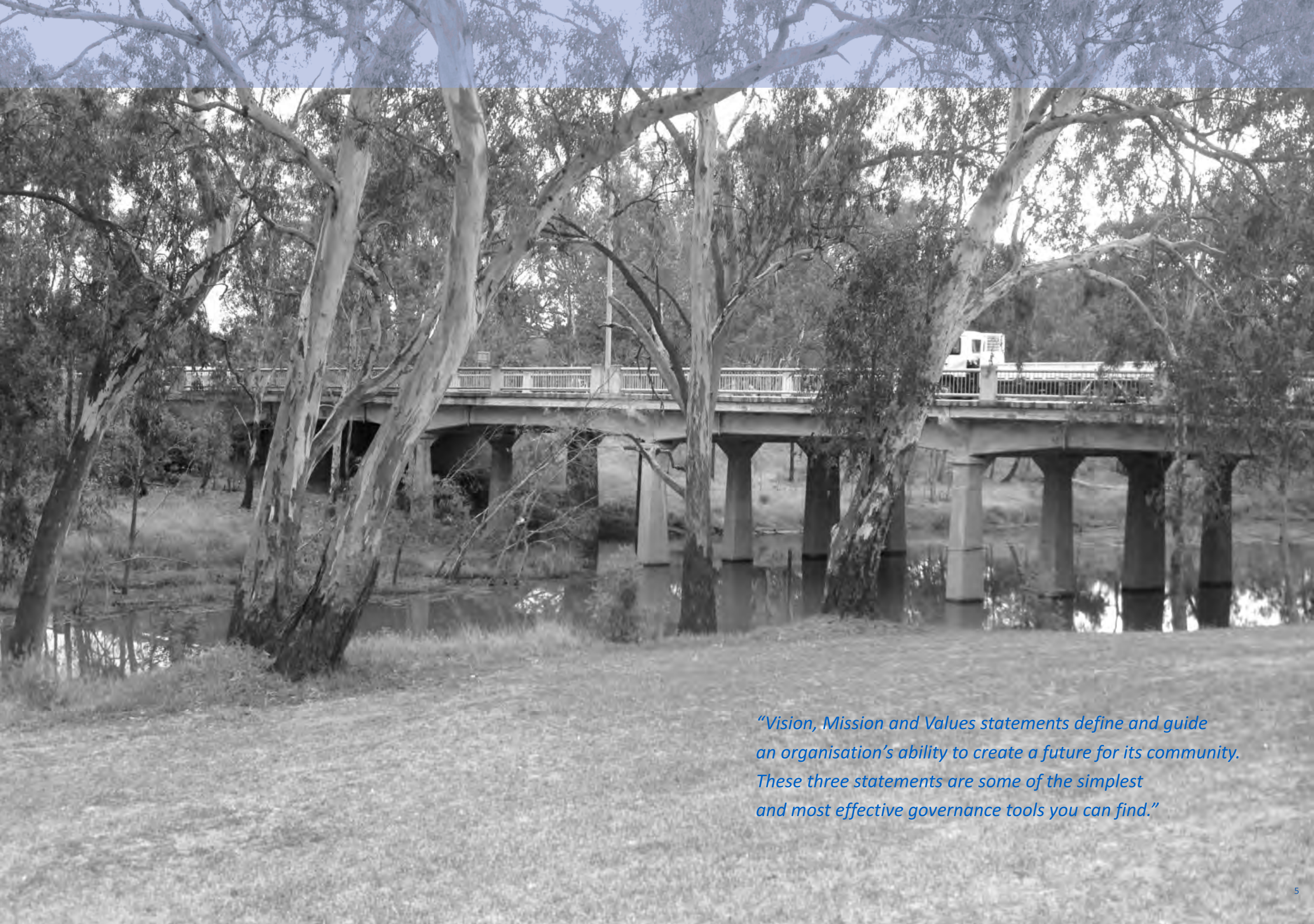




Buloke Shire Council
2012-2013
Annual Report



“Vision, Mission and Values statements define and guide an organisation’s ability to create a future for its community. These three statements are some of the simplest and most effective governance tools you can find.”



OUR VISION

Our vision is a sustainable community where everyone is actively encouraged to participate in community life to enrich the cultural, social and economic viability of the Buloke Shire and to care for our most important asset – the natural environment.

OUR MISSION

Our mission is to ensure the community has the practical tools to make the Buloke Shire an amazing place to live.

We do this by:

- Providing a range of essential services;
- Engaging with the community to understand emerging needs;
- Advocating on behalf of the community for services to meet needs;
- Good governance and sound financial and risk management practices;
- Involving the community in making decisions that affect them directly and indirectly; and
- Celebrating community achievements and milestones together.

OUR VALUES

To accomplish our mission, Council bases its decisions and actions on the following core values:

Accountability for the Future

- We will do everything in our power to ensure a future for our children, grandchildren and beyond;
- We will hold ourselves accountable for doing whatever we can to bring about that future; and
- We will hold ourselves accountable not only to current residents of the Buloke Shire, but to future generations.

Creating the Future

- We know we are creating the future right now, whether we do so consciously or not;
- We will always be conscious of how today's decisions may affect the future of the individuals involved and their communities, the environment and our world;
- We will always aim towards our vision for the future, rather than seeking only to address the challenges of today;
- We will encourage the potential in others (and ourselves);
- We will favour long term improvement for our community, over short term expediency; and
- We will regard liveability as a primary focus of Council activity, advocacy and actions.

Asset-Based Approaches

- To build something amazing, we must build it upon a strong base. Maintenance and improvement of our current asset and infrastructure base is therefore a higher priority for us than new facilities;
- We know that our community and organisations within it have an abundance of talents and strengths upon which to build the future we envisage and which are resources that should be used whenever possible; and
- In undertaking work within Council, we will always seek to use and develop the talents and strengths of our own staff and utilise the best tools available to us.

Interconnected and Interdependent

- We will consult regularly with residents, ratepayers and other stakeholders;
- We know that the Buloke Shire does not exist in a vacuum and that individuals, organisations, communities, and government agencies are all interconnected and interdependent. None of us can create a significant impact on our own and our potential is greatest when we work together;
- We know that the best decisions are those that provide the best end result for our residents. Sometimes not everyone will agree with the decisions we make, but we will always be accountable for what we do and willing to discuss it with anyone interested;

- We will treat all residents, stakeholders and staff with respect, compassion, generosity, humanity and kindness;
- We will value the work of volunteers and actively encourage and further develop the volunteer ethic that has characterised the history of the Buloke Shire;
- We will encourage all individuals and organisations in the Buloke Shire to work side by side, to share in each other's wisdom and to effect greater change; and
- We will have ownership of and responsibility for the future we are creating within the Buloke Shire community.

Always Practical

- We know that without practical tools for accomplishing today's tasks, individuals are likely to downplay their vision for the future. Therefore, if we can engage people in practical activities they will believe change is possible and through their individual actions assist in bringing about that change;
- We will encourage a culture of continued lifelong learning and evolution of ideas, both for ourselves and for the community we serve; and
- We will ensure our actions are always open, transparent and accountable through positive practices of leadership and integrity.

Service Principles

- We will continually monitor and assess community needs for services and respond to them to the best of our ability;
- We will determine the most efficient, effective and risk averse service delivery methods we can and always seek to deliver services to these standards;
- We will develop service standards for the everyday services we provide to the community and regularly report on accomplishment of these; and
- We will consult with the community before making any changes to the way Council services are managed and delivered.

ABOUT BULOKE

Buloke Shire is located in north-western Victoria, between 210 and 360 kilometres north-west of Melbourne, and has a population of approximately 6,400 people (ABS 2011).

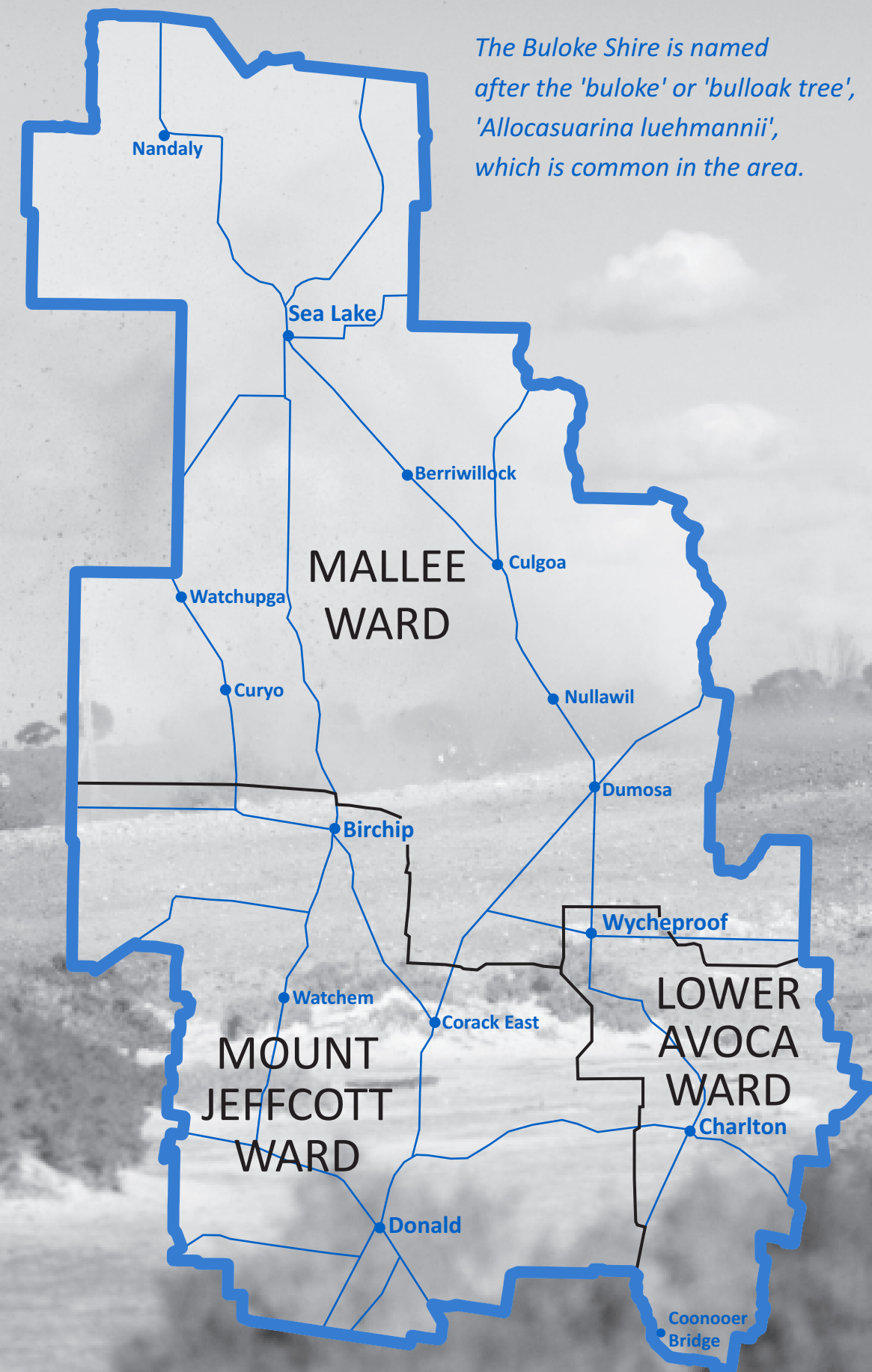
Buloke Shire is bounded by Mildura and Swan Hill Rural Cities in the north, Gannawarra and Loddon Shires in the east, Northern Grampians Shire in the south, and Yarriambiack Shire in the west.

Buloke Shire is a predominantly rural area. The main townships are Birchip, Charlton, Donald, Sea Lake and Wycheproof. Smaller townships include Berriwillock, Culgoa, Nandaly, Nullawil and Watchem.

Buloke Shire encompasses a total land area of approximately 8,000 square kilometres. It is approximately 140 kilometres long and 60 kilometres wide.

Two main highways, the Calder Highway and the Sunraysia Highway, run north and south through the Buloke Shire.

Land is used largely for agriculture, particularly grain (wheat, oats and barley) production and sheep grazing.



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MAYOR'S REPORT



On behalf of all the Councillors I am pleased to present the Buloke Shire Council Annual Report 2012/2013.

This is the time of year when we look back on the projects and services delivered to take stock of our success and look at how we can do better next year. Council has spent much of the last four years listening to and regularly involving the community in discussing issues and ideas to take us forward.

One of the challenges facing an elected Council is how to look to the future, to decide on essential projects, to maintain existing assets, to continue to meet community service priorities while at the same time responsibly managing the resources available. To be successful in these endeavours requires achieving a careful balance between the financial capacity of the Council as a Government instrumentality, and the capacity for the community it represents to afford the services it is required to provide.

In Buloke's case, achieving this balance is challenging. Building a thriving liveable community now and into the future requires ongoing planning, which is informed by residents of the Shire.

In a local government context, Buloke is a small rural shire genuinely facing significant ongoing financial challenges. This has been reinforced over the past year through a series of well-publicised government reports that continue to question the ongoing financial sustainability of the Shire. In addition, the State Government has appointed an independent monitor to oversee Council's financial progress for the next two years.

The need to achieve a balance between affordability and sustainability has been an ongoing focus of attention for Council over many years. Over the last twelve months Council has continued to engage the community in discussion about affordability and sustainability. In general, the community has endorsed Council's decision to maintain a consistent but conservative approach to rate increases in forthcoming years, while at the same time remaining focused on the maintenance and improvement of road infrastructure and the provision of services. To achieve this will require careful management of Council expenses and a selective approach to capital infrastructure investment.

While our recently adopted 2013/2014 Budget identifies the exact scale of the financial challenges we face, it demonstrates that we have a structured



plan to ensure that core services are maintained. We know that the community wants to see improvements in basic infrastructure such as roads but these all cost money, not just in building them but also in their repair, maintenance and replacement.

Community planning across all of our townships and rural areas has continued through meetings with Township Forums, Progress Associations and Development Groups. These meetings have been supplemented with a continuing series of "Fire Shed" meetings in rural areas and interaction with Chambers of Commerce.

Community Plans continue to have a leading role to play in shaping the services and projects provided in each of our towns and localities. All ten of the Community Plans developed over the last few years have continued to be updated to reflect current needs and aspirations and are used by Council as the basis for its own forward planning. The Buloke Shire is committed to continuing to support and develop these Plans with the community.

Council is also committed to continuing to advocate to, and work with, State and Federal Governments to ensure the Shire receives financial support to deliver the projects and further enhance the quality of life for residents and business.

We are also aware of the need to provide leadership to our community and this is something that I and all of my Councillor colleagues are committed to. We are here to represent and advocate for the Buloke community in every area of endeavour. In doing this work we are all aware of the need to embrace the concepts, plans and budgets required to deliver sustainable improvement in everything we do.

In conclusion I would like to take this opportunity to thank all of my Council colleagues for their support during the past year, all staff for their combined and individual contributions to the outcomes we have achieved and the community for your continued support of the Shire.

Cr Reid Mather, Mayor

CHIEF EXECUTIVE OFFICER'S REPORT



Throughout the 2012/2013 year, we have undertaken many actions to achieve the aspirations set out in the Buloke Shire Council Plan 2009-2013 adopted in October 2009 after extensive public consultation.

Prudent financial management has remained a high priority. Preparing specification and contract documents for the repair of flood-damaged roads, forward financial planning, a review of several key services and completion of Council's capital works program were just some of the matters addressed throughout the year.

Highlights of the year from a service delivery perspective are summarised in the following pages, as well as a broad range of information designed to provide a snapshot of Council's achievements and outcomes for the 2012/2013 year.

While the information contained in this report does not show all of the steps necessary to ensure the successful delivery of all of the services and programs delivered across the year, it does reflect the breadth of the role local government plays in people's everyday lives.

As an organisation, we try to ensure that our priorities reflect what the Buloke community has told us is important to them. This is not always easy given our small rate base and the large geographic area Council is required to service. Once again, we come back to that careful balance between affordability and financial sustainability.

The Shire's financial position continues to be dependent upon the receipt of support from the Commonwealth and State Governments through the Victorian Grants Commission and other tied and untied grants. The financial statements also show that Council's capacity to raise revenue through means other than rates and charges continues to be severely restricted. This means that without increases in the level of Government support there will continue to be pressure on Council to either reduce services, or raise rates at levels higher than inflation for the foreseeable future.

Council advocacy activities in 2012/2013 continued to have a focus on increasing the level of Government support for small rural shires; on increased Government funding for road and road related infrastructure; on the need for improved telecommunications; improved health services; the transfer of freight from road transport to rail and on improvements to utilities infrastructure.

The Buloke Shire continued to advocate strongly to Government on a range of matters, with key priorities including road infrastructure improvements (Calder



Highway, Sunraysia Highway and local roads), major projects (Donald Family Services Centre, Berriwillock Community Centre and Swimming Pool upgrades), climate change, broadband communications, public land management, economic development, local police numbers and the upgrade of the rail freight network to reduce the growing impact of high mass vehicles on the local road network.

A particular highlight has been the continued interaction with township Forum and Progress Associations in the ongoing development of the Community Plans that have been developed for each of our ten towns over the last few years. Combined with the "Fire Shed" meetings held across the Shire as part of the "Managing Now Planning Ahead" initiative, Councillors and Senior Staff have had the opportunity to directly interact with residents from over 550 households.

Cost shifting – the transfer of costs to local government by other levels of Government through legislation, regulation and compliance requirements – remains a major concern to the Buloke Shire. Despite universal recognition of the problem, small rural councils like Buloke continue to be adversely impacted by

requirements and expectations that put severe stress on already stretched resources.

While the past year has presented its challenges Council continues to respond by continuously improving its forward planning capacity, being more transparent in its decision making, adapting the way we work to ensure that we provide better services and constantly seeking to improve our capacity to deliver value for money.

As you read through this report you will learn about the Buloke Shire's activities and achievements in 2012/2013. Council staff acknowledges there are many areas in which we can improve and it is our intent to do this in 2013/2014 and beyond.

In conclusion, I would like to thank the Mayor and Councillors for the support they have shown to staff during the course of 2012/2013. I also acknowledge the support and commitment of the Senior Management Team and staff.

Warwick Heine
Chief Executive Officer

CHIEF EXECUTIVE

PROCUREMENT

The Procurement Team is responsible for the review and implementation of all business processes associated with purchasing, contracting and the tendering for services and works. The Team's objective remains to maximise the Buloke Shire's expenditure with local businesses while at the same time ensuring value for money.

Achievements

- Improvement of procurement processes undertaken by all departments to enhance consistency and compliance;
- Development of Standard Operating Procedures for all light fleet acquisitions;
- Centralised procurement delivering effective resource management and processing efficiencies;
- Training and employment of a procurement trainee for 24 months, with successful completion of Certificate IV in Business Administration;
- Review of policies and procedures including Light Vehicle Fleet Management, Asset and Inventory Management and Procurement;
- Engagement in a collaborative procurement project with the Department of Planning and Community Development (DPCD) and other regional councils;
- Implementation of a contractor management system to ensure compliance with current legislation and the identification and management of risk is undertaken;
- Refinement of processes for the disposal of heavy and light fleet and minor plant;
- Implementation of an enhanced system to capture acquisitions and disposals for Council's asset register;
- Involvement in the "Youth Inspirations" pilot program with Donald High School, Youth Connections and the North Central Local Learning and Employment network; and
- 16.9% (\$2,276,119) of total annual Council spend in 2012/2013 undertaken with local suppliers and contractors within the Shire.

Future Directions

- Ongoing procurement training for new and existing employees;
- Continue to enhance Local Buy initiatives within the Procurement Policy;
- Build on and strengthen supplier relationships; and
- Roll-out of Contractor Inductions (OH&S, licences and site-specific requirements) to both internal and external customers.

REPAIR AND RESTORATION OF FLOOD/STORM DAMAGED ROADS ASSETS

The Municipal Flood Recovery Team was established in February 2011 as a result of the devastating floods that affected around 80% of the Buloke Shire in January 2011. The Team endeavours to effectively coordinate its response to minimise the effects of emergency situations and to enable the community to recover from that emergency.

Achievements

- Successful award and establishment of Contract C06-2011/2012 to Bitu-mill (Vic) Pty Ltd for civil works, including reconstruction and repair of flood and storm-damaged roads, bridges, culverts and associated works;
- Successful establishment of Contract C12-2011/2012 for appointment of a Superintendent for supervision and management of Contract C06-2011/2012;
- Establishment of approved contractor traffic management plans to undertake restoration works;
- Contractor quality management system in place, including approved inspection test plans for restoration works;
- Establishment of approved contractor environmental management plans to undertake restoration works;
- Contractor commenced surveys and geotechnical investigations for preparation of road pavement designs and preliminary road rehabilitation construction drawings;
- Establishment of approved contractor road materials haul route strategy;
- 321 kilometres of earth (formed only) roads graded;
- 140 kilometres of gravel roads graded;
- Commenced rehabilitation of 4.9 kilometres of flood-damaged sealed roads (these projects are 48% complete); and
- Contract Superintendent has undertaken an audit of flood restoration contractor quality management systems.

Future Directions

- Conclusion of flood restoration and Superintendency contracts;
- Completion of road asset flood restoration works;
- Audit and acquittal of flood restoration funding grants; and
- Review of Council's road asset and maintenance strategies.

STATUTORY PLANNING

The Statutory Planning Team is responsible for the statutory requirements relating to planning permits and implementing the Buloke Planning Scheme whilst managing the strategic direction of land use planning within the Buloke Shire.

Achievements

- Increase in planning permits from 53 to 67 with larger volumes and spending expected into the future;
- Decrease in the time taken to process permits by an average of six days; and
- Major applications processed within required timelines; these include a wind energy facility and a large education facility, indicating new economic development opportunities in the Shire.

Future Directions

- Continue to decrease time taken to process permits;
- Continue to provide advice on planning activities to the community through a variety of Council publications; and
- Ensuring the Statutory Planning Team continues to be updated on relevant planning legislation and ensuring these changes are filtered through to all Council staff and the Buloke community.

COMMUNITY DEVELOPMENT

The Community Development Team works with Buloke communities to assist them in reaching their visions, as highlighted in their community plans. The Team also assists with facilitating the community planning process, providing information on grants and funding, as well as supporting communities in preparing grant submissions.

Achievements

- Twelve (12) "Fire Shed" gatherings held in 2013, with financial support given through the Community Recovery Fund from the Department of Planning and Community Development (DPCD). This funding was very much acknowledged and appreciated;
- "Volunteer Capacity" project successfully completed;
- Successful completion of the "Strong Roots Resilient Communities" project, resulting in a collaborative effort by the Buloke historical societies and groups; and



Wycheproof Market Day

- Circulation of up-to-date information about funding opportunities to the Buloke community, progress associations, forums and other community networks.

Future Directions

- Continue to focus on attracting funding for future community projects in the Buloke Shire;
- Continual involvement in the development of community plans and ongoing community engagement on relevant topics; and
- Continue to ensure up-to-date information identified as important by the Buloke community is made available and is easily accessible.

ECONOMIC DEVELOPMENT

Buloke Shire's Economic Development Team is the first point of contact for many businesses and people thinking about making the move to Buloke Shire. The Team's role is to ensure all requests for assistance and information are dealt with as efficiently and effectively as possible, to advocate for policies encouraging economic development within Buloke and to assist businesses planning to relocate to or to establish within Buloke.

Achievements

- Successful participation in the 2013 Regional Victoria Living Expo, resulting in over 290 people speaking to Buloke staff, Councillors and ambassadors about the possibility of making a tree change to Buloke.
- All local forums and town community groups have been involved in designing new town entrance signs for their towns. All signs have been ordered and some installed.
- A draft economic development strategy has been developed to provide direction for economic development in Buloke over the foreseeable future. The strategy will focus on extending the viability of existing business and developing new business that complement Buloke's natural advantages. Agriculture is the economic driver in Buloke and as such the strategy will target ways for value adding and increasing its economic value to Buloke.
- The Young Professionals Provincial Cadetship program has continued to be a winner for Buloke by encouraging young students who have moved to the city for tertiary education to participate in a Cadetship. Since its inception this program has assisted thirty-eight (38) university students to develop their professional skills while working for various businesses in and around Buloke. Some cadets have extended their cadetship into full-time work with local businesses.

Future Directions

- Council is looking at new ways of communicating with potential new residents and showcasing the Buloke lifestyle by sending out relevant information to a database of people encouraging them to make the move to Buloke. As part of this program Council is targeting skilled workers to fill the positions in businesses that have which shortages in particular skill categories.
- Council is developing its database of businesses, including home-based businesses, young entrepreneurs and existing businesses, to explore and capitalise on business opportunities within the Shire through seminars, workshops, business networking and strengthening local chambers of commerce groups. Council is also planning to introduce personal business mentoring featuring competent and experienced mentors with proven track records in business.
- Council is seeking to advance agriculture and look at ways to assist businesses to further develop this industry with value-adding and expansion into new areas. This will be made possible by new technologies, better communication, better training

opportunities, and better water quality and supply guarantees. This will be enhanced by Council support to traditional enablers such as the Birchip Cropping Group and the Department of Environment and Primary Industries, as well as through the new opportunities presented by the development of the Charlton Trade Training Centre and the Agrifoods workforce planning project.

HUMAN RESOURCES

The Human Resources Team provides a range of services and programs in relation to organisational development, industrial relations, employee relations, recruitment, staff retention, termination, payroll, occupational health and safety, and equal opportunity employment.

Achievements

- Provision of various training programs for staff, including elevated work platform, electrical spotters, front end loader/back hoe, project management, new supervisor, interpersonal skills, fall prevention, performance management, AgVet chemical users, basic chemical handling, supporting/supervising trainees and apprentices, aerodrome reporting officer, traffic control, Certificate II and III in horticulture, and construction induction card training;
- Development of a corporate training calendar;
- Staff consultative committee implementation;
- Commencement of emailed pay advices to all employees;
- Employee induction manual finalised;
- Position file register completed;
- Successful coordination of work inspiration program;
- "Safety starts with you" OHS booklet finalised and distributed to all Buloke employees; and
- Rostered day off (RDO) schedule developed and implemented.

Future Directions

- Negotiation of upcoming Enterprise Bargaining Agreement;
- Implementation of key findings under payroll systems review; and
- Continued review and development of OHS and Human Resources policies and procedures as required.

LOCAL LAWS AND FIRE PREVENTION

The Local Laws and Fire Prevention Team provides education and enforcement services to enhance the

Buloke community's living environment. The Team's services include animal control, administration and enforcement of Local Laws, working with property owners to reduce the number of unsightly and dangerous properties, fire preparedness inspections, enforcement of advertising sign requirements, and the issuing of permits relating to street furniture and burning off.

Achievements

- 442 Fire Prevention letters sent to urban absentee landowners in August 2012 advising owners to undertake works. As a result, there was a decrease of 101 Fire Prevention Notices being issued from the previous fire season;
- Council's Municipal Fire Prevention Officer (MFPO) issued 294 Fire Hazard Notices which resulted in 250 landowners undertaking work leaving only forty-four (44) fines issued;
- Impounded fifty-two (52) dogs, with thirty-four (34) being claimed by their owners. Twelve (12) were rehoused, with six (6) being found unsuitable for rehousing, and/or had behavioural problems and were subsequently euthanised; and
- Impounded 105 cats of which seventy-three (73) were feral animals; sadly only six (6) domestic cats were claimed by their owners. The Compliance Team found homes for twenty-six (26) domestic cats with seventy-three (73) feral cats being euthanised.

Future Directions

- Development of educational programs to address disputes and avoid escalation within the community;
- Continue with programs aimed at minimising the ongoing nuisance caused by wandering dogs;
- Continued assistance to residents with the trapping of feral cats;
- Continue to promote responsible pet ownership, through encouraging owners to microchip and register their animals; and
- Continue to work with other governmental departments to educate the community on fire preparedness and owner responsibilities.

CORPORATE SERVICES

CUSTOMER SERVICE

The Customer Service Team is the first point of contact for Buloke Shire's customers through the handling of telephone calls, lodgement of service requests, facilities bookings and personal front desk enquiries including cashiering functions.

Achievements

- Over 58,000 customer contacts received over the counter and via telephone:
 - 41,237 telephone calls handled by our main call operators;
 - 3,195 VicRoads transactions totalling 400 hours across the five district offices;
 - 10,628 over-the-counter payments, including 1,103 payments for animal registrations/renewals and 3,925 property rates payments;
 - 2,130 requests for services logged in the Customer Request Management System where all customers are supplied with a request number to assist them in tracking their requests;
 - 1,007 customer bookings taken for the hire of Council Halls, Senior Citizens Centres and meeting rooms at Birchip, Charlton, Donald and Wycheproof;
 - Administering bookings for use of the community bus in Birchip and Charlton; and
 - Referring customer enquiries on to relevant departments within Council.
- Completion and launch of a new Buloke Shire website in March 2013, which had 77,211 views in the last quarter of 2012/2013;
- Completion and implementation of the new Customer Request Management System earlier this year;
- Development and implementation of Customer Service Standards into the Customer Request Management System;
- Ongoing development of a corporate forms library;
- Introduction of 'The Uniform Shop' created for the redistribution of corporate uniform garments; and
- Supporting other departments during peak times with administrative assistance if required.

Future Directions

- Development and implementation of a staff Intranet;
- Ongoing development of the new Council website and exploring more eServices options;
- Continued improvement of customer service across the organisation; and
- Continue to focus on service delivery standards and how we can improve them.

INFORMATION TECHNOLOGY

The Information Technology Team provides technology services and network administration across the organisation. This includes regular maintenance of the Council's data and telephone networks, network administration, computer system platforms, information systems and maintenance of software applications.

Achievements

- Installation of a wireless network linking Wycheproof, Birchip, Charlton and Donald offices;
- GIS system, Windows 2007 upgrade and Exchange 2010 server upgrades completed;
- Network redundancy and disaster recovery capabilities improved between offices;
- Integration of Council's Customer Request System and property database;
- 4.6% decrease in phone costs in comparison to the previous year;
- 21% reduction in photocopying costs;
- Security audit recommendations completed and implemented;
- Implementation of agenda and minute software;
- Installation of meeting room manager booking capabilities; and
- Provision of smart phones and tablets for Councillors and managers including communication software reducing the need for paper agendas and minutes.

Future Directions

- Development and implementation of a staff Intranet in conjunction with Customer Service;
- Continued programmed upgrade of Council's computer hardware, phone network and two-way radios;
- Terminal server upgrade;
- Continued review of existing security and network auditing;
- Ongoing review of GIS needs and deployment of solutions;
- Review of printer/photocopier requirements at all offices and depots;
- Further 15% decrease on photocopying impressions;
- Review of Network Redundancy and Disaster Recovery plans;
- Continued upgrade of server hardware to keep abreast of ever-changing needs;
- Further 5% decrease on telephone costs;
- Needs analysis for future corporate systems; and

- Tender for Council's information technology support services and phone and data services.

RECORDS MANAGEMENT

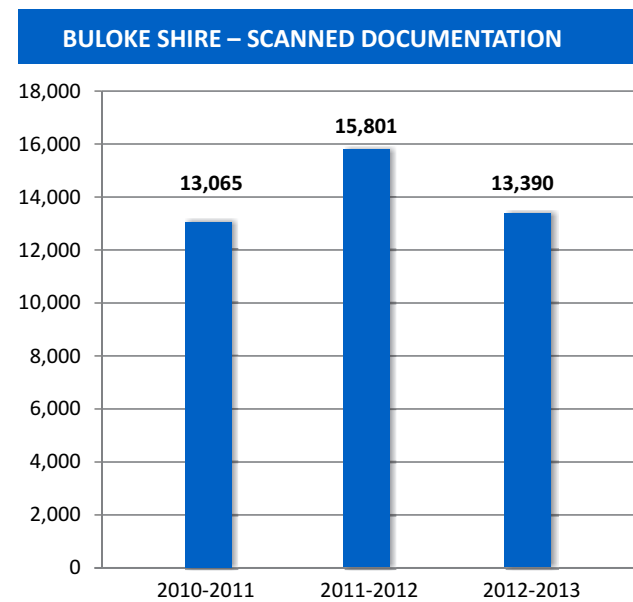
The Records Management Team is responsible for managing correspondence and maintaining records on behalf of the Buloke Shire.

Achievements

- Back-scanning of approximately 1,400 Buloke Shire Building Permits from 1995 to 2010;
- Increased use of central email inbox by all Council staff; and
- Increased use of internal mail between all the Council district offices.

Future Directions

- Back scanning of Health and Environment records;
- Increase in electronic capture of records to reduce the need for hardcopies;
- Review of policies and procedures in line with the Public Record Office Victoria standards;
- Continued implementation of archiving procedures including disposal schedules added to the electronic records management system; and
- Continued development of central records including electronic document management.



COMMUNITY SERVICES

AGED AND DISABILITY SERVICES

The Aged and Disability Services Team provides Home and Community Care (HACC) services to the Buloke community. These services include Department of Veterans' Affairs Assessments, Community and Aged Care Packages (CACPS), Extended at Home Care Packages (EACH), assessments, general home care, respite care, personal care, meals on wheels, and social support including volunteer transport and seniors clubs.

Achievements

- Provided 189 trips for people requiring specialist medical appointments;
- 20,015 hours of general home care, personal care, respite care and home maintenance;
- 11,940 meals delivered to HACC and packaged care clients;
- 97% of all clients have received a reassessment utilising the Active Service Model approach;
- Adoption of the Buloke Shire Disability Action Plan and Positive Ageing Strategy;
- Development and adoption of the Buloke Shire Aged and Disability Diversity Plan;
- Provided \$20,200 of grants through the Improved Liveability of Older Persons program;
- All Council staff members who deliver personal care and respite services now hold the required qualification to provide services;
- Commencement of Guaranteed Minimum Hours agreements for all direct care workers;
- The development of a single Aged and Disability Services Policy and Procedure Manual;
- The Aged and Disability Services Team's review in May 2013 by Australian Health Care Associates found Buloke Shire compliant in 16 of the 18 expected outcomes for Home and Community Care and 18 out of 18 for Packaged Care;
- Memorandums of understanding in place with East Wimmera Health Service and Mallee Track Community Health Service; and
- Royal District Nursing protocols and agreements in place with East Wimmera Health Service and Mallee Track Health & Community Service.

Future Directions

- Follow up on new ideas and concepts in educating clients and direct care staff;
- Emphasis through the Community Common Care Standards on the administrative side of program delivery rather than the direct service component;

- Providing relevant training to direct care staff and volunteers;
- Increase in productivity without additional funding opportunities and resources available;
- Increasing Buloke Shire's capacity to recruit younger qualified staff into HACC positions;
- Maintaining service delivery and managing risk for Council with an ageing work force; and
- Implementing Consumer Directed Care.

MATERNAL AND CHILD HEALTH SERVICES

The Maternal and Child Health Services Team is staffed by qualified Maternal and Child Health nurses and provides free health services to all parents with children from birth to school age in the Buloke Shire, to help them give their children the best start in life.

Achievements

- Fifty-five (55) birth notifications received (up from 51 the previous year);
- Meeting, and in some age groups exceeding, the State Government targets for Key Ages and Stages visits;
- Early detection and an increase in the number of referrals to early intervention as a result of Brigrance screening, leading to improved outcomes for children;
- Excellent immunisation rates due to close working relationship between Immunisation Nurses and Maternal and Child Health Nurses regarding the follow-up of children who are overdue for immunisation;
- Maternal and Child Health Nurses attended annual conference in Canberra;
- Promotion of Maternal and Child Health services through initiatives such as Mothers of Preschoolers (MOPS);
- Continual participation in the Enhanced Maternal and Child Health Program; and
- Completion and submission of the Department of Education and Early Childhood Development Maternal and Child Health Services Workforce Planning for 2013.

Future Directions

- Further development of Council's electronic Maternal and Child Health client data management system;
- Continual professional development programs offered to Maternal and Child Health Nurses to increase skill base;

- Participate in, and actively contribute to the development of a Buloke Shire Municipal Early Years Plan;
- Continued implementation of Key Ages and Stages Child Development Program; and
- Continue to deliver, and build upon the Enhanced Maternal and Child Health Program across Buloke Shire.

YOUTH SERVICES

The Youth Services Team provides a range of services that support young people aged between 12 and 25 in the Buloke Shire to become leaders, decision-makers and active citizens within their communities.

Achievements

- Completion of basic governance and FReeZA event training by Local Youth Action Groups in Donald, Birchip, Charlton and Wycheproof, with Sea Lake to complete their governance;
- Ongoing development of the Buloke Youth Advisory Committee, with the following milestone achievements for 2012/2013:
 - The successful completion of a youth leadership project;
 - Completion of basic governance and event coordination training;
 - Development and anticipated launch of the Buloke Youth Charter by the end of 2013;
 - Attended and participated in the 2013 FReeZA Summit in Bendigo; and
 - Consultation with all Local Youth Action Groups.
- Youth Leadership and Mentoring Programs implemented.

Future Directions

- Completion and publication of a Buloke Youth Charter by the end of 2013;
- Buloke Youth Expo "Scream It Out" forum planned for National Youth Week 2014, which will showcase the first Buloke Youth Advisory Committee youth awards, the "Bull Awards";
- Buloke Youth Advisory Committee and Local Youth Action Groups working in partnership to deliver two large-scaled FReeZA events per annum that incorporate arts, music and youth celebration activities; and
- Development of pathways for young people into music and arts industries with a DJ and MC training project planned for late 2014/2015.

ASSETS AND INFRASTRUCTURE

BUILDING AND PROPERTY MAINTENANCE

The Building and Property Maintenance Team is involved with the inspection, maintenance and cleaning of all Buloke Shire-controlled buildings and playgrounds.

Achievements

- Capital works included the construction of a new office for Charlton Kinder, Charlton Hall received internal painting, Charlton Kinder new playground equipment, Donald Hall exterior entrance painting, Wycheproof Hall internal painting, Wycheproof Court House painted externally and Wycheproof Saleyards Office upgraded, which included the installation of a new portable building and steel post veranda with timber decking;
- Completion of over 300 projects by the Building Maintenance Team through the works request system;
- Training completed in working at heights and elevated work platforms;
- New fence installed at the Charlton depot; and



New portable office building at the Wycheproof Saleyards

- Painting at buildings including Culgoa Bowls Club, Charlton Depot internally, Donald Depot internally, Centenary Park Wycheproof toilet block, Charlton Senior Citizens, Golden Grains Museum in Charlton, Wycheproof Bowls Club and at the Sea Lake and District Community Centre.

Future Directions

- Ongoing maintenance of all Council buildings and assets;
- Developing of essential services inspections and compliance; and
- Development and implementation of a capital works program that complements Council and community priorities, with respect to achievable funding.

BUILDING SERVICES

The Building Services Team maintains standards of amenity, habitation and safety in buildings within the Buloke Shire. The Team provides services including building inspections, enforcement of safety standards, advice and consultation on building regulation issues and the issuing of building permits, provision of information on approved buildings and past permits, activity reports to the Building Commission and variations to regulatory siting requirements.

Achievements

- Over \$17M worth of building works undertaken, which is more than double that of the last financial year;
- 167 building permits issued, a 25% increase on the previous financial year; and
- Twelve (12) new dwellings approved across the Buloke Shire.

Future Directions

- Continue to process applications for building permits as quickly as possible;
- Educate and assist clients seeking building permits on the information required to accompany applications, ensuring compliance with regulatory requirements;
- Continue to expand the Essential Safety Measures program on Council buildings to increase the level of safety to occupants of the building; and
- Consult with building owners to implement an Essential Safety Measures maintenance program on their buildings to satisfy regulatory requirements.

ENVIRONMENTAL COMPLIANCE

The Environmental Compliance Team is responsible for the promotion and development of policy and procedures relating to environmental management, awareness and improvement. The Team is also responsible for protecting and enhancing the natural environment and our living landscape, together with overseeing Buloke Shire's compliance with a wide range of environmental legislation.

Achievements

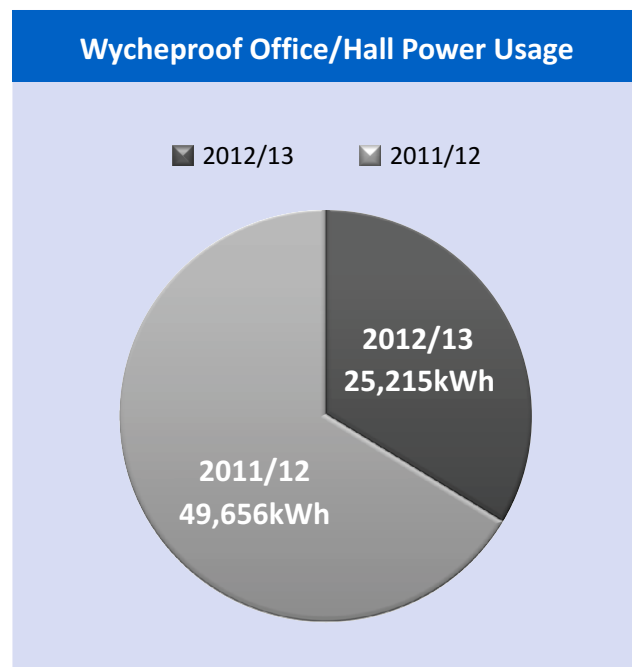
- Buloke Shire spent \$412,547.38 or 3% of total expenditure on eco-friendly products; this equates to \$67.00 of green product spending per rateable property in the Shire. Buloke Shire spent in the following categories:
 - Recycled content: \$38,999.00
 - Greenhouse content: \$169,072.00
 - Other Green products: \$105,868.00
 - Green Power: \$98,608.38



- Roadside Weed and Pest Management Program received funding from the Department of Planning and Community Development to plan and manage weeds and rabbits on rural roadsides. This project aligns with State and regional priorities. Council will receive \$150,000 over the next three years to do rabbit and weed control works on rural roadsides. Rabbit control works in Birchip, Nullawil, Culgoa and Berrillock have taken place and are within defined community Landcare group activities and comply with Department of Environment and Primary Industries (DEPI) projects.
- Wycheproof District Office and Hall Solar PV Panels installation (February 2012) has resulted in 46.96 MWh usage, which has avoided 32,872 kg of CO2 emissions and decreased energy usage from the grid by 34% for the 2012/2013 financial year compared to the 2011/2012 financial year.

Future Directions

- Ongoing project focusing on a nature strip tree audit for all townships within Buloke;
- Continue to spend more on recycled content and eco-friendly products to reduce Buloke Shire's environmental footprint and reduce greenhouse gas emissions;
- Reduction in power usage in all of Council's five district offices; and
- Reduction in water usage Shire-wide.



ENVIRONMENTAL HEALTH

The Environmental Health Team is responsible for a range of health services including communicable/infectious disease control, food surveillance and registration of food premises, accommodation standards, wastewater management, enforcement of the *Tobacco Act 1987* (Victoria), pest and vermin control, implementation of Buloke Shire's Public Health Plan and community education.

Achievements

- Inspections of 95% of all Class 1 and 2 food, prescribed accommodation and health registered premises have been completed;
 - Food sampling has been undertaken, targeting selected Class 1 and 2 premises;
 - Tobacco Act 1987* surveillance has been completed at selected retail outlets and eating establishments to verify compliance with regulations;
 - Implemented state-wide temporary food premises online system *Stretrader*; and
 - Online training for food businesses within the Buloke Shire.
- #### Future Directions
- Continue to apply risk management principles in the delivery of Environmental Health Services;
 - Implementation of the Environmental Health Service Plan;
 - Development of the Domestic Wastewater Management Plan; and
 - Continued education on the requirements and standards expected under the *Food Act 1984* (Victoria) and *Public Health and Wellbeing Act 2008* (Victoria) for proprietors of registered food and accommodation premises.

IMMUNISATION

Council's Immunisation service provides infant, child and adult immunisations as part of the National Immunisation Program (NIP).

Achievements:

- Buloke Shire has given over 65% of the infant and preschool immunisations within the Local Government area with a coverage rate above 90%;

- A public session has been held in all five (5) major towns each month; and
- Buloke Shire has achieved over 95% coverage for secondary school immunisations which is well above the state average.

Future Directions

- Maintain staff education levels with changes to vaccine schedules during 2013.
- Maintain current service provision and coverage rates in the climate of population decline and population mobility.
- Continue to ensure we are up to date with changes to data information requirements from DHS and Medicare.
- Monitor projected immunisation requirements locally and globally to adapt practices for economies in service delivery.

RECREATION SERVICES

The Recreation Services Team is responsible for the development, operation and management of Buloke Shire's sport and recreation facilities and events.

Achievements

- Completion of Charlton Netball Court redevelopment;
- Completion of Sea Lake and District Community Centre kitchen upgrade;
- Development of concept designs for the redevelopment of Charlton Park Recreation Reserve facilities;
- Finalisation of flood repairs to a number of sport and recreation facilities throughout the Buloke Shire; and
- Secured funding for Charlton Youth Precinct and Birchip Bowling Club synthetic upgrade.

Future Directions

- A review of Council's Recreation Strategy;
- Completion of all netball court upgrades throughout the Buloke Shire;
- Continued review of Committees of Management and their roles and responsibilities within Council's buildings and facilities; and
- Development of construction drawings for Charlton Park facility redevelopment.

SWIMMING POOLS

The Swimming Pools Team is responsible for the development, operation and management of Buloke Shire's seven (7) seasonal aquatic facilities.

Achievements

- Funding secured for the Hydraulic upgrade of Charlton Swimming Pool including the installation of a vinyl liner;
- Funding secured for the development of a Buloke-wide Aquatic Strategy;
- Upgrade of Charlton Swimming Pool plant equipment;
- Upgrade of Birchip Swimming Pool plant pipe work;
- Leak mitigation works at Birchip and Charlton Swimming Pools;
- Upgrade of swimming pool disinfection systems in Charlton, Donald and Birchip; and
- Replacement of sand filter at Donald Swimming Pool.

Future Directions

- Implementing a hydraulic upgrade and vinyl liner to Charlton Swimming Pool;
- Review of Council's Swimming Pool Technical Audit and Strategy;
- Conducting an Aquatic Strategy for the Buloke Shire;
- Continued upgrade of swimming pool plant equipment to ensure ongoing water hygiene and stability; and
- Continued upgrade of swimming pool disinfection systems to a safer and more efficient chemical.



Birchip Swimming Pool

ROAD ASSET MANAGEMENT

The Road Asset Management Team is responsible for the planning, prioritisation, design and programming of upgrades to Buloke Shire's road assets.

Achievements

- 4.7 kilometres of sealed roads rehabilitated; this includes 1.7 kilometres of Massey-Bangerang Road and two sections of McLaughlan Road;
- Twenty-eight (28) kilometres of roads sealed;
- Gravel resheeting renewal works completed on Richards Road, Charlton-Swan Hill Road, Marmal North Road, Jeruk River Road, Galaquil Road, Brennans Road and Ingrams Road;
- Twenty (20) kilometres of sealed road shoulder work completed;
- 700 square metres of footpath renewal works completed. This includes 200 square metres of upgrade from gravel to concrete footpath;
- Approximately 200 kerbs and channels renewed;
- 100% of the Federal Government "Road to Recovery" funding allocation for various road-related renewal projects was claimed;
- Facilitated eleven (11) temporary roads closures for local community events in the townships of Birchip, Charlton, Donald, Sea Lake and Wycheproof; and
- Flood repair and reconstruction works.

Future Directions

- Review and redevelopment of Buloke Shire's forward capital works program;
- Completing the flood repair and reconstruction works across the road networks; and
- Establishment of a new functional-based hierarchy of Council's road and footpath assets.

PLANT MAINTENANCE AND MANAGEMENT

The Plant Maintenance and Management Team provides plant (machinery and equipment) to the works crew for the purpose of implementing Buloke Shire's maintenance and construction works. This includes maintaining and strategically planning plant requirements.

Achievements

- Greater control of inventory and stricter management of plant-related parts;
- One apprentice completed training to become a fully qualified Diesel Mechanic and remains with Council to continue his career; ongoing mentoring, training and development of the other apprentice continues; and

- Documented history of all heavy plant drive train and hydraulic systems through oil analysis testing at scheduled servicing; this allows staff to plan proactive preventative maintenance.

Future Directions

- Ongoing development of the plant replacement and rationalisation strategy to guide Council's decision-making with future investment and maintenance of heavy plant;
- Continue to improve the communication between service staff and end users of heavy plant; and
- Continue to develop a proactive service schedule that ensures timely servicing of heavy plant while maintaining daily plant levels to satisfy the needs of the works group.

WORKS

PARKS AND GARDENS

The Parks and Gardens Team is responsible for routine, preventative, ongoing maintenance and improvements to enhance the viability and vibrancy of all parks, gardens, playgrounds, streetscapes, furniture and public amenities provided by Buloke Shire.

Achievements

- Updated and improved water systems in Council's parks and garden beds;
- Continued improvements to streetscapes in all townships across the Shire;
- Reactivated water features in Elliott Gardens, Charlton, Donald Mall, Donald and Cunningham Lane Park, and Sea Lake;
- Completed the changeover of all older ride-on mowers with new larger machines; and
- Introduced standardised toiletries and dispensers in all of Council's public toilets and recreational lakes.

Future Directions

- Parks and Gardens staff to be more multi-skilled in landscaping, garden features and horticultural requirements;
- Additional watering systems in all parks and streetscapes, utilising water re-use systems where possible;
- Final completion of replacing all older park furniture with new user-friendly recycled plastic units; and
- Where possible utilise all apprenticeships and traineeship opportunities as they become available.

Donald Memorial Park, which has received new recycled plastic garden seats, tables and plastic garden bed borders. This type of park furniture is part of a change-over to recycled plastic units throughout the Shire.



URBAN INFRASTRUCTURE

The Urban Infrastructure Team carries out routine, preventative maintenance and improvements to enhance the visual amenity and vibrancy of urban areas. These include all footpaths, kerbs and channels, urban drainage systems, street furniture, street signage and trees within all townships. The Team also assists with continuous improvements in street, footpath, drainage and streetscape standards set out in Buloke Shire's Road Management Plan.

Achievements

- Repair and maintenance of drainage systems, in all townships;
- Repairs conducted on the suction pump at Stahl Street Recycled Water Dam at Wycheproof;
- Twenty-six (26) metres of stormwater pipe was installed in Menzies Crescent, Wycheproof; the pipe was installed to prevent erosion in the stormwater channel;
- Concrete Crew replaced 207 metres of concrete footpath in Broadway, Wycheproof, as a part of the Capital Works Program 2012/2013;
- Concrete Crew replaced fifty-five (55) metres of concrete footpath in Willow Court, Donald, as part of the Capital Works Program 2012/2013;
- Concrete Crew replaced 109 metres of concrete footpath in Cumming Avenue, Birchip, as part of the Capital Works Program 2012/2013; and
- Throughout the year across all Buloke townships there were:
 - Fifty-two (52) kilometres of footpath inspections;
 - 205 customer requests received;
 - Three (3) kilometres of footpath repaired, to remove tripping hazards;
 - 400 metres of smaller sections of footpath replaced;
 - 200 metres of smaller sections of kerb and channel replaced;

- Thirty-nine (39) trees removed;
- Forty-one (41) tree stumps ground out;
- Tree trimming in all streets;
- Installation and maintenance of drainage systems in urban areas;
- Installation of fire hydrant guide posts and maintenance of fire hydrant plugs;
- Mowing and slashing of urban areas and approaches to all townships throughout; and
- Twenty (20) new stormwater pit surrounds and lids replaced.

Future Directions

- Continue to improve consistent road, street, footpath and drainage services and standards;
- Be more proactive as opposed to reactive in the urban environment; and
- Ongoing development of more efficient and effective ways to ensure all works programs are completed within timelines and budgets.



Concrete Crew carrying out footpath Capital Works in Broadway, Wycheproof.

ROAD SERVICES

The Road Services Team is responsible for the maintenance of Buloke Shire's 5,500 kilometres of road network. Key focus points for the Team are improving road safety, functionality and the asset life of the roads.

Achievements

- Grading:
 - Earth roads: 833 kilometres;
 - Fire break: 247 kilometres;
 - Gravel roads: 570 kilometres;
 - Gravel patching: ten (10) kilometres; and
 - Sealed road shoulder: 430 kilometres.
- Cartage:
 - 2162 loads carted.
- Patrol:
 - Considerable savings in line marking works by using the new line marking machine;
 - Signage introduction system for ordering and relacing signage, incorporating road inspection data and customer requests; and
 - Cluster working system for tree trimming.

Future Directions

- Grading:
 - Maintain the rural road network within budget;
 - Continual training of grader and patrol crews to ensure all work is carried out consistently and effective; and
 - Expand work program/cluster works system for all grader crews.



Grader crew at work maintaining shire roads.

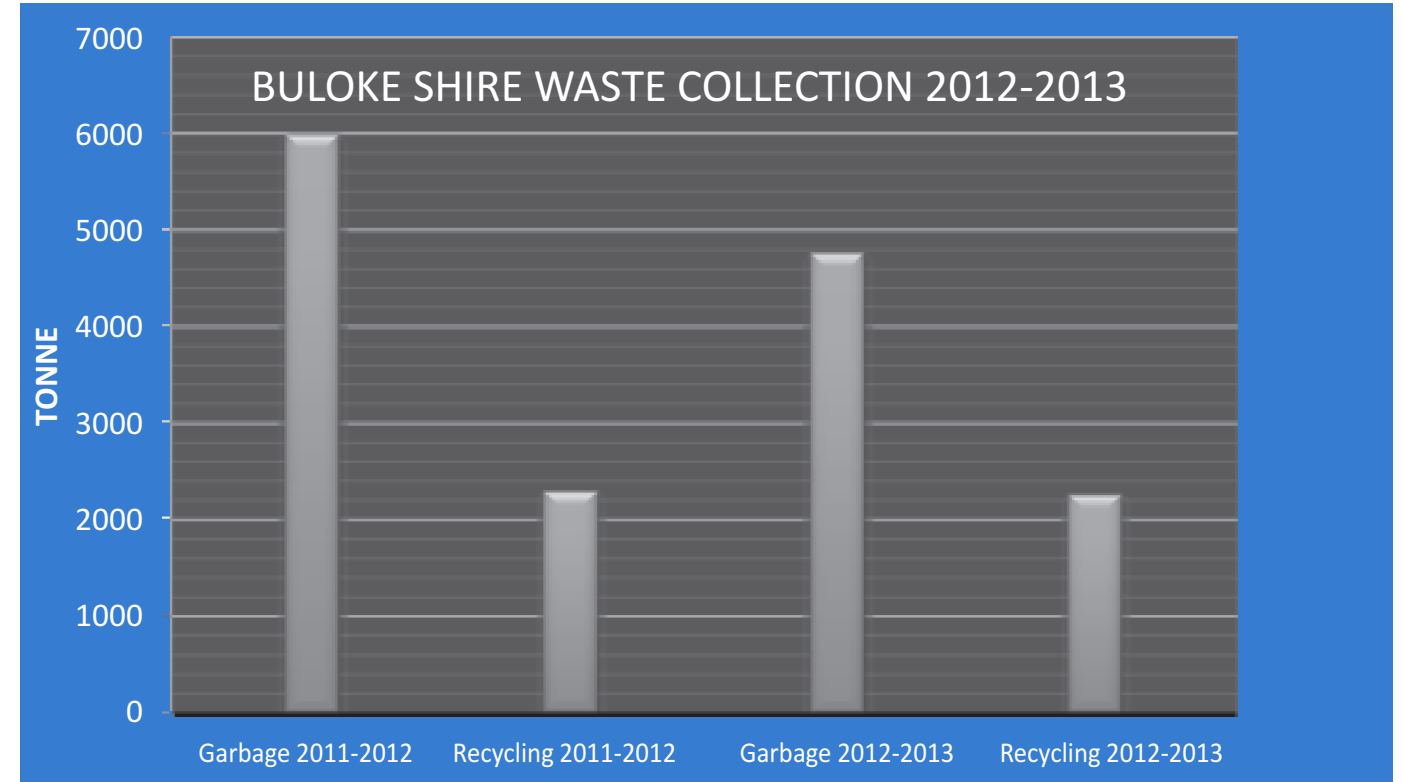
- Cartage:
 - Utilise plant staff and contractors for improved productivity;
 - Replace cartage trucks with larger units to improve productivity; and
 - Reduce overtime by replacing trucks with larger units.
- Patrol:
 - Reduce plant and staff times for sign replacement;
 - Program shoulder works incorporating inspection data; and
 - Program Jetmaster works incorporating inspection data.

WASTE MANAGEMENT

The Waste and Environment Services Team is responsible for the maintenance and improvement of Buloke Shire's Landfills and Transfer Stations as well as providing residential kerbside garbage and recycling services in all townships within Buloke Shire.

Achievements

- Ongoing Progressive Rehabilitation at all Landfills that complies with Environmental Protection Agency (EPA) requirements;
- Report submitted to Council for the closure of Nandaly Landfill;
- Install Stage 1 of the Recycling Transfer Station at Donald Landfill;
- A draft prepared for Buloke Shire Waste Strategy Action Plan 2013/2014;
- Investigate the use of wood mulches for green waste material at Landfill;
- Collection of 36,890 chemical containers through the Drum Muster Scheme;
- Waste Audit conducted by Central Murray Regional Waste Management Group identified contamination of 6.98% in Buloke Shire recycling bins;
- Developed and implemented a two-year Recycle Collection Calender for Buloke residents;
- Installation of new signage at all Buloke Landfills;
- Upgrade of ramp at Sea Lake Transfer Station;
- Restoration works completed at Culgoa Landfill; and
- Purchase of street bin surrounds for all townships.



Future Directions

- Converting Landfills with limited space into Transfer Stations;
- Source grant funding to improve infrastructure at Landfills and Transfer Stations; and
- Researching viable green waste conversions into a reusable product.



Recycling Transfer Station at Donald Landfill.



New fence at Charlton Landfill site

FINANCE

Finance encompasses the areas of financial reporting, rates, debtors and creditors.

Achievements

- Council has undertaken a full revaluation of its infrastructure assets, including roads, bridges, kerbs and channels, footpaths, cycle ways and drains. This has resulted in an increase in excess of \$38 million to fixed assets as a result of the revaluation. The majority of the increase was in road infrastructure with the increase being due to the increased unit costs for replacement of road-based assets resulting from the flood recovery program.
- The review of the remainder of Council's asset registers have been completed with the focus this year being on plant and equipment and furniture and fittings.
- Improvements have continued to be made to management reporting practices in line with recommendations from the Audit Advisory Committee and also additional suggestions resulting from recommendations made in the State

Government's Section 135 Report. These include the implementation of a more robust long term financial planning and modelling tool and a number of additional detailed departmental reports being added to the monthly financial reports to Council.

- Further modifications have been made to Council's management reporting program with a forecasting facility being added in the second half of the year. This allows better forecasting of future income and expenditure and improved cash flow management.
- The audit process for the 2011/2012 Annual Accounts proceeded well and there was a further reduction in the number of items identified that require follow-up action. There were no evident breaches of internal controls or procedures.
- Council was selected for a Sustainability Audit by the Victorian Auditor-General's Office (VAGO) during the year. The report showed that Council was in a high-risk area in relation to ongoing sustainability. This was expected but the report also identified that the procedures that Council had in place to monitor sustainability were appropriate.
- A new internal auditor was appointed during the year and an initial risk assessment has been undertaken. A new Internal Audit Plan has been adopted and audits are expected to be undertaken on an ongoing basis during the 2013/2014 year.

Future Directions

- Continued improvement to financial forecasting and reporting will once again be a priority for 2013/2014;
- Particular emphasis is to be placed on cash flow forecasting with a twelve month rolling cash flow forecast being implemented and maintained on an ongoing basis;
- The completion of financial policy reviews will be undertaken in the first half of 2013/2014; this will complete a full review of current financial policies and to add additional policies in response to suggestions made by the Audit Advisory Committee;
- Policies will be reviewed and developed in response to recommendations made in the Section 135 Report; and
- Further action will be taken to comply with outstanding items flowing out of the Section 135 Report and to address issues identified in the VAGO Sustainability Audit.



STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS AND PERFORMANCE MEASURES FOR 2012/2013

Every four years, in line with Council elections, the Council develops a four-year Plan. The Plan provides information on Council's activities, including everything from rates to roads to children's services. The Plan also details how the Buloke community can measure Council's progress in delivering the proposals set out in the Plan.

1. OUR COMMUNITY

Strategic statements:

- A Buloke community where people of all ages, backgrounds and abilities are embraced and supported and can access the Council services they need to help live happy and fulfilling lives; and
- A Buloke community connected and involved in shaping decisions that affect them.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Community satisfaction with Council's overall performance	Maintain satisfaction	65	54*	Target not met
Community satisfaction with Council's engagement in decision making on key local issues	Maintain satisfaction	63	57*	Target not met
Increase in the annual number of visits recorded to Council's website	Increase site visitations	6,000	78,611	Target met and exceeded
Average number of Home and Community Care hours of service provided per month	Increase in annual hours of service	1,265	1,765	Target met and exceeded
Community satisfaction with Health and Human Services	Maintain satisfaction	75	71**	Target not met
Number of grants applied for or facilitated by Council staff annually	Number of grant applications maintained or increased	23	49	Target met and exceeded
Total value of grants applied for or facilitated by Council staff annually	Value of grant applications maintained or increased	\$4.25 M	\$15.391 M	Target met and exceeded

* Please note that comparisons should not be made with Community Satisfaction Survey results from 2011 and prior. As a result of feedback from extensive consultations with councils, in 2012 there have been necessary and significant changes to the methodology and content of the survey which make comparisons invalid. As such, the results of the 2013 Community Satisfaction Survey should be considered as a benchmark. Tracking comparisons will be possible in the future years.

** The 2013 Community Satisfaction Survey again did not report on Health and Human Services, as such Community Satisfaction with Elderly Support Services was surveyed and will substitute for this performance area.

PROGRESS AGAINST THE COUNCIL PLAN 2009-2013 CONTINUED

2. OUR LOCAL ECONOMY

Strategic statements:

- A local economy in which the contribution of the agricultural sector and business sector is recognised and their continued growth actively encouraged and supported; and
- A local economy in which new investment and new employment opportunities are actively encouraged and supported.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Number of jobs in Buloke	Number of jobs maintained or increased	2,646	2,631	Target not met
Number of local workforce employed in Buloke jobs	Number of local workforce employed in Buloke maintained or increased	2,403	2,218	Target not met
Number of regional workforce employed in Buloke jobs	Number of local workforce from within the region maintained or increased	243	295	Target met and exceeded
Community satisfaction with economic development	Maintain satisfaction	58	58*	Target met
Total participants in local economy support events	Number of participants maintained	350	1,226	Target met and exceeded
Level of commercial and industrial development within the Buloke Shire	Value of building approvals maintained or increased	\$2.20 M	\$3.9 M	Target met and exceeded

* Please note that comparisons should not be made with Community Satisfaction Survey results from 2011 and prior. As a result of feedback from extensive consultations with councils, in 2012 there have been necessary and significant changes to the methodology and content of the survey which make comparisons invalid. As such, the results of the 2013 Community Satisfaction Survey should be considered as a benchmark. Tracking comparisons will be possible in the future years.



Show and Shine at Sea Lake

3. OUR BUILT ENVIRONMENT

Strategic statements:

- A Shire plan to meet the current and future needs of the agricultural sector while maintaining and enhancing its natural environment; and
- A Shire where roads, drains and public spaces, community facilities, parks and other essential infrastructure are fit for purpose, well maintained and contribute to the well-being of the community.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Community satisfaction with town planning and policy approvals	Maintain satisfaction	61	56*	Target not met
Community satisfaction with recreational facilities	Maintain satisfaction	71	70*	Target not met
Customer satisfaction with local roads and footpaths	Maintain satisfaction	47	55*	Target met and exceeded
Community satisfaction with the appearance of public areas	Maintain satisfaction	69	74*	Target met and exceeded
100% of planning applications processed within the statutory limit	No applications outside of statutory limit	100%	94%	Target not met
Average number of service requests and work orders received per month	Number of requests received increased	245	186	Target not met

* Please note that comparisons should not be made with Community Satisfaction Survey results from 2011 and prior. As a result of feedback from extensive consultations with councils, in 2012 there have been necessary and significant changes to the methodology and content of the survey which make comparisons invalid. As such, the results of the 2013 Community Satisfaction Survey should be considered as a benchmark. Tracking comparisons will be possible in the future years.

PROGRESS AGAINST THE COUNCIL PLAN 2009-2013 CONTINUED

4. OUR NATURAL ENVIRONMENT

Strategic statement:

- A Shire working with the community to reduce our carbon footprint, protect and enhance the natural environment, and share experiences and information.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Town garbage collection, measured as kilograms per household	Decrease in kilograms collected per household	690 kilograms	454 kilograms	Target met and exceeded
Recyclables collection, measured as kilograms per household	Increase in kilograms collected from household	280 kilograms	277 kilograms	Target not met
Usage figures: Energy – MW Water – ML LPG – L Petrol – L Diesel – L	Reduction in energy, water, petrol, diesel and LPG gas usage	Energy – 267.5 MW Water – 65.5 ML Petrol – 79,184 L Diesel – 476,969 L LPG – 61,336 L	Energy – 542.8 MW Water – 96.8 ML Petrol – 112,105 L Diesel – 332,684 L LPG – 59,022 L	Energy – Target not met Water – Target not met Petrol – Target not met Diesel – Target met LPG – Target met



Wycheproof Sheep Sale



Procession in Charlton

5. OUR PEOPLE AND ORGANISATION

Strategic statements:

- An organisation that is responsive to the evolving needs of the community;
- An organisation that is responsibly governed with a strong emphasis on astute financial and risk management; and
- An organisation that values and supports the development of its people and strives to be an employer of choice.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Conduct regular Audit Committee meetings	Minimum four meetings per year	4	4	Target met
Level of rates levied (rates per assessment) compared with neighbouring municipalities	Current ratio maintained or reduced	102%	101.6%	Target met
Community satisfaction with the advocacy performance of Council	Maintain satisfaction	68	55*	Target not met
Community satisfaction with Council's interaction and responsiveness in dealing with the public	Maintain satisfaction	72	57*	Target not met
Number of workforce entry-level positions (traineeships, apprenticeships, students and graduates)	Number of positions available annually maintained or increased	6	7	Target met

* Please note that comparisons should not be made with Community Satisfaction Survey results from 2011 and prior. As a result of feedback from extensive consultations with councils, in 2012 there have been necessary and significant changes to the methodology and content of the survey which make comparisons invalid. As such, the results of the 2013 Community Satisfaction Survey should be considered as a benchmark. Tracking comparisons will be possible in the future years.

THE COUNCIL

Buloke Shire Council is the Local Government body responsible for the Buloke municipality. The Council consists of a Mayor, Deputy Mayor and five Councillors.

THE COUNCIL'S ROLE

The *Local Government Act 1989* (Victoria) sets out the primary purposes and objectives of Buloke Shire and defines its functions and powers. Buloke Shire is a statutory body incorporated under the Act.

BULOKE SHIRE COUNCIL

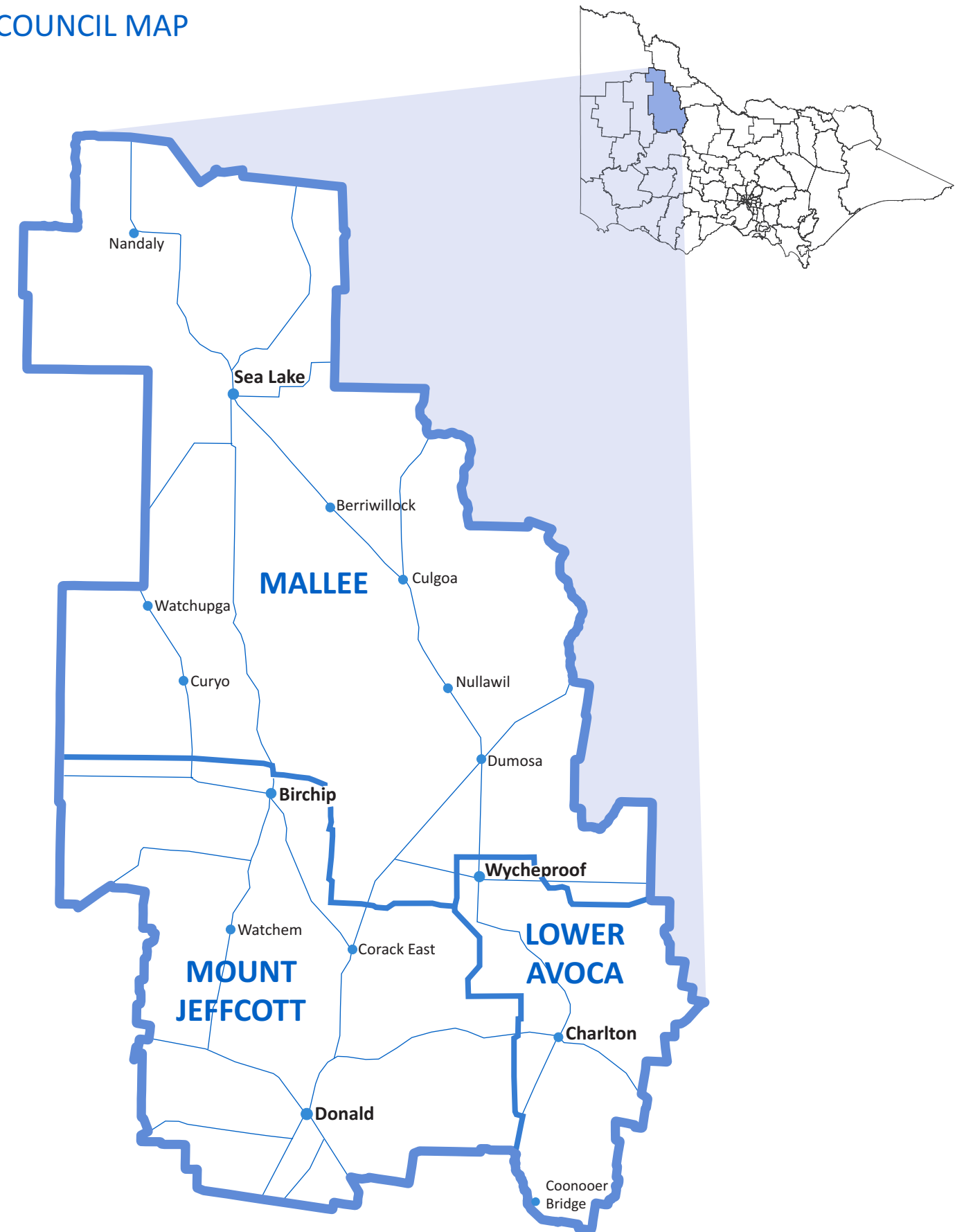
- Acts as a representative government and considers community needs when making decisions;
- Establishes strategic objectives for municipal services and monitors their achievement;

- Ensures the responsible and accountable management of the Council's resources;
- Advocates local community interests to other communities and governments;
- Provides fair and equitable representation of constituents;
- Is a responsible partner in government, taking the needs of other communities into account;
- Fosters community cohesion and encourages participation in civic life;
- Manages community assets; and
- Enforces by-laws.

The Buloke Shire Council was elected on 27 October 2012 for a four year term.

LOWER AVOCA WARD	MALLEE WARD	MT JEFFCOTT WARD
 <p>Councillor David Pollard Mobile: 0458 918 638 Email: crpollard@buloke.vic.gov.au</p>	 <p>Councillor Reid Mather (Mayor) Mobile: 0438 306 259 Email: crmather@buloke.vic.gov.au</p>	 <p>Councillor Leo Tellefson Mobile: 0427 320 166 Email: crtellefson@buloke.vic.gov.au</p>
 <p>Councillor Stuart McLean Mobile: 0439 327 839 Email: crmclean@buloke.vic.gov.au</p>	 <p>Councillor Ellen White Mobile: 0417 560 706 Email: crwhite@buloke.vic.gov.au</p>	 <p>Councillor Graeme Milne Mobile: 0419 126 911 Email: crmilne@buloke.vic.gov.au</p>
		 <p>Councillor Gail Sharp Mobile: 0437 090 172 Email: crsharp@buloke.vic.gov.au</p>

COUNCIL MAP



CORPORATE GOVERNANCE

Buloke Shire is committed to good corporate governance. Corporate governance encompasses the processes, protocols, conduct and relationships that guide the Buloke Shire's actions and decision-making. Some mechanisms of governance are legislative requirements and others are initiatives of Buloke Shire.

The development of policies, codes of practice and systems together with adherence to legislative requirements and transparent reporting are all part of Buloke Shire's commitment to open and accountable Government.

COUNCIL CODE OF CONDUCT

Buloke Shire reviewed its Code of Conduct in 2012. A revised Code of Conduct (incorporating Caretaker Statement) was adopted by Council in June 2012. The Code of Conduct sets out guidelines within which Councillors, Council staff and Council representatives must operate. The Code also outlines behaviours and actions which will reduce the risk of corruption or misuse of Council assets, including information.

The Code is a key component of the Buloke Shire's commitment to open and accountable governance.

COUNCIL MEETINGS

Buloke Shire conducts its business in open and publicly advertised meetings. In 2012/2013 there were eleven (11) Ordinary Meetings and five (5) Special Meetings. These meetings are held on a rotating basis in each major town within the Shire.

Councillor attendance 1 July 2012 – 30 June 2013	Ordinary Meeting	Special Meeting
Number of meetings held	11	5
Councillor David Pollard	11	5
Councillor Leo Tellefson (Deputy Mayor)	11	3
Councillor Gail Sharp	9	4
Councillor Ellen White	11	5
Councillor Stuart McLean	11	5
Councillor Reid Mather (Mayor)	9	5
Councillor Graeme Milne	11	5

STATUTORY OFFICERS

Chief Executive Officer	Warwick Heine
Protected Disclosure Coordinator	Gaynor Doreian
Protected Disclosure Officer	Ingrid Hensley
Protected Disclosure Welfare Officer	Hannah Yu
Principal Accounting Officer	Bill Ryan
Councillor Conduct Panel Registrar	Gaynor Doreian
Freedom of Information Officer	Ann Twyford
Municipal Emergency Response Officer	Wayne Wall
Municipal Emergency Recovery Coordinator	Naomi Grant
Municipal Fire Prevention Officer	Wayne Wall
Environmental Health Officer	Kia Hooke
Municipal Building Surveyor	Terry Hall

COUNCILLOR ALLOWANCES

The *Local Government Act 1989* (Victoria) regulates the allowance payable to Mayors and Councillors in Victoria. The Act provides for the minimum and maximum allowances payable as set by an Order in Council from time to time. Each council must, within the allowable range, determine the allowances it will pay to its Mayor and Councillors, having regard to the local situations and priorities.

Buloke Shire's Mayor and Councillors are paid an allowance in accordance with Section 73B of the *Local Government Act 1989* which provides for an annual adjustment factor to be paid to these allowances.

The Mayor has use of a Council-funded mobile phone, a fully maintained vehicle for use on Council business and a laptop computer with intranet and internet access.

The Councillors also have the use of a Council-funded mobile phone, access to a fully maintained vehicle for use on Council business and a laptop computer with intranet and internet access.

In addition, all Councillors receive 9% in superannuation from Buloke Shire. Councillors are entitled to claim some expenses they have incurred in their capacity as a Councillor. Buloke Shire is committed to publishing Councillors' expenses in the Annual Report to ensure greater transparency to the Buloke community. (Please refer to the following table).



Sea Lake Travellers Rest

Councillor	Mobile Telephone & Information Technology	Professional Development	Forums & Conferences	Travel Reimbursements	TOTAL
Cr David Pollard	\$2,982.79	\$0.00	\$0.00	\$0.00	\$2,982.79
Cr Leo Tellefson	\$2,052.19	\$0.00	\$1,367.00	\$0.00	\$3,419.19
Cr Gail Sharp	\$601.91	\$0.00	\$0.00	\$0.00	\$601.91
Cr Ellen White	\$1,594.42	\$0.00	\$0.00	\$54.41	\$1,648.83
Cr Stuart McLean	\$3,961.83	\$0.00	\$837.50	\$0.00	\$4,799.33
Cr Reid Mather*	\$693.61	\$0.00	\$1,692.27	\$132.00	\$2,517.88
Cr Graeme Milne	\$496.21	\$0.00	\$1,250.00	\$0.00	\$1,746.21
Total	\$12,382.96	\$0.00	\$5,146.77	\$186.41	\$17,716.14

*Cr Mather did not have access to a Council-provided vehicle until the October 2012 Council election.

COUNCIL REPRESENTATION ON COMMITTEES

Councillors have been appointed as representatives on a number of organisations and committees that assist Council and the community in the provision of services to the people of Buloke Shire.

COMMITTEE APPOINTMENTS	COUNCILLOR
Central Murray Waste Management Group	Cr Tellefson
Wimmera Regional Library Corporation	Cr Milne and Cr Tellefson
North West Municipalities Association	Cr Mather and Cr White
Sea Lake Community Complex Committee	Cr White
Wimmera Regional Transport Group	Cr Tellefson (Cr Pollard alternate)
Municipal Association of Victoria	Cr Mather (Cr Tellefson substitute)
Workspace Australia	Cr Tellefson
Livestock Saleyards Association Vic (rep Mallee Region)	Cr McLean
Victorian Feedlot Committee (MAV/State Government Appointment)	Cr McLean
North Central Local Learning Employment Network	Cr Sharp (Cr Tellefson alternate)
Country Fire Authority – Municipal Fire Management Planning Committee	Cr Pollard, Cr Tellefson and Cr Milne
Calder Highway Improvement Committee	Cr Pollard
Central Vic Greenhouse Alliance	Cr Tellefson and Cr White
Sunraysia Highway Improvement Committee	Cr Milne (Cr Tellefson alternate)
Business Excellence Awards/Regional Vic Living Expo Committee	Cr McLean, Cr White and Cr Tellefson
Australian Local Government Women’s Association	Cr White and Cr Sharp
Charlton Stadium Committee	Cr Pollard
Buloke and Northern Grampians Landcare Network	Cr Tellefson
Murray Mallee Regional Transport Group	Cr White (Cr Pollard alternate)
Recreational Water Users Alliance	Cr Sharp
Rural Councils Victoria	Cr Tellefson
Alliance of Councils for Rail Freight Development	Cr White and Cr Tellefson
The Charlton Information Resource Centre and Learning Environment (CIRCLE)	Cr White
Sunraysia-Mallee Rural Counselling Service	Cr Tellefson

AUDIT ADVISORY COMMITTEE

MEMBERS

Mr Ian Cuthbertson (Chair)
 Cr David Pollard
 Cr Reid Mather
 Mr Tom Evans
 Mr Brian Keane
 Ms Jessica Alder

The Audit Advisory Committee met on four (4) occasions during the financial year. Mr Ian Cuthbertson continued as Chair of the Committee.

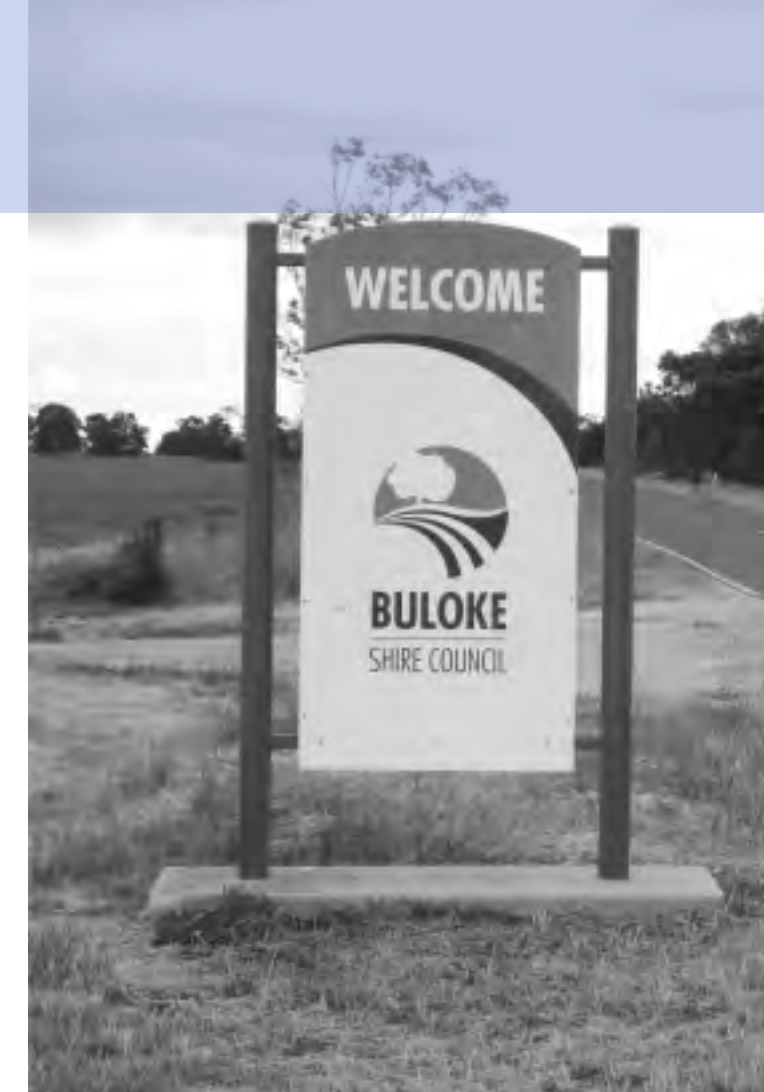
PROTECTED DISCLOSURE ACT 2013 (VICTORIA)

During the 2012/2013 financial year, the *Protected Disclosure Act 2013* (Victoria) repealed the *Whistleblowers Protection Act 2001* (Victoria) and created a new legislative framework for receiving protected disclosures and protecting those who make them.

The *Protected Disclosure Act 2013* also broadens the operation of the previous whistleblowers scheme to match the scope of the new integrity system and applies to disclosures about all public bodies and officers within the Independent Broad-based Anti-corruption Commission’s (IBAC) jurisdiction.

As a requirement under the Act, Council is required to have effective procedures in place for the management of protected disclosures.

Buloke Shire recognises the value of transparency and accountability in its administrative and management practices and supports the making of a disclosure. In line with the requirements of the Act, Council has adopted its Protected Disclosure Policy and Guidelines to assist Council to manage the Protected Disclosure process. These documents are available on Council’s website at www.buloke.vic.gov.au.



Number and types of disclosures made to public bodies	0
Number of disclosures referred to the Ombudsman for determination as to whether they were public interest disclosures	0
Number and types of disclosure matters referred to a public body by the Ombudsman for investigation	0
Number and types of investigations taken over from a public body by the Ombudsman	0
Number of requests made by a whistleblower to the Ombudsman to take over an investigation by a public body	0
Number and types of disclosed matter that a public body has declined to investigate	0
Number and types of disclosed matters that were substantiated upon investigation, and the action taken on completion of the investigation	0
Recommendations	0

INFORMATION PRIVACY ACT 2000 (VICTORIA)

Standards set out by the *Information Privacy Act 2000* (Victoria) control how we manage personal information. The *Privacy Act 1988* (Commonwealth) and *Health Records Act 2001* (Victoria) also include privacy principles that relate to the collection, use and disclosure of information. Privacy compliance is included in the Code of Conduct and the induction program for Council staff, which includes the signing of a Privacy and Confidentiality Agreement. Buloke Shire is committed to ensuring full compliance with the privacy principles contained in the legislation, together with the responsible management of any personal information or health information.

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* (Victoria) provides the public with access to Buloke Shire's documents.

MATERIAL PREPARED BY COUNCIL

The public may inspect, free of charge all the information prescribed under Part 10 of the *Local Government Regulations 1990*, including Buloke Shire agendas and minutes, planning schemes, local laws, pecuniary interest

register, town planning registers, annual reports, corporate plans, yearly financial statements and Council budgets.

PROCEDURES FOR REQUESTING ACCESS TO A DOCUMENT

The first approach to Buloke Shire for requesting a document is by telephone, in person or in writing. Unless reasons exist for not doing so, Buloke Shire will make documentation readily available. If an applicant wishes to make a formal application under the Freedom of Information legislation, a written application must be made on the prescribed form available from the Freedom of Information website at www.foi.vic.gov.au.

INFORMATION AVAILABLE FOR INSPECTION

- Details of current salaries and allowances fixed for Buloke Shire Councillors;
- Details of Senior Officers' gross salaries, allowances and other benefits for the current financial year and two previous financial years;
- Details of overseas or interstate travel (with the exception of interstate travel to a neighbouring municipality undertaken in an official capacity) for Councillors and any member of Council staff in the previous twelve months;



Donald Lions Club Heritage Train Park

FREEDOM OF INFORMATION	2010-2011	2011-2012	2012-2013
Total number of requests	2	3	2
Access granted in full	1	1	0
Access granted in part	0	0	2
Other	0	1	0
Access denied in full	0	0	0
Requests still under consideration	1	1	0
Number of internal reviews sought	0	0	0
Number of appeals lodged with the Administrative Appeals Tribunal	0	0	0
TOTAL CHARGES COLLECTED	\$23.90	\$24.40	\$0.00

N.B.: In 2012-2013 two (2) Freedom of Information requests received had associated costs of the application waived under hardship circumstances.

- Names of Council Officers who were required to submit a Return of Interest during the financial year and the dates the returns were submitted;
- Agendas and minutes of Ordinary and Special Council Meetings kept under Section 93 of the *Local Government Act 1989* (Victoria) except where such minutes relate to parts of meetings that have been closed to members of the public under Section 89 of the Act;
- A list of all major Committees established by Buloke Shire and the purpose for which each Committee was established;
- A list of all major Committees established by Buloke Shire which were abolished or ceased to function during the financial year;
- Minutes of meetings of Special Council Committees established under Section 86 of the *Local Government Act 1989* except where such minutes relate to parts of meetings that have been closed to members of the public under Section 89 of the Act;
- Application for enrolment on the voters' roll under Section 12 and 13 of the *Local Government Act 1989* for the immediate past roll and the next roll being prepared;
- Register of delegations kept under Section 87, Section 88 and Section 98 of the *Local Government Act 1989*;
- Submissions received under Section 223 of the *Local Government Act 1989* during the previous twelve months;
- Agreements to establish regional corporations under Section 196 of the *Local Government Act 1989*; and
- Register of Authorised Officers appointed under Section 224 of the *Local Government Act 1989*.

RISK MANAGEMENT

The Buloke Shire Council maintains an effective risk management program to ensure that exposure to operational, environmental, human, legal, material and financial risks are minimised. It is a requirement of our insurers that appropriate risk management processes and practices are implemented throughout the Council to minimise its exposure to asset and public liability insurance claims. Risk management planning and activities are done as a Council-wide exercise, encompassing enterprise risks, which include major risks which have the ability to significantly affect Council's ability to achieve its strategic outcomes, in addition to operational risks which are focussed on individual functions and departments.

The Council complies with its obligations under the *Local Government Act 1989* (Victoria) and maintains risk management practices, principles and procedures, with reference to the Australian Standard AS/NZS ISO 31000:2009, which addresses the process of risk identification, risk control, risk evaluation, risk treatment and risk financing. The Council is committed to continuous improvement and ensuring that controls are regularly reviewed to mitigate any risk.

In relation to property insurance and risk, (Municipal Asset Protection Plan) JMAPP undertake an audit twice a year. It was reported that Council had an improved good performance in the JMAPP Property Risk Management Audit for the 2012/2013 period. Council received an overall final score of 60%, with the maximum score given in the areas of accountability and continuous improvement and reactive risk management. Key areas which require a collaborative approach in order to drive improvements were identified in the Audit, including developments in Business Continuity Management and Proactive Risk Management. A number of these specific areas form part of larger projects currently being undertaken by Council.

Achievements in 2012/2013 included:

- Improvement of business systems, including implementation of Contractor Management procedures and processes and the implementation of a records management system to ensure Council fulfils its statutory obligations, including in relation to contractor safety;
- Undertaking key strategic projects incorporating reviews of relevant risk areas, including diverse land and property arrangements;
- Addressing legislative compliance obligations;
- Completion of various audits including insurance audits;
- Involvement with the Audit Committee and their internal audit program, which incorporates a review of the Council's Risk Management Policy, framework and strategies;
- Staff development and training, including succession planning and involvement in seminars and forums, including those with an industry-specific risk management and legal focus;
- Continued development of an effective risk management culture across the organisation, including project-based risk management which has included risk assessments for specific events or programs and the reporting of relevant statistics and information specific to each department;
- Ongoing development of Council's Corporate Risk Register to assist Council in maintaining a risk management framework that achieves best practice in managing risks associated with Council's business activities;
- Continued evolution of the Occupational Health and Safety Committee, including regular reporting; and
- Continued review and development of risk management and reporting systems.

BUSINESS CONTINUITY PLANNING

Business Continuity Management is a management process that identifies potential impacts that threaten an organisation and provides a framework for building resilience and the capacity for an effective response. This is in the interest of the Buloke Shire and its internal/external stakeholders by maintaining all critical functions as far as reasonably practicable.

Buloke Shire continues to develop and maintain a Business Continuity Management system to effectively enable the Council to re-establish services in a timely and efficient manner with minimal disruption to stakeholders, should they be disrupted in any way.

MUNICIPAL EMERGENCY MANAGEMENT

Buloke Shire has a statutory obligation, under the *Emergency Management Act 1986* (Victoria), to plan for the best use of municipal resources in the prevention of, response to, and recovery from municipal emergencies. Typical emergencies may include storms and localised flooding, motor vehicle accidents, toxic spills, bushfire and fire damage to private and commercial properties.

Buloke Shire has a Municipal Emergency Management Plan that documents the requirements and procedures for emergency operations within the municipality. The aim of the Plan is to ensure an effective and coordinated response to minimise the effects of an emergency situation and to enable the community to recover from that emergency.

Currently, Buloke Shire's Emergency Management Plan is in the process of a review to ensure that the Plan will comply with and meet all legislative and audit requirements. As a part of the process a Municipal Flood Emergency Plan must also be developed. In August 2012 Council adopted the Municipal Fire Management Plan as a sub-plan of the Municipal Emergency Management Plan.

The Municipal Emergency Management Committee is responsible for undertaking annual reviews of the Municipal Emergency Management Plan to ensure that the Plan is kept up to date with any changes or other amendments that are required.

CARERS RECOGNITION ACT 2012 (VICTORIA)

Buloke Shire has taken all practicable measures to comply with its responsibilities outlined in the *Carers Recognition Act 2012* (Victoria). 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;
- Displaying posters at Council community venues;
- Providing links to State Government resource materials on Council's website; and
- Providing information to organisations represented in Council and community networks.

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 Home and Community Care and Disability Services;
- Council induction and training programs for staff working in frontline positions with the general community; and
- Induction and training programs for volunteers working directly with the community.

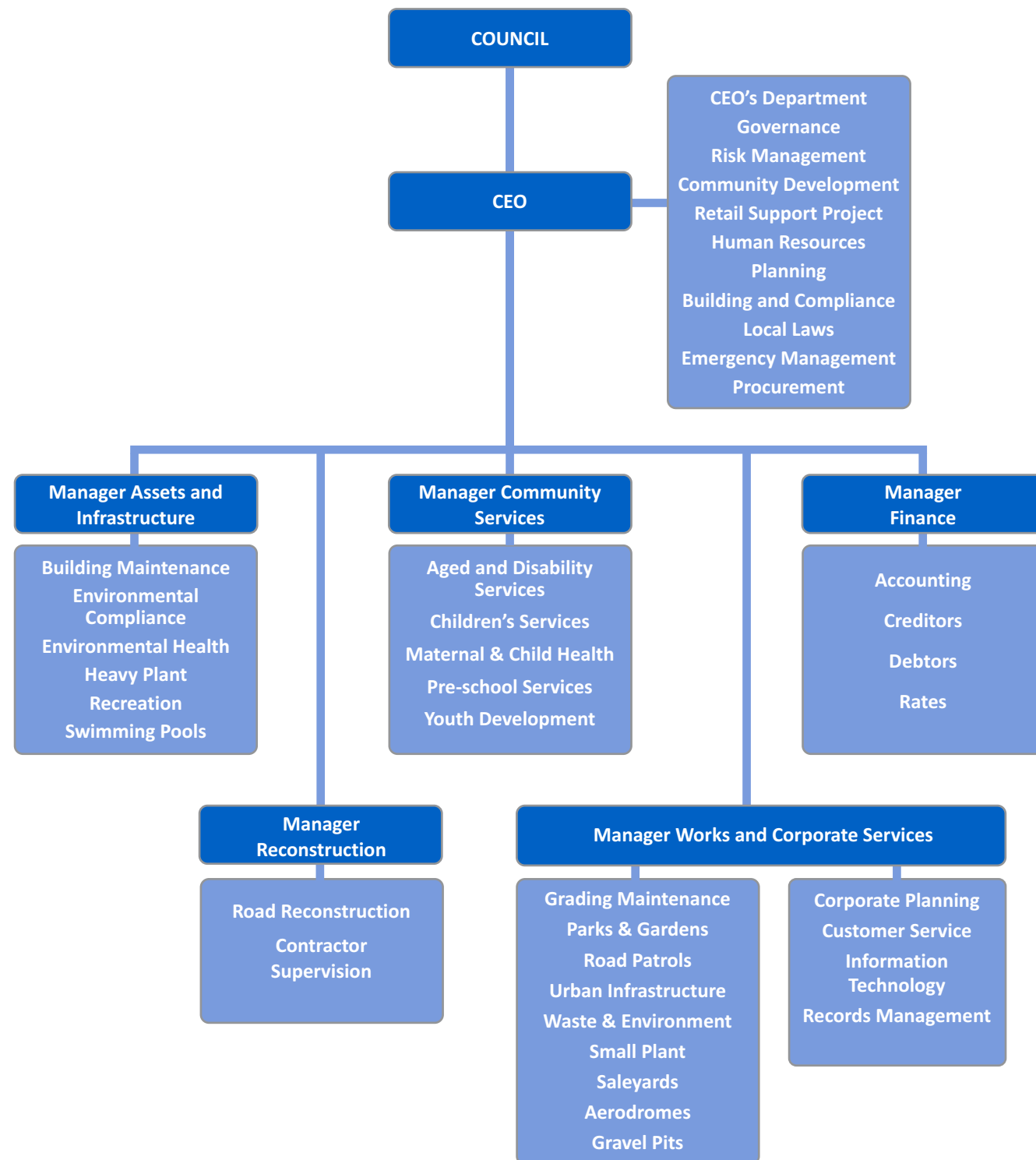
Buloke Shire has also taken all practicable measures to review and modify policies and procedures to include recognition of the carer relationship and has provided the following additional activities and resources to recognise the care relationship:

- All policies and procedures of our Aged and Disability Services refer to the *Carers Recognition Act 2012*;
- Information regarding the *Carers Recognition Act 2012* is included in the client handbooks for all persons assessed as eligible to receive services through Council's Aged and Disability Services; and
- Information regarding the *Carers Recognition Act 2012* is provided to all persons at their initial point of contact with Council's Family and Children's Services program.

OUR ORGANISATION

Buloke Shire is a public statutory body under the *Local Government Act 1989* (Victoria). The Act sets out the primary purposes and objectives of the Buloke Shire, and defines its functions and powers.

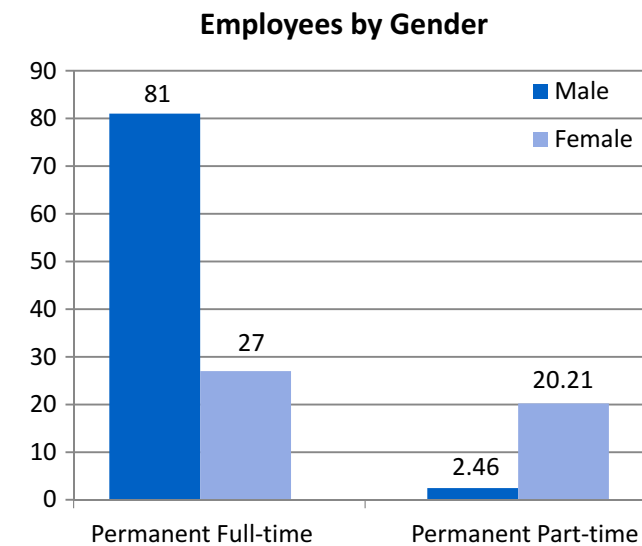
The Buloke Shire's main administrative office is located in Wycheproof. The organisation also operates facilities, services and administrative functions from more than twenty (20) other locations in Birchip, Charlton, Donald and Sea Lake. These services include Maternal and Child Health Centres, Childcare Centres, depots and swimming pools.



EMPLOYEE STATISTICS

	Male (EFT)	Female (EFT)	Total (EFT)
FULL-TIME	81	27	108
PART-TIME	2.46	20.21	22.67

EFT = Equivalent full time



During the course of 2012/2013, fifty-three (53) positions were advertised with an average of 6.54 applicants per position. The majority of these vacancies were in direct relation to seasonal appointments (for example, Pool Operators/Lifeguards), fully funded positions and the recruitment of long-term vacancy positions, including specialist and technical positions.

SERVICE MILESTONES

Twenty-two (22) staff achieved service milestones of 5, 10, 15 or 20 years. Service milestone staff have been recognised for their achievements and contribution to the Buloke Shire.

5 Years of Service	Seventeen (17) staff members
10 Years of Service	Four (4) staff members
15 Years of Service	Nil (0) staff members
20 Years of Service	One (1) staff member

EQUAL OPPORTUNITY

Buloke Shire is committed to providing workplace harmony and refuses to tolerate workplace harassment or any form of discrimination or offensive behaviour. To assist staff in identifying what their rights are and how they can recognise problems in the workplace and community, Council, in conjunction with the Victorian Equal Opportunity and Human Rights Commission, provides training to all Buloke Shire employees on Human Rights Charter awareness.

Buloke Shire recognises the value of staff and will select or promote individuals for employment, training and career advancement on the basis of personal merit in fair and open competition according to skills, qualifications, knowledge and efficiency relevant to the position involved.

All staff are required to treat colleagues and members of the public with courtesy and sensitivity to their rights, duties and aspirations.

Buloke Shire's Human Resource Officer is the Equal Opportunity contact who is able to assist with resolving problems to create workplace harmony, positive morale and a productive environment for all.

HEALTH AND SAFETY

The Buloke Shire manages risk and occupational hazards by continuously improving its work environment and OHS management system.

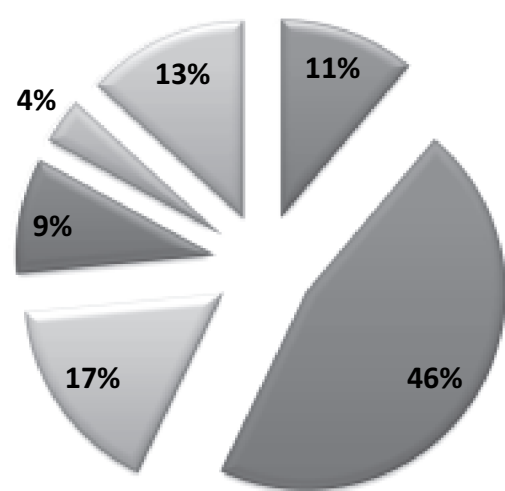
Initiatives in 2011/2012 included training provided to management and staff which covered a number of areas including traffic management, traffic control, bullying and harassment, electrical spotting, first aid, and health and safety representation.

WORKPLACE INCIDENTS

2011-2012	2012-2013	Result
51	66	Increase

EMPLOYEES BY DEPARTMENT

DEPARTMENT	Number
Assets and Infrastructure	14.50
Works	60.05
Community Services	21.48
Corporate Services	12.32
Finance	5.00
Chief Executive (incorporates Procurement, Economic Development, Community Development, Statutory Planning, Human Resources and Municipal Flood Recovery)	17.32



- **Assets & Infrastructure (11%)**
- **Works (46%)**
- **Community Services (17%)**
- **Corporate Services (9%)**
- **Finance (4%)**
- **Chief Executive (13%)**

ABSENTEEISM	2011/2012	2012/2013	Result
Lost time injuries	10 injuries	13 injuries	Increase
Number of days lost due to injury	385.2 days	496.9 days	Increase
Absence due to illness	1,311 days	1,582.6 days	Increase

WORKERS' COMPENSATION

Financial Year	Standard Claims	Minor Claims	Premium (\$)	Change in Premium on past year (%)
2012/2013	12	7	\$304,474.77	+3%
2011/2012	3	4	\$295,571.83	-22%
2010/2011	6	5	\$380,648.00	+19%
2009/2010	2	1	\$318,538.66	+23%

Community grants, donations and contributions are made for programs, projects and activities that enrich and promote the community both personally and economically. Contributions include membership of advocacy and peak organisations with specific relevance to Buloke Shire and/or the local community. The following grants, donations and contributions were made during the 2012/2013 financial year.

Description	Recipient/Organisation	Amount (\$)
Spot Light on Sea Lake Donation	Ace Broadcasters Pty Ltd	454.60
Buy Local Christmas Promotion	Advance Sea Lake Inc.	500.00
Council contribution 2010/2011	Advance Sea Lake Inc.	1,000.00
Council contribution 2011/2012	Advance Sea Lake Inc.	1,000.00
Buy Local Christmas Promotion	Berriwillock Community Development	200.00
Council Allocation 2011/2012 Berriwillock	Berriwillock Community Development	200.00
Rec Reserve Allocation 2011/2012 Berriwillock	Berriwillock Rec Reserve Committee	6,500.00
Hall Hire Fee Donation – Birchip Business Centre	Birchip Business & Learning Centre	350.00
Buy Local Christmas Promotion	Birchip Community Forum	500.00
Australia Day Breakfast Costs	Birchip Community Forum	500.00
Australia Day Breakfast Costs	Birchip Community Forum	500.00
Forum Allocation 2011/2012	Birchip Community Forum	1,000.00
Birchip Cropping Group Sponsorship	Birchip Cropping Group	5,000.00
Sponsorship Art Exhibition	Birchip Friends of the Library	500.00
Recreation Reserve Allocation 2011/2012 Birchip	Birchip Leisure Centre	32,100.00
2012 Awards Night Donation	Birchip P-12 School	100.00
2013 Event Sponsorship – Birchip Quarterhorse	Birchip Racing Club	500.00
Victorian Seniors Festivals Funds – Birchip	Birchip Senior Citizens Club	315.00
2012 Christmas Luncheon – Birchip	Birchip Senior Citizens Club	500.00
Birchip Senior Citizens Air Conditioner	Birchip Senior Citizens Club	1,200.00
Birchip SES Annual Contribution	Birchip SES	12,944.00
Building Permit Fees	Birchip-Watchem Netball Club	664.75
Landcare Support 2011/2012	Buloke & North Grampians Landcare Network	5,000.00
Final New Business Incentive Payment	Buloke Properties	250.00
Australia Day Breakfast Costs	Cabbaritta CWA	390.67
PreSchool Cleaning Terms 3 & 4 2012	Charlton & District Preschool	1,575.00
PreSchool Cleaning Terms 1 & 2 2013	Charlton & District Preschool	1,575.00
Hall Hire Donation – Back to Charlton Committee	Charlton Back To Committee	350.00
Hall Hire Donation	Charlton Back To Committee	700.00
Back To Charlton Council Donation	Charlton Back To Committee	2,000.00
Buy Local Christmas Promotion	Charlton Chamber of Commerce	500.00
2012 Awards Night Donation	Charlton College	100.00
Buloke Shire – L2P Funding 1/5	Charlton College	27,000.00
Community Forum Council Contribution	Charlton Forum	1,000.00
2012 Event Sponsorship – Charlton Harness Racing	Charlton Harness Racing Club	500.00

COMMUNITY GRANTS & DONATIONS CONTINUED

Description	Recipient/Organisation	Amount (\$)
Building Permit Contribution	Charlton Health Centre/Playgroup	650.00
Permit Fees Donation – Charlton Lions Club	Charlton Lions Club	669.20
Rec Reserve Allocation 2011/2012 Charlton	Charlton Parks Committee	36,400.00
2013 Art Show Sponsorship	Charlton Rotary Club Inc.	100.00
Hall Hire Fee Donation – Charlton Art Show	Charlton Rotary Club Inc.	2,450.00
Victorian Seniors Festivals Funds – Charlton	Charlton Senior Citizens Club	315.00
2012 Christmas Luncheon – Charlton	Charlton Senior Citizens Club	500.00
RSP Stakeholder Contribution Year 2	City of Greater Bendigo	1,500.00
2013 Leadership Program – M. Hughes & A. DeVrieze	Community Leadership Loddon Murray Inc.	14,000.00
New Business Incentive	Creative Concrete Illusions	250.00
Buy Local Christmas Promotion	Culgoa Development Group	200.00
Recreation Reserve Allocation 2011/2012 Culgoa	Culgoa Recreation Reserve Committee of Management	6,500.00
Victorian Seniors Festivals Funds – Culgoa	Culgoa Senior Citizens Club	315.00
Hall Hire Donation – Donald 150 th Back To	Donald 150 th Back To Celebrations	600.00
Donald Entrance Signage Works Donation	Donald 2000	4,857.50
Buy Local Christmas Promotion	Donald Chamber of Commerce	500.00
2012 Awards Night Donation	Donald High School	100.00
Donald Netball – Donation for GST on Contribution	Donald Netball Club	1,761.62
2013 Annual Show donation	Donald P & A Society	100.00
2012 Event Sponsorship – Donald Racing Club	Donald Racing Club	500.00
Rec Reserve Allocation 2011/2012 Donald	Donald Recreation Reserve Committee	43,700.00
Reimbursement of Building Fee and Levy for Scout Hall	Donald Scout Group	3,017.60
Victorian Seniors Festivals Funds – Donald	Donald Senior Citizens Club	315.00
2012 Senior Citizens Christmas Luncheon – Donald	Donald Senior Citizens Club	500.00
New Business Incentive Final Payment	Dyall Custom Fabrication	250.00
Annual Flower Show Hall Hire – Birchip	East Wimmera Health Service – Birchip	350.00
Grant funds from Museums Australia	Golden Grains Museum	10,000.00
Donation – Zeke's Fundraiser Appeal	Good Friday Appeal	350.00
Green Lake Recreation Reserve – 50% Lake Top-up	Green Lake Committee	9,766.71
New Business Incentive	Learners & Beyond	250.00
New business final incentive payment	Learners & Beyond	250.00
Mt Wyche Cup Art & Craft Exhibition – Hall Hire	Mt Wycheproof & District Racing Club	1,750.00
2012 Event Sponsorship	Mt Wycheproof & District Racing Club	500.00
RCV Network Support Contribution	Municipal Association of Victoria	2,000.00
Buy Local Christmas Promotion	Nandaly Progress Association	200.00
Rec Reserve Allocation 2011/2012 – Nandaly	Nandaly Public Hall & Recreation Reserve	5,000.00
Australia Day Breakfast costs January 2012	Nullawil Progress Association	115.09
Australia Day Breakfast costs January 2013	Nullawil Progress Association	162.34
Buy Local Christmas Promotion	Nullawil Progress Association	200.00

Description	Recipient/Organisation	Amount (\$)
Rec Reserve Allocation 2011/2012 - Nullawil	Nullawil Recreation Reserve Committee	22,000.00
Victorian Seniors Festivals Funds - Nullawil	Nullawil Senior Citizens Club	315.00
2012 Christmas Luncheon – Nullawil	Nullawil Senior Citizens Club	500.00
Rates Building Incentive 2012/2013	Owners of New Residences in Shire	20,441.80
Rec Reserve Allocation 2011/2012 Sea Lake	Sea Lake & District Community Centre	39,000.00
Donation	Sea Lake Mallee Rally	5,635.00
Victorian Seniors Festivals Funds - Sea Lake	Sea Lake Senior Citizens Club	315.00
2012 Christmas Luncheon - Sea Lake	Sea Lake Senior Citizens Club	500.00
New Business Incentive Payment	Sugar N Sweet	500.00
50% of Lake Refill Costs to June 2011	Tchum Lake Committee of Management	2,896.05
50% Lake Refill Costs	Tchum Lake Committee of Management	8,239.90
50% of Lake Refill Costs to June 2012	Tchum Lake Committee of Management	9,451.65
2012 Awards Night Donation	Tyrrell College	100.00
Garbage Charge Donation	Watchem Bowling Club Inc.	240.00
50% Lake Refill January-March 2013	Watchem Lake & Recreation Reserve Committee	1,454.10
50% Water Costs July-December 2012	Watchem Lake & Recreation Reserve Committee	2,108.44
Watchem Lake and Recreation Reserve – 50% Lake Top-up	Watchem Lake Committee	2,714.32
Buy Local Christmas Promotion	Watchem Progress Association	200.00
2011/2012 Council Allocation – Watchem	Watchem Progress Association	200.00
2011/2012 Rec Reserve allocation – Watchem	Watchem Progress Association	4,500.00
Town Mower and Expenses 2011/2012	Watchem Progress Association	5,000.00
50% Lake Refill - Wooroonook Lakes	Wooroonook Lake Committee of Management	10,736.10
Erection of Sign Donation	Wycheproof & District Historical Society	250.00
Council Contribution – Wycheproof Show	Wycheproof A & P Society Inc.	100.00
Building Permit Fees Donation	Wycheproof Bowls Club Inc.	350.00
Room Hire Donation	Wycheproof Cancer Support Group	50.00
2012 Awards Night Donation	Wycheproof P-12 College	100.00
Hall Hire – Rock Quiz Cabaret – Wycheproof P-12 College	Wycheproof P-12 College	350.00
2011/2012 Rec Reserve Allocation – Wycheproof	Wycheproof Recreation Reserve Committee	33,100.00
Victorian Seniors Festivals Funds – Wycheproof	Wycheproof Senior Citizens Club	315.00
2012 Christmas Luncheon – Wycheproof	Wycheproof Senior Citizens Club	500.00
Wycheproof SES Annual Contribution	Wycheproof SES	12,944.00
Buy Local Christmas Promotion	Wycheproof Vision	500.00
Community Forum Council Contribution	Wycheproof Vision	1,000.00
Sporting Uniform Grant 2011/2012 Funding	Wycheproof-Narraport Netball Club	800.00
	TOTAL	\$445,820.44

GRANTS RECEIVED FROM EXTERNAL SOURCES

OPERATING GRANTS

No.	Funding Organisation	Project Summary	Amount Granted (\$)
1	Victorian State Emergency Service	SES Grant for Wycheproof and Birchip	12,944.00
2	Victorian Grants Commission	General Purpose Grants	2,946,141.00
3	Regional Development Victoria	Rural Skills Cadetship	7,250.00
4	VicRoads	School Crossings	12,483.00
5	Dept of Community Services	Community Services Administration	36,683.47
6	Dept of Community Services	Maternal & Child Health	146,339.00
7	Dept of Community Services	Pre School Subsidised	127,198.68
8	Dept of Community Services	Pre School Group Employment	18,107.38
9	Dept of Community Services	Senior Citizens Centre	53,248.18
10	Dept of Community Services	Assessment & Care Management	110,437.92
11	Dept of Community Services	Hospital to Home	27,157.67
12	Dept of Community Services	Home Help General	313,238.13
13	Dept of Community Services	Home Help Personal	43,053.80
14	Dept of Community Services	Home Help Respite	12,536.70
15	Dept of Community Services	Home Maintenance	54,892.24
16	Dept of Community Services	Meals on Wheels	23,700.00
17	Dept of Community Services	Volunteer Coordination	37,287.33
18	Dept of Community Services	Youth Development	30,000.00
19	Dept of Community Services	Youth Development FReeZA	24,400.00
20	Dept of Community Services	Back Chat Youth in Action	3,000.00
21	Dept of Planning & Community Development	Library Services	97,713.00
22	Dept of Health	Vulnerable Persons Register	16,000.00
23	Municipal Association of Victoria	Public Health & Wellbeing	3,670.45
24	Dept of Planning & Community Development	Roadside Weed & Rabbit Control	50,000.00
25	Dept of Planning & Community Development	Municipal Emergency Management	60,000.00
26	Museums Australia (Victoria)	Display Cabinet – Golden Grains Museum	10,000.00
27	Regional Development Victoria	Skills Partnership	30,000.00
28	Dept of Planning & Community Development	Regional Victoria Living Expo	10,000.00
29	Dept of Planning & Community Development	Municipal Recovery	112,541.08
30	Dept of Community Services	Pre School Subsidised	7,452.04
31	Dept of Community Services	Improved Liveability for Older Persons	20,000.00
32	Dept of Health	Immunisation Services	5,380.38
33	Dept of Planning & Community Development	Sporting Uniform Grant	800.00



Tchum Lake near Birchip

CAPITAL GRANTS

No.	Funding Organisation	Project Summary	Amount Granted (\$)
34	Dept of Infrastructure & Transport	Roads to Recovery	1,892,226.00
35	Dept of Planning & Community Development	Berriwillock Community Centre	231,000.00
36	Victorian Grants Commission	Local Roads (VGC) Grants	1,994,973.00
37	Dept of Planning & Community Development	Berriwillock Community Centre	203,000.00
38	Dept of Education & Early Childhood Development	Donald Family Services Centre	1,265,000.00
39	Dept of Human Services	HACC Minor Equipment Grant	50,000.00
40	Dept of Planning & Community Development	Sea Lake Pool Upgrade	180,000.00
41	Dept of Planning & Community Development	Birchip Bowling Green Redevelopment	90,000.00
42	Dept of Planning & Community Development	Charlton Youth Precinct Facility	90,000.00
43	Dept of Sustainability & Environment	Wycheproof Hall Solar Panels	5,000.00
44	Dept of Planning & Community Development	Flood Repairs – Charlton Bowling Club	48,011.00
45	Dept of Planning & Community Development	Flood Repairs – Charlton Park Grounds	91,087.58
46	Dept of Planning & Community Development	Flood Repairs – Donald Pool Solar Heater	205,568.00
47	Dept of Planning & Community Development	Flood Repairs – Charlton Driver Education Centre	72,100.00
48	Dept of Treasury & Finance	Flood Repairs Grant	4,500,000.00
TOTAL			\$15,381,621.03

BEST VALUE STATEMENT

In December 1999, the Victorian State Parliament passed the *Local Government (Best Value Principles) Act 1999*, which requires councils to review all their services against six Best Value principles.

The Best Value principles set out in Section 208B are:

1. All services provided by a Council must meet quality and cost standards;
2. All services provided by a Council must be responsive to the needs of the community;
3. Each service provided by a Council must be accessible to those members of the community for whom the service is intended;
4. A Council must achieve continuous improvement in the provision of services for its community;
5. A Council must develop a program of regular consultation with its community in relation to the services it provides; and
6. A Council must report regularly to its community on its achievements in relation to Best Value.

SERVICE IMPROVEMENT

Council is dedicated to the continuous improvement of its services and projects to ensure the needs of the community are met in the best manner possible. This means that the principles of Best Value are applied in our day-to-day assessment of services and projects.

Our objective is to provide value for internal and external customers by eliminating waste and duplication. We aim to provide the right service, in the right place, at the right time, by the right person and done right the first time.

Where we do not meet these requirements we are honest and transparent in keeping the community informed as to why we could not achieve to the levels we expected.

A continued focus of service improvement in 2012/2013 has been on the successful awarding and establishment of Contract C06-2011/2012 for civil works, including reconstruction and repair of flood and storm damaged roads, bridges, culverts and associated works. In addition, improvements were made to contractor management and Council's procurement processes, including participation in the collaborative procurement project with the Department of Planning and Community Development (DPCD) and other regional councils.

Service reviews of Council's public toilet cleaning, road maintenance, waste services and agency arrangements with VicRoads were commenced during 2012/2013. Actions from these reviews have been implemented. Internal reviews were also undertaken of Council's photocopying usage, communication methods,

Customer Request Management System and the development of improved customer service standards. Council also launched its new website in 2012/2013.

COMMUNITY CONSULTATION

Council continues to be proud of its commitment to community consultation and involvement and the manner in which it meets this commitment.

Councillors and staff make themselves available to meet with the community on a continuous basis in a range of both formal and informal settings.

The community is invited to meet with and make presentations to Councillors and Senior Staff a minimum of twice per month at varying locations across the Shire.

All decisions made by Council during 2012/2013 were made in open meetings and a comprehensive record of all Assembly of Council Meetings is tabled as part of the monthly Ordinary Meeting cycle.

Council also convenes consultation meetings in townships and localities across the Shire on a regular basis. Councillors and Senior Staff are regular attendees at Township Forum and Progress Association meetings. These meetings are generally well attended and provide an opportunity for Council to update the community on advocacy activities, plans and strategies. In addition to these larger town-based meetings, twelve "Fire Shed" meetings attended by more than 500 residents were held in 2012/2013. These meetings in small rural localities provide a great opportunity for Council and representatives from a range of local agencies to meet with residents to share information and listen to local concerns.

Council has also continued to publish its "Community Matters" supplement in local newspapers. These one or two-page supplements provide Council with the opportunity to inform the community on matters before it, to promote local events and to consult on key strategies and plans.

REPORTING ACHIEVEMENTS

Council regularly reported progress on its performance to the community through a variety of means in 2012/2013. These include the Annual Report, regular articles such as "Community Matters" in the local newspapers, Flood Recovery Newsletters, Council's website www.buloke.vic.gov.au and through publications such as the Council Plan and Budget papers. Publications were forwarded to key local organisations and feedback was invited.

NATIONAL COMPETITION POLICY

The National Competition Policy is widely recognised as having made a significant contribution to Australia's welfare.

In 1995, Australia's governments agreed to the National Competition Policy and Related Reforms. The legislative package comprised the Commonwealth Competition Policy Reform Act 1995 and associated state/territory application legislation. Governments also signed three agreements: the *Competition Principles Agreement*, the *Conduct Code Agreement* and the *Agreement to Implement the National Competition Policy and Related Reforms*.

The *Competition Principles Agreement* sets out the principles agreed by governments for implementing the National Competition Policy, including on prices oversight, structural reform of public monopolies, review and reform of restrictive regulation, competitive neutrality and third party access to infrastructure

services, and the application of these principles to local government.

Buloke Shire Council has an ongoing commitment to competition policy and competitive neutrality. The principles contained in the *Competition Principles Agreement* are aimed at encouraging efficient service provision by exposing public business functions to competition, where appropriate. Buloke Shire meets its wider responsibility to the community by requiring competitive neutrality be applied only where it is in the public interest to do so. Factors taken into consideration include social, environmental, economic and regional responsibilities.

Council's Procurement Policy references the National Competition policy. A copy of Council's Procurement Policy can be found on Council's website at www.buloke.vic.gov.au.



COMMUNITY SATISFACTION

LOCAL GOVERNMENT COMMUNITY SATISFACTION SURVEY

The Office of Local Government undertakes an annual State-wide survey of Victorians, approximately 400 per municipality.

The purpose of the telephone survey is to measure community satisfaction with local council services.

The survey is undertaken by an independent market research consultancy and conducted by telephone with residents aged 18 and over.

The survey focuses on a number of services and governance measures. Each of these is reported to show

progress and improvements in performance, the importance of representation as well as an overall perception of performance.

Buloke Shire's performance on all key measures of Overall Performance, Community Consultation, Advocacy, Customer Service and Council Direction was significantly lower than in 2012. Perceived performance in other important services areas has also decreased since 2012, with the exception of waste management, where rated performance has remained the same.

Despite the overall decreases since 2012, residents' rating of Council's Customer Service, Appearance of Public Areas and General Town Planning Policy was higher than both the State-wide average and the Small Rural Shires average for these measures, whilst Buloke is competitive with the State-wide and Small Rural Shires averages on Community Consultation and Advocacy.

LOCAL GOVERNMENT INDICATORS	2012	2013	Change
Overall Performance	62	54	↓
Community Consultation	66	57	↓
Advocacy	62	55	↓
Customer Service	80	73	↓
Overall Council Direction	51	39	↓

INDIVIDUAL SERVICE AREAS	2012	2013	Change
Community Consultation and Engagement	66	57	↓
Lobbying on Behalf of the Community	62	55	↓
Informing the Community	67	58	↓
Condition of Local Streets and Footpaths	59	55	↓
Enforcement of Local Laws	66	63	↓
Family Support Services	67	63	↓
Health and Human Services*	-	-	-
— Elderly Support Services	72	71	↓
Recreational Facilities	72	70	↓
Appearance of Public Areas	76	74	↓
Waste Management	74	74	-
Business and Community Development and Tourism	62	58	↓
General Town Planning Policy	62	56	↓
Planning and Building Permits	62	53	↓
Emergency and Disaster Management	71	66	↓
Roadside Slashing and Weed Control	56	54	↓
Maintenance of Unsealed Roads	43	39	↓

N.B.: Comparisons should not be made with Community Satisfaction Survey results from 2011 and prior. As a result of feedback from extensive consultations with councils, in 2012 there were necessary and significant changes to the methodology and content of the survey which make comparisons invalid. As such, the results of the 2013 Community Satisfaction Survey should be considered as a benchmark. Tracking comparisons will be possible in the future years.

* Health and Human Services performance areas were not surveyed in 2012; as such, Elderly Support Services, was surveyed and will substitute for this performance area. Traffic Management and Parking was also not surveyed for 2012/2013.

COMPARISON TO STATE AND SMALL RURAL SHIRE AVERAGES

INDICATOR (PERFORMANCE)	Buloke Shire	Small Rural Shire Average*	State-wide Average
Overall Performance	54	59	60
Community Consultation	57	58	57
Advocacy	55	56	55
Customer Service	73	70	71
Overall Council Direction	39	52	53
Community Consultation and Engagement	57	58	57
Lobbying on Behalf of the Community	55	56	55
Informing the Community	58	61	61
Condition of Local Streets and Footpaths	55	56	58
Enforcement of Local Laws	63	65	65
Family Support Services	63	67	67
Health and Human Services*	-	-	-
— Elderly Support Services	71	72	69
Recreational Facilities	70	70	70
Appearance of Public Areas	74	73	71
Waste Management	74	71	71
Business and Community Development and Tourism	58	62	62
General Town Planning Policy	56	55	55
Planning and Building Permits	53	55	55
Emergency and Disaster Management	66	70	70
Roadside Slashing and Weed Control	54	53	56
Maintenance of Unsealed Roads	39	46	44

* Councils listed in the Small Rural Shire group include Buloke, Alpine, Benalla, Central Goldfields, Gannawarra, Golden Plains, Hepburn, Hindmarsh, Indigo, Loddon, Mansfield, Mount Alexander, Murrindindi, Pyrenees, Queenscliff, Strathbogie, West Wimmera and Yarriambiack.

VICTORIAN LOCAL GOVERNMENT INDICATORS

Local Government Victoria collects a series of indicators from local government authorities across the State. These indicators are collected annually through the mechanism of the Victorian Grants Commission Return Data Collection Process. Local Government Victoria has requested councils across the State publish these indicators as part of their annual reports to make this information available to the community.

INDICATOR	DESCRIPTION	DEFINITION	RESULTS
Overall performance	Community satisfaction rating for overall performance generally of the Council	Council results from the Annual Community Satisfaction Survey for Local Governments coordinated by Local Government Victoria.	54
Advocacy	Community satisfaction rating for Council's lobbying on behalf of the community	Council results from the Annual Community Satisfaction Survey for Local Governments coordinated by Local Government Victoria.	55
Community consultation	Community satisfaction rating for Council's community consultation and engagement	Council results from the Annual Community Satisfaction Survey for Local Governments coordinated by Local Government Victoria.	57
All rates	Average rates and charges per assessment	Rates and charges declared as being receivable, in the calculations for the adopted rates, at the beginning of the year, including: <ul style="list-style-type: none"> general rates and charges declared under ss. 160, 161, 161A of the <i>Local Government Act 1989</i> municipal charges and service rates and charges (that is, garbage services) levied under ss. 159, 162 respectively supplementary rates declared, <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck). 	\$1,590
Residential rates	Average residential rates and charges per assessment	Rates and charges declared for all residential assessments (including vacant residential assessments) as defined in "All rates", except for residential assessments only <i>divided by</i> the number of residential assessments used in the calculation of the adopted rate (that is, when the rate was struck).	\$1,117
Operating costs	Average operating expenditure per assessment	Total expenses per the Income Statement (previously known as the statement of financial performance) plus net gain (loss) on disposal of property, plant and equipment infrastructure <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).	\$3,844

INDICATOR	DESCRIPTION	DEFINITION	RESULTS
Capital expenditure	Average capital expenditure per assessment	Amount of Council's expenditure capitalised to the Balance Sheet (previously known as the statement of financial position) and contributions by a local government, to major assets not owned by the local government, including expenditure on: <ul style="list-style-type: none"> capital renewal of existing assets which returns the service potential or the life of the asset up to which it had originally capital expansion which extends an existing asset at the same standard as currently enjoyed by residents to a new group of users capital upgrade 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 <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck). 	\$1,645
Infrastructure	Renewal	Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential of the life of the asset up to that which it had originally to the AAAC totalled for each and every infrastructure asset to give one ratio.	218%
	Renewal and maintenance	Ratio of current spending on capital renewal of existing infrastructure assets which returns the service potential or the life of the asset up to that which it has originally plus current spending on maintenance: <ul style="list-style-type: none"> to AAAC plus all anticipated planned and unplanned maintenance (that is, the expected level of maintenance which was used in the calculation of the useful life of the asset) totalled for each and every infrastructure asset to give one ratio. <p>The Average Annual Asset Consumption (AAAC) is the amount of local government's asset base consumed during a year. It is based on the current replacement cost 'as new' <i>divided by</i> useful life.</p>	172%
Debts	Average liabilities per assessment	Total liabilities as per the Balance Sheet (previously known as the statement of financial position) less items held in trust (reflected in assets also held) <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).	\$1,218
Operating Results	Operating result per assessment	Profit/loss for the period per the Comprehensive Income Statement (previously known as Surplus (deficit) for the period per the Income Statement; also previously known as the Bottom line per statement of financial performance) <i>divided by</i> the number of assessments used in the calculation of the adopted rate (that is, when the rate was struck).	\$491
		A note should be provided to this indicator explaining any major factors including their dollar amount, which have contributed to the result. For example, capital grants, developers contributions, revaluations of non current assets and what the result would be excluding these major factors.	

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STANDARD STATEMENTS

STANDARD INCOME STATEMENT

For the year ended 30 June 2013

	Actual \$'000	Budget \$'000	Variance \$'000	%	Ref
Income					
Rates and charges	9,865	9,941	(76)	(0.8%)	
Statutory fees and fines	122	62	60	96.8%	1
User fees	722	790	(68)	(8.6%)	
Contributions - cash	289	249	40	16.1%	2
Grants - Operating (recurrent)	5,262	2,668	2,594	97.2%	3
Grants - Operating (non-recurrent)	256	382	(126)	(32.9%)	4
Grants - Capital (recurrent)	2,064	1,867	197	10.5%	5
Grants - Capital (non-recurrent)	7,800	37,234	(29,434)	(79.1%)	6
Net gain (loss) on disposal of property, infrastructure, plant and equipment	(14)	200	(214)	(107.0%)	7
Share of net profit (loss) of associates	(3)	10	(13)	(130.0%)	8
Other income	531	678	(147)	(21.7%)	9
Total Income	26,894	54,081	(27,187)	(50.3%)	
Expenses					
Employee costs	10,476	10,303	173	1.7%	10
Materials and services	6,023	6,326	(303)	(4.8%)	11
Bad and doubtful debts	19	20	(1)	(5.0%)	
Depreciation and amortisation	6,370	6,437	(67)	(1.0%)	
Finance costs	19	57	(38)	(66.7%)	12
Other expenses	940	544	396	72.8%	13
Total expenses	23,847	23,687	160	0.7%	
Surplus (deficit) for the year	3,047	30,394	(27,347)	(90.0%)	
Other comprehensive income					
Asset revaluation	38,095	1,800	36,295	2,016.4%	14
Total comprehensive result	41,142	32,194	8,948	27.8%	

STANDARD STATEMENTS

Comparison Report Standard Income Statement

For the year ended 30 June 2013

Material variances considered to be either 10% or \$100,000 of comparative values.

Variance explanation report		
Ref.	Item	Commentary
1	Statutory fees and fines	Increase was primarily due to greater efficiency in monitoring fire hazards, issuing of notices and subsequent enforcement resulting in a positive variance of \$56k for this revenue area.
2	Contributions - cash	Received \$36k for Fire Services Levy setup costs from State Revenue Office that was not budgeted.
3	Grants - Operating (recurrent)	Victorian Grants Commission paid 50% (\$2.61 million) of the 2013/2014 grant funding in advance in June 2013.
4	Grants - Operating (non-recurrent)	Lower than anticipated grant receipts primarily due to shortfall in Municipal Recovery Grants as less work required than originally anticipated.
5	Grants - Capital (recurrent)	Received \$180k for Charlton Skate Park and Birchip Bowling Club 2013/14 Capital projects early.
6	Grants - Capital (non-recurrent)	Variance almost totally due Flood Roadworks project Grants. Advance flood Grants of \$28.5m anticipated to be received in the last quarter of 2012/13, were delayed until 2013/14.
7	Net gain (loss) on disposal of property, infrastructure, plant and equipment	Small loss attributed to sale of obsolete plant. It was anticipated that more assets would be sold off during the year. Unfortunately, some assets such as the jet patcher were well past their useful lives and really only worth scrap value as parts are no longer available to keep them operative. The shed in the Industrial site at Wycheproof was sold for less than the current book valuation as there was only one serious tenderer.
8	Share of net profit (loss) of associates	Variance marginal only \$13k. Represents net impact of share of profits and change of equity.
9	Other income	Reduction in interest on investments due to lower interest rates and lower level of investment. Primarily due to the late start of flood roadworks projects and \$28.5 million of grants rolled over into 2013/14 year.
10	Employee Costs	Were marginally (1.6%, \$165k) above budget.
11	Materials and services	Reduced spending on materials, contract services and stationery during 2012/2013, due to efficiency efforts.
12	Finance costs	Reduction due to limited use of overdraft facility and interest on borrowings for refunding defined benefits.
13	Other Expenses	Above budget but in-line with costs from the 2011-12 year. Council contributions continue to be high as the municipal recovery from the flood continues.
14	Asset Revaluation	Increase primarily due to the revaluation of roads, bridges, kerb and channel, footpaths and drains. Assets were revalued earlier than normal as a review of unit costs particularly for road works indicated that a revaluation was required. This was to ensure that assets were reflected at their fair value at balance date.

STANDARD STATEMENTS

STANDARD BALANCE SHEET

As at 30 June 2013

	Actual	Budget	Variance	%	Ref
	\$'000	\$'000	\$'000		
Current assets					
Cash and cash equivalents	2,116	6,164	(4,048)	(65.7%)	1
Trade and other receivables	1,211	1,465	(254)	(17.3%)	2
Inventory	94	64	30	46.9%	3
Other assets	151	192	(41)	(21.4%)	4
Total current assets	3,572	7,885	(4,313)	(54.7%)	
Non current assets					
Trade and other receivables	-	6	(6)	(100.0%)	5
Investments in associates	186	220	(34)	(15.5%)	6
Property, Infrastructure, Plant and Equipment	150,832	141,877	8,955	6.3%	7
Total non-current assets	151,018	142,103	8,915	6.3%	
Total assets	154,590	149,988	4,602	3.1%	
Current liabilities					
Trade and other payables	2,405	1,360	1,045	76.8%	8
Trust funds	116	73	43	58.9%	9
Interest bearing liabilities	1,583	49	1,534	3,130.6%	10
Provisions	2,194	1,650	544	33.0%	11
Total current liabilities	6,298	3,132	3,166	101.1%	
Non-current liabilities					
Provisions	1,258	1,686	(428)	(25.4%)	12
Interest-bearing liabilities	-	202	(202)	(100.0%)	13
Total non-current liabilities	1,258	1,888	(630)	(33.4%)	
Total liabilities	7,556	5,020	2,536	50.5%	
Net assets	147,034	144,968	2,066	1.4%	
Equity					
Accumulated surplus	50,880	83,926	(33,046)	(39.4%)	
Asset revaluation reserves	96,154	61,042	35,112	57.5%	
Total equity	147,034	144,968	2,066	1.4%	

STANDARD STATEMENTS

Comparison Report

Standard Balance Sheet

As at 30 June 2013

Material variances considered to be 10% or \$100,000 of comparative values.

Variance explanation report		
Ref.	Item	Commentary
1	Cash and cash equivalents	Advance flood Grants anticipated to be received in the last quarter of 2012/13 were delayed until 2013/14. Council also decided to pay \$0.7 million of the defined benefits superannuation call in June 2013.
2	Trade and other receivables	Trade and other receivables less than budgeted due to reduction in sundry debtors and rate debtors paying on a shorter cycle than in previous years.
3	Inventory	The variance was a result of the necessity for a greater stockpile of road maintenance materials than anticipated, but was a reduction of \$50k from the previous year actual.
4	Other Assets	Level of prepayments lower than budgeted.
5	Trade and other receivables	All remaining non-current receivables were finalised by 30 June 2013.
6	Investments in associates	Budget based on carrying value at time of budget preparation. Value of investment was written down after budget was prepared.
7	Property, Infrastructure, Plant and Equipment	Increase primarily due to the revaluation of roads, bridges, kerb and channel, footpaths and drains. Assets were revalued earlier than normal as a review of unit costs, particularly for road works, indicated that a revaluation was required. This was to ensure that assets were reflected at their fair value at balance date.
8	Trade and other payables	Trade and other payables were higher than anticipated as a substantial number of capital works projects were sourced in the last part of the year and were not due for payment until the following month.
9	Trusts Funds	Increase due to a reclassification of overpaid rates from asset to liability.
10	Current interest bearing liabilities	The variance is due to Council's decision to fully pay out the remainder of defined benefits superannuation call from borrowings to be sourced in early 2013/14. This call on the Shire for an additional funding contribution towards the Defined Benefits Superannuation Fund, which has resulted in the non current liability being transferred to a current liability.
11	Current Provisions	Increase in provisions due to earlier eligibility for long service leave (Provision increased (\$0.2 million) from previous year. Not forecast in budget.
12	Non-current Provisions	Reduction of annual leave provision through constant monitoring of leave balances. Total leave liability reduced by \$100k after current year accruals absorbed.
13	Non-current interest bearing liabilities	Liability for Defined Benefits call was transferred to current liability following decision by Council to pay the amount remaining during 2013/2014.

STANDARD STATEMENTS

STANDARD CASH FLOW STATEMENT

For the year ended 30 June 2013

	Actual \$'000	Budget \$'000	Variance \$'000	%	Ref
Cash flows from operating activities					
Receipts					
Rates and charges	8,982	8,841	141	1.6%	1
Statutory fees and fines	122	66	56	84.8%	2
User fees	1,579	1,644	(65)	(4.0%)	
Contributions - cash	289	235	54	23.0%	3
Grants - operating	5,518	3,050	2,468	80.9%	4
Grants - capital	9,864	39,101	(29,237)	(74.8%)	5
Interest	158	490	(332)	(67.8%)	6
Other receipts	373	188	185	98.4%	7
	26,885	53,615	(26,730)	(49.9%)	
Payments					
Employee costs	(10,499)	(10,568)	69	(0.7%)	
Materials and consumables	(3,316)	(4,954)	1,638	(33.1%)	8
External contracts	(1,735)	(679)	(1,056)	155.5%	9
Utilities	(538)	(380)	(158)	41.6%	10
Other expenses	(1,154)	(558)	(596)	106.8%	11
	(17,242)	(17,139)	(103)	0.6%	
Net cash provided by operating activities	9,643	36,476	(26,833)	(73.6%)	
Cash flows from investing activities					
Proceeds from sale of property, infrastructure, plant and equipment	215	360	(145)	(40.3%)	12
Repayment of loans and advances	(445)	-	(445)	100.0%	13
Payments for property, infrastructure, plant and equipment	(10,146)	(35,769)	25,623	(71.6%)	14
Net cash used in investing activities	(10,376)	(35,409)	25,033	(70.7%)	
Cash flows from financing activities					
Finance Costs	(19)	(65)	46	(70.8%)	15
Trust funds and deposits	16	(49)	65	(132.7%)	16
Net cash provided by (used in) financing activities	(3)	(114)	111	(97.4%)	
Net increase (decrease) in cash and cash equivalents	(736)	953	(1,689)	(177.3%)	
Cash and cash equivalents at beginning of year	2,852	5,211	(2,359)	(45.3%)	
Cash and cash equivalents at the end of the year	2,116	6,164	(4,048)	(65.7%)	

STANDARD STATEMENTS

Comparison Report Standard Cash Flow Statement

For the year ending 30 June 2013

Material variances considered to be 10% or \$100,000 of comparative values

Variance explanation report		
Ref.	Item	Commentary
1	Rates and charges	Payment cycle for outstanding rates debtors has reduced over the year with a reduction in the amount of outstanding rates due at the end of the year.
2	Statutory fees and fines	Increase was primarily due to greater efficiency in monitoring fire hazards, issuing of notices and subsequent enforcement resulting in a positive variance of \$56k for this revenue area.
3	Contributions - Cash	Received \$36k for Fire Services Levy setup costs from State Revenue Office that was not budgeted.
4	Grants - Operating	Victorian Grants Commission paid 50% (\$2.61 million) of the 2013/2014 grant funding in advance in June 2013.
5	Grants - Capital	The variance is the net result of the following events. The majority of the variance relates to Flood Roadworks project Grants. \$28.5 million expected in June 2013 was delayed until the 2013/14 Financial Year. Received \$180k for Charlton Skat e Park and Birchip Bowling Club 2013/14 Capital projects early.
6	Interest	The shortfall and delay in receipt of flood grant funds resulted in significantly less cash reserves than budgeted. This, combined with falling interest rates, resulted in a severely reduced level of interest receipts.
7	Other receipts	Sundry debtors for external works were \$81k over budget and \$56k was received from the State Revenue Office to offset the implementation costs for the Fire services levy. This was not included in the original budget.
8	Materials and consumables	Materials and consumables were substantially lower than anticipated as serious efforts were made reduce spending to improve the bottom line result.
9	External contracts	External contracts continue to rise as Council continues to find it difficult to attract staff to fill key roles. These include the areas of finance, engineering and building inspections.
10	Utilities	Increase of 12.1% on actual year-on-year due to increased water & electricity charges. Original Budget was estimate was inadequate.
11	Other expenses	Above budget but inline with costs from the 2011-12 year. Council contributions continue to be high as the municipal recovery from the flood continues.
12	Proceeds from sale of property, infrastructure, plant and equipment	A number of planned asset sales had not been completed by balance date. Proceeds from sale of other assets realised less than anticipated. This included the sale of the shed in the Wycheproof industrial estate and the sale of the old jet patcher.
13	Repayment of loans and advances	The \$0.445 million repayment relates to remainder of the original Vision Super defined benefits call which was paid out in 2012/13.
14	Payments for property, infrastructure, plant and equipment	The delay in the commencement of flood rectification works on roads severely reduced the amount of works completed during the year. This resulted in \$28.5 million of works being rebudgeted in 2013/14.
15	Finance costs	Reduction due to limited use of overdraft facility and interest on borrowings for refunding defined benefits .
16	Trust funds and deposits	Increase due to a reclassification of overpaid rates.

STANDARD STATEMENTS

STANDARD CAPITAL WORKS STATEMENT

For the year ended 30 June 2013

	Actual	Budget	Variance		Ref
	\$'000	\$'000	\$'000	%	
CAPITAL WORKS AREA					
Roads	8,348	30,966	(22,618)	(73.0%)	1
Land and buildings	1,036	2,228	(1,192)	(53.5%)	2
Plant and equipment	635	1,056	(421)	(39.9%)	3
Other infrastructure	182	1,519	(1,337)	(88.0%)	4
Total capital works	10,201	35,769	(25,568)	(71.5%)	
Represented by :					
Asset renewal	8,983	31,064	(22,081)	(71.1%)	5
Asset expansion/upgrade	1,036	3,012	(1,976)	(65.6%)	6
New assets	182	1,693	(1,511)	(89.2%)	7
Total Capital Works	10,201	35,769	(25,568)	(71.5%)	8
Reconciliation of net movement in property, infrastructure, plant and equipment					
Total capital works	10,201	35,769	(25,568)	(71.5%)	
Asset revaluation movement	38,095	1,800	36,295	2,016.4%	
Depreciation and amortisation	(6,370)	(6,437)	67	(1.0%)	
Written down value of assets sold	(229)	(160)	(69)	43.1%	
Net movement in property, plant and equipment	41,698	30,972	10,725	34.6%	

STANDARD STATEMENTS

Comparison Report

Standard Capital Works Statement

For the year ending 30 June 2013

Material variances considered to be 10% or \$100,000 of comparative values.

Variance explanation report		
Ref.	Item	Commentary
1	Roads	The significant variance in road works is due to the delay in commencing flood related road restoration. This was due to the delay in finalising the tender and gaining agreement from Vic Roads in relation to the standard of rectification works. These works are budgeted to proceed in 2013/14 and works are ongoing.
2	Land and buildings	Variance in Land and Buildings is due to a number of projects being delayed and being carried forward into 2013/14. These include the Charlton Travellers Rest building (\$186k) Berriwillock community Centre (\$322k) and Donald Family Services Centre (\$178k).
3	Plant and equipment	The variance in plant and equipment is due to \$350k not being spent on a new jet patcher. The delivery of this item was delayed and it has been rebudgeted in the 2013/14 capital budget.
4	Other infrastructure	The variance in other infrastructure is due to a number of projects not being completed, deferred or scrapped. Some of the major areas that relate to the variance include landfill rehabilitation (\$55k), playground equipment replacement (\$66k), street furniture and bin surrounds (\$20k), Wycheproof park shade structures (\$22k), Sea Lake pool liner (\$33k), Donald Aerodrome power supply (\$33k), Saleyards loading ramp upgrade (\$28k) and gravel pit rehabilitation (\$30k).
5	Asset renewal	See point 1 above.
6	Asset expansion/upgrade	See point 2 above.
7	New Assets	See point 3 above.
8	Total capital works	See point 1 above.

Notes to the Standard Statements

1 (a) Basis of preparation of Standard Statements

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 a Standard Capital Works Statement, together with explanatory notes.

These statements and 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 2004.

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

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

The Standard Statements compare Council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. Buloke Shire has adopted a materiality threshold of ten per cent or a positive or negative dollar variance of \$100,000. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Statements are those adopted by Council on 8 August 2012. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet its business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from assets revaluations, as their impacts were not considered predictable.

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

CERTIFICATION OF THE STANDARD STATEMENT

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



William Andrew Ryan (B.Bus)
Principal Accounting Officer
Date: 27 September 2013
Melbourne

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

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 27 September 2013 to certify the standard statements in their final form.



Reid Mather
Mayor
Date: 27 September 2013
Melbourne



Leo Telfson
Councillor
Date: 27 September 2013
Melbourne



Leonie Burrows
Acting Chief Executive Officer
Date: 27 September 2013
Melbourne

GENERAL PURPOSE FINANCIAL STATEMENTS

COMPREHENSIVE INCOME STATEMENT

For the year ended 30 June 2013

	Note	2013 \$'000	2012 \$'000
Income			
Rates and charges	2	9,865	9,337
Statutory fees and fines	3	122	61
User fees	4	722	746
Contributions - cash	6	289	209
Grants - Operating (recurrent)	5	5,262	4,986
Grants - Operating (non-recurrent)	5	256	854
Grants - Capital (recurrent)	5	2,064	4,623
Grants - Capital (non-recurrent)	5	7,800	10,001
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	7	(14)	(16)
Other income	8	531	969
Share of net profits / (losses) of associates and joint ventures accounted for by the equity method	15	(3)	(23)
Total income		26,894	31,747
Expenses			
Employee costs	9	(10,476)	(12,191)
Materials and services	10	(6,023)	(6,664)
Bad and doubtful debts	11	(19)	(15)
Depreciation and amortisation	12	(6,370)	(6,483)
Finance costs	13	(19)	(92)
Other expenses	14	(940)	(956)
Total expenses		(23,847)	(26,401)
Surplus/(deficit)		3,047	5,346
Other comprehensive income			
Net asset revaluation increment / (decrement)		38,095	1,883
Total comprehensive result		41,142	7,229

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

GENERAL PURPOSE FINANCIAL STATEMENTS

BALANCE SHEET

As at 30 June 2013

	Note	2013 \$'000	2012 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	2,116	2,852
Trade and other receivables	17	1,211	1,065
Inventories	18	94	144
Other assets	19	151	374
Total current assets		3,572	4,435
Non-current assets			
Investments in associates accounted for using the equity method	15	186	189
Property, infrastructure, plant and equipment	20	150,832	109,134
Total non-current assets		151,018	109,323
Total assets		154,590	113,758
Liabilities			
Current liabilities			
Trade and other payables	21	2,405	3,913
Trust funds and deposits	22	116	100
Provisions	23	2,194	2,262
Interest-bearing loans and borrowings	24	1,583	49
Total current liabilities		6,298	6,324
Non-current liabilities			
Provisions	23	1,258	1,146
Interest-bearing loans and borrowings	24	-	396
Total non-current liabilities		1,258	1,542
Total liabilities		7,556	7,866
Net Assets		147,034	105,892
Equity			
Accumulated surplus		50,880	47,833
Reserves	25	96,154	58,059
Total Equity		147,034	105,892

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

Refer Note 1 (a) Financial Viability.

GENERAL PURPOSE FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2013

	Note	Accumulated		Revaluation	Other
		Total	Surplus	Reserve	Reserves
		2013	2013	2013	2013
		\$'000	\$'000	\$'000	\$'000
2013					
Balance at beginning of the financial year		105,892	47,833	58,054	5
Comprehensive result		41,142	3,047	38,095	-
Balance at end of the financial year		<u>147,034</u>	<u>50,880</u>	<u>96,149</u>	<u>5</u>
		Total	Accumulated	Revaluation	Other
		2012	Surplus	Reserve	Reserves
		2012	2012	2012	2012
		\$'000	\$'000	\$'000	\$'000
2012					
Balance at beginning of the financial year		98,663	42,487	56,171	5
Comprehensive result		7,229	5,346	1,883	-
Balance at end of the financial year		<u>105,892</u>	<u>47,833</u>	<u>58,054</u>	<u>5</u>

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

GENERAL PURPOSE FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS

For the year ended 30 June 2013

	Note	2013	2012
		Inflows/ (Outflows) \$'000	Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		8,982	8,592
Statutory fees and fines		122	61
User fees		1,579	1,469
Grants - operating		5,518	5,840
Grants - capital		9,864	14,624
Contributions		289	209
Interest		158	175
Other receipts		373	462
Net GST refund/(payment)		(155)	(64)
Materials and consumables		(5,434)	(5,746)
Employee costs		(10,499)	(9,915)
Other payments		(1,154)	(956)
Net cash provided by (used in) operating activities	26	<u>9,643</u>	<u>14,751</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(10,146)	(10,123)
Proceeds from sale of property, infrastructure, plant and equipment		215	53
Net cash provided by (used in) from investing activities		<u>(9,931)</u>	<u>(10,070)</u>
Cash flows from financing activities			
Finance costs		(19)	(92)
Trust funds and deposits		16	9
Repayment of loans and advances		(445)	(49)
Net cash provided by (used in) financing activities		<u>(448)</u>	<u>(132)</u>
Net increase (decrease) in cash and cash equivalents		(736)	4,549
Cash and cash equivalents at the beginning of the financial year		2,852	(1,697)
Cash and cash equivalents at the end of the financial year	27	<u>2,116</u>	<u>2,852</u>
Financing arrangements	28	<u>4,500</u>	<u>4,500</u>
Restrictions on cash assets	29	<u>5,464</u>	<u>9,794</u>

The above statement of cash flows should be read in conjunction with the accompanying notes.

Refer Note 1 (a) Financial Viability.

INTRODUCTION

- (a) The Buloke Shire Council was established by an Order of the Governor in Council on 20 January 1995 and is a body corporate. The Council's main office is located at 367 Broadway, Wycheproof, Victoria 3527.
- (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.

Additional Information

External Auditor - Auditor-General of Victoria

Internal Auditor - AFS - Chartered Accountants - Bendigo

Solicitors - Maddocks

- Karen Lee Probst Solicitors

- John R. Buman & Co

Bankers - Commonwealth Bank of Australia

- Bendigo and Adelaide Bank Limited

- National Australia Bank

Website address - www.buloke.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, Statement of Cash Flows and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act* (1989), and the *Local Government (Finance and Reporting) Regulations* (2004).

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), 1(t), 1(v), and 1(w).

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 such as Special Committees of Management, have been excluded from this financial report. Controlled entities are detailed in note 40.

Financial viability

As at 30 June 2013, Council had Equity, represented by Accumulated Surplus of \$50,880,000 (\$47,833,000 in 2012) and Reserves of \$96,154,000 (\$58,059,000 in 2012). Additionally, Council had working capital deficit of \$2,727,000 in 2013. This was heavily influenced by an after balance date call from Vision Super of \$1,980,000 in 2011/12 to cover Council's liabilities to the fund on behalf of past and current employees (Working capital deficit of \$1,889,000 in 2012).

Council recorded a Comprehensive Result for the year of \$41,142,000 compared to a Comprehensive Result of \$7,229,000 in 2012.

While Net Cash Flows from Operating Activities were positive in both years, there was a positive overall cash movement in 2012 of \$4,549,000 and a negative movement of \$736,000 in 2013.

While cash and cash equivalents is positive \$2.116m (\$2.852m in 2012), unrestricted cash is a negative \$3.348m (\$6.942m in 2012), with commitments for cash of \$5.464m (\$9.794m in 2012).

The Surplus from Operations was \$9,643,000 (Surplus of \$14,751,000 in 2012).

Council is currently relying on additional Capital Grants and Contributions to ensure future financial viability. This is substantially due to the large amount of flood related infrastructure grants Council has and will continue to receive over the next two to three financial years.

While these grants are only forecast to be received within the next two years they will provide an ongoing long term benefit to Council. Council's road infrastructure will be substantially upgrade and renewed with an estimated \$28,500,000 being spent on rehabilitation and repair works in the 2013/14 financial year. This substantially improves the road asset that was valued at \$100,202,000 at the end of 2013.

These improvements will not only improve the quality standards of the roads but increase their useful lives thus significantly reducing the ongoing operational maintenance costs to Council.

Note 1 Significant accounting policies (cont.)

Accordingly, the continuing viability of Council and its ability to continue as a going concern and meet its debts and commitments as they fall due are dependent upon Council being successful in:

- continuing to achieve sufficient future cash flows from its operations, including ongoing Federal and State Government Funding support, to enable its obligations to be met with respect to maintenance, repair and replacement of its assets and facilities; and/or
- obtaining additional funding, capital raising and/or additional revenue from rates, fees and charges.
- taking advantage of the future savings to be made through reduced asset maintenance costs and continuing to manage asset replacement and sustainability in a frugal and responsible manner.

Councillors believe that Council will be successful in achieving the above objectives and accordingly have prepared the financial report on a going concern basis.

At this time, Council is of the opinion that no asset is likely to be realised for an amount less than the amount at which it is recorded in the financial report as at 30 June 2013. Accordingly, no adjustments have been made to the financial report relating to the recoverability and the classification of the asset carrying amounts or the amounts and classifications of liabilities that might be necessary should Council not continue as a going concern.

(b) Change in accounting policies

There have been no changes in the accounting policy during the financial year.

(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.

Note 1 Significant accounting policies (cont.)

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 financial 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 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, plant and equipment, infrastructure

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 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.

(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.

Note 1 Significant accounting policies (cont.)

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

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.

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:

	Period
Property	
Buildings	
buildings	50 years
fittings	10 years
Leasehold improvements	
Plant and Equipment	
Plant	
plant, machinery and equipment	6 - 10 years
Machinery	
Infrastructure	
Roads	
road formation	100 years
sealed road pavements	60 years
unsealed road pavements	25 years
sealed road surfaces	13 - 15 years
Other Infrastructure	
footpaths and cycleways	45 - 50 years
kerb and channel	50 years
drainage	100 years
bridges	50 years
landfill	10 years
other structures	50 years
other fittings	6 - 10 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.

Note 1 Significant accounting policies (cont.)

(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, interest on borrowings, and finance lease charges.

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

	Threshold Limit \$'000		Threshold Limit \$'000
Property		Infrastructure	
Land		Roads	
land	All	road pavements and seals	All
land under roads	All	road substructure	All
land improvements	All	road formation and earthworks	All
Buildings		road kerb, channel and minor culverts	All
buildings	All	Bridges	
building improvements	All	bridges deck	All
leasehold building improvements	All	bridges substructure	All
Plant and Equipment		footpaths and cycleways	All
plant, machinery and equipment	1	drainage	All
fixtures, fittings and furniture	1	recreational, leisure and community facilities	All
computers and telecommunications	1	waste management	All
leased plant and equipment	1	parks, open space and streetscapes	All
		off street car parks	All
		aerodromes	All
		Intangible assets	
		intangible assets	1

Note 1 Significant accounting policies (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 arms length transaction. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 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 surplus, 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 surplus 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 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 statement of cash flows, cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of three months or less, net of outstanding bank overdrafts.

(j) Financial assets

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

(k) Investments

Investments, other than investments in associates, are measured at cost.

(l) 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.

(m) 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 26).

Note 1 Significant accounting policies (cont.)

(n) Employee benefits

Wages and salaries

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

Annual leave

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

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

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

Long service leave

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

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

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

Classification of employee benefits

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

Superannuation

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

Retirement gratuities

There are no retirement gratuity benefits payable to employees.

Note 1 Significant accounting policies (cont.)

(o) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a 5 year period.

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 5 year period.

(p) 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.

(q) 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.

(r) Website costs

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

(s) 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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(t) 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 asset's 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.)

(u) 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.

(v) 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.

(w) 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 a note and are presented inclusive of the GST payable.

(x) 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.

Pronouncement	What's new?
AASB 119 Employee Benefits, AASB 2011-10	Amendments to Australian Accounting Standards arising from AASB 119 and AASB 2011-11 Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements

Impact/action	Transition	Effective date
The standards require the recognition of all re-measurements of defined benefit liabilities/assets immediately in other comprehensive income (removal of the so-called "corridor" method), the immediate recognition of all past service cost in profit or loss and the calculation of a net interest expense or income by applying the discount rate to the net defined benefit liability or asset.	Where adequate information is available, the entity will apply the new standard from 1 July 2013 when the new standard applies to Buloke Shire Council.	1 January 2013 / 1 July 2013.

Note 2	Rates and Charges	2013 \$ '000	2012 \$ '000
	Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV is the value of the land and all its improvements.		
	The valuation base used to calculate general rates for 2012/13 was \$1.198 million (2011/12 \$1.137 million). The 2012/13 rate in the CIV dollar was a General Rate of 0.007298 cents (2011/12, 0.007598 cents) and a Farm Rate of 0.007152 cents (2011/12, 0.007218 cents).		
		2,110	2,039
	Rates - Residential	506	501
	Rates - Commercial	5,995	5,799
	Rates - Rural	463	232
	Municipal Charge	801	766
	Garbage Charges	(10)	-
	Rates - Early payment discount	<u>9,865</u>	<u>9,337</u>
	Total rates and charges		
	The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2012, and the valuation first applied in the rating year commencing 1 July 2012.		
	The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2010 and the valuation first applied to the rating period commencing 1 July 2010.		
Note 3	Statutory fees and fines		
	Compliance	85	30
	Planning Permits & Certificates	27	22
	Revenue Collection	6	5
	Building Regulations and Inspections	4	4
	Total statutory fees and fines	<u>122</u>	<u>61</u>
Note 4	User fees		
	Economic Development	-	2
	Pound Fees	30	36
	Senior Citizen's Centre	5	3
	Community Transport	-	11
	Home and Community Care	160	161
	Brokered Programs Charges	218	275
	Public Health and Wellbeing Charges	20	16
	Building Services charges	87	19
	Caravan Parks	23	22
	Halls	19	20
	Waste and Environment	70	67
	Saleyards / Truck Wash	78	109
	Other	12	5
	Total user fees	<u>722</u>	<u>746</u>

Note 5	Grants	2013 \$ '000	2012 \$ '000
	Grants were received in respect of the following :		
	Summary of grants		
	Federally funded grants	892	2,080
	State funded grants	14,490	18,384
	Total	<u>15,382</u>	<u>20,464</u>
	<i>Recurrent</i>		
	Assessment & Care Management	110	106
	Assets & Infrastructure Projects	50	8
	Community Development	-	8
	Community Services Administration	53	37
	Economic Development Programs	7	46
	Executive Manager	4,002	3,771
	Home and Community Care Grants	485	459
	Hospital to Home	27	27
	Library Services	98	91
	Maternal & Child Health	146	140
	Municipal Emergency Management	13	-
	Pre-Schools	145	183
	Public Health and Wellbeing Grants	4	7
	School Crossings	12	12
	Senior Citizens Centre	53	50
	Youth Development Programs	57	41
	Capital Grants Recurrent	2,064	4,623
	Total recurrent	<u>7,326</u>	<u>9,609</u>
	<i>Non-recurrent</i>		
	Economic Development Grants	40	21
	Flood Emergency Management Grants	-	591
	Municipal Recovery Grants	173	105
	Other Community Service Programs	30	80
	Public Health/Wellbeing Operating Grants	5	5
	Youth Development	-	39
	Other non-recurrent	8	13
	Capital Grants non-recurrent	7,800	10,001
	Total non-recurrent	<u>8,056</u>	<u>10,855</u>
	Total grants	<u>15,382</u>	<u>20,464</u>
	Conditions on grants		
	Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
	Flood Recovery	2,823	7,241
	Roadworks	1,054	1,824
	Community	50	168
	Other	1,421	461
	Total	<u>5,348</u>	<u>9,694</u>

Note		2013	2012
		\$ '000	\$ '000
Note 5	Grants (cont.)		
	Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
	Flood Recovery	(7,241)	160
	Roadworks	(1,824)	(1,456)
	Community	(168)	-
	Other	(461)	(86)
		<u>(9,694)</u>	<u>(1,382)</u>
	Net increase (decrease) in restricted assets resulting from grant revenues for the year:	<u>(4,346)</u>	<u>8,312</u>
Note 6	Contributions		
	Cash		
	Community Development Contributions	-	50
	Economic Development Projects Contributions	15	2
	Revenue Collection Contributions	102	4
	Youth Development Contributions	38	24
	Other Community Service Contributions	35	30
	Capital Works Contributions	71	63
	Municipal Recovery Contributions	-	6
	Flood Emergency Contributions	-	8
	Reimbursements	28	22
	Total Contributions	<u>289</u>	<u>209</u>
Note 7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	215	53
	Written down value of assets disposed	(229)	(69)
	Total	<u>(14)</u>	<u>(16)</u>
Note 8	Other revenue		
	Interest on Rates and Charges	85	67
	Interest on Investments	73	108
	Rent Council Properties	20	25
	Office Services Income	16	12
	Flood Insurance Payment	-	440
	Other Income	337	317
	Total other revenue	<u>531</u>	<u>969</u>
Note 9	Employee costs		
	Wages and salaries	8,903	8,627
	Allowances	371	442
	Worksafe	33	11
	Superannuation	826	2,762
	FBT and Workcover	343	349
	Total employee costs	<u>10,476</u>	<u>12,191</u>

Note		2013	2012
		\$ '000	\$ '000
Note 10	Materials and services		
	Operational Materials	147	885
	Operational Contracts and Services	1,591	1,389
	Vehicle and Plant Costs	1,767	1,841
	Consultants Fees	588	630
	Utilities	538	480
	Insurance	271	236
	Information Technology	352	349
	Photocopier Charges	92	100
	Promotion/Public Education	41	39
	Purchased Labour/Labour Hire	299	300
	Repairs & Maintenance - Facilities	21	35
	Staff Amenities and Recruitment	78	142
	Subscriptions/Memberships/Publications	67	44
	Travel and Accommodation	27	40
	Training	93	86
	Garbage	51	51
	Other	-	17
	Total materials and services	<u>6,023</u>	<u>6,664</u>
Note 11	Bad and doubtful debts		
	Rates debtors	19	14
	Other debtors	-	1
	Total bad and doubtful debts	<u>19</u>	<u>15</u>
Note 12	Depreciation and amortisation		
	<i>Property</i>		
	Buildings	987	837
	<i>Plant and Equipment</i>		
	Plant, machinery and equipment	927	681
	Fixtures, fittings and furniture	59	245
	<i>Infrastructure</i>		
	Roads	3,428	3,868
	Bridges	82	82
	Footpaths and cycleways	129	129
	Kerb and channel	170	170
	Drainage	82	83
	Landfills	202	116
	Other infrastructure	304	272
	Total depreciation and amortisation	<u>6,370</u>	<u>6,483</u>

Note		2013 \$ '000	2012 \$ '000
Note 13	Finance costs		
	Bank overdraft and bank charges	19	92
	Interest - Borrowings	-	-
	Total	19	92
Note 14	Other expenses		
	Auditors' remuneration	46	48
	Councillors' allowances	149	158
	Council Contributions and Donations	521	403
	Council meeting expenses	4	16
	Miscellaneous	69	153
	Flood emergency management	66	46
	Municipal recovery expenses	-	102
	Legal Expenses	85	30
	Total other expenses	940	956
Note 15	Investments in associates		
	Investments in associates accounted for by the equity method are:		
	- Wimmera Regional Library Corporation	186	189
	Total	186	189
	Wimmera Regional Library Corporation		
	<i>Background</i>		
	Buloke Shire Council is one of six participating Councils with equity in the Wimmera Regional Library Corporation. The Shire currently holds a 6.95% share in the equity of this corporation.		
	Council's share of accumulated surplus (deficit) at start of year	92	114
	Comprehensive result	3	(18)
	Transfers (to) from reserves	(1)	(1)
	Variation - Change in equity	(3)	(3)
	Council's share of accumulated surplus (deficit) at end of year	91	92
	<i>Council's share of reserves</i>		
	Council's share of reserves at start of year	97	98
	Transfers (to) from reserves	1	1
	Variation - Change in Equity	(3)	(2)
	Council's share of reserves at end of year	95	97
	<i>Movement in carrying value of specific investment</i>		
	Carrying value of investment at start of year	189	212
	Share of surplus (deficit) for year	3	(18)
	Share of asset revaluation	-	-
	Variation - Change in equity	(6)	(5)
	Carrying value of investment at end of year	186	189

Note		2013 \$ '000	2012 \$ '000
Note 16	Cash and cash equivalents		
	Cash on hand	1	1
	Cash at bank - NAB	24	25
	Cash at bank - CBA Debit cards	3	2
	Cash at bank - Bendigo	-	273
	Cash at bank - CBA	80	1,385
	Term deposits	2,008	1,166
	Total cash and cash equivalents	2,116	2,852
	Council's 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 29)	5,348	9,694
	- Trust funds and deposits (Note 22)	116	100
	Restricted Funds	5,464	9,794
	Total unrestricted cash and cash equivalents	(3,348)	(6,942)
Note 17	Trade and other receivables		
	<i>Current</i>		
	Rates debtors	563	499
	Other debtors	308	364
	Provision for doubtful debts	(24)	(7)
	Net GST receivable	364	209
	Total trade and other receivables	1,211	1,065
Note 18	Inventories		
	Inventories held for distribution	94	144
	Total inventories	94	144
Note 19	Other assets		
	<i>Current</i>		
	Prepayments	134	354
	Accrued income	17	20
	Total	151	374

Note 20	Property, infrastructure, plant and equipment	2013 \$ '000	2012 \$ '000
	<i>Summary</i>		
	at cost	16,475	21,078
	Less accumulated depreciation	8,844	8,097
		<u>7,631</u>	<u>12,981</u>
	at fair value as at 30 June 2008	9,439	12,138
	Less accumulated depreciation	5,286	7,181
		<u>4,153</u>	<u>4,957</u>
	at fair value as at 1 July 2011	2,277	191,405
	Less accumulated depreciation	1,535	127,812
		<u>742</u>	<u>63,593</u>
	at fair value as at 30 June 2012	57,745	57,941
	Less accumulated depreciation	31,239	30,338
		<u>26,506</u>	<u>27,603</u>
	at fair value as at 30 June 2013	228,749	-
	Less accumulated depreciation	116,949	-
		<u>111,800</u>	<u>-</u>
	Total	<u>150,832</u>	<u>109,134</u>
	<i>Property</i>		
	Land		
	at fair value as at 30 June 2012	4,360	4,366
		<u>4,360</u>	<u>4,366</u>
	Land under roads		
	at cost	5	5
		<u>5</u>	<u>5</u>
	Total Land	<u>4,365</u>	<u>4,371</u>
	Buildings		
	at cost	1,035	-
	Less accumulated depreciation	-	-
		<u>1,035</u>	<u>-</u>
	at fair value as at 30 June 2012	53,385	53,575
	Less accumulated depreciation	31,239	30,338
		<u>22,146</u>	<u>23,237</u>
	Total Buildings	<u>23,181</u>	<u>23,237</u>
	Total Property	<u>27,546</u>	<u>27,608</u>

Valuation of land (excluding land under roads) and buildings were undertaken by a qualified independent valuer Mr Alan Harvey (Fellow, Australian Institute of Valuers) effective 1 July 2012. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at 30 June 2012. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions.

Note 20	Property, infrastructure, plant and equipment (cont.)	2013 \$ '000	2012 \$ '000
	Land under roads is valued at deemed cost. Deemed cost is based on Council valuations at 30 June 2008 for land under roads in existence at that date and at the date acquired for subsequent acquisitions using site values adjusted for englobo (underdeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services.		
	Plant, machinery and equipment		
	at cost	11,817	11,450
	Less accumulated depreciation	7,474	6,727
		<u>4,343</u>	<u>4,723</u>
	Fixtures, fittings and furniture		
	at cost	463	733
	Less accumulated depreciation	341	520
		<u>122</u>	<u>213</u>
	Total Plant and Equipment	<u>4,465</u>	<u>4,936</u>
	<i>Infrastructure</i>		
	Roads		
	Roads formation		
	at fair value as at 1 July 2010	-	15,415
	at fair value as at 30 June 2013	15,778	-
	Less accumulated depreciation	78	108
		<u>15,700</u>	<u>15,307</u>
	Roads pavement		
	at cost	-	3,544
	Less accumulated depreciation	-	43
		<u>-</u>	<u>3,501</u>
	at fair value as at 1 July 2010	-	144,761
	at fair value as at 30 June 2013	173,173	-
	Less accumulated depreciation	95,888	104,040
		<u>77,285</u>	<u>40,721</u>
	Roads seal		
	at cost	-	1,860
	Less accumulated depreciation	-	43
		<u>-</u>	<u>1,817</u>
	at fair value as at 1 July 2010	-	14,406
	at fair value as at 30 June 2013	18,006	-
	Less accumulated depreciation	10,789	13,909
		<u>7,217</u>	<u>497</u>
	Total Roads	<u>100,202</u>	<u>61,843</u>

Note 20	Property, infrastructure, plant and equipment (cont.)	2013 \$'000	2012 \$'000
	Bridges		
	at cost	-	189
	Less accumulated depreciation	-	8
		<u>-</u>	<u>181</u>
	at fair value as at 30 June 2008		3,927
	at fair value as at 30 June 2013	6,372	-
	Less accumulated depreciation	2,869	2,574
		<u>3,503</u>	<u>1,353</u>
	Footpaths and cycleways		
	at cost	-	139
	Less accumulated depreciation	-	-
		<u>-</u>	<u>139</u>
	at fair value as at 1 July 2010		6,032
	at fair value as at 30 June 2013	8,593	-
	Less accumulated depreciation	3,733	3,014
		<u>4,860</u>	<u>3,018</u>
	Kerb and channel		
	at cost	-	17
	Less accumulated depreciation	-	-
		<u>-</u>	<u>17</u>
	at fair value as at 1 July 2010		8,514
	at fair value as at 30 June 2013	6,827	-
	Less accumulated depreciation	3,592	5,454
		<u>3,235</u>	<u>3,060</u>
	Drainage		
	at cost	-	36
	Less accumulated depreciation	-	1
		<u>-</u>	<u>35</u>
	at fair value as at 30 June 2008	-	8,211
	at fair value as at 30 June 2013	9,439	-
	Less accumulated depreciation	5,286	4,607
		<u>4,153</u>	<u>3,604</u>
	Landfill		
	at cost	1,094	1,061
	Less accumulated depreciation	933	731
		<u>161</u>	<u>330</u>
	Other		
	at cost	1,167	449
	Less accumulated depreciation	96	24
		<u>1,071</u>	<u>425</u>
	at fair value as at 30 June 2011	2,277	2,277
	Less accumulated depreciation	1,535	1,287
		<u>742</u>	<u>990</u>
	Total Infrastructure	<u>117,927</u>	<u>74,995</u>

Note 20	Property, infrastructure, plant and equipment (cont.)								
	Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Peter Moloney, Dip Civil Engineering (FIT), Member Institute of Engineers (Aust) MIE, as at 30 June 2013.								
	Valuation of drains has been determined in accordance with a valuation undertaken by Assets Engineer, Naga Sundararajah, B Sc (Hons) in Civil engineering (UK) and M Engineering in Construction Management (SL) as at 30 June 2013.								
	The valuations are at fair value based on replacement cost less accumulated depreciation as at the date of valuation.								
	<i>Works in progress</i>								
	Works in progress at cost					894		1,595	
	<i>Total Works in progress</i>					<u>894</u>		<u>1,595</u>	
	<i>Total property, infrastructure, plant and equipment</i>					<u>150,832</u>		<u>109,134</u>	
		Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Impairment losses recognised in profit or loss	Transfers	Balance at end of financial year
		\$'000	\$'000	(note 25) \$'000	(note 12) \$'000	\$'000	(a) \$'000	\$'000	\$'000
	<i>Property</i>								
	land	4,120	-	251	-	6	-	-	4,366
	land under roads	5	-	-	-	-	-	-	5
	Total land	<u>4,125</u>	<u>-</u>	<u>251</u>	<u>-</u>	<u>6</u>	<u>-</u>	<u>-</u>	<u>4,371</u>
	buildings	18,171	4,324	1,632	837	53	-	-	23,237
	Total buildings	<u>18,171</u>	<u>4,324</u>	<u>1,632</u>	<u>837</u>	<u>53</u>	<u>-</u>	<u>-</u>	<u>23,237</u>
	Total property	<u>22,296</u>	<u>4,324</u>	<u>1,883</u>	<u>837</u>	<u>59</u>	<u>-</u>	<u>-</u>	<u>27,608</u>
	<i>Plant and Equipment</i>								
	plant, machinery and equipment	4,201	972	-	681	10	-	241	4,723
	fixtures, fittings and furniture	610	89	-	245	-	-	(241)	213
	Total plant and equipment	<u>4,811</u>	<u>1,061</u>	<u>-</u>	<u>926</u>	<u>10</u>	<u>-</u>	<u>-</u>	<u>4,936</u>
	<i>Infrastructure</i>								
	roads	62,018	3,693	-	3,868	-	-	-	61,843
	bridges	1,579	37	-	82	-	-	-	1,534
	footpaths and cycleways	3,147	139	-	129	-	-	-	3,157
	kerb and channel	3,230	17	-	170	-	-	-	3,077
	drainage	3,722	-	-	83	-	-	-	3,639
	landfills	420	26	-	116	-	-	-	330
	other infrastructure	1,238	449	-	272	-	-	-	1,415
	Total infrastructure	<u>75,354</u>	<u>4,361</u>	<u>-</u>	<u>4,720</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>74,995</u>
	<i>Works in progress</i>								
	works in progress at cost	1,218	377	-	-	-	-	-	1,595
	Total works in progress	<u>1,218</u>	<u>377</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,595</u>
	Total property, infrastructure, plant and equipment	<u>103,679</u>	<u>10,123</u>	<u>1,883</u>	<u>6,483</u>	<u>69</u>	<u>-</u>	<u>-</u>	<u>109,134</u>
	<i>(a) Impairment losses</i>								
	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.								

Note 20 *Property, infrastructure, plant and equipment (cont.)*

2013	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements) (note 25)	Depreciation and amortisation (note 12)	Written down value of disposals	Impairment losses recognised in profit or loss (a)	Transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Property</i>								
land	4,366	-	-	-	5	-	-	4,361
land under roads	5	-	-	-	-	-	-	5
Total land	4,371	-	-	-	5	-	-	4,366
buildings	23,237	1,036	-	987	105	-	-	23,181
Total buildings	23,237	1,036	-	987	105	-	-	23,181
Total property	27,608	1,036	-	987	110	-	-	27,547
<i>Plant and Equipment</i>								
plant, machinery and equipment	4,723	611	-	927	119	-	55	4,343
fixtures, fittings and furniture	213	24	-	59	-	-	(56)	122
Total plant and equipment	4,936	635	-	986	119	-	(1)	4,465
<i>Infrastructure</i>								
roads	61,843	8,348	33,437	3,428	-	-	-	100,200
bridges	1,534	-	2,053	82	-	-	-	3,505
footpaths and cycleways	3,157	73	1,760	129	-	-	-	4,861
kerb and channel	3,077	78	249	170	-	-	-	3,234
drainage	3,639	-	596	82	-	-	-	4,153
landfill	330	32	-	202	-	-	-	160
other infrastructure	1,415	700	-	304	-	-	1	1,812
Total infrastructure	74,995	9,231	38,095	4,397	-	-	1	117,925
<i>Works in progress</i>								
works in progress at cost	1,595	(701)	-	-	-	-	-	894
Total works in progress	1,595	(701)	-	-	-	-	-	894
Total property, plant and equipment, infrastructure	109,134	10,201	38,095	6,370	229	-	-	150,832

(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.

Note 21 Trade and other payables

	2013 \$ '000	2012 \$ '000
Trade payables	2,124	1,458
Net GST payable	120	33
Accrued expenses - Vision Super Call	-	1,980
Accrued expenses	161	442
Total trade and other payables	2,405	3,913

Note 22 Trust funds and deposits

	2013 \$ '000	2012 \$ '000
Grant funds held on behalf of community groups	53	69
Other funds held on behalf of third parties	15	13
Contract retention	4	-
Overpaid rates and charges	43	-
Other refundable deposits	1	18
Total trust funds and deposits	116	100

Note 23 Provisions

	Annual leave \$ '000	Long service leave \$ '000	Accrued employee expenses \$ '000	Landfill restoration \$ '000	Pit restoration \$ '000	Total \$ '000
2013						
Balance at beginning of the financial year	768	1,226	462	807	145	3,408
Additional provisions	-	211	-	-	-	211
Amounts used	(103)	-	(23)	(41)	-	(167)
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 period	665	1,437	439	766	145	3,452
2012						
Balance at beginning of the financial year	709	1,258	323	692	148	3,130
Additional provisions	59	-	139	115	-	313
Amounts used	-	(32)	-	-	(3)	(35)
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 period	768	1,226	462	807	145	3,408

Note 23 Provisions (cont.)

	\$'000	\$'000
(a) Employee benefits		
Current (i)		
Annual leave	447	596
Long service leave	1,163	1,059
Accrued employee expenses	439	462
	<u>2,049</u>	<u>2,117</u>
Non-current (ii)		
Annual leave	218	172
Long service leave	274	167
	<u>492</u>	<u>339</u>
Aggregate carrying amount of employee benefits:		
Current	2,049	2,117
Non-current	492	339
	<u>2,541</u>	<u>2,456</u>
The following assumptions were adopted in measuring the present value of employee benefits:		
Weighted average increase in employee costs	4.50%	4.31%
Weighted average discount rates	3.19%	3.06%
Weighted average settlement period	12	12
(i) Current		
All annual leave and the long service leave entitlements representing 7 or more years of continuous service		
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value	587	883
- Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value.	1,022	936
	<u>1,609</u>	<u>1,819</u>
(ii) Non-current		
Long service leave representing less than 7 years of continuous service measured at present value	483	1,101
	<u>483</u>	<u>1,101</u>
(b) Other provisions		
(i) Current		
Pit restorations measured at present value	145	145
	<u>145</u>	<u>145</u>
Under provisions of the <i>Mineral Resources (Sustainable Development) Act (1990)</i> , Council is obliged to restore gravel pits currently operated under Work Authority Permits. The forecast life of gravel pits (currently under review) is based on current estimates of remaining suitable gravel availability and unrestored areas of individual sites. The provision for pit restoration has been calculated based on the present value of the expected cost of works to be undertaken		
(ii) Non-current		
Landfill restorations measured at present value	766	807
	<u>766</u>	<u>807</u>

Council is obligated to restore landfill sites to a particular standard. Current engineering projections indicate that the landfill sites will cease operation on a staged basis as sites reach capacity. This time period will vary according to the size and actual usage of the sites. Restoration work is expected to commence shortly after the applicable site is closed. The forecast life of the landfill sites are 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 sites to a suitable standard and budgeted costs for that work. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Note 24 Interest-bearing loans and borrowings

	2013 \$'000	2012 \$'000
<i>Current</i>		
Superannuation loan liability	1,583	49
	<u>1,583</u>	<u>49</u>
<i>Non-current</i>		
Superannuation loan liability	-	396
	<u>-</u>	<u>396</u>
Total	<u>1,583</u>	<u>445</u>
The maturity profile for Council's borrowings is:		
Not later than one year	1,583	49
Later than one year and not later than five years	-	147
Later than five years	-	249
Total	<u>1,583</u>	<u>445</u>
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,583	49
Non-current	-	396
Total interest-bearing loans and borrowings	<u>1,583</u>	<u>445</u>

Note 25	Reserves	Balance at beginning of reporting period	Increment (decrement)	Transfer to accumulated surplus	Balance at end of reporting period
		\$'000	\$'000	\$'000	\$'000
	(a) Asset revaluation reserve				
	2013				
	Property				
	Land	1,997	-	-	1,997
	Buildings	7,918	-	-	7,918
		<u>9,915</u>	<u>-</u>	<u>-</u>	<u>9,915</u>
	Infrastructure				
	Roads	41,641	33,437	-	75,078
	Bridges	32	2,053	-	2,085
	Footpaths and cycleways	2,674	1,760	-	4,434
	Kerb and channel	1,510	249	-	1,759
	Drainage	1,919	596	-	2,515
	Other infrastructure	363	-	-	363
		<u>48,139</u>	<u>38,095</u>	<u>-</u>	<u>86,234</u>
	Total asset revaluation reserve	<u>58,054</u>	<u>38,095</u>	<u>-</u>	<u>96,149</u>
	2012				
	Property				
	Land	1,746	251	-	1,997
	Buildings	6,286	1,632	-	7,918
		<u>8,032</u>	<u>1,883</u>	<u>-</u>	<u>9,915</u>
	Infrastructure				
	Roads	41,641	-	-	41,641
	Bridges	32	-	-	32
	Footpaths and cycleways	2,674	-	-	2,674
	Kerb and channel	1,510	-	-	1,510
	Drainage	1,919	-	-	1,919
	Other infrastructure	363	-	-	363
		<u>48,139</u>	<u>-</u>	<u>-</u>	<u>48,139</u>
	Total asset revaluation reserve	<u>56,171</u>	<u>1,883</u>	<u>-</u>	<u>58,054</u>
		Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
		\$'000	\$'000	\$'000	\$'000
	(b) Other reserves				
	2013				
	General reserve	5	-	-	5
	Total Other reserves	<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>
	2012				
	General reserve	5	-	-	5
	Plant replacement reserve	-	-	-	-
	Total Other reserves	<u>5</u>	<u>-</u>	<u>-</u>	<u>5</u>

Note 26	Reconciliation of cash flows from operating activities to surplus (deficit)	2013 \$'000	2012 \$'000
	Surplus / Deficit for the year	3,047	5,346
	Depreciation/amortisation	6,370	6,483
	Net (gain)/loss on disposal of property, infrastructure, plant and equipment	14	16
	Movement in carrying value of associated entities	(3)	(23)
	<i>Change in assets and liabilities:</i>		
	(Increase)/Decrease in trade and other receivables	(146)	(99)
	(Increase)/Decrease in inventories	50	(2)
	(Increase)/Decrease in prepayments	220	(18)
	(Increase)/Decrease in accrued income	3	(4)
	Increase/(Decrease) in trade and other payables	(1,508)	2,765
	Increase/(Decrease) in other liabilities	1,534	-
	Increase/(Decrease) in trust funds and deposits	16	9
	Increase/(Decrease) in provisions	(41)	112
	Increase/(Decrease) in employee benefits	85	166
		<u>9,643</u>	<u>14,751</u>
	Net cash provided by/(used in) operating activities		
Note 27	Reconciliation of cash and cash equivalents		
	Cash and cash equivalents (see note 16)	2,116	2,852
	Total reconciliation of cash and cash equivalents	<u>2,116</u>	<u>2,852</u>
Note 28	Financing arrangements		
	Bank overdraft	4,500	4,500
	Used facilities	-	-
	Unused facilities	<u>4,500</u>	<u>4,500</u>
Note 29	Restricted assets		
	Council has cash and cash equivalents (note 16) that are subject to restrictions. As at the reporting date, Council had advance grants in particular for flood capital works that need to be expended for that purpose. Council also holds funds in trust for specific purposes. (note 22)		
	Trust funds and deposits (note 22)	116	100
	Unexpended grants (note 16)	5,348	9,694
	Total restricted assets	<u>5,464</u>	<u>9,794</u>

Note 30 Superannuation

Buloke Shire Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. 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 Buloke Shire Council and the Buloke Shire Council's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund and all other funds are recognised as an expense in Comprehensive Operating Statement when they are due.

Local Authorities Superannuation Fund

The Fund has two categories of membership, each of which is funded differently.

Accumulation

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2013, this was 9% required under Superannuation Guarantee legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Defined Benefit

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

Buloke Shire Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 31 December 2011, Buloke Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. This rate is currently 9.00% of members' salaries (9.00% in 2011/12).

Shortfall amounts

The Local Authorities Superannuation Fund's latest actuarial investigation as at 31 December 2011 identified an unfunded liability of \$406 million (excluding contributions tax) in the defined benefit category of which Buloke Shire Council is a contributing employer.

The projected value of Buloke Shire Council's contribution to the shortfall at 30 June 2012 (excluding contributions tax) amounted to \$1,979,873.29 which was accounted for in the 2011/12 Comprehensive Operating Statement within Employee Benefits (see Note 9) and in the Balance Sheet in Current Liabilities Provisions (see Note 21).

Buloke Shire elected to payout \$700,000 of the liability prior to June 2012. The outstanding liability is accounted for in the Balance Sheet in Current Liabilities Provisions (see Note 24).

Council had resolved to borrow to pay out the remainder of the defined benefit superannuation liability by way of a loan from the Commonwealth Bank.

An amount of \$1.55 million was borrowed for this purpose and the liability to Vision Super paid out post balance date in July 2013. The bank loan will be fully paid out within two years.

	2013	2012
Fund	\$'000	\$'000
Defined benefits fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	104	132
Employer contributions to Vision Super Defined Benefits Superannuation fund shortfall	749	49
	<u>853</u>	<u>181</u>
Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date	-	-
	<u>-</u>	<u>-</u>

Note 30 Superannuation (cont.)

	2013	2012
	\$'000	\$'000
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	461	450
Employer contributions to Australian Super	35	24
Employer contributions to HESTA Super Fund	14	12
Employer contributions to Hostplus Super Fund	19	19
Employer contributions to LUCRF Super Fund	13	10
Employer contributions to Prime Super Fund	10	3
Employer contributions to Recruitment Super	6	5
Employer contributions to REST Master Super Fund	23	19
Employer contributions to Vic Super	13	10
Employer contributions to Other super funds	136	117
	<u>730</u>	<u>669</u>

Note 31 Commitments

The Council has entered into the following commitments

2013	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Operating</i>					
Recycling	195	-	-	-	195
Garbage collection	236	-	-	-	236
Defined benefits superannuation liability	1,583	-	-	-	1,583
Information systems and technology	41	41	-	-	82
Photocopier management agreement	84	174	-	-	258
Insurances	607	-	-	-	607
Electricity	246	253	521	-	1,020
Valuation Services	105	20	-	-	125
Total	<u>3,097</u>	<u>488</u>	<u>521</u>	<u>-</u>	<u>4,106</u>

2012	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
<i>Operating</i>					
Recycling	205	205	448	-	858
Garbage collection	196	196	428	-	820
Defined benefits super liability	2,028	49	147	196	2,420
Information systems and technology	-	-	-	-	-
Photocopier management agreement	84	84	174	-	342
Insurances	625	-	-	-	625
Electricity	184	192	378	-	754
Valuation Services	103	-	-	-	103
Total	<u>3,425</u>	<u>726</u>	<u>1,575</u>	<u>196</u>	<u>5,922</u>

Note 32 Contingent liabilities and contingent assets

Contingent liabilities

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

The most recent call on council, 31 July 2012, amounted to \$1,979,873.29 including contributions tax. Council has elected to pay this shortfall by borrowing funds via a loan facility with a financial institution.

Contingent Assets

Nil

Note 33 Financial Instruments

(a) Accounting Policy, terms and conditions

Recognised financial instruments	Note	Accounting Policy	Terms and Conditions
Financial assets			
Cash and cash equivalents	16	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues. Investments and bills are valued at cost. Investments are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue. Managed funds are measured at market value.	Cash on hand is not interest bearing. Cash at bank returning a floating interest rate of 2.50% (5.96% in 2011/2012). The interest rate at balance date was 2.50% (5.96% in 2011/2012). Interest rate at balance date for term deposits ranged from 5.00% to 5.00% (4.75% to 5.00% in 2011/2012).
Trade and other receivables			
Other debtors	17	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 no interest is charged. Credit terms are based on 30 days.
Financial Liabilities			
Trade and other payables	21	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.
Interest-bearing loans and borrowings	28	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. Finance leases are accounted for at their principal amount with the lease payments discounted to present value using the interest rates implicit in the leases.	Borrowings are secured by way of mortgages over the general rates of the Council. The weighted average interest rate on borrowings is 7.72% (8.50% in 2011/2012). As at balance date, the Council had no finance leases.
Bank overdraft	28	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 the Council's general rates and is repayable on demand. Interest rates on utilised overdraft were 9.08% (9.29% in 2011/2012). The interest rate as at balance date was 8.73% (9.29% in 2011/2012).

Note 33 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:

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	
<i>Financial assets</i>						
Cash and cash equivalents	2,115	-	-	-	1	2,116
Trade and other receivables	-	-	-	-	1,211	1,211
Total financial assets	2,115	-	-	-	1,212	3,327
Weighted average interest rate	2.25%					
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	2,405	2,405
Trust funds and deposits	-	-	-	-	116	116
Interest-bearing loans and borrowings	-	598	985	-	-	1,583
Total financial liabilities	-	598	985	-	2,521	4,104
Weighted average interest rate		4.50%	4.50%			
Net financial assets (liabilities)	2,115	(598)	(985)	-	(1,309)	(777)

2012	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	
<i>Financial assets</i>						
Cash and cash equivalents	2,851	-	-	-	1	2,852
Trade and other receivables	-	-	-	-	1,065	1,065
Total financial assets	2,851	-	-	-	1,066	3,917
Weighted average interest rate	2.25%					
<i>Financial liabilities</i>						
Trade and other payables	-	-	-	-	3,913	3,913
Trust funds and deposits	-	-	-	-	100	100
Interest-bearing loans and borrowings	-	49	196	200	-	445
Total financial liabilities	-	49	196	200	4,013	4,458
Weighted average interest rate		4.94%	5.30%	6.68%		
Net financial assets (liabilities)	2,851	(49)	(196)	(200)	(2,947)	(541)

Note 33 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	
	2013 \$'000	2012 \$'000	2013 \$'000	2012 \$'000
<i>Financial assets</i>				
Cash and cash equivalents	2,116	2,852	2,116	2,852
Trade and other receivables	1,211	1,065	1,211	1,065
Total financial assets	3,327	3,917	3,327	3,917
<i>Financial liabilities</i>				
Trade and other payables	2,405	3,913	2,405	3,913
Trust funds and deposits	116	100	116	100
Interest-bearing loans and borrowings	1,583	445	1,583	445
Total financial liabilities	4,104	4,458	4,104	4,458

(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 Council's 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.

Note 33 Financial instruments (cont.)

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 Planning and Community Development 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; and
- benchmarking of returns and comparison with budget.

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

Credit risk

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

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

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is the Victorian Government. Apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers. 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 33.

Note 33 Financial instruments (cont.)

	2013	2012
	\$'000	\$'000
Movement in Provisions for Doubtful Debts		
Balance at the beginning of the year	7	20
Amounts already provided for and written off as uncollectible	17	(13)
Balance at end of year	24	7

Ageing of Trade and Other Receivables

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

	2013	2012
	\$'000	\$'000
Current (not yet due)	94	99
Past due by up to 30 days	67	88
Past due between 31 and 120 days	62	84
Past due 120 days or more	85	76
Total Trade & Other Receivables	308	347

Ageing of individually impaired Trade and Other Receivables

There is no impaired Trade and Other Receivable at the balance date.

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 repayments to rate revenue.

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

Note 33 Financial Instruments (cont.)

The table below lists the contractual maturities for Financial Liabilities

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

2013	6 months or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	2,405	-	-	-	-	2,405	2,405
Trust funds and deposits	-	116	-	-	-	116	116
Interest-bearing loans and borrowings	237	407	815	203	-	1,662	1,583
Total financial liabilities	2,642	523	815	203	-	4,183	4,104

2012	6 mths or less	6-12 months	1-2 years	2-5 years	>5 years	Contracted Cash Flow	Carrying Amount
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Trade and other payables	3,913	-	-	-	-	3,913	3,913
Trust funds and deposits	-	100	-	-	-	100	100
Interest-bearing loans and borrowings	-	49	49	147	200	445	445
Total financial liabilities	3,913	149	49	147	200	4,458	4,458

Note 33 Financial Instruments (cont.)

(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 4.4%.

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

		Interest rate risk			
		-2 %		+1 %	
		-200 Profit	basis points Equity	+100 Profit	basis points Equity
2013	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	2,116	42	42	21	21
Trade and other receivables	1,211	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	1,583	-	-	-	-

		Interest rate risk			
		-2 %		+1 %	
		-200 Profit	basis points Equity	+100 Profit	basis points Equity
2012	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	2,852	57	57	29	29
Trade and other receivables	1,065	-	-	-	-
Financial liabilities:					
Interest-bearing loans and borrowings	445	-	-	-	-

Note 34	Auditors' remuneration	2013 \$'000	2012 \$'000
	Audit fee to conduct external audit - Victorian Auditor-General	28	34
	Internal audit fees	18	14
		<u>46</u>	<u>48</u>

Note 35 Events occurring after balance date
Nil

Note 36 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	David Pollard (Mayor) from 01/07/2012 to 28/10/2012. Mayoral role vacant 29/10/2012 until 08/11/2012. (Electoral changeover period) Reid Mather (Mayor) from 09/11/ 2012 to current. Harold Flett Stuart McLean Graeme Milne Gail Sharp Leo Tellefson Ellen White
-------------	---

Chief Executive Officer Warwick Heine

(ii) Remuneration of Responsible Persons

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

	2013 No.	2012 No.
\$1,000 - \$9,999	1	0
\$10,000 - \$19,999	6	6
\$50,000 - \$59,999	1	1
\$180,000 - \$189,999	-	1
\$190,000 - \$199,999	1	-
	<u>9</u>	<u>8</u>

Total Remuneration for the reporting year for Responsible Persons included above amounted to: 323 281

Note 36 Related party transactions (cont.)

(iii) No retirement benefits have been made by the Council to a Responsible Person. (2011/12,Nil).

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

(v) Other Transactions

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

(vi) Senior Officers Remuneration

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

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

Income Range:	2013 No.	2012 No.
<\$130,000	7	5
\$130,000 - \$139,999	1	1
\$140,000 - \$149,999	1	
\$150,000 - \$159,999	-	1
	<u>9</u>	<u>7</u>

Total Remuneration for the reporting year for Senior Officers included above, amounted to 949 812

Note 37	Income, expenses and assets by function/activities	Grant	Other	Total	Total
		Revenue	Revenue		
		2013	2013	2013	2012
		\$'000	\$'000	\$'000	\$'000
	INCOME				
	Rates Revenue	-	9,074	9,074	8,571
	Council Executive and Governance	4,243	46	4,289	5,074
	Finance	-	327	327	191
	Corporate Services	12	158	170	95
	Community Services	1,202	507	1,709	1,778
	Economic Development	-	-	-	-
	Assets and Infrastructure	9,923	187	10,110	14,749
	Works and Construction	-	1,229	1,229	1,305
	Road Works	-	-	-	-
	Net Proceeds from disposal of property, plant and equipment	-	(14)	(14)	(16)
	Total Revenue as per Income Statement	15,380	11,514	26,894	31,747
				2013	2012
	EXPENSES			\$'000	\$'000
	Corporate Services			2,951	3,513
	Community Services			2,721	2,489
	Council Executive and Governance			2,103	2,368
	Finance			849	902
	Assets and Infrastructure			3,911	3,425
	Works and Construction			11,312	13,704
	Road Works			-	-
	Total Expenditure as per Income Statement			23,847	26,401
	SURPLUS/(DEFICIT) FOR THE YEAR			3,047	5,346
	Allocation of Assets				
	Assets have been attributed to the following functions/activities:			2013	2012
				\$'000	\$'000
	Economic Development			3,353	2,426
	Assets and Infrastructure			81,241	58,782
	Works and Construction			-	-
	Community			6,001	4,342
	Corporate			9,753	7,057
	Recreation & Culture			50,483	36,527
				150,831	109,134

Note 38	Financial ratios (Performance indicators)	2013	2013	2012	2012	2011
		\$'000	(%)	\$'000	(%)	\$'000
(a)	Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)					
	<u>Debt servicing costs</u>	19		92		123
	Total revenue	26,894	= 0.07%	31,747	= 0.29%	19,222
	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)	Debt commitment ratio (to identify Council's debt redemption strategy)					
	<u>Debt servicing & redemption costs</u>	464		141		123
	Rate revenue	9,865	= 4.70%	9,337	= 1.51%	8,860
	The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.					
(c)	Revenue ratio (to identify Council's dependence on non-rate income)					
	<u>Rate revenue</u>	9,865		9,337		8,860
	Total revenue	26,894	= 36.68%	31,747	= 29.41%	19,222
	The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.					
(d)	Debt exposure ratio (to identify Council's exposure to debt)					
	<u>Total indebtedness</u>	2,092		-1,928		5,226
	Total realisable assets	22,015	= 9.50%	21,432	= -9.00%	21,432
	Any liability represented by a restricted asset (note 29) 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					

Note 38 Financial ratios (Performance indicators) (cont.)

	2013 \$'000	2013 (%)	2012 \$'000	2012 (%)	2011 \$'000	2011 (%)
(e) Working capital ratio (to assess Council's ability to meet current commitments)						
<u>Current assets</u>	3,572		4,435		2,680	
Current liabilities	6,298	= 56.72%	6,324	= 70.13%	6,129	= 43.73%

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

(f) Adjusted working capital ratio (to assess Council's ability to meet current commitments)

<u>Current assets</u>	3,572		4,435		2,680	
Current liabilities	5,711	= 62.55%	5,441	= 81.51%	5,136	= 52.18%

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 39 Capital expenditure

	Note	2013 \$'000	2012 \$'000
Capital expenditure areas			
Roads		8,348	3,693
Land and buildings		1,036	4,324
Plant and equipment		635	1,061
Other infrastructure		182	1,045
Total capital works		10,201	10,123
Represented by:			
Asset renewal	(a)	8,983	4,754
Asset upgrade	(b)	1,036	4,324
Asset expansion	(c)	182	1,045
Total capital works		10,201	10,123

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		10,201	10,123
Asset revaluation movement	25(a)	38,095	1,883
Depreciation/amortisation	12	(6,370)	(6,483)
Written down value of assets sold	20	(229)	(69)
Net movement in property, plant and equipment, infrastructure	20	41,697	5,454

(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 40 Special committees and other activities

Council has control over the following entities. These are managed through Special Committees.

The financial transactions of the committees are not material.

- Berrillock Swimming Pool
- Birchip Community Housing Committee
- Birchip Community Leisure Centre Inc.
- Birchip Hall and Aerodrome Paddock
- Birchip Recreation Reserve
- Birchip Swimming Pool
- Charlton Memorial Hall
- Charlton Park
- Charlton Swimming Pool
- Culgoa Hall Committee
- Donald Hall
- Wycheproof Court House

CERTIFICATION OF THE FINANCIAL STATEMENTS

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Finance and Reporting) Regulations 2004*, Australian Accounting Standards and other mandatory professional reporting requirements.



William Andrew Ryan (B.Bus)
Principal Accounting Officer
Date: 27 September 2013
Melbourne

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

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

We have been authorised by the Council on 27 September 2013 to certify the financial statements in their final form.



Reid Mather
Mayor
Date: 27 September 2013
Melbourne



Leo Tellefson
Councillor
Date: 27 September 2013
Melbourne



Leonie Burrows
Acting Chief Executive Officer
Date: 27 September 2013
Melbourne

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Buloke Shire Council

The Standard Statements and Financial Report

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

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

The Councillors' Responsibility for the Standard Statements and Financial Report

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

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

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the standard statements and financial report 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 standard statements and financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the standard statements and financial report are free from material misstatement.

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

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

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

Independent Auditor's Report (continued)

Independence

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

Opinion

In my opinion:

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

Basis of Accounting for Standard Statements

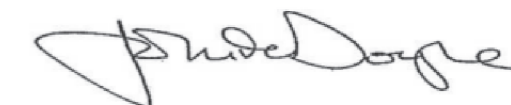
Without modifying my opinion, I draw attention to Note 1(a) to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

Material Uncertainty Regarding Continuation as a Going Concern

Without modification to the opinion expressed above, attention is drawn to the following matter. As indicated in Note 1(a) to the financial report of Buloke Shire Council, the financial report has been prepared on a going concern basis. However, the Council has reported a working capital deficit of \$2.727 million at 30 June 2013, and has disclosed other conditions in Note 1(a) which indicates that there is a material uncertainty that may cast significant doubt on the Council's ability to continue as a going concern. Therefore, the Council may be unable to realise its assets and discharge its liabilities in the normal course of business.

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

This auditor's report relates to the standard statements and financial report of the Buloke Shire Council for the year ended 30 June 2013 included both in the Buloke Shire Council's annual report and on the website. The Councillors of the Buloke Shire Council are responsible for the integrity of the Buloke Shire Council's website. I have not been engaged to report on the integrity of the Buloke 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 standard statements and financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and financial report to confirm the information contained in the website version of the standard statements and financial report.



MELBOURNE
27 September 2013

John Doyle
Auditor-General

PERFORMANCE STATEMENT

The Victorian Government is of the view that it is reasonable to expect all Councils to collect and publish performance information. The Government amended the *Local Government Act 1989*, Section 153, to ensure that Local Government develops performance accountability mechanisms which allow for a consistent approach to the collection and reporting of information regarding financial performance, operating costs and community satisfaction.

The Key Strategic Activities that follow allow a comparison to be made between projected targets and actual figures in line with the Council Plan.

For a full copy of the Buloke Shire Council Plan please visit our website at www.buloke.vic.gov.au

ANNUAL MEASURES AND TARGETS

Listed on the following pages are Council's Strategic Objectives, Strategic Statements, Indicators and Activities for the 2012-2013 year.

Below is how we have measured our indicators:

Scale Results	Indexed Score
Excellent – outstanding performance	100
Good – a high standard	80
Adequate – an acceptable standard	60
Needs some improvement	40
Needs a lot of improvement	20

PERFORMANCE STATEMENT

STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS & PERFORMANCE MEASURES FOR 2012-2013

1. OUR COMMUNITY

Strategic Statements:

- A Buloke community where people of all ages, backgrounds and abilities, are embraced and supported and can access the Council services they need to help live happy and fulfilling lives; and
- A Buloke community connected and involved in shaping decisions that affect them.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Community satisfaction with Council's overall performance	Maintain satisfaction	65	54	Target not met
Community satisfaction with Council's engagement in decision making on key local issues	Maintain satisfaction	63	57	Target not met
Increase in the annual number of visits recorded to Council's website	Increase site visitation	6,000	23,143	Target met and exceeded
Average number of Home and Community Care hours of service provided per month	Increase in annual hours of service	1,265	1,765	Target met and exceeded
Community satisfaction with Health and Human Services (Note: Survey not performed)	Maintain satisfaction	75	0	Target not met
Number of grants applied for or facilitated by Council staff annually	Number of grant applications maintained or increased	23	49	Target met and exceeded
Total value of grants applied for or facilitated by Council staff annually	Value of grant applications maintained or increased	\$4.25 M	\$15.391 M	Target met and exceeded

PERFORMANCE STATEMENT

STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS & PERFORMANCE MEASURES FOR 2012-2013

2. OUR LOCAL ECONOMY

Strategic Statements:

- A local economy in which the contribution of the agricultural sector and business sector is recognised and their continued growth actively encouraged and supported; and
- A local economy in which new investment and new employment opportunities are actively encouraged and supported.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Number of jobs in Buloke	Number of jobs maintained or increased	2,646	2,631	Target not met
Number of local workforce employed in Buloke jobs	Number of local workforce employed in Buloke maintained or increased	2,403	2,218	Target not met
Number of regional workforce employed in Buloke jobs	Number of local workforce from within the region maintained or increased	243	295	Target met and exceeded
Community satisfaction with economic development	Maintain satisfaction	58	58	Target met
Total participants in local economy support events	Number of participants maintained	350	1,226	Target met and exceeded
Level of commercial and industrial development within the Buloke Shire	Value of building approvals maintained or increased	\$2.20 M	\$3.9 M	Target met and exceeded

PERFORMANCE STATEMENT

STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS & PERFORMANCE MEASURES FOR 2012-2013

3. OUR BUILT ENVIRONMENT

Strategic Statements:

- A Shire plan to meet the current and future needs of the agricultural sector while maintaining and enhancing its natural environment; and
- A Shire where roads, drains and public spaces, community facilities, parks and other essential infrastructure are fit for purpose, well maintained and contribute to the well-being of the community.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Community satisfaction with town planning and policy approvals	Maintain satisfaction	61	56	Target not met
Community satisfaction with recreational facilities	Maintain satisfaction	71	70	Target not met
Customer satisfaction with local roads and footpaths	Maintain satisfaction	47	55	Target met and exceeded
Community satisfaction with the appearance of public areas	Maintain satisfaction	69	74	Target met and exceeded
100% of planning applications processed within the statutory limit	No applications outside of statutory limit	100%	94%	Target not met
Average number of service requests and work orders received per month	Number of requests received increased	245	186	Target not met

PERFORMANCE STATEMENT

STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS & PERFORMANCE MEASURES FOR 2012-2013

4. OUR NATURAL ENVIRONMENT

Strategic Statements:

- A Shire working with the community to reduce our carbon footprint, protect and enhance the natural environment and share experiences and information.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Town garbage collection, measured as kilograms per household	Decrease in kilograms collected per household	690 kilograms	454 kilograms	Target met and exceeded
Recyclables collection, measured as kilograms per household	Increase in kilograms collected from household	290 kilograms	277 kilograms	Target not met
Energy usage figures				
Energy – MW	Reduction in energy, water, petrol, diesel and LPG gas usage	Energy – 267.5 MW	542.8 MW	Target not met
Water – ML		Water – 65.5 ML	96.8 ML	Target not met
Petrol – L		Petrol – 79,184 L	112,105 L	Target not met
Diesel – L		Diesel – 476,969 L	332,648 L	Target met
LPG – L		LPG – 61,336 L	59,022 L	Target met

PERFORMANCE STATEMENT

STRATEGIC OBJECTIVES, STRATEGIES, STRATEGIC INDICATORS & PERFORMANCE MEASURES FOR 2012-2013

5. OUR PEOPLE AND ORGANISATION

Strategic Statements:

- An organisation that is responsive to the evolving needs of the community;
- An organisation that is responsibly governed with a strong emphasis on astute financial and risk management; and
- An organisation that values and supports the development of its people and strives to be an employer of choice.

2012-2013 Strategic Indicator	Performance Measure	Performance Target	Outcome	Status
Conduct regular Audit Committee meetings	Minimum four meetings per year	4	4	Target met
Level of rates levied (rates per assessment) compared with neighbouring municipalities	Current ratio maintained or reduced	102%	101.6%	Target met
Community satisfaction with the advocacy performance of Council	Maintain satisfaction	68	55	Target not met
Community satisfaction with Council's interaction and responsiveness in dealing with the public	Maintain satisfaction	72	57	Target not met
Number of workforce entry-level positions (traineeships, apprenticeships, students and graduates)	Number of positions available annually maintained or increased	6	7	Target met

CERTIFICATION OF THE PERFORMANCE STATEMENT

CERTIFICATION OF THE PERFORMANCE STATEMENT

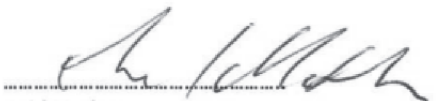
In our opinion the accompanying performance statement of the Buloke Shire Council in respect of 2012/2013 financial year, is presented fairly and in accordance with the *Local Government Act 1989*.

The statement outlines the performance targets and measures set out in relation to the achievement of the business plan, in respect of that year described in the Council's corporate plan and describes the extent to which the business plan was met in that year, having regard to those targets and measures.

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



William Andrew Ryan (B.Bus)
Principal Accounting Officer
Date: 27 September 2013
Melbourne



Reid Mather
Mayor
Date: 27 September 2013
Melbourne



Leo Tellefson
Councillor
Date: 27 September 2013
Melbourne



Leonie Burrows
Acting Chief Executive Officer
Date: 27 September 2013
Melbourne

VAGO

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Website www.audit.vic.gov.au

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Buloke Shire Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2013 of the Buloke Shire Council which comprises the statement and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Buloke 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.

Continued next page

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 Buloke Shire Council in respect of the 30 June 2013 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Buloke Shire Council for the year ended 30 June 2013 included both in the Buloke Shire Council's annual report and on the website. The Councillors of the Buloke Shire Council are responsible for the integrity of the Buloke Shire Council's website. I have not been engaged to report on the integrity of the Buloke 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
27 September 2013



John Doyle
Auditor-General





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