achieved
	Community satisfaction rating for waste management	> 65%	72.0%	Achieved

#### STRENGTHENING OUR COMMUNITIES

Key Strategic Activity	Performance Measure	Performance	Performance	Performance
Provide opportunities to improve and enhance the health and wellbeing of our community	2013-2017 Municipal Public Health and Wellbeing Plan	Council adoption of the plan	Plan adopted	Achieved
Recognise the importance of Art and Culture to the community	Festivals within Corangamite Shire	Conduct the Robbie Burns Festival 2013	Festival conducted	Achieved

#### INFRASTRUCTURE

Key Strategic Activity	Performance Measure	Performance	Performance	Performance
Sustainability and preservation of our assets	Maintain asset renewal gap ratio	> 100%	89.8%	Not Achieved
	Percentage of annual capital budget spent within the year	> 85%	79.4%	Not Achieved
Continue to promote and implement a safe local road network	Community satisfaction rating for the condition of local streets and footpaths	> 55	62.0%	Achieved

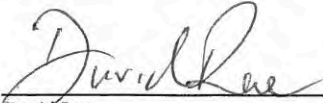
#### OUR ORGANISATION

Key Strategic Activity	Performance Measure	Performance	Performance	Performance
Deliver exceptional standards of Customer Service	Community satisfaction rating for Contact Customer Service	> 65	76.0%	Achieved
Support and develop our people	Staff turnover	< 10%	5.9%	Achieved

## Council approval of the Performance Statement

In our opinion, the accompanying performance statement of the Corangamite Shire Council in respect of the 2013-2014 financial year is presented fairly in accordance with the *Local Government Act 1989*. The statement outlines the Key Strategic Activities set out in Council's Budget and describes the extent to which these activities were achieved in the year.

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



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David Rae  
Principal Accounting Officer  
23 September 2014  
Skipton



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Ruth Gstrein  
Councillor  
23 September 2014  
Skipton



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Neil Trotter  
Councillor  
23 September 2014  
Skipton



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Andrew Mason  
Chief Executive Officer  
24 September 2013  
Skipton

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Corangamite Shire Council

#### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2014 of the Corangamite 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 Corangamite Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

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

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

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



## Independent Auditor's Report (continued)

### *Independence*

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


### *Auditor's Opinion*

In my opinion, the performance statement of the Corangamite Shire Council in respect of the 30 June 2014 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

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

This auditor's report relates to the performance statement of the Corangamite Shire Council for the year ended 30 June 2014 included both in the Corangamite Shire Council's annual report and on the website. The Councillors of the Corangamite Shire Council are responsible for the integrity of the Corangamite Shire Council's website. I have not been engaged to report on the integrity of the Corangamite Shire Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
24 September 2014

  
Dr Peter Frost  
Acting Auditor-General