



# GREATER SHEPPARTON CITY COUNCIL ANNUAL REPORT 2016/2017

COUNCIL PLAN IN ACTION



GREATER  
SHEPPARTON

MAKING  
**GREAT  
THINGS**  
HAPPEN



An aerial photograph of a park area. In the foreground, a paved road curves from the bottom right towards the center, meeting a dirt path. To the left of the road is a dense line of green trees. Further left, a river flows through the park. The background shows a vast expanse of green trees and a large, open area that appears to be a sports field or a large parking lot. The sky is filled with large, white, fluffy clouds against a blue background.

# TRADITIONAL OWNERS

**We, Greater Shepparton City Council, acknowledge the traditional owners of the land which now comprises Greater Shepparton.**

**We pay respect to their tribal elders, we celebrate their continuing culture and we acknowledge the memory of their ancestors.**



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Details how we have set about achieving the goals of the Council Plan.

Includes what we have undertaken to achieve economic, social and environmental outcomes, and the capital works we have completed over the last financial year.

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Presents the corporate governance and statutory information.

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Presents the audited performance and financial statements detailing our financial performance over the last financial year.

A quick and easy to read summary of the finances is provided to make the finances easy to understand and transparent.

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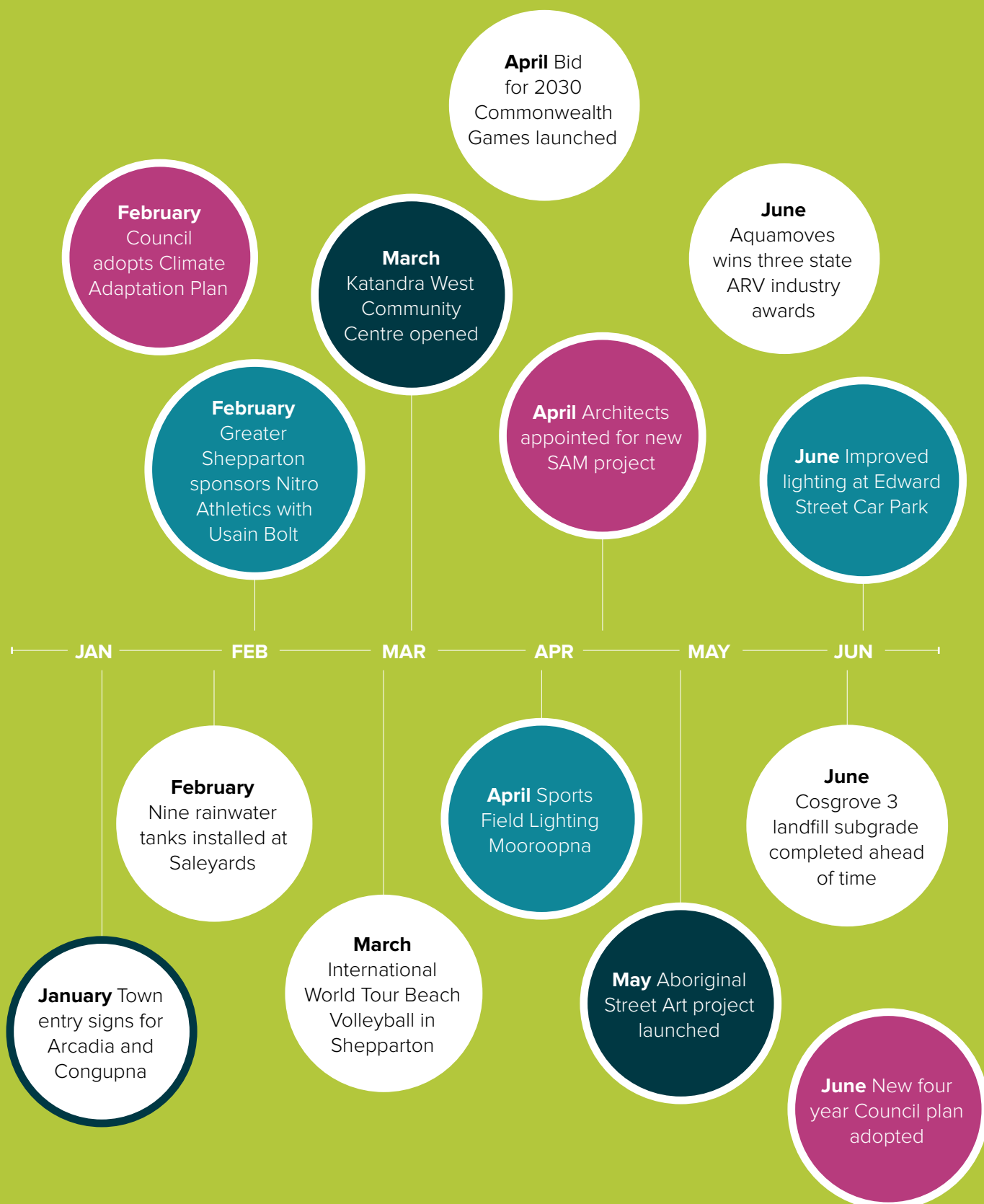
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# HIGHLIGHTS FROM 2016



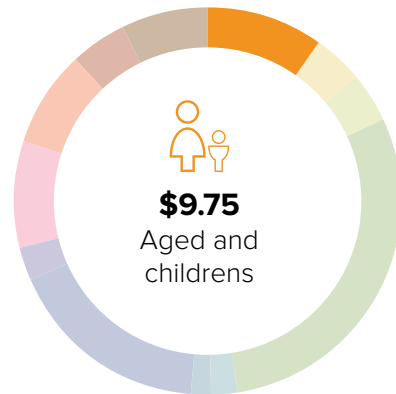


# HIGHLIGHTS FROM 2017



# WHERE YOUR RATES WERE SPENT IN 2016/2017

For every \$100 of rates income, you are helping fund your local community in these ways







# WELCOME

Welcome to the 2016-2017 Annual Report for Greater Shepparton City Council. This report provides a comprehensive account of Council's achievements, challenges and aspirations for the future.

The *Victorian Local Government Act (1989)* requires all Councils to present an Annual Report to the Minister by 30 September each year.

The report details our performance against our commitments as set out in the Council Plan 2013–2017 and provides an analysis of our financial performance. This report also demonstrates the breadth of our operations and the diversity of services delivered on a daily basis to the Greater Shepparton community.

The Annual Report is also an opportunity to acknowledge all the great things that have been happening across the municipality and note the challenges that have marked the year.

We hope you enjoy reading about the 2016–2017 year and we thank our community for their continued support and direction.





## How the Annual Report Integrates with our Planning, Reviewing and Reporting

The diagram below details how planning, measurement and reporting are undertaken at Council.



The **Council Plan**, developed in consultation with our community, details the vision, goals and strategies to guide Council's actions and work over a four year period.

The **Strategic Resource Plan** describes how key actions and strategies will be resourced over the four years, while the **Annual Budget** sets out funding for projects and services to be undertaken over 12 months.

**Departmental business plans** provide the road map as to how services and projects will be delivered and sets out key performance indicators to be achieved.

The **Annual Report** describes progress in achieving the overall goals of the Council Plan and reports the results at the end of each financial year.

## How to Read this Report

This Report is designed to serve both the needs of our community in informing them of what we've been doing, how we've followed through on the Council Plan and how we performed over the past 12 months, as well as to meet legislative requirements.

The Report presents the information that our community might find most interesting at the start of the report, with information that is more detailed and specific such as the financial report, contained towards the back of the document.

The Report is divided into:

### Part One - Overview

Find out all about Greater Shepparton and your Council.

### Part Two - Performance Report

Details how we have set about achieving the goals of the Council Plan.

Includes what we have undertaken to achieve economic, social and environmental outcomes, and the capital works we have completed over the last financial year.

### Part Three - Governance Report

Presents the corporate governance and statutory information.

### Part Four - Financial Report

Presents the audited performance and financial statements detailing our financial performance over the last financial year. A quick and easy to read summary of the finances is provided to make the finances easy to understand and transparent.

### Giving Feedback

We are really eager to hear any thoughts or ideas regarding the Annual Report. If there is information that you think needs to be included or any ideas of how we can improve the report please let us know -

**[communications@shepparton.vic.gov.au](mailto:communications@shepparton.vic.gov.au)**







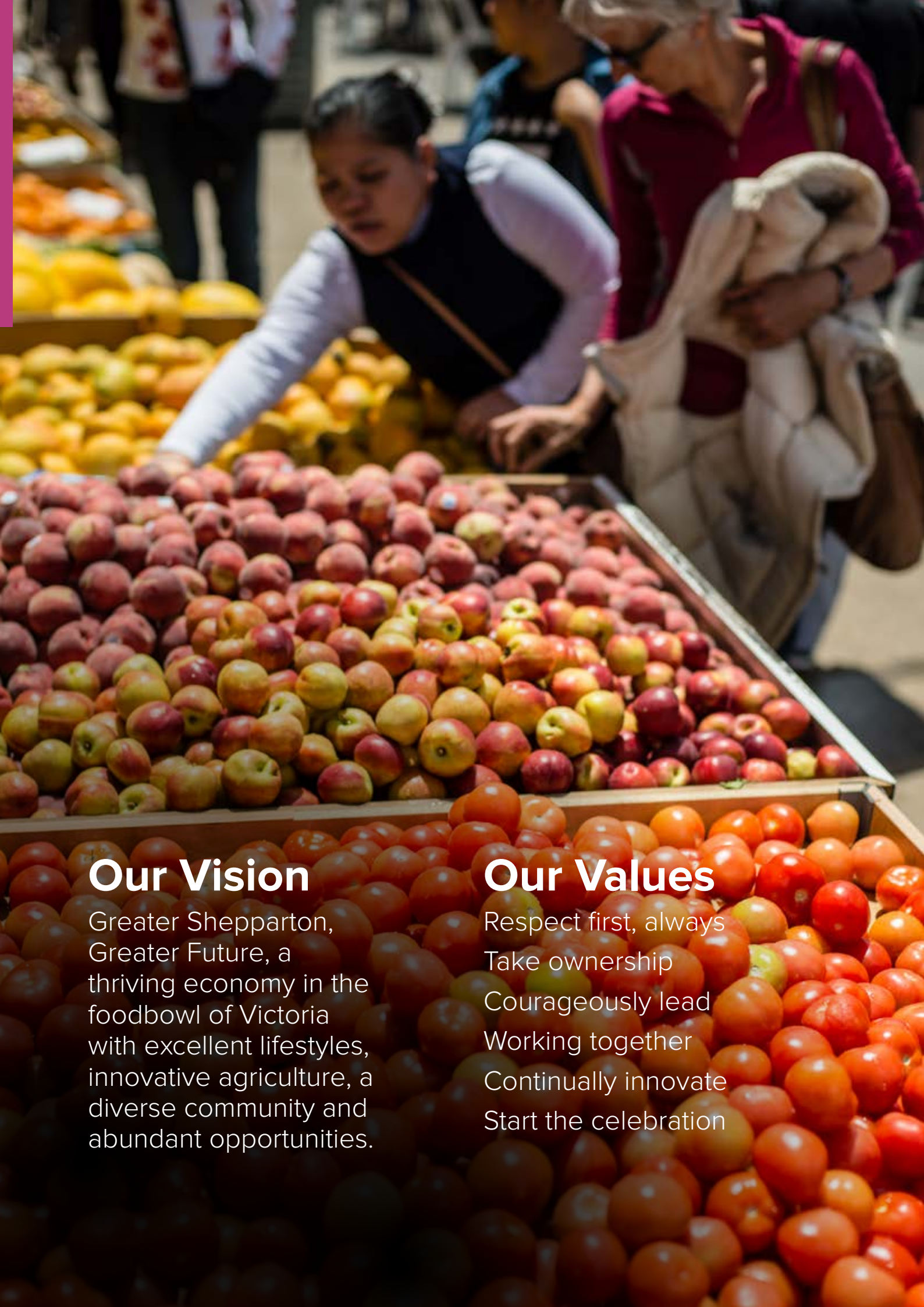
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## Our Vision

Greater Shepparton,  
Greater Future, a  
thriving economy in the  
foodbowl of Victoria  
with excellent lifestyles,  
innovative agriculture, a  
diverse community and  
abundant opportunities.

## Our Values

Respect first, always  
Take ownership  
Courageously lead  
Working together  
Continually innovate  
Start the celebration



# PART ONE: OVERVIEW

## About Greater Shepparton

Greater Shepparton is a vibrant, diverse community located approximately two hours north of Melbourne in the heart of the Goulburn Valley, the foodbowl of Australia.

Our central location is a major advantage and has seen our urban centre emerge as the retail, industry and services hub for central Victoria. Located at the intersection of the Midland and Goulburn Valley Highways Greater Shepparton provides straightforward access to Adelaide, Sydney, Brisbane and Melbourne.

Along with our location, Greater Shepparton's critical mass of population and significant infrastructure provides the base of many key competitive advantages:

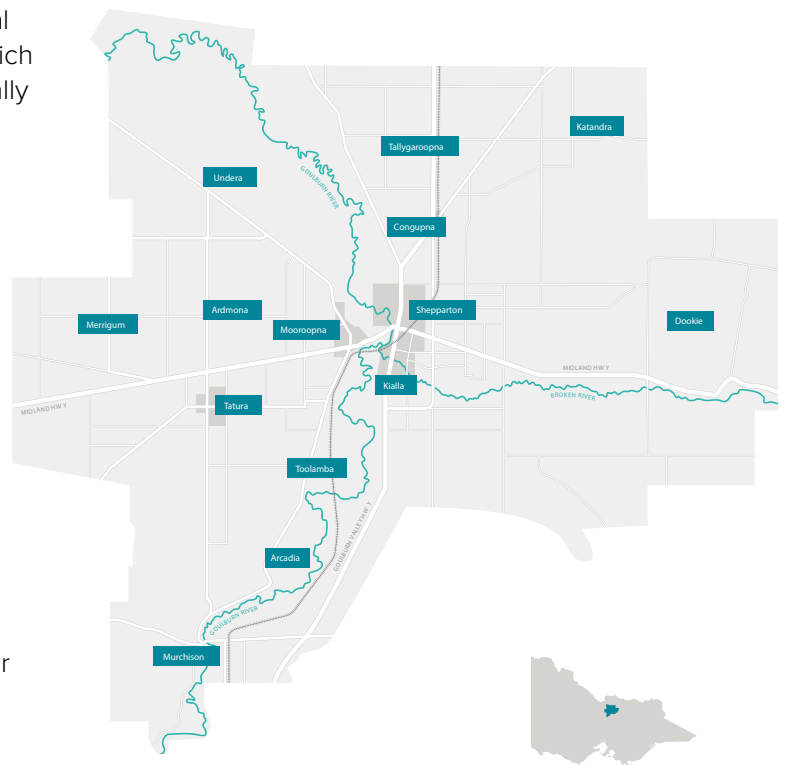
- An established manufacturing sector, with multinational companies such as SPC, Tatura Milk, Campbell's, Pactum Dairy, Pental Soaps and Unilever calling Greater Shepparton home
- Extensive road transport industry with Shepparton often being referred to as the transport hub of regional Victoria
- Thriving food production industry where 25 per cent of the total value of Victoria's agricultural production occurs in Greater Shepparton which contributes \$900 million in production annually and \$1.53 billion in exports
- Affordable residential and commercial real estate
- Access to a high standard of telecommunications and IT infrastructure
- Excellent health, leisure and arts facilities
- Excellent range of health services
- Education facilities that encourage career advancement, trade qualifications and meet ongoing cultural demand
- Recognition as a regional sporting capital, hosting many regional, state, national and international major sporting events
- The mild climate and high level of activity coupled with a diverse culture makes Greater Shepparton an exciting place to be.

## Our Location

The Goulburn River forms the backbone and lifeblood of the region, winding its way through beautiful countryside, native forests and fertile farmlands, bringing life to the rich agricultural landscape which has made the area renowned as Australia's Food Bowl. This vibrant and dynamic region is the heart and soul of Australia's fruit and dairy processing.

Greater Shepparton is the fifth largest regional centre in Victoria extending over 2,421 kilometres.

Our city's population is almost evenly split between the main urban centres of Shepparton, Mooroopna and Tatura (53 per cent) and with the remaining 47 per cent of the population residing in the surrounding rural areas, including the smaller townships of Murchison, Dookie, Merrigum, Congupna, Toolamba, Undera, Katandra and Tallygaroopna. This split reflects the wide range of lifestyle choices available across the municipality, from small urban blocks close to high quality amenities, through to large working orchards and farms.



## Our People

A well connected community, we are inspired to lead, unite and energise the community to create a brighter future.

As a growing regional centre with a vibrant cultural mix of people, our community comprises 65,076 residents living within 60+ localities. However Shepparton does service a much larger population of approximately 250,000 people as it is the main service centre in northern Victoria.

Greater Shepparton enjoys a young demographic with growing families, with 2016 census data showing the proportion of couples with children nearly three per cent above the regional Victorian average, at 27.8 per cent. Although the number of couples with children has increased from 6,768 to 6,791 the total percentage of the population in this category is less than it was in 2011. It is still three per cent higher than the regional average.

The overall population is forecast to grow from 65,076 in 2017 to 83,782 by 2036. Our community understands that an expanding population will increase demand for services and infrastructure - particularly those that provide for our health and wellbeing. The challenge for all levels of government is to provide essential services and infrastructure in a timely manner.

At the same time we need to be creative and broaden the economy by attracting investment and generating jobs in sectors that complement our lifestyle and environment.

Socially we connect through friendships, gatherings, events and celebrations. Local strengths include high levels of citizen participation, embracing a strong volunteering ethos, participation in community events, the arts and organised sport, with a high level of community ownership and pride. Greater Shepparton delivers a wealth of community leaders, where the community is committed to seeking local solutions to local issues. Like most Victorian regions, people in Greater Shepparton are highly engaged in their community, with nearly one in five involved in volunteer work.

The community are also active in engaging with their local issues, responding well to local government community consultations, and participating in large numbers in local politics, with 26 candidates at the last election.

## Our Diversity

Greater Shepparton enjoys its position as one of the most culturally diverse regional cities in Australia continuing to provide people with vibrant opportunities.

Our point of difference and strength is the diversity of our people. We celebrate our strong aboriginal culture and we represent different countries around the world, bringing with us many languages, faiths and cultures. We live together in harmony, respecting the past and each other's identity.

It's our diversity that brings Greater Shepparton to life. Greater Shepparton has a significant Aboriginal population with a strong history of advocacy and leadership both nationally and internationally. The city's Aboriginal population is represented in the census as the largest in regional Victoria, with an estimated 3.5 per cent of residents having Aboriginal or Torres Strait Islander heritage. However anecdotally it is believed to be three times higher. Our Aboriginal residents represent many tribes including the local tribes of Yorta Yorta, Bangerang, Kalitheban, Wollithiga, Moira, Ulupna, Kwat Kwat, Yalaba Yalaba and Nguaria-iiliam-wurrung.

Our community is culturally rich with a large proportion of the population born overseas (14.8 per cent), with many residents immigrating from India, United Kingdom, Italy, Afghanistan, New Zealand, Iraq and the Philippines. Italian, Arabic, Persian/Dari, Punjabi, Turkish, Albanian, Mandarin, Filipino/Tagalog and Malayalam are the most commonly spoken languages other than English. During the 2016/17 year 260 people received citizenship.





## Our Liveability

Greater Shepparton provides an enviable, well-rounded lifestyle that is hard to beat.

Greater Shepparton is a vibrant and progressive community that offers the best of both provincial and metropolitan lifestyles. With its central location being a major strength, Greater Shepparton is the ideal regional location in which to live, work, invest and visit.



The municipality offers affordable real estate; business opportunities and diversified farming practices and residents enjoy a wide range of entertainment and leisure options, including many coffee shops and restaurants.

Scenic open places, shared pathways and our river system add to our environment, and encourage social connection and improved lifestyle behaviours.

Food malls, with an abundance of cafes and restaurants provide plenty of choice. Greater Shepparton's history of migration has evolved our large selection of local cuisine, whether it's Turkish, Japanese, Indian, Thai, Lebanese, Mexican, Chinese, Italian or a bistro meal, you can find it all in Shepparton's Central Business District (CBD), shopping centres and surrounding townships.

Local wineries and ample farm-gate suppliers provide an added gourmet touch to celebrate and promote the region's repertoire.

Greater Shepparton is a retail hotspot for regional Victoria, constantly attracting new brands, and there is an abundance of events and leisure activities available to the community.

## Our Culture

As the vibrant heart of one of Victoria's most diversified tourist destinations, there is always something new to discover in and around Greater Shepparton.

Greater Shepparton has continued to develop a very strong sense of self, and that confidence is reflected in its commitment to art and culture.

The arts scene is thriving with regular traveling performances exhibitions and artists visiting the region. Riverlinks programs touring and community performances in the Eastbank and Westside Performing Arts Centres and into smaller towns.

Shepparton is home to many cultural experiences including the Bangerang Cultural Centre, Kaiela Arts, The Flats, Rumbalara Aboriginal Co-operative, Albanian Mosque, Turkish Cultural Centre and the Mosque and Sikh Temple.

The Shepparton Art Museum (SAM) houses a fine collection of colonial and contemporary paintings plus one of Australia's leading ceramics collections and regularly hosts significant and acclaimed exhibitions.

Greater Shepparton's Moooving Art herd and elevated flying sculptures brighten streets and major buildings.

The Shepparton Festival has gained recognition for culture and artistic experiences with people coming from far and wide to participate in the many activities on offer.



## Our Economy

Located in the heart of Victoria's Goulburn Valley, our central location, extensive infrastructure, entrepreneurial community spirit, quality fresh food, and manufacturing excellence, all combine to provide an ideal environment and climate to grow and thrive.

The region has a strong and well developed economy, based primarily on irrigated agriculture, food processing, retail and road transport. The Goulburn Valley is responsible for about 32.2 per cent of Victoria's agricultural production and is often referred to as the "Food Bowl of Australia".



Local entrepreneurs and small businesses are the backbone of our communities equating to 32.2 per cent of the business sector. We will continue to support them to prosper and grow, thus retaining local knowledge, building skills and employment in the region.

Tourism and events represents another important sector for Greater Shepparton. In 2016/17 there were approximately 296 events supported in Greater Shepparton generating a total economic impact of \$50.3m and supporting 298 local jobs.

In terms of employment, people within Greater Shepparton are primarily employed in the following sectors:

- Health Care and Social Assistance (4,748 people or 15.8 per cent)
- Retail Trade (3,776 people or 12.6 per cent)
- Manufacturing (3,537 people or 11.8 per cent)

In combination these three industries employed 12,061 people in total or 40.2 per cent of the employed resident population. The unemployment rate for Greater Shepparton is slightly above the state average and is currently at 6.26 per cent (March 2017).

## Our Education

Greater Shepparton sustains strong, diverse and sustainable business, health and education sectors.

Greater Shepparton has a range of educational facilities including 15 long day care facilities, 27 kindergartens, 26 primary schools, six secondary colleges (including Catholic and Grammar schools) and three tertiary institutions. Several smaller country schools are located just outside of Shepparton (five to 15 minutes' drive). In addition to excellent public schools, private and Catholic education is also available.

Compared to regional Victoria, there is a lower proportion of people holding formal qualifications (Bachelor or higher degree; Advanced Diploma or Diploma; or vocational qualifications), and a higher proportion of people with no formal qualifications residing in Greater Shepparton.

Overall, 36.9 per cent of the population left school at Year 10 or below, and 36.1 per cent went on to complete Year 12 or equivalent, compared with 34.7 per cent and 38.9 per cent respectively for regional Victoria.



## Our Health

The *Public Health and Wellbeing Act 2008* requires Council to prepare a Municipal Public Health and Wellbeing Plan within 12 months of each general election of the Council.

Greater Shepparton City Council under the *Local Government Act 1989* partners with community and agencies undertaking public health initiatives in an effort to prevent disease, illness, injury, disability and premature death.

The Greater Shepparton Health Status Report was developed in 2012, which details a thorough examination of local demographics, health and wellbeing indicators, health trends, identification of future needs and considerations of what makes Greater Shepparton unique. The Status Report will guide future health and wellbeing planning and has considered individual's access to the social determinants of health.



Council in partnership with the Greater Shepparton Health and Wellbeing Advisory Committee have developed a detailed 12 month Local Municipal Public Health and Wellbeing Action Plan. The Action Plan details initiatives that are both measurable and achievable while considering local evidence, health gaps and future needs to maximise health outcomes. The purpose of the Advisory Committee is to guide strategic direction for health and wellbeing matters for Greater Shepparton in partnership, support the delivery of projects and initiatives to encourage health prevention strategies and identify emerging health and wellbeing issues.

Our community has access to quality health and medical facilities which offer a comprehensive range of services. These include two hospitals, retirement accommodation and nursing home facilities. The city offers specialist and diagnostic services, oncology, family counselling and youth services to meet increasing demand.

Shepparton is home to the University of Melbourne's Faculty of Medicine, Dentistry and Health Sciences and the Shepparton Medical Clinic. The Clinical School provides clinical rotations and education for the final three years of the Doctor of Medicine degree.

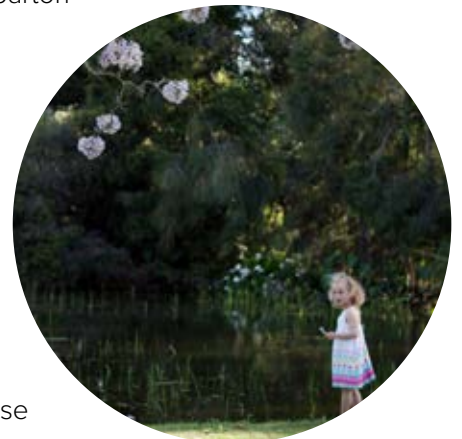
## Our Environment

Our beautiful natural environment is a product of our fertile land, abundance of water and number of sunny days.

Council strongly supports the location of a large scale solar power plant in Shepparton and has undertaken extensive research and analysis to establish capacity to host such a facility. The Greater Shepparton region has a demonstrated affinity with the advancement of solar energy and is committed to providing developers with the assistance required to identify a preferred site.

The Resource Recovery Precinct accommodates a range of commercial businesses that locally process liquid and solid wastes, converting them to valuable recycled products.

Environmental sustainability is important to the Greater Shepparton community as demonstrated by a number of initiatives such as RiverConnect, the Crouching Emu Revegetation Project, Dookie Biolinks Project and the creation of the Goulburn Broken Greenhouse Alliance.





## Our Organisation

Council's main responsibilities are to set the overall directions and goals for the municipality and then monitor their implementation and success. The tools for setting these directions and goals are the major strategic plans.

These include the Council Plan, the Strategic Resources Plan, the Municipal Strategic Statement and the Municipal Public Health Plan. The most important of these are the Council Plan and the Strategic Resource Plan. Both of these plans are four-year plans which set the objectives and strategies of our Council and calculate how these may be resourced.

Greater Shepparton City Council is governed by nine elected Councillors, and operates in accordance with the *Local Government Act 1989*. As a local government authority, Greater Shepparton City Council exercises a wide range of government functions and powers for the "peace, order and good government" of our municipality.

Greater Shepparton City Council is one of the largest regional councils in Victoria and we strive to achieve our community's vision of a "Greater Shepparton".

As a local government we protect and strengthen Greater Shepparton's economic prosperity and the health, wellbeing and safety of our residents. We endeavour to plan and build a connected regional community which is safe, easy to navigate and provides a healthy and prosperous lifestyle, now and into the future. Our purpose is to deliver services, implement strategic initiatives and develop policies and plans that are in the best interest of our community.

We are committed to making a difference in our community and creating a Greater Shepparton that provides access to world class educational and employment opportunities and health and wellbeing facilities.



## Our Services

**Greater Shepparton City Council delivers in excess of 120 services for our community.**

### For families

- Best Start
- Child care
- Children's services
- Family Day Care
- Fun groups and play groups
- Immunisation
- KidsTown
- Kindergartens
- Maternal and Child Health
- Word and Mouth
- Youth Development

### For older people and those with disabilities

- Aged and disability services
- Senior citizens centres
- Social support services

### For business

- Building and planning permits
- Building services
- Business Centre
- Business and industry development
- Education and training
- Food safety regulation programs
- Investment Attraction
- Parking permits and enforcement
- Shepparton Show Me
- Tourism
- Trading permits

### For the community

- Active Living programs
- Actively engage our local indigenous community
- Actively engage our newly arrivals, migrants and refugees
- Advocate for the needs of our community with the state and federal governments

- Aquamoves
- Building and planning permits
- Collection and management of waste
- Community kitchens
- Creating and maintaining recreation and parks and gardens
- Creating, maintaining and improving sporting facilities
- Enforce local laws
- Environmental education
- Environmental services
- Events and community festivals and activities
- Graffiti removal and prevention
- Host citizenship ceremonies
- Libraries
- Maintaining of parks, play equipment and community facilities
- Manage facilities such as Tatura Park, Sports Stadium, Shepparton Showgrounds and Eastbank
- Manage road and footpath maintenance
- Outdoor pools
- Parking permits
- Pet registrations
- Provision of funding and grants for community facilities, sport, art, community, youth, and community based events and regional towns
- Raise awareness of gender equity and family violence
- Riverlinks
- School crossing supervisors
- Shepparton Art Museum (SAM)
- Street lighting and signage
- Street Rider Bus
- Streetscaping
- Undertake strategic planning to ensure that Greater Shepparton has a sustainable and prosperous future
- Work with our regional towns in planning their future

## Message from the Mayor

Whilst the Annual Report is a statutory requirement it actually fulfils an important role in showcasing our successes and activities to our community as well as the Victorian government.

The Annual Report is a great way to review what we have achieved as a Council and where we might go in the future.

In late 2016 we had the four yearly local government elections which included an increase from seven to nine councillors after a review of our municipality. As a result of the local government election we were pleased to welcome four new councillors; Kim O’Keeffe, Shelley Sutton, Bruce Giovanetti and Seema Abdullah. We bid farewell to two previous councillors, Jenny Houlihan and Kevin Ryan, both of whom served long terms as councillors. Kevin had been a councillor with Greater Shepparton City Council since 2000 and Jenny since 2005. I would like to thank them for their commitment and service to our municipality over that time, their experience and knowledge of local government has been invaluable and their dedication to the community unwavering.

I have also enjoyed the challenges and opportunities that being Mayor presents and the chance to listen to and serve the community. Along with my team of fellow Councillors I have been committed to making the right decisions for a better municipality. The past 12 months has seen the smooth transition of one Council to another with a total of 11 councillors contributing over this period.

During the year I have attended many Council meetings, consultations and community events and the input from our residents is welcomed, valued and as much as possible incorporated into future planning for our community. Thank you to everyone that has been in touch, as without our community providing feedback and comments we would perhaps not be meeting community needs.

This Annual Report marks the fourth and final year of the implementation of the 2013-2017 Council Plan. It has been interesting and exciting

to see the growth and progression of Greater Shepparton as a result of activities summarised in the Council Plan.

There have been lots of achievements during the 2016-2017 financial year that have connected Council more strongly with our community, enhanced our environment and infrastructure and consolidated our financial position. We have become a more effective and more highly performing Council as a result.

Council continues to push both State and Federal governments to fund major infrastructure projects. We achieved success with funding for the new Shepparton Art Museum, and many smaller projects. Without this injection of capital funds from the government many valued and necessary projects would not reach fruition.

This year we completed more small town community plans, giving residents of these vibrant and connected communities an opportunity to make changes to their towns. Small towns are important to our economy and provide for the wellbeing of their citizens who are involved in sport, community events and other local activities. Community plans for our small towns are updated regularly to ensure the residents have a say in how their town develops.

I am pleased to report that 260 people became new citizens in our municipality in 2016-2017. Our community continues to be a welcoming place for people from many countries, as it has always been in the past. Hopefully we can continue to be a showcase for harmonious resettlement and continue to lead the way for Australia.

In addition to our local focus, Council is committed to supporting industry and business and growth for our municipality for long term sustainability including supporting export opportunities and attracting major international, national and state tourism and event activities to our region.

I am very positive about the future of Greater Shepparton and I look forward to continuing my service as a Councillor with Greater Shepparton City Council well into the future.

**Cr Dinny Adem, Mayor  
August 2017**



## Message from the CEO

It is my pleasure to report on a very productive 2016/17 with over \$42m in capital works being achieved. This is the highest amount of capital spend ever delivered at Greater Shepparton City Council.

There are many highlights which we have been able to deliver thanks to the commitment of our Councillors, the hard work of our staff and the valuable input of our community.

This year has also seen the strategic vision for the next four years being set with the adoption of the Council Plan 2017-2021.

Whilst we operate under a rate cap, the organisation was set targets to achieve operating surplus, fully fund renewals and to maintain low levels of debt. This is an ongoing aim and will require innovation and creativity as the rate cap is applied to coming years.

This year has been the start of our One Tree per Child program and over 16,000 trees will be planted by the community in this first year.

I take this opportunity to thank all staff who have assisted in delivering projects and services this year and look forward to continuing this good work into the future.

Thank you also to the Councillors for their contributions and direction in overseeing what has been a very busy year.

**Peter Harriott, Chief Executive Officer  
August 2017**



## Our Councillors

Greater Shepparton City Council comprises nine democratically elected Councillors who represent our community. As the locally elected representatives they advocate on behalf of residents and undertake key tasks such as approving the Council plan and Council budget.

They have a responsibility, as stewards of community resources, to manage the city's assets, provide a wide range of services and facilities and ensure finances are allocated in the best interests of the whole community.

The Councillors set the Council's direction by making decisions on key issues and policies that affect people's lives and community prosperity. Council is also responsible for making statutory decisions, adopting policy, advocacy and the appointment of the Chief Executive Officer. Councillors work closely with the Chief Executive Officer to make important decisions and determine service priorities. The Chief Executive Officer then delegates tasks to members of his administration to be actioned.

Councillors are bound by their Code of Conduct under the provision of the *Local Government Act 1989*. The code outlines legislative requirements and expectations of Councillors when representing their Council and in their dealings with the community, Council staff and each other.

The Mayor is elected by at least a majority vote, where the position becomes the leader of all the Councillors whether they supported an individual or not. What this means is that the Mayor has responsibilities towards, and is accountable to, all Councillors.

The Mayor is the ceremonial head, chairs Council meetings and is Greater Shepparton's representative at civic, business and governmental meetings and events.

### COUNCILLORS UNTIL NOV 2016

<b>Cr Dinny Adem</b>	<b>Cr Fern Summer</b>	<b>Cr Les Oroszvary</b>	<b>Cr Chris Hazelman</b>	<b>Cr Jenny Houlihan</b>	<b>Cr Kevin Ryan</b>	<b>Cr Dennis Patterson</b>
Mayor Nov 2015 - Current	Deputy Mayor First elected 2012	First elected 2012	First elected 1997	First elected 2005	First elected 2000	First elected 2012
First elected June 2014						

### COUNCILLORS FROM NOV 2016

<b>Cr Dinny Adem</b>	<b>Cr Kim O'Keefe</b>	<b>Cr Les Oroszvary</b>	<b>Cr Chris Hazelman</b>	<b>Cr Dennis Patterson</b>	<b>Cr Fern Summer</b>	<b>Cr Shelley Sutton</b>	<b>Cr Seema Abdullah</b>	<b>Cr Bruce Giovanetti</b>
Mayor Nov 2015 - Current	Deputy Mayor First elected 2016	First elected 2012	First elected 1997	First elected 2012	First elected 2012	First elected 2016	First elected 2016	First elected 2016
First elected June 2014								



## Dinny Adem (Mayor)

I was born in Shepparton, and I live with my wife Rita on a rural property in Shepparton East.

My wife and I have two daughters and two granddaughters.

Born and raised on a farm, I have also worked for large corporations, as well as operating family owned businesses.

My vision is to revitalise Greater Shepparton by attracting industry and other substantial employers to our municipality, for the benefit of all.

I believe that a financially responsible, inclusive and cohesive Council will be the start of a new beginning for Greater Shepparton.



## Cr Kim O'Keeffe (Deputy Mayor)

I have lived in Shepparton most of my life.

I have run my own business in the service and training industry for the past 28 years.

I have expanded my business nationally taking on the role as National Education and Marketing Manager for the Salons Group. I also have my own make up brand that is sold across Australia. I have worked with both small and large businesses and companies, who I continue to support and mentor.

For the past 16 years I have been a volunteer for The Look Good Feel Better program, for Women with cancer. I have also been a volunteer for the Shine program and the Make A Wish Foundation. I am also passionate about womens health and wellbeing.

I am married to Brendan and we have raised our two daughters here in Shepparton.

We live in a beautiful region and my vision is for growth, and to prosper with forward thinking and a progressive approach. I am passionate about my community and I see opportunity, diversity and so much potential for our region. I want the council to work together and strive for successful outcomes for our community.

I want a positive, transparent and productive council that is engaged with the community. Greater Shepparton offers a wonderful lifestyle and really is a wonderful place to live and work.

I am approachable and I will listen to the community that has elected me.



## Cr Seema Abdullah

I grew up in Pakistan and migrated to Australia about 13 years ago.

I am a PMI (Project Management Institute) certified Project Management Professional. My qualifications include a Master of Business



Administration and a Master of Science in Information Systems, from London School of Economics. I moved to Shepparton about eight years ago with my husband and two children due to my husband's work commitments.

As a Councillor, I aim to bring my passion for community combined with the skill-set and competence to provide team leadership and deliver positive outcomes.

My interests include reading, gardening, cooking, listening to music and spending time with family and my large circle of friends.

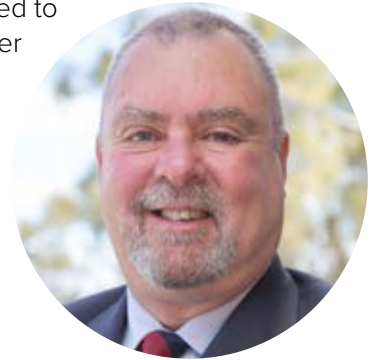
While on Council, one of my goals is to provide strong leadership for the promotion of the positive aspects of our region and towns within Greater Shepparton. I would like to be a strong advocate for everything that is needed to enhance the liveability and attractiveness of our towns for residents and tourists.

There are a number of things that are great about our region. We have a strong sense of community, multicultural mix, diversity, openness and acceptance within the community, a beautiful lake, river, river walks, trees, open spaces, sporting facilities and relaxed pace of life within two hours of Melbourne.

## Cr Bruce Giovanetti

I'm extremely pleased to be elected to Greater Shepparton City Council for the next four years.

I would like to thank ratepayers for their confidence in electing me as a Councillor.



Prior to retirement I was the Chief Executive Officer of ConnectGV a local Disability provider for a period of 22 years. Before that appointment I was a Public Hospital CEO for 14 years.

I have extensive experience in management and governance that will benefit me in my role as Councillor.

Greater Shepparton has an exciting future with many projects to get under way such as the CBD development, SAM, and High Speed Rail.

It is my intention to serve the ratepayers to the best of my ability over the forthcoming years.



## Cr Chris Hazelman

I have lived in Shepparton with my family for most of my life.

I obtained a Master of Business Administration and am a graduate of Harvard University and Kennedy School of Government Senior Executives Program in Public Policy Development.



After almost 30 years in various roles for the Victorian Government, I established an enterprise to provide consultancy services. I am a former Shire President of the Shire of Shepparton and former Mayor of the City of Greater Shepparton.

I am the Manager of the Ethnic Council of Shepparton and I'm actively involved with many community and sporting organisations including Board positions with the Shepparton Harness Racing Club, Primary Care Partnership, Fairley Leadership Program and the Victorian Country Harness Racing Clubs Association.

## Cr Les Oroszvary

I'm a serving Police officer with 36 years experience and Sergeant in Charge of Legal Services at Shepparton.

I feel that as a second term Councillor with four years of experience behind me that this will make me a more effective Councillor giving me the skill set moving forward to achieve greater results for everyone within Greater Shepparton.

I'm a team player with a can do attitude. I will bring leadership, integrity and a positive attitude.

My key focus in my second term is to work towards successful outcomes within the rate capping environment and to ensure that quality services continue and major capital infrastructure projects are completed.

Greater Shepparton has all the natural advantages of environment, location and its community. I hope to see Council continue to be more engaged with its ratepayers in the process of decision making and transparent in these processes.



## Cr Dennis Patterson

I am a long term resident and business owner, with a passion for the region and a commitment to make a meaningful contribution.

I am a team player with a community focus. I want to see Greater Shepparton become a regional powerhouse of country Victoria. I recognise that Greater Shepparton has a lot of good things to offer, such as our strong community, and our natural environment.



## Cr Fern Summer

I am a local nurse and mother who was elected in 2012. I graduated from Goulburn Valley Grammar School, hold a Bachelor degree from Deakin University and believe I am a credible and informed voice for the people. Greater Shepparton is a magnificent place to be. Our strong points of difference are the rivers, small towns, retail sectors, tourism and agricultural industries, which all afford unlimited opportunity in moving forward.



Greater Shepparton is a fast growing municipality, which presents many challenges. It's imperative that Council transition the community from a 'town', to an important regional city, whilst keeping up with investment, infrastructure, services, employment and culture. I believe everyone has a responsibility to make a positive contribution to society and my focus will be balancing the needs of our community with health promotion and social justice. Together, we can position Greater Shepparton as the premier place to live, work and play.



## Cr Shelley Sutton

I moved to Shepparton over 30 years ago and am honoured to have been elected as a Councillor of Greater Shepparton.



I have a Diploma of Business and a background in successfully running a small farming enterprise and my own fashion business. I have also worked in local government and have a very good knowledge of processes and procedures undertaken in this area,

I am a past member of SWCSC (Shepparton Women's Community Service Club) and held positions of Public Officer, President, Secretary and Treasurer during my time in the organisation. I have held the position of secretary of the GV Register of the Jaguar Car Club several times over the past 15 years and I am still involved with the club.

My aim over the next four years is to revitalise the Shepparton CBD and promote Greater Shepparton to the broader Victorian and Australian community.

We have exceptional potential with excellent universities, schools, medical services, sports and art precincts, diverse shopping and affordable residential, industrial, agricultural and commercial land, making it a great place to do business and to play and stay.

## Our Directors

The Greater Shepparton City Council is led by the Chief Executive Officer (CEO) with the support of the Executive Leadership Team which comprises four Directors. The CEO and the Directors meet weekly to plan, co-ordinate and monitor the progress of Council's goals and strategic direction, financial management and statutory responsibilities. The team operate in accordance with the organisational values and the organisation's governance principles.

**Chief Executive Officer**  
Peter Harriott

**Director Infrastructure**  
Steve Bowmaker

**Director Community**  
Kaye Thomson

**Director Corporate Services**  
Chris Teitzel

**Director Sustainable Development**  
Johann Rajaratnam





## Chief Executive Officer

### Peter Harriott

*Bachelor of Civil Engineering  
Masters of Business Administration  
Building Surveyor Certificate  
Engineer for Water Supply  
Certificate  
Municipal Engineers  
Certificate*

Peter has worked mostly throughout Victoria in local government over the past 30 years, most recently for three years in the picturesque Limestone Coast of South Australia.



Peter has an interest in our changing climate and the impact our human footprint has on it. He believes action is required to ensure a sustainable future for our way of life and economic growth. He also places importance on culture and the arts as well as the traditional roles of local government.

As the Chief Executive Officer Peter is responsible for:

- Assisting the Council in the update and implementation of long-term strategic directions in operational terms.
- Providing leadership and authoritative advice to the Council and Committees on the strategic directions, policies and review mechanisms for Council.
- Promoting and representing the Council to governments and government authorities in order to gain support and investment to achieve Council goals and best outcomes for Greater Shepparton.
- Leading and developing the Council to ensure that it maintains its status as a high functioning organisation and that its functions are benchmarked against best national and international practice.

## Director Corporate Services

### Chris Teitzel

*Bachelor of Business  
Graduate Certificate – Management  
Associate Member – CPA Australia*

Chris came to Shepparton from North Lakes in Queensland with a wealth of knowledge and experience in local government.

Chris is a strategic, community focused individual with exceptional corporate, governance and operation planning skills. Chris has held many senior roles including CEO, Director Community and Environmental Services, Director Corporate Services and Manager Finance as well a position of Commercial Manager in the private sector.



As the Director Corporate Services, Chris is responsible for:

- Finance and Rates
  - › Financial Accounting
  - › Rates and Valuations
  - › Revenue
- Information Services
  - › E-services
  - › Information Technology
  - › Information Management
- Regulatory Services
  - › Animal Management
  - › Citizen Services
  - › Local Laws
  - › Parking Enforcement
- Marketing and Communications
- People and Development
- Corporate Governance

## Director Sustainable Development

### Johann Rajaratnam

*Bachelor of Science  
Master of Social Science (Environment and Planning)*

*Graduate Diploma of the Australian Institute of Company Directors*



Johann is responsible for the Investment Attraction, Planning and Building and Environmental Planning portfolios at Greater Shepparton City Council. Johann's background includes strategic planning, environmental planning, government liaison and corporate planning experience. Johann has over 15 years experience working in local government throughout Victoria including small coastal communities, growth area councils, inner city metro councils, and rural councils.

As the Director Sustainable Development Johann is responsible for:

- Environment
  - › Environmental Health
  - › Immunisation
  - › RiverConnect
  - › Sustainability and Development
- Investment Attraction
  - › Business Centre
  - › Business and Industry Development
  - › Business and Industry Promotion
  - › Events and Tourism
  - › Grants Facilitation and Co-ordination
- Planning and Building Services
  - › Building Approvals
  - › Building Enforcement
  - › Statutory Planning
  - › Strategic Planning

## Director Community

### Kaye Thomson

*Graduate Diploma from the Australian Institute of Company Directors  
Bachelor of Applied Science/Community Health  
General Nurse, Midwife,  
Maternal and Child  
Health Nurse*



Kaye Thomson commenced her role as the Director Community with Greater Shepparton City Council in November 2012.

Kaye has over 30 years of experience in the health and local government sectors. Prior to Greater Shepparton City Council, Kaye was with the neighbouring Moira Shire Council as Director Community Sustainability and other various roles over a 17 year period. Her passion is community engagement and capacity building, to ensure communities are involved in shaping their future. Kaye is committed to quality service delivery.

As the Director Community Kaye is responsible for:

- Active Living
  - › Aquamoves
  - › Aquatic Program
  - › KidsTown
  - › Physical Activity Programs
  - › Stadiums
- Children and Youth Services
  - › Early Childhood Education and Care services
  - › Maternal and Child Health Services
  - › Youth Development
  - › Word and Mouth



- Neighbourhoods
  - › Aged Services
  - › Community Engagement
  - › Community Planning
  - › Community Safety
  - › Community Strengthening
  - › Multicultural and Aboriginal Relations
  - › Social Planning
- Riverlinks
- Shepparton Art Museum (SAM)
- Libraries
- Emergency Management

## Director Infrastructure

### Steve Bowmaker

(until May 2017)

*Bachelor of Economics  
Institute of Chartered  
Accountants in  
Australia*

Steve has diverse experience in chartered accounting, consulting, health, finance, information technology and project management and was a founding member of the Greater Shepparton City Council Audit and Risk Management Committee.

Steve joined the Executive Team in 2012 and has a focus on delivering value for the community through best practice in the management and maintenance of our infrastructure assets and through the implementation of best practice asset management and project management processes across Greater Shepparton.



As the Director Infrastructure, Steve is responsible for:

- Projects
  - › Capital Works Planning
  - › Design Services
  - › Development Engineering
  - › Project Management Office
- Parks, Sport and Recreation
  - › Park Construction
  - › Parks and Parks Furniture Maintenance
  - › Public Open Space
  - › Sports Facility Development and Maintenance
  - › Recreational Planning
  - › Showgrounds
  - › Management of Shepparton's Urban Forest and rural trees
- Strategic Assets
  - › Asset Management Planning
  - › Fleet and Stores
  - › Building Maintenance
  - › Property Services
  - › Saleyards
  - › Victoria Park Caravan Park
  - › Asset Condition Surveys
  - › Asset inspections
- Works and Waste
  - › Aerodrome Management
  - › Transport Strategic Planning
  - › Traffic Engineering
  - › Road Construction
  - › Roads and Road Furniture Maintenance
  - › Street Sweeping
  - › Drainage
  - › Kerb and Channel
  - › Footpaths
- Strategic Waste
  - › Landfill
  - › Litter Bins
  - › Street Collections
  - › Transfer Stations

## Our Staff

Greater Shepparton City Council is one of the north east region's largest employers. We employ 925 staff in a variety of permanent and temporary roles on a full time, part time and casual basis. Three quarters of our staff also live within the municipality. This means our people are able to bring a local passion, perspective and knowledge to the services they provide.

Council provides a range of flexible employment arrangements. The tables below demonstrate a significant portion of the female workforce

is made up of part time and casual staff at different levels within the organisation. There is a workforce growth of approximately one and half percent with the biggest increases in the Community Directorate which may be accounted for by the increase in demand for child care and meeting the employee/child required ratios.

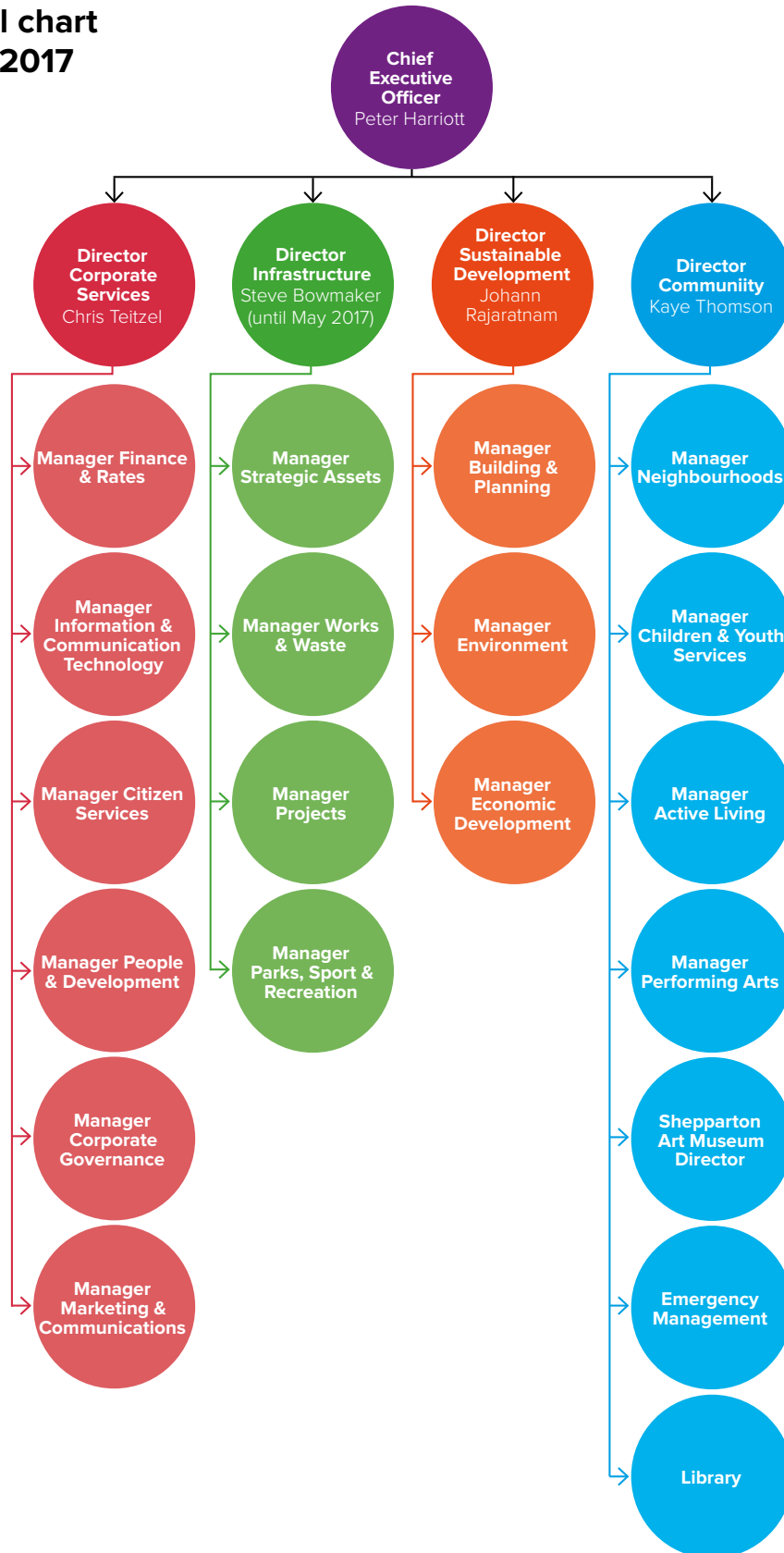
Casual employment has remained roughly the same, however part time employment has increased and full time employment has decreased slightly.



Employment breakdown by gender			
	Employed Male	Employed Female	Total
	315	610	925
Employment by gender - full time, part time and casual staff			
Full time	207	164	371
Part time	8.33	126.55	134.88
Casual	13.61	34.76	48.37
<b>Total</b>	<b>228.94</b>	<b>325.31</b>	<b>554.25</b>
Employment by organisation structure and gender			
Office of the CEO	1.00	00.86	1.86
Corporate Services Directorate	28.51	80.73	109.24
Community Directorate	30.47	181.81	212.28
Infrastructure Directorate	140.94	23.89	164.83
Sustainable Development Directorate	28.02	38.02	66.04
<b>Total</b>	<b>228.94</b>	<b>325.31</b>	<b>554.25</b>
Employment by bands and gender			
Band 1	1.04	3.96	5.00
Band 2	28.04	9.39	37.43
Band 3	59.34	42.92	102.26
Band 4	34.25	100.03	134.28
Band 5	34.21	58.84	93.05
Band 6	24.84	33.48	58.32
Band 7	23.84	25.38	49.22
Band 8	6.00	.88	6.88
Other	17.38	50.43	67.81
<b>Total</b>	<b>228.94</b>	<b>325.31</b>	<b>554.25</b>



## Organisational chart as of 30 June 2017



## **People and Development**

As a local government organisation and a business it is important we understand our current workforce and Legislative framework that we operate under.

Legislation requires a Council to have an organisational structure and the necessary employees in place to effectively manage the operations in accordance with the Council Plan. The Council's existing organisational structure is based on functional activity and common objectives in order to meet the community's needs, provide quality and efficient services, support the stimulation and strengthening of the local economy and provide efficient and effective administration of the organisation.

Under the existing organisational structure, a range of full time, part time and casual staff are employed with a diverse skills base across a wide range of professions and disciplines. Council's 2014 Enterprise Agreement remained in force until 30 June 2017. The agreement encourages workplace flexibility and multiskilling and delivers to employees sound terms and conditions of employment. Negotiations are currently ongoing with respect to a new Enterprise Agreement.

In addition, the Early Education Employees Agreement 2016 was approved by Fair Work and in operation as of 26 April 2016.

### **Strategic Human Resource Management**

Constant reviewing of the organisation structure and functionality is undertaken by Council. This is conducted using a Job Analysis/Business Case process that requires all Directors and Managers to complete a Job Analysis and prepare a Business Case for every role where an employee exits the organisation. This process is also to be followed when there is a request for a new position to be placed into the organisation structure, including roles which are externally funded, or when additional hours or budget are requested for a current position. This allows for a constant strategic review of the organisation structure.

## **Learning Organisation**

Over the last four years Council has embarked on enabling and positioning itself as a learning organisation, one which is committed to providing ongoing learning and development opportunities for all employees. The strategic vision is to enable its employees to achieve multi skilling, increase flexibility, and enhance productivity, performance, personal development and career development opportunities.

Council will continue to provide learning and development opportunities to:

- Achieve corporate objectives, initiatives and priorities, as set out in the Council Plan
- Enable continuous improvement
- Implement and improve quality management systems
- Enable effective job and work design
- Improve career opportunities for, and job satisfaction of employees
- Provide specific skills to ensure the effective and efficient operation of the organisation.
- Build and grow our leaders for the future

One of the purposes of learning and development programs is to ensure that employees acquire and utilise the specialist skills and knowledge, managerial and interpersonal skills required to perform the duties of their current position and to prepare them for the future requirements of Council in meeting the needs of the community. These programs are provided through a variety of formats including blended learning, face to face and online training.



## **Reviewing and Building our Workforce Plan**

Greater Shepparton City Council embarked on building our Workforce Plan, based on a number of phases to ensure we gather the best data possible and conduct a thorough review, to enable a successful gap analysis to be undertaken.

Together with Strathbogie Shire Council, Council had previously participated in the MAV Workforce Planning Model in which we worked together to improve our workforce planning. A model was developed and this has now been used by a number of other councils in North East Victoria. This model has allowed Council to continue its focus on Transition to Retirement opportunities and prepare certain areas within the organisation for knowledge and skills transfer.

The aim of reviewing and building the workforce plan is to ensure that GSCC is strategically planning to meet the needs of its current workforce, but also that Council is planning for what its workforce in the future will look like.

A further aim of reviewing the workforce plan has been to ensure the demographics of people employed at Council genuinely reflects the demographics of the community. A focus on increasing diversity of the workforce and a commitment to improving the number of Indigenous employees has led to Council signing up to the Algabonyah Agreement which aims to have a two per cent Indigenous workforce by 2020.

## Recognition Awards

### Recognition of Retirement

When a staff member retires after 20 (or more) years of service, they receive a letter from the Mayor and are recognised at all of staff meetings.

The following staff members retired in 2016/2017 after more than 20 years:

- Rod Warren
- Glen Stewart
- Raymond McQualter
- Robert Frame

### Years of Service

Staff are recognised for their length of service and receive a certificate signed by the CEO and the Mayor. Those that have completed 10 years of service or more also receive gift vouchers. The recipients for the 2016-2017 financial year are detailed below:

### 5 Years

Aimee Cecchin  
Allison Don  
Amanda Boschetti  
Amy Jones  
Anna Kerambrun  
Ashleigh Dunning  
Belinda Conna  
Bianca Vigliaturo  
Brett Ward  
Bronwyn Williams  
Catherine Whelan  
Catherine Whelan  
Cheryl Garnham  
Cheryl Woods  
Christopher Leonard  
Claire Barnes  
Clementina Pellegrino  
Courtney Wilson  
Dalene Bemrose  
Dean Toy  
Delene Drayton  
Dylan Argus  
Emily Vaivars  
Emily Vaivars  
Erin Marsden  
Fernando Saraiva  
Frances Sullivan  
Glenda Larfield  
Glenn Archer  
Grace Docker  
Gregory Schaper  
Hannah Shelton  
Hayden Thomson  
Heath Chasemore  
Heather Hayes  
Helene Perry  
Jacalyn Turner  
Jacinta Rennie  
James Pruden  
Jennifer Hainsworth  
Jessica Hilton  
Joanne O'Neill  
Joanne Prentice  
Jodi Dudgeon

Joel Ritchie  
 Judith Duff  
 Julieanne Earles  
 Karen Hosie  
 Karen Mangan  
 Katrina Coote  
 Kerryn O'Keeffe  
 Kevin Hyde  
 Kiara Atkinson  
 Kim Mansell  
 Kirrilly Gollan  
 Krysta Watters  
 Lisa Campbell  
 Lisa Knight  
 Luke Hamilton  
 Lynette Bolitho  
 Majenta Rose  
 Margaret Waters  
 Marghuerita Madden  
 Megan Howard  
 Michael Dwyer  
 Michael Freeman  
 Michael Macdonagh  
 Michelle Bertoli  
 Moray Lindsay  
 Neil Wright  
 Nicole Delahey  
 Pamela Meli  
 Patsy Killeen  
 Paul Dainton  
 Pauline Marslen-Neil  
 Peter Economopoulos  
 Peter Farrar  
 Peter Gunn  
 Peter Schnorrenberg  
 Peter Sheehan  
 Polly Pinchbeck-Watt  
 Rebecca Parris  
 Renita Green  
 Rohan Sali  
 Ronald Dawson  
 Ronan Murphy  
 Rosemary Pellegrino  
 Roy Parrott  
 Scott Saunders

Shelley Heggart  
 Suzanne Carkeek  
 Suzanne Hall  
 Tania Flanagan  
 Teresa Soares  
 Tess Coates  
 Tracey Mercuri  
 Trevor Clarke  
 Trevor Greene  
 Vicky Worcester  
 Zoe Courtney

### **10 Years**

Andrew Dainton  
 Andrew Lancaster  
 Angela Caltabiano  
 Angela Sellwood  
 Bruce Russell  
 Caitlin Bourke  
 Chloe Judd  
 Christopher Bentley  
 Clementina Pellegrino  
 Denis Cox  
 Emad Altmimi  
 Evelyn Jorgensen  
 Graham Walkden  
 Inderjit Singh  
 James Harrison  
 Janet Brandreth  
 Janette Prosser  
 Jeanette Doyle  
 Jennifer Heaps  
 Jessica Miller  
 Jessica Watt  
 Joanne Jarred  
 Judith Jones  
 Kathleen Teagle  
 Kerri Wisely  
 Kristie Welch  
 Kristie Welch  
 Kym Hanley  
 Leanne Abbott  
 Leanne Stewart  
 Leonard Ingham  
 Lisa Daldy



Lynda Ashcroft  
Michael Coventry  
Paul Parsons  
Peter O'Keefe  
Rebecca Linnett  
Rebecca Mccrindle  
Rebekah Mackin  
Saleem Shaikh  
Shane Webber  
Stephen Bugoss  
Susan Mclean  
Susan O'Meara  
Su-Zann Johnson  
Tamas Malya  
Tanya Rowan  
Terence Murphy  
Terri-Leigh Bentancourt  
Timothy Dooling  
Tina Gardiner  
Travis Williams  
Veronica Schnorrenberg

### **15 Years**

Alida Harbord  
Angela Bathman  
Angela Spiewak  
Anita Bourke  
Bernadette Brooks  
Braydon Aitken  
Brett Hangan  
Cheryl Squire  
Christine Widdicombe  
Debra Falla  
Fiona Kennan  
Geraldine Christou  
Helen Tsorbaris  
Jackie Brereton  
James Mccallum  
Janine Saxon  
Jennifer Harris  
Jennifer Lovell  
Joanne Zampaglione  
Joseph Maloney  
Karen Mitchell  
Karen Mitchell  
Karyn Hoare  
Kirsten Prothero  
Marianne Conti  
Matthew Schroeders  
Neil Heijus  
Neil Peters  
Nerida Tobias  
Nicole Byrne  
Paula Gullick  
Paula Gullick  
Robyn Quigley  
Roger Ellul  
Rohan Montgomery  
Sarina Robison  
Sarina Robison  
Shea Dodds  
Simone Wood  
Stephen Hastings  
Steven Wilson  
Susan Whitcombe  
Thomas Zampaglione

**20 Years**

Anthony Bice  
Carmel Wilson  
Emanuela Bilney  
Gregory Mckenzie  
Jacqueline Vibert  
Jennifer Whitford  
Jessica Van Der Donk  
Judith Geddes  
Kelli Halden  
Kerry McMaster  
Leanne Sherwill  
Lisa Eade  
Lynn Ahmet  
Megan Treacy  
Patricia Green  
Patricia Preston  
Roslyn Trevaskis  
Toni Phillingham

**25 Years**

Catherine Thomas  
Jason Wearne

**30 Years**

Darren Darlow  
Geoffrey Griffin  
Maxwell Shay  
Susan Campbell

**35 Years**

William Bailey

**40 Years**

Wendy Shipston



## Employee Wellbeing

Council undertakes a number of employee wellbeing initiatives which results in increased benefits for the employee, whilst creating significant wins for Council: improved productivity, engagement and retention and the ability to attract the best employees.

Pre Employment Screens are utilised as part of the recruitment process to ensure that all preferred candidates have the ability to carry out the inherent requirements of the role and ensures that no potential employee is put at risk in a position that does not suit them physically. It also enables Council to make reasonable adjustments to the role or workplace to ensure the best person for the role is not disadvantaged in any way.

Inherent Physical Requirement Assessments are being carried out on all roles within Council. These assessments are used to inform the Occupational Therapists conducting the Pre Employment Screen to assess the applicant's suitability to perform the role. They can also be used to assist treatment providers, help with treatment programs and determine suitable duties where appropriate for return to work planning.

Council is committed to ensuring all employees across the organisation have access to information and training regarding health and wellbeing. Tips on how to improve your mental and physical health and wellbeing are provided through newsletters and posters throughout the organisation. Thirty Minute Power sessions have been made available to staff on various subjects such as Ergonomics and Defibrillator use. Council also celebrated Mens Health Week in June by promoting Bowel Cancer Awareness. Thirty staff members attended across two sessions held by a representative from GV Health. Further health information sessions will be held throughout the year, targeting specific health related issues.

Other employee wellbeing initiatives include:

- Improvements to the catering options offered at meetings
- Council sponsored gym membership and salary sacrifice program
- Duress Alarms provided to at risk or lone workers
- Sit Stand Desks offered to staff who have a proven medical requirement or work in a mainly sedentary role
- Safety days provided for Maternal Child Health Nurses who often work alone or have to enter client's homes. This one day training provides tips on personal protection, driving awareness and manual handling
- A formation of Wellbeing Champions whose role is to rotate Health and Wellbeing signage around various workplaces
- Free Influenza Immunisation for all staff
- Free Yoga sessions in the park for staff during Lunch breaks
- Promotion of Active Living's Activities in the Park

## Employee Assistance Program

Council provides an Employee Assistance Program (EAP) for Councillors, employees and family members, and volunteers. The EAP aims to ensure that all GSCC workers who experience hardship are able to discuss in confidence matters either work related or family related, that may be impacting on their work or personal lives.

The EAP provides a confidential portal through which people are able to access a range of professional services at no cost to them. The utilisation rate of EAP's services amongst Council staff and their families is 5.09 per cent. The information provided by Council's EAP provider Optum indicates an even split between the reasons for staff using EAP.



INDUSTRY & BUSINESS DEMOGRAPHICS	WORK RELATED %	PERSONAL %
GSCC	32.14	67.86
Government - Local	28.81	71.19
Public Administration	29.35	70.65
Large Business	24.95	75.05
All Client Organisations	27.06	72.94

The Gender ratio shows that 82 per cent of EAP clients are female and that the primary issues range from conflict with colleagues and organisational change, through to stress and coping, family issues and grief and bereavement. Statistics also show that 69 per cent of clients prefer to attend face to face counselling with remainder receiving telephone counselling.

### Workplace Health and Safety

Council takes its responsibilities for providing a safe workplace very seriously. The OHS Committee aims to facilitate a culture of safety throughout the organisation and promote initiatives and processes that ensure the health and wellbeing of all employees, customers, contractors, volunteers and visitors within all workplaces. These include:

- Monthly updated list of contractors who have been fully Inducted
- Increased number of Health and Safety representatives to ensure all designated work groups are covered
- Conducted eye sight and hearing tests for School Crossing Supervisors
- Improved reporting of Incidents, Near Misses and Hazards through a new online OHS system called Elumina and thorough training sessions and promotion to all staff on how to use the system
- Documenting Physical Inherent Requirements of positions
- Formalising the process of incorporating OHS into Work Group Meetings and increased emphasis on reporting actions from Toolbox Meetings.

- Moving from generic to site specific Work Place Inspection Check Lists.
- Introduction of ChemAlert program to assess and improve the usage of chemicals in the workplace resulting in a significant reduction in the use of hazardous chemicals.

### Early Intervention

If an employee suffers an injury either inside or outside of work they are offered appointments free of charge at Council's provider Work Healthy Australia. If the employee's injury or illness prevents them from fulfilling the inherent requirements of the role Council's Early Intervention Officer works with the provider and the individual to produce on either a Care Plan or a Return to Work Plan.

By having the assessment undertaken and comparing it to the documented inherent requirements of the role it is possible to create a list of specific tasks that the employee will or will not be able to undertake and build a care plan or return to work plan around these tasks. If possible, alternative duties are sought to keep the employee in the workplace. These are not necessarily in the same role or department as the employee's substantive position. By utilising Work Healthy Australia and working closely with the employee and their Supervisor results show that 90 per cent of employees suffering some kind of injury are able to remain on full duties and full hours throughout their treatment period.

Council actively utilises these Early Intervention strategies to reduce its Work Cover premiums, and Lost Time Injuries. If the employee does put in a Work Cover claim and is unable to work for a period of time Council works closely with the employees treating practitioners and concentrates on providing return to work plans that will enable the employee to attend work in some capacity. Council's Work Cover Insurer changed in 2016 from QBE to EML who actively manage each Work Cover claim and provide ongoing assessments and recommendations to encourage employees to return to work as soon as possible. Eight Work Cover claims were submitted in the 2016/2017 period, of which four are still open claims.

PREMIUM YEAR	CLAIM SUBMITTED	CLAIM STATUS TODAY
2015/2016	May 2015	Open
2015/2016	April 2016	Minor Closed
2015/2016	April 2016	Closed
2015/2016	March 2016	Open
<b>2013/2014</b>	<b>September 2013</b>	<b>Reopened - Pending</b>
<b>2015/2016</b>	<b>August 2015</b>	<b>Closed</b>

Work cover claims cost increased from \$329K in 2015/16 to \$438K in 2016/17. Although this is an increase in premium, Council is still performing at 44 per cent better than the industry average.

## Volunteers

Council acknowledges that volunteering is an investment in our community. It strengthens the fabric of our society, providing a sense of belonging and builds positive relationships. Whether volunteering in Council programs, or in one of the many organisations or groups that utilise volunteers within Greater Shepparton, Council recognises the services and support that volunteers provide to our community.

In August 2014, Council adopted the Greater Shepparton Volunteer Strategy and Action Plan 2014-2018. The Strategy provides a framework for the promotion, recruitment/retention, support, recognition and celebration of Council's volunteers at a local level, encouraging a responsive and supportive environment for all volunteers. Council's adoption of the Volunteer Strategy recognises, where there is a vibrant culture of volunteering, communities are stronger due to the inclusiveness volunteering promotes in the community.

The Greater Shepparton Volunteer Strategy and Action Plan 2014-2018 highlights the actions that Council will undertake to support the volunteer sector and strive for best practice for the volunteers of Greater Shepparton. The action plan consists of identified activities Council and Volunteer Managers/Coordinators will undertake during 2014-2018 on four strategic directions:

### Key Strategic Direction 1: Promotion

Council will work to raise the profile of volunteering across the Greater Shepparton municipality.

### Key Strategic Direction 2: Recruitment

Council will provide a consistent approach to recruitment of volunteers.

### Key Strategic Direction 3: Supporting Volunteers

Council will work towards ensuring our volunteers across Greater Shepparton municipality are supported with standards of best practice and consistency; providing opportunities to share information.

#### **Key Strategic Direction 4: Celebrate and Recognise**

Council will acknowledge the valued contributions of volunteering in the Greater Shepparton municipality.

The Council programs and departments that utilise volunteers include:

- Active Living Department - Activities in the Park, Twilight Stroll, KidsTown and KidsFest
- Events and Tourism Department - general events, Riverlinks, Visitor Centre
- Neighbourhoods Department - Community Plan Groups, Meals on Wheels, Social Connections, Street Rider, Section 86 Committees
- Riverlinks - ushers for performances at Eastbank and WestSide
- Shepparton Art Museum (SAM) - museum education, invigilators, and administration assistance
- Sustainability and Environment Department - revegetation activities
- Visitor Centre
- Works Department - Wipeout Graffiti program

ABS Census data 2011 indicated that almost 20 per cent of the Greater Shepparton population volunteer, with the rate in rural and regional areas higher than metropolitan areas.

Council recognises volunteers within the municipality through the Volunteer Recognition Awards. These awards are held annually during National Volunteer Week in May. The awards are in their seventh year. There are seven categories in which volunteers from the municipality can be nominated.

The 2017 winners were:

- Female - Diane Cook
- Male - Justin Maskell
- Female Youth - Nimi Jumapili
- Male Youth - Hugo Ingham
- Long Serving - Jane Tremellen
- Rural - Frank Fitzgerald
- Team - GV Hospice Care Volunteers

Council in partnership with the Volunteer Managers Network have developed a resource - Quick Reference Guide to Volunteering, to inspire the volunteer within you! This guide showcases the volunteering opportunities within the municipality and is available on the Council website and in hard copy at Customer Service. The Volunteer Managers Network is made up of Volunteer Managers, coordinators and Volunteer organisations from across the municipality that support and share resources to explore, evaluate, and enhance the function of volunteering and volunteer management.









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# PART TWO: PERFORMANCE REPORT

This part of the Annual Report provides an easy to understand summary of how we're performing against the goals and priorities of the Council Plan.

This Annual Report details how we've gone in implementing the fourth and final year of the 2013-2017 Council Plan.

The strategic goals that we are aiming to achieve are:



#### **Active & Engaged Community (Social)**

We will enhance social connectedness, physical and mental health and wellbeing, education and participatory opportunities in order to improve liveability and a greater range of community services.



#### **Enhancing the Environment (Environment)**

We will conserve and enhance significant natural, environmental and cultural heritage.



#### **Economic Prosperity (Economic)**

We will promote economic growth, business development and diversification, with a focus on strengthening the agricultural industry.



#### **Quality Infrastructure (Built)**

We are committed to facilitating growth in a consolidated and sustainable development framework and will strive to provide urban and rural infrastructure to enhance the performance of the municipality.



#### **High Performing Organisation (Leadership & Governance)**

We will deliver best practice management, governance, administrative and financial systems that support the delivery of Council programs to the community of Greater Shepparton.

As you'll read from this performance report in some areas we have performed well, while other areas we could have done a little better. This report enables us to identify the areas that we may need to focus our attention to improve results in the coming 12 months and other areas that might actually need a different approach. It also shares some of the challenges that we have encountered along the way.

This section of the report gives you an idea of the next steps, priorities and future directions for 2016-2017.





## GOAL 1

# Active and Engaged Communities (Social)

### Highlights

- Biennial Cultural Heritage Awards 2017 held in April
- Part-hosted the Heritage Council of Victoria - Regional Engagement Tour to northern Victoria in February
- 393 free and low cost healthy communities activities delivered in parks and reserves throughout Greater Shepparton attended by 14,532 people
- 534 Sporting Chance grants distributed
- Fryers Street Food Festival attracted 5,000+ people
- 4,000 people attended the St Georges Road Food Festival
- Stage 1 of the Aboriginal Street Art Project launched with 500+ people in attendance
- Riverlinks Venues (Eastbank and WestSide) hosted 156 performances attracting 47,000 patrons
- There were 52 performances produced by local organisations and a further 34 community performances in partnership with Riverlinks.
- Total attendance to all activities at Riverlinks was 70,000 across 341 events.
- 38,800 people visited SAM
- SAM held 21 exhibitions including four local and two touring/collaborative exhibitions
- SAM held 129 events and public programs including seven exhibition openings with 3,377 attendees including 500 Friends of SAM
- SAM hosted 35 school groups of 959 students
- 45 artists collaborated with SAM and 23 new works were commissioned
- 40 local artists exhibited in the Friends of SAM exhibition and 23 students in the VCE exhibition
- 450 children attended funded kindergarten in Council Services
- Managed kindergarten enrolments for over 1000 children
- 1,300 plus families supported in centre based and family day care every week
- 8,211 Maternal and Child Health consultations
- 2,801 baby book bags distributed
- 14 events for young people
- Delivered locally developed early childhood language development training to 75 professionals
- 20,246 meals on wheels delivered
- 17,578 hours of domestic assistance provided
- 7,390 hours of personal care provided
- 3,830 hours of respite care provided
- 260 people became new citizens

STRATEGIES	ACTIVITIES	OUTCOME
<b>1. Continue to enhance community capacity building.</b>		
<b>Develop and implement neighbourhood planning within the Shepparton community.</b>	Develop one Neighbourhood Plan and one Locality Plan endorsed by Council.	<b>Completed</b> Murchison Community Plan 5 year review undertaken and new plan endorsed by Council. Toolamba Community Plan 5 year review undertaken and new plan endorsed by Council. Boulevard and Golf Estate (Neighbourhood Plan) endorsed by Council. Dhurringile Locality Plan endorsed by Council.
<b>Continue to work with our communities to implement their community plans.</b>	Complete the Congupna Community Plan and have endorsed by Council.	<b>Completed</b>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>Review, amend, implement and monitor Council’s community consultation and engagement strategy.</b>	Achieve a Community engagement community satisfaction survey result greater than 56.	<b>Ongoing</b> The Community Satisfaction Survey is carried out by JWS Research on behalf of the Department of Environment, Land, Water and Planning. The Survey is completed in February and March annually with the Report being received in late June. This year our Community Engagement and Satisfaction Rating was 53.
<b>Develop effective partnerships with agencies to deliver improved community wellbeing (all age cohorts) outcomes.</b>	Deliver at least 10 programs in partnership with other government, community and/ or corporate organisations.	<b>Ongoing</b> Activities in the Park delivered from October 2016 - March 2017 in partnership with over 60 community/corporate organisations. Walk to School Day delivered in partnership with VicHealth throughout October including the Pedometer Challenge in partnership with Shepp Villages and GV Health.
	Monitor and appropriately support the provision of adequate quality children’s services.	<b>Ongoing</b> The children’s services leadership team is strongly supporting this process. All services achieved “Meeting Standard” in their first Assessment and Rating visit under the National Quality Framework. Three services achieved “Exceeding Standard”. We aim for all services to be “Exceeding” standard by 2020. All services will be rated at least once in this time period. A number of services, Isabel Pearce Kindergarten, Arthur Dickmann Children’s Centre and Greater Shepparton Family Day Care have undergone the second round of assessment and rating visits and have achieved “Exceeding National Quality Standard”. Significant work has been completed in updating the Children’s Services Policy and Procedure handbook. This change will put the emphasis on policies required by regulation and referring other practices to the National Quality Framework and Regulations.
<b>2. Develop and implement a strategy for improving education opportunities for all ages.</b>		
<b>Review and amend (if required) Council’s Higher Education Strategy with the aim to improve the aspirational goals of students to gain further skills by attending higher education.</b>	Ensure there are opportunities for arts education in the region.	<b>Ongoing</b> The Shepparton Art Museum provides school holiday arts programs throughout the year. We deliver ongoing education programs throughout the year. These include preparing education packs for major exhibitions, and developing professional development sessions for teachers as well as tours for school groups. Public programs are developed around key areas, such as community engagement and Indigenous partnerships, and focus on particular ages, such as youth. SAM also runs regular holiday programs.

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>3. Ensure liveability options are always considered in our decision making activities.</b>		
<b>Develop, deliver and implement community safety initiatives with the State Government, Police, State agencies and the community, including but not limited to CCTV.</b>	Work with relevant stakeholders to continue community safety initiatives.	<p><b>Ongoing</b></p> <p>Works commenced on the Go Light Up Edwards (GLUE) project in May 2017. This project will provide an upgrade to lighting at the Edwards Street Car Parks. The project is 85 per cent completed and awaiting the arrival of the final fixtures. The project is expected to be completed by end of July 2017.</p> <p>ICE Community Action Grant meetings of local professionals and local community prevention group continues.</p> <p>St George’s Road redevelopment incorporating lighting, urban design and beautification elements to improve perceived and actual safety. The detailed design for St Georges Road Redevelopment has commenced placing an emphasis on pedestrian lighting, space activation and implementation of the safer design guides. It is anticipated that the project will commence in December 2017 and be completed by April 2018.</p>
	Ensure that all kindergartens offer all eligible children 15 hours of kindergarten per week facilitated by a qualified kindergarten teacher.	<p><b>Ongoing</b></p> <p>All GSCC kindergartens currently offer 15 hours of kindergarten to each eligible child in the year before they attend primary school. Uncertainty remains for Commonwealth funding beyond December 2017. Due to operational costs this will have a significant impact on the ability to maintain this service level post 2018. Greater Shepparton has adopted the MAV advocacy platform to state and federal politicians to lobby for ongoing funding to ensure security for the sector.</p>
<b>Renew and implement the Universal Access and Inclusion Plan.</b>	Implement the identified outcomes and objectives from the adopted UAIP.	<p><b>Ongoing</b></p> <p>On the 2nd December 2016, Greater Shepparton City Council in partnership with local organisations delivered the 2016 International Day of a Person’s with a Disability event.</p> <p>The event was held in the Queens Gardens, Shepparton with over 300 people in attendance. The day was an opportunity to increase public awareness, understanding and acceptance of people with disability and celebrate the achievements and contributions of people with disability.</p>
	Review and update the Emergency Management Plan annually to ensure its ongoing relevance.	<p><b>In progress</b></p> <p>On 13 September 2016 the Municipal Emergency Management Plan was audited in accordance with the guidelines issued by the Minister and assessed as “Complies adequately with the guidelines”. The next audit is scheduled for mid-2019 and it will be updated on an ongoing basis as required leading up to the next audit.</p>
<b>Continue to support the ongoing planning and resourcing of Emergency Management.</b>		





**GOAL 1**

Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
<p><b>Continue to implement the Early Years Plan objectives.</b></p>	<p>Implement the Early Years Plan outcomes and objectives.</p> <ol style="list-style-type: none"> <li>1. All children enjoy a healthy start to life</li> <li>2. All children are supported to become confident learners</li> <li>3. Greater Shepparton - a child and family friendly community</li> <li>4. Collaborative planning and service development</li> </ol>	<p><b>Ongoing</b></p> <p>The 2015-2019 Best Start Early Years Plan was adopted unanimously at the October 2015 Council Meeting. The outcomes identified are largely carried on from the previous plan. The nature of the outcomes is such that they will be achieved over long term concentration on positive influencing factors.</p> <p>The new Best Start Funding guidelines prescribe two mandatory Primary Outcomes; “Improving active engagement in Maternal &amp; Child Health Services” and “Increasing participation in early education services kindergarten) with a focus on vulnerable families”. These two outcomes already exist in our Best Start Early Years Plan. Work towards these outcomes is well embedded in the work of the Best Start partnership and our early childhood services.</p> <p>One of the key features of the new plan is the “Developing Language in Early Childhood Settings” training which has been developed locally. This training has completed the piloting stage and is now being offered to early childhood services in a variety of delivery methods to meet the needs of early childhood professionals. This program has the strongest links Outcome 2: Every child is supported to become a confident learner.</p> <p>Key players in the implementation of the Best Start Municipal Early Years Plan have undertaken significant pilot training to meet the current requirements of the Best Start Funding. As a pilot site for the training the learnings provided by these participants has been important in the roll out of training to other Best Start sites across Victoria. A quality partnership with the Greater Shepparton Lighthouse Project has resulted in volunteers working in local early childhood services to support this outcome in particular.</p>
<p><b>Develop, adopt and implement the Greater Shepparton City Council Municipal Health and Wellbeing Action Plan.</b></p>	<p>Implement the Municipal Public Health Plan.</p> <p>Pursue the highest standard of accessibility and inclusion for all services and activities.</p>	<p><b>Ongoing</b></p> <p>There are 87 targets in the 2016-17 Annual Action Plan and on going consultation with project partners indicates that good progress is continuing to be made. A full status report will be provided in July/August.</p> <p><b>Ongoing</b></p> <p>Construction has commenced for the redevelopment of the Fraser Street Toilet facility. The new toilet facility will incorporate a Changing Places Facility which Council was successful in receiving funding from the Department of Health and Human Services. The new building will provide a modern and comfortable facility, compliant to current accessibility standards.</p> <p>Key features of the facility include:</p> <ul style="list-style-type: none"> <li>• Changing Places toilet</li> <li>• Unisex accessible toilet</li> <li>• Male toilets with one ambulant toilet</li> <li>• Female toilets with one ambulant toilet</li> <li>• Parent’s room including feeding rooms, a toilet and baby change facilities</li> </ul> <p>Construction is estimated to be completed by end of July 2017.</p>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>4. Provide sustainable community services to our community.</b>		
<b>Monitor and appropriately support the provision of quality services within the municipality.</b>	Through the implementation of proactive maintenance inspection program for road, path and drainage assets deliver 90 per cent of maintenance in line with service levels set out in the Inspection Maintenance Service Level Plan.	<p><b>Completed</b></p> <p>The 2016/17 financial year is the third year of Council's proactive inspections and maintenance service, where all maintenance activities are recorded using electronic data capture which assists Council measure its service performance. We again achieved over 90 per cent of maintenance as set out in the inspection maintenance service level plan.</p>
	Annual visitation across Aquamoves, Outdoor Pools, Sports Stadiums, KidsTown and Healthy Communities Programs exceeds 700,000 visits.	<p><b>Ongoing</b></p> <p>The annual visitation for 2016-17 across Aquamoves, Outdoor Pools, Stadiums, KidsTown and Healthy Communities Programs was 1,026,522 visits.</p> <ul style="list-style-type: none"> <li>• Outdoor Pools 22,429 visits</li> <li>• Aquamoves 624,373 visits</li> <li>• Stadiums 240,328 visits</li> <li>• KidsTown 124,860 visits</li> <li>• Healthy Communities programs 14,532 visits</li> </ul>
	Support and encourage opportunities for constructive and productive youth engagement.	<p><b>Ongoing</b></p> <p>The inclusion of Word and Mouth as a Children's and Youth Services branch will develop further links in the youth sector and enable the adoption of multiple agency functions. The current priority for this shift is the assimilation of W&amp;M events, objectives and plans with the GSCC Youth action and Strategy Plan and the commitment to maintain W&amp;M's objective - for young people by young people.</p> <p>Council is participating in The Lighthouse project to develop a Youth Hub within the Shepparton CBD. The purpose, design and engagement strategies as well as funding and governance are currently the main focus of the working group. The Lighthouse has recently received Federal and State Government Funding which may expedite this initiative. Council's Youth Development Officer is working in a number of partnerships to develop a range of events and opportunities for young people. These include the Indigo Market in National Youth Week, Careers Day Out and the Medical Careers Showcase.</p> <p>Council received the residual funding from the 'wind up' of the independent Word and Mouth Inc. This funding is to be allocated to the initiation and operation of a Youth Space in Greater Shepparton. \$20,000 has been contributed to the Youth Haven.</p>
Implement Domestic Wastewater Management.		<p><b>In progress</b></p> <p>A new timeline and program has been developed to implement a management project for the financial year 2017/2018. An Administration Officer has recently been appointed to assist in refining the septic tank data base. The draft DWMP is completed and will be presented to Council for adoption following public consultation. The draft plan is currently being assessed by officers and it is anticipated the final plan will be adopted by December 2017.</p>

STRATEGIES	ACTIVITIES	OUTCOME
<b>Continue to implement the Domestic Animal Management Plan</b>	Implement Domestic Animal Management Plan 2013-2017 initiatives	<b>Ongoing</b> This is an ongoing activity with 90 per cent of initiatives currently implemented. Report will be presented to the September 2017 Council Meeting.
<b>5. Embrace and strengthen cultural harmony and diversity.</b>		
<b>Continue to engage and partner with our Indigenous community to support improved opportunities and outcomes in employment and health.</b>	Engage with the indigenous community to provide improved opportunities and outcomes.	<b>Ongoing</b> At the August Ordinary Council Meeting, Council acknowledged the signing of the Algabonyah Employment Partnership Agreement. The aim of this agreement is to increase the proportion of Aboriginal people employed in our Greater Shepparton City Council workforce to at least two per cent by 2020, to achieve parity with our working-age population.
<b>Ensure Council's activities and events support and enhance cultural harmony and inclusiveness.</b>	Engage cooperatively with the Aboriginal community to identify and preserve their culture.	<b>Ongoing</b> Council continues to partner with local aboriginal organisations to support, identify and preserve their culture. Council provides support to Unity Cup, Sorry Day, Reconciliation Week and NAIDOC week. At large events and festivals, Council engages traditional owners to perform a Welcome to Country. Council are working with the William Cooper Memorial Committee to install a life size bronze cast statue of William Cooper in an area of significance.
	Ensure Council activities support and enhance its reputation for cultural harmony and inclusiveness.	<b>Ongoing</b> Recent achievements include: <ul style="list-style-type: none"> <li>• Culture chat - an information gathering once a month where communities can come together and share information and discuss issues within the community. It's also a way for Council, service providers and organisations to regularly consult and inform communities.</li> <li>• A Facebook group has been developed to extend on the monthly gatherings and is a way to communicate with community, organisations and service providers daily. This also allows communities to inform what is happening with in their community.</li> <li>• Training was delivered for Council Officers to understand social enterprises and the diversity within a social enterprise and community.</li> <li>• A community workshop 'Starting Your Business Right' was held in late 2016 that involved discussing ideas, deciding on structure, identifying risks and development of a business plan.</li> <li>• Launch of Cultural Diversity week on 20 March 2017 at Kidstown with 150 people in attendance.</li> <li>• Worked with key partners to host a Speed Date a Muslim session on 26 February 2017.</li> </ul>



STRATEGIES	ACTIVITIES	OUTCOME
<b>Continue to monitor, review annually and implement the Greater Shepparton City Council Cultural Diversity Strategy.</b>	Engage with all Cultural Diversity stakeholders to implement the Greater Shepparton City Council Cultural Diversity and Inclusion Strategy.	<p><b>Ongoing</b></p> <p>Working with key partners, through the Shepparton and District Ethnic Council, participated and led tables for community profiling with six of our key cultural communities.</p> <p>Council coordinated cultural diversity week activities across the municipality involving 15 organisations or partners. Fourteen activities were delivered across the municipality through partner agencies.</p>
<b>Recognise and take advantage of opportunities to celebrate our diversity.</b>	Continue to celebrate our diversity and inclusion strategy through a wide range of community events.	<p><b>Ongoing</b></p> <p>Council in partnership with the Shepparton and District Ethnic Council delivered the Speed Date a Muslim Session. This was an opportunity in a safe environment to ask Muslim women about their faith and culture over dinner, and learn something new about someone in the community. This session was held on the 26 February 2017.</p>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>6. Value arts, culture and heritage as an integral part of our dynamic community.</b>		
<b>Continue to support and promote arts events.</b>	Ensure that the Performing Arts and Art Gallery activities continue at a high level and provide diverse programs.	<p><b>Ongoing</b></p> <p>Riverlinks hosted over 130 performances during the year and attracted around 70,000 attendances to all events. As always, community performances and local events accounted for over 50 per cent of all activity.</p> <p>Highlights included the biennial Australian National Piano Award, Melbourne Symphony Orchestra tour including two sold out concerts for school audiences, Rockwiz Live, Mary Poppins from Shepparton’s youth theatre, Initial Stages (playing to 2,500 patrons), Sound of Music from Shepparton Theatre Arts Group (over 3,000 attendances) three performances by Victorian Opera which involved local school students and choirs in the production. Other performers include Debra Byrne, Vika Bull, Bernard Fanning and Kasey Chambers, Circus Oz, The Wiggles, John Williamson and many more.</p> <p>SAM presented 21 exhibitions, including four local exhibitions and two collaboration/touring exhibitions and received around 38,800 visitors during the year . SAM continues to support art and artists with 99 artists shown at SAM and 21 new commissions. Providing a program of engaging, informative and enjoyable activities around our exhibitions remains core. SAM presented 129 events designed for a range of community groups and ages, with 14 of these presented by SAM Friends. The total attendance at SAM community engagement/public programs was around 3400 people. Education remains central to our activities at SAM with 35 education tours, workshops and activities for primary and secondary students and teacher groups, with a total student attendance of around 960.</p> <p>Exhibition highlights included the 2016 Indigenous Ceramic Art Award; the first major survey exhibition by leading Australian artist, NELL; collaborative exhibitions with 4A Centre for Contemporary Asian Art, Chen Qiulin, and Montages: Tracey Moffatt and Gary Hilberg, with Artspace, Sydney; and AFTERWATER, a survey exhibition around ideas of water drawn from SAM’s permanent collection. In 2016 we celebrated 80 Years of the SAM Collection, and marked this with a major new publication to support the 80 Years of the Collection exhibition. We also hosted a range of highly successful public program and education programs, including: a hot-pot tofu banquet with the Goulburn Valley Chinese Community, as part of Chen Qiulin; yoga, meditation and mindfulness groups as part of NELL exhibition; My First Job Relay as part of Tracey Moffatt exhibition; a Craft speed-dating night with the LGBTI community in Shepparton, and other guests; SAM Art Club, an afterschool program for primary children; practical workshops for community members of all ages and levels of experience; a SAM Scholars program to support and extend students studying art and design VCE subjects across Greater Shepparton; the introduction of new and engaging ways to share art experiences through Visual Thinking Strategies teaching with a range of audiences; and successful volunteer and work experience placements at SAM for Indigenous and non-indigenous students at secondary and tertiary level.</p>

**GOAL 1**

## Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Ensure that the Shepparton Art Museum, Riverlinks and Westside Performing Arts activities continue to deliver quality and diverse events aimed at increasing public participation.</b>	Continue to support and promote events including Shepparton Festival, Sidney Myer International Ceramics Award, Indigenous Ceramics Award, Australian National Piano Awards and others.	<p><b>Completed</b></p> <p>The Indigenous Ceramic Art Award was presented in 2016. A number of works from this exhibition were acquired to extend SAM's significant Collection of Australian ceramics, alongside the winner of this acquisitive prize.</p> <p>The National Piano Awards were held in 2016.</p> <p>The Shepparton Art Festival was successfully held over March 2017.</p>
<b>Renew and implement the Arts and Culture strategy which includes public art.</b>	Develop a comprehensive Arts and Culture Strategy and Policy for Greater Shepparton and pursue implementation of any identified outcomes.	<p><b>Completed</b></p> <p>The Indigenous Ceramic Art Award presented in 2016. A number of works from this exhibition were acquired to extend SAM's significant Collection of Australian ceramics, alongside the winner of this acquisitive prize.</p>
<b>Prepare an additional heritage study to assess places of significance that have not been identified in either of the existing heritage studies.</b>	Complete and implement the Greater Shepparton Heritage Study Stage IIC.	<p><b>In progress</b></p> <p>The preparation of the Greater Shepparton Heritage Study Stage IIC commenced in 2015 and is expected to be completed in early 2017.</p>





## GOAL 2

# Enhancing the Environment (Environment)

### Highlights

- Removed over 120 tonnes of rubbish from 43 major gross pollution traps
- Nine rainwater tanks installed at Shepparton saleyards
- First Environmental Upgrade Agreements signed with two local businesses
- Over 2,009,532 bins emptied over the year
- Over 50 per cent of all waste collected was diverted away from landfill for recycling and reuse
- Over 7,000 tonnes of co-mingled recyclables (yellow lid bin) was reprocessed into secondary materials
- Over 7,900 tonnes of food and gardens organics (green lid bin) was reprocessed for reuse in agriculture
- Accessibility to Council's waste facilities was maintained throughout the year with the Shepparton Resource Recovery Centre being opened for seven days a week along with the Ardmona and Murchison Resource Recovery Centres which were opened for four and two days per week respectively
- The Cosgrove landfill was opened to commercial customers for six days per week receiving 40,000 tonnes of waste for the year
- Since the introduction of hybrid electric vehicles in late 2014, Council has increased its hybrid fleet to 53 units
- Council undertook immunisation sessions across the community with 3,230 vaccines administered at public sessions and 3,252 vaccines administered to Year 7 secondary schools students
- As a result of increased infectious disease notifications from arbovirus borne diseases, Council participated in a state wide program that saw an intensified response to mosquito management
- The Environmental Health Team continued to educate retailers in tobacco sales including a test purchasing program which saw an increase in sales to minors
- The Environmental Health Team continued to monitor and inspect food preparation premises complying with legislative requirements for numbers of food sampling undertaken
- Council adopted the Climate Adaptation Plan which has key objectives of:
  - › enhancing the ability of Councillors and staff to identify, understand and respond to risks to Council from climate change, and
  - › put in place actions to minimise or mitigate climate risks to Council's assets and services.
- The RiverConnect Strategic Plan was reviewed and adopted with its purpose being; to nurture the Community's respect for, use and love of the rivers and wetlands.
- Council's Sustainability & Environment team planted over 6,500 indigenous trees and shrubs as part of the National Tree Day initiative.
- Council announced its inaugural Sustainability grants which proved to be very popular with local community groups.
- Over 40 people attended Council's sustainable housing forum
- Victoria Park Lake and Riverconnect win Keep Australia Beautiful Awards



**GOAL 2**

**Enhancing the Environment (Environment)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>1. Ensure the environment is a major priority in planning for the future.</b>		
<b>Ensure that development applications provide sustainable management plans which incorporate sustainable building design concepts, water use and stormwater management plans.</b>	Continue to implement the Sustainable Water Use Plan and Storm Water Management Plan.	<b>In progress</b> The Stormwater Management Plan will be reviewed in 2017/18 financial year. The current plan has delivered 27 litter traps and nine gross pollutant traps that divert litter from the Goulburn and Broken Rivers and 10 constructed wetlands that treat the stormwater before it enters the rivers and wetlands. The Sustainable Water Use Plan delivered the installation of automatic weather sensors for major reserves to enable more efficient irrigation regime.
<b>Advocate, lobby and work in partnership with the state government to minimise the fire risk to our community on state government controlled land.</b>	Through the Emergency Management Planning Committee and the Fire Prevention Committee liaise with all State Government partners to ensure appropriate risk management relating to fire risk on state government controlled land.	<b>Ongoing</b> Fire prevention management is discussed at Municipal Emergency Management Planning Committee meetings. Specific issues regarding fire permits has been escalated for further discussion at Regional and State level. The sub-committee, Fire Prevention Committee has not met regularly. This is an ongoing item.
<b>Work with Department of Primary Industry, Goulburn-Murray Water, University of Melbourne and other municipalities to ensure the use of irrigation water is both innovative and maximised.</b>	Continue to engage the other levels of government in relation to water reform, to ensure that the long term interest of the Goulburn Valley are protected and enhanced.  Work with the Irrigation Technologies Cluster and industry to promote on-farm efficiencies through irrigation technologies.	<b>In progress</b> Decisions were made to wait for the Murray Darling Basin Plan final report to ensure our study was consistent with this. Council has made a submission to the Victorian State Government Water for Victoria Discussion Paper. Council has been addressed by representatives of GMW on the current status of the connections project. Council is also waiting to determine the status of Integrated Water Management. Council is currently hosting an Officer from MDBA to gauge community reaction to the MDBA Basin Plan.  <b>Ongoing</b> This is an ongoing process with the irrigation and agriculture industry. There are regular discussions with all parties about technology improvements and how Council can assist with adoption or implementation. The Chairman of the Committee has confirmed that there will be no expo in 2016. There is an intention to have an expo in 2017, however this will be in Gippsland.



**GOAL 2**  
Enhancing the Environment (Environment)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Finalise, adopt and commence implementation of the Environmental Sustainability Strategy (ESS).</b>	Following adoption of the Environmental Sustainability Strategy commence implementation of the recommendations within the Action Plan 2014-17.	<p><b>Ongoing</b></p> <p>The following actions have been completed:</p> <ul style="list-style-type: none"> <li>• Sustainability Grants program implemented and extended to include waste grants program</li> <li>• Electric Vehicle Feasibility Study and Business Case, in partnership with nine other regional Local Governments</li> <li>• Commenced the One Tree Per Child project</li> <li>• Adoption of the Climate Adaptation Plan</li> <li>• Building Management System and Energy Management Software for Welsford Street council Offices, Eastbank, Library and SAM</li> <li>• Sustainability Grants program implemented and extended to include waste grants</li> <li>• Cussen Park Management Plan adopted</li> <li>• Completed the Roadside Weed and Rabbit Control Plan</li> <li>• Completion of the Watts Working Better Streetlighting Project</li> </ul> <p>The Environmental Sustainability Strategy is due for review in 2017/18.</p>
<b>Investigate the opportunities that are available to Council to enable Council to support renewable energy options</b>	Promote and support community solar projects.	<p><b>Ongoing</b></p> <p>Council participated in Parliamentary Enquiry into Community Energy constraints and opportunities. The large scale solar EOI process has been completed and the tender process has commenced. Continue to support Tatura Energy Group.</p>
	Pursue renewable energy objectives and work towards the assessment of all Council sites to become more energy efficient.	<p><b>Completed</b></p> <p>Council continues to monitor energy usage on high energy usage buildings and implementing actions to minimise energy cost and carbon emissions.</p>
<b>Investigate the opportunities that will enable Council to support the growth of solar usage within the city.</b>	Work with relevant stakeholders to promote the expansion of solar usage within Greater Shepparton.	<p><b>Completed</b></p> <p>This action is being implemented through the Environmental Sustainability Strategy.</p>
<b>Continue to reduce Council's Greenhouse Emissions.</b>	Seek opportunities to enable a reduction in Council's greenhouse emissions.	<p><b>Completed</b></p> <p>As per actions from the Environmental Sustainability Strategy Council has embarked on the following opportunities to reduce greenhouse emissions:</p> <ul style="list-style-type: none"> <li>• Watts Working Better Street Lighting upgrade - reduce greenhouse emissions by a minimum of 30,000 tonnes CO2 over 20 years</li> <li>• Aquamoves co-generation plant - reduce emissions by an estimated 600 tonnes CO2 per year</li> <li>• Planet footprint reporting tracks Council's energy usage and highlights reductions from energy reduction measures</li> <li>• Energy reduction plan - provides strategic direction for energy reduction and ensure resources we have are being used in the most efficient way. Plan being finalised before presentation to council.</li> <li>• Energy audit conducted at Welsford St complex. Feedback from staff is being included in the final plan</li> <li>• Transition of motor fleet to hybrid electric vehicles.</li> </ul>





## GOAL 3

# Economic Prosperity (Economic)

### Highlights

- 82 per cent of planning permit applications decided on within the statutory timeframe
- Lowest CBD Vacancy rate since 2012
- Shepparton Show Me sponsored 18 events to the value of \$158,100
- 25,000+ attended the Summer and Winter City Markets and CBD Fun activities
- Economic Development, Tourism and Major Events Strategy adopted
- Victorian Small Business Festival hosted in Shepparton
- International Engagement Strategy adopted
- Significant new investment in Fryers Street Food Precinct
- Greater Shepparton signed a Friendship City Relationship with the City of Jintan, Jiangsu Province, China
- Facilitation of introductions between international investors and local producers and manufacturers
- Major building projects bringing investment dollars into Greater Shepparton include:
  - › second largest Bunnings store in Victoria opens its doors in Shepparton, creating an additional 74 new jobs
  - › commencement of five storey Court House in Shepparton to provide services to the Hume region
  - › Funding announcement for Stage 1 of GV Health Redevelopment
- Total visitors to Greater Shepparton 1,092,300 million
- Total bed nights as a result of major events 110,467
- 305,664 event attendees
- 116,286 visitors for major events outside Greater Shepparton
- Over 20 new events were secured to the region including the World Tour Beach Volleyball, AFL Girls National Diversity Championships, EJ EH Holden Nationals, Australian Caravan Club Nationals Muster, Victorian Teachers Games and Victorian BMX Championships
- Estimated total economic impact of tourism to Greater Shepparton \$190 million
- Economic impact of major events 50.3 million helping support 298 jobs
- Over 2,296 events across sporting, arts, civic, community, celebrations and cultural assisted with 85 events financially sponsored and delivered by Council
- Tatura Park hosted 52 events and 17,959 visitors generating a total economic impact of \$7.9 million
- Shepparton Showgrounds hosted 152 events and 88,679 visitors generating a total economic impact of \$10.2 million
- The Greater Shepparton Visitor Centre serviced over 25,000 visitors by walk ins and off site booths
- Greater Shepparton launched a new destination brand Shepparton - Many Great Things and new website [www.visitshepparton.com.au](http://www.visitshepparton.com.au)
- Outdoor Pools had 22,429 visits
- Aquamoves had 624,373 visits
- Stadiums had 240,328 visits
- KidsTown had 124,860 visits



**GOAL 3**

**Economic Prosperity (Economic)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>1. Maximise opportunities to ensure Greater Shepparton leads Victoria, retaining and attracting education and industry.</b>		
<b>Develop and implement a strategy which identifies resources needed to attract new business and industry to Greater Shepparton as well as retaining our existing businesses and industry.</b>	Continue to develop and implement a range of business expansion and retention initiatives.	<b>Ongoing</b> Currently working with the State Government on a range of business growth and increased employment initiatives. The Economic Development, Tourism and Major Events Strategy and International Engagement Strategy were both adopted at the March 2017 Ordinary Council Meeting. These strategies focus on attracting new business, supporting existing business to enter new markets, grow and expand.
	Continue to implement the recommendations of the Economic Development Strategy.	<b>Completed</b> The Economic Development, Tourism and Major Events Strategy was adopted at the March 2017 Ordinary Council Meeting.
	Continue to work with Regional Development Victoria and other government agencies to identify and attract new businesses.	<b>Ongoing</b> Continuing to work with DEDJTR to attract new businesses to the region. Large scale solar farm EOI has progressed to a select tender process. Currently working with a manufacturing business on expansion and relocation with additional 40 EFT positions created.
<b>Undertake research of industry to understand and highlight their needs and opportunities to ensure that Council has considered all options for industry attraction and retention.</b>	In process of developing economic development, tourism & events strategy. Consultants have been appointed.	<b>In progress</b>



**GOAL 3**  
Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Undertake research of industry to understand and highlight their needs and opportunities to ensure that Council has considered all options for industry attraction and retention.</b>	Work with “Foodbowl Unlimited” to promote further agricultural development, growth and investment.	<b>Ongoing</b> Council Officers have obtained membership to AusVeg to assist with the attraction of growers from Werribee South and Bacchus Marsh to the Greater Shepparton area and have developed and disseminated a financial comparison analysis to compare investment in Shepparton vs Werribee South for the interested growers. Council attended and exhibited at the AusVeg Adelaide Conference held on 5-18 May 2017 and are heading to the Asia Fruit Logistica this year.
<b>Develop and implement a strategy for attracting renewable energy based industries to Greater Shepparton.</b>	Work with relevant stakeholders to develop a strategy for attracting renewable energy based industry.	<b>Ongoing</b> Introduction of the Environmental Upgrade Agreements required support of local business. Large Scale Solar plant EOI and tender process is underway and will see the first solar plant with a minimum of 10MWh generation.
<b>2. Ensure retail strategies deliver appropriate outcomes for the community.</b>		
<b>Revise, adopt and commence implementation of the CBD strategy</b>	Report to Council to adopt a Shepparton Retail Strategy	<b>Completed</b> The Commercial Activity Centre has been adopted. Actions specific to retail will come from the Economic Development, Tourism and Events Strategy currently being developed.
<b>Continue implementation of CBD Strategy recommendations with a priority on CBD parking.</b>	Continue implementation of CBD Strategy recommendations with a priority on CBD parking.	<b>In progress</b> Council is developing a Movement and Place Strategy, which is planned to address traffic and transport issues through the CBD, including the provision of and impact of parking on the performance and perceptions of the CBD. .
<b>Develop, adopt and commence implementation of a Retail Strategy.</b>	Retail Strategy adopted by Council.	<b>Completed</b> The Commercial Activity Centre Strategy has been adopted. Guidance on retail strategy is being provided by the Commercial Activity Centre and the Economic Development, Tourism and Events Strategy.





### GOAL 3

## Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
	Encourage greater retail diversity.	<p><b>Ongoing</b></p> <p>Economic Development is proactively seeking businesses to fill identified gaps in the retail market. The Economic Development, Tourism and Major Events Strategy will further inform of the current situation in relation to retail gaps. Currently working with a food business (Schnitz) regarding a premises in the CBD. The Deck has also indicated they would like to expand their current operations through placement of a shipping container in the Mall which has been modified in a sophisticated and trendy way. CBD Revitalisation consultation has occurred and the results made public. Council has resolved at the March 2017 OCM to:</p> <ol style="list-style-type: none"><li>1. note the findings of the Maude Street Mall Activation consultation in the attached report and that officers will release the results of the survey to the public along with details around longer term planning as discussed in items 2 and 3 below</li><li>2. in the short term, continue to implement measures to both activate and improve the amenity of the Maude Street Mall as per Council's February 2014 resolution, with a total budget of \$500,000 allocated for this purpose over the 2017/2018 and 2018/2019 financial years</li><li>3. refer to the 2017/2018 budget for consideration an amount of \$250K to obtain conceptual designs, estimates and funding models of the following options for the Maude Street Mall as a long term vision to activate and revitalise the area as per the Commercial Activity Centre Strategy:<ol style="list-style-type: none"><li>a. reintroduction of two way traffic from Fryers to High Street</li><li>b. development of additional car parking facilities with connecting one way access from High and/or Fryers Streets exiting at Stewart Street</li><li>c. retention of the Mall as a pedestrianised public open space and introduction of urban design measures to increase amenity and usability of the precinct.</li></ol></li><li>4. during the period of conceptual design preparation liaise, with stakeholders such as shop owners and Chamber of Commerce &amp; Industry regarding other activation initiatives such as consistent trading hours.</li><li>5. note the timeline for delivering revitalisation options 3a, 3b and 3c contained within the report</li></ol>



### GOAL 3

## Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
<b>3. Make Greater Shepparton the regional sporting capital of Victoria and a leading sporting destination.</b>		
<b>Pursue opportunities for Greater Shepparton to be the location for major sporting events.</b>	Continue to expand regional tennis complex facilities at the Shepparton Sports Precinct.	<b>Completed</b> Works to improve the access and infrastructure surrounding the tennis facility have been completed as part of the Shepparton Sports precinct works.
<b>Build partnerships with state bodies to enable Greater Shepparton to be Victoria's leading location for major events.</b>	Promote the quality of local arts and cultural activities and events.	<b>Completed</b> Converge on the Goulburn held in March 2017 was very successful and increased attendance on previous years. Council submitted an EOI for a Regional White Night event in 2017 and came second. Council has previously made application for Regional White Night and has most recently completed Stage One of the Aboriginal Street Art Project featuring Sir Douglas Nicholls and William Cooper.
<b>Continue the development of the Shepparton North sporting precinct.</b>	Expand our sports fields to the north of the current hockey and soccer fields to accommodate expected future growth in junior sports participation and increasing demand for sports field areas.	<b>Completed</b> Contracts for the construction of the Community Football Complex were awarded and work commenced. Works to be finished by end of September 2017.
<b>Continue to implement master plans that have been prepared for recreation reserves and sports facilities.</b>	Continue the development of Deakin Reserve.	<b>Ongoing</b> Minor works for developing the site are continuing. A Master plan for this site to be developed by the end of 2017. This will guide the future development. Ongoing stakeholder discussions have occurred with users and Deakin Reserve Advisory Committee. Works for 2017/18 include new female friendly facilities with funding from SRV.
	Continue to implement master plans prepared for recreation reserves and sports facilities.	<b>Ongoing</b> Currently finalising the whole of sport plans for Cricket and Tennis. Masters for Deakin Reserve and Princess Park will be developed this financial year.
<b>Review, adopt and implement the tourism and major events strategy to enable the breadth and quality of major events and tourism experiences to grow.</b>	Review the tourism and major events strategy.	<b>Completed</b> This action has been completed as a part of the Economic Development, Tourism and Major Events Strategy. Strategy was adopted at the March Ordinary Council Meeting, after consulting with the community and incorporating feedback.
<b>Continue to develop Aquamoves and environs (including the carpark) as a regional aquatic and water park facility.</b>	Seek additional funding from other levels of government to progress the Aquamoves Masterplan.	<b>Completed</b> All Aquamoves Master Plan projects addressed and/or complete.



## GOAL 4

### Quality Infrastructure (Built)

#### Highlights

- Cosgrove 3 landfill site subgrade completed ahead of schedule
- Sports Precinct mostly completed except Main Pavilion, due for completion September 2017
- Engagement of architects for the new SAM project
- Tatura Park airconditioning installed
- Mooroopna Sports field lighting installed
- 172 Road Renewal projects including:
  - › kerb and channel replacement along 5794m of road
  - › resealed 330,254m<sup>2</sup> of road network
  - › asphalt replacement across 41,157m<sup>2</sup> of road network
  - › stabilised 59,117m<sup>2</sup> of pavement
- 33 Active Living projects completed
- Katandra West Community Centre completed
- BMX Track Berms
- New public toilets completed at Mactier Gardens Tatura and Congupna
- Small town/Neighbourhood Community projects:
  - › Lake Bartlett Walking Track Tatura
  - › Undera Stage 1 SPOT
  - › Ganaway Reserve BBQ & Shelter, Kialla Lakes
  - › Murchison Gardens Shade Sails over playground
  - › Mooroopna Ferrari Park Shade Sails over playground
  - › Seven Creeks Shade Structure
  - › Mactier Park BBQ - Tatura
  - › Tallygaroopna Walking Path – Stage 1
- Construction of Arcadia and Congupna town entry signs
- Maintained 1,131 kilometres of gravel roads including grading 876 kilometres and resurfacing 63.35 kilometres using 49,851 tonnes of rock and the graders worked 3,300 hours
- Maintained over 1,170 kilometres of sealed roads including four kilometres of guardrail, 268 road islands and 141 roundabouts
- 1,347 potholes were repaired for the year
- Maintained road related infrastructure including over 4,400 regulatory signs, 16 pedestrian crossing lights, 4,210 fire plugs, 869 pedestrian lights and 31 zebra crossings
- Maintained 30 road bridges, 51 pedestrian bridges and 43 major culvert crossings
- Maintained over 378 kilometres of drainage pipes including 12,000 pits, 51 flood gates, 74 drainage basins, 60 stormwater pumps, 12.2 kilometres of swale drains, 2,296 kilometres of roadside table drains along with over 23 kilometres of minor road culverts
- Maintained over 453 kilometres of footpath, 700 kms of kerb and channel, 53.4 kms of shared paths and rail trails, 45 shared path lights and 7,625 tactile ground surface indicators.
- Issued 439 permits for working in the road reserve and undertook 1,317 permit inspections.
- 800 street trees planted and gifted
- 79 playgrounds maintained
- 4 skate parks maintained
- 27 pieces of public exercise equipment maintained
- 4682 hours spent on public toilet cleaning and maintenance
- 27 sports fields maintained
- 121 parks maintained
- 712 hours spent on Mall sweeping conducted 52 weeks per year





**GOAL 4**  
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
<b>1. Ensure the community has access to high quality facilities.</b>		
<b>Complete the Victoria Park Lake redevelopment project.</b>	Continue to implement projects under the Victoria Park Lake Master Plan within budget provision.	<b>Ongoing</b> Victoria Park Lake Master Plan was adopted at the September Council Meeting. Planning for the implementation of actions in 2017/18 financial year. Next stage will include the development of the family precinct adjacent to the toilet block.
<b>Work with the community to continue the development of the Australian Botanic Gardens Shepparton.</b>	Continue to support the Friends of the Australian Botanic Gardens Shepparton committee.	<b>Ongoing</b> Continuing to work with ABGS committee to support the development of the site. Council have been briefed on a report to develop a new strategic plan in 2017/18.
<b>Review and adopt the Tatura Park Master Plan and develop an integrated sporting facilities master plan with the Howley Complex.</b>	Develop a sporting master plan for Tatura which integrates with the current Tatura Park and Howley Complex Master Plans.	<b>In progress</b> Currently finalising draft masterplan for Tatura Park. Executive report to be presented outlining options for this site, including a whole of sport plan for equestrian and a business plan. The 2017/18 budget includes an allocation for an equestrian whole of sport plan and business plan.
<b>2. Ensure the community has access to appropriate transportation infrastructure.</b>		
<b>Advocate for the delivery of improved passenger rail services to the Greater Shepparton including "fast rail" services.</b>	Advocate to the state government for improved passenger rail services to Greater Shepparton leading up to the state election 2014.	<b>Ongoing</b> Council has undertaken an update of the costs involved to provide a Velocity Style service and has also undertaken a social impact study. The Minister for Transport has been requested to allocate \$750k to undertake a business case and concept design for eight services per day.
<b>Advocate for the return of rail freight as an option for regional freight businesses.</b>	Actively participate in the Foodbowl Inland Rail Alliance.	<b>Ongoing</b> Council has been actively lobbying the Federal and State Governments on the advantages of the food bowl route. The Route presents numerous advantages including shorter distance, double stacking capability, shorter transit times and much greater anticipated volumes as identified in the Deloitte report commissioned by the Department of Infrastructure. A delegation met with Damian Drum in early December to update our Federal Member and to continue lobbying. Council has successfully lobbied for an EOI to be established by the Federal Government to ascertain private interest in investment on any route. An Inland Rail Forum was held in April 2017 however the route has been determined as the Albury/Wagga Wagga route
	Continue to lobby for the Melbourne to Brisbane inland rail route to be constructed along the "Foodbowl Rail Alignment".	<b>Ongoing</b> The route has been confirmed as the Albury / Wagga Wagga Route. Council is now advocating for infrastructure upgrades that will complement the inland rail route.



**GOAL 4**  
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Advocate the Federal and State Governments for a commitment for funding to enable the commencement Shepparton Bypass for the Goulburn Valley Highway.</b>	Continue to lobby for the construction of the Shepparton Bypass and second river crossing.	<b>Ongoing</b> A meeting with Minister for Roads, Luke Donnellan occurred prior to Christmas 2016 indicated that an announcement would be made as part of the State Budget in May 2017. \$10M has been allocated and detailed discussions as to how to spend this and attract more funding is continuing.
	Pursue the completion of environmental works in readiness for construction of the Shepparton Bypass and second river crossing on the Goulburn Valley Highway.	<b>Completed</b> State Budget commitment of \$10.2 million to commence design and pre construction activities.
<b>Lobby and advocate to other levels of government for funding for major infrastructure projects.</b>	Expend 90 per cent of the adopted Capital Works Budget, excluding works undertaken by developers.	<b>Completed</b> 92 per cent expended at 29 June 2016.
	Work with VicRoads to establish a business case for the duplication of McLennan Street in Mooroopna from Echuca Road to Excelsior Avenue.	<b>Completed</b> VicRoads is the primary agency responsible for this outcome. Part of this will be included by VicRoads SSRIP Funding in 2017/18.
<b>Continue to develop plans for and commence implementation of streetscapes and town entrances.</b>	Continue the program of small town entry landscaping and signage works.	<b>Ongoing</b> Currently finalising program for implementation of small town entry signage. Signage installed at agreed locations.
<b>In collaboration with the community lobby and advocate for the continued development of the Railway station precinct with priority linkage to the CBD.</b>	Lobby the Victorian Department of Transport to redevelop the Shepparton Railway Station precinct, to improve access to and from the CBD.	<b>Ongoing</b> Further meetings were held with Minister for Public Transport, Jacinta Allan and Treasurer, Tim Pallis in December 2016 and the railway precinct master plan has been developed. The railway station is the fourth stage of the CBD Revitalisation and therefore is a longer term project. Recent discussion have been held with Suzanna Sheed in relation to the railway precinct.



**GOAL 4**  
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
<b>3. Encourage sustainable municipal growth and development.</b>		
<b>Continue to develop structure plans for our growth corridors.</b>	Commence Shepparton East Interface investigation.	<b>Deferred</b> Flood study in the area still being undertaken by the Catchment Management Authority. Completion date expected December 2017.
	Complete North East and South East Precinct Structure Plans and Development Contributions Plans.	<b>In progress</b> The Victorian Planning Authority (VPA) are completing documentation for the North East and South East Precinct Structure Plan. Exhibition of NEGC expected in August 2017.
	Implement recommendations from the Council's adopted Housing Strategy.	<b>Completed</b>





## GOAL 5

# High Performing Organisation (Leadership & Governance)

### Highlights

- Council signs the Algabonyah Agreement to partner with local indigenous groups to improve employment opportunities for Aboriginal people within Council
- Council signs a freinedsip agreement with Jintan District, China
- Greater Shepparton....Great Things Happen Here campaign launched featuring Charles Wooley as an ambassador resulting in sponsorship of Nitro Athletics with Usain Bolt and widespread media coverage across Australia and internationally via Qantas
- The Great Things Happen Here campaign resulted in several new business enquiries with three local businesses undertaking multi-million dollar extensions, \$1.37b worth of commercial projects, increase in event enquiries and planning applications and business negotiations along with Chinese investment delegations visiting Greater Shepparton
- Greater Shepparton takes the lead in a bid for the 2030 Commonwealth Games to be held across regional Victoria
- Greater Shepparton develops an online news, events and information video to keep residents up to date on Council news. GreaterSheppUpdate is published each week on social media and the website
- Aquamoves wins three awards in State Aquatics and Recreation Victoria awards
- Aquamoves a finalist in Australian Marketing Awards
- Four year Council Plan adopted
- Rating Strategy Review complete

STRATEGIES	ACTIVITIES	OUTCOME
<b>1. Develop and implement best practice communication strategies.</b>		
<b>Develop, adopt and implement Council's marketing and communication strategies.</b>	Adequately support and resource community engagement activities.	<p><b>Ongoing</b></p> <p>The Boulevard and Golf Estate Community Plans were endorsed by Council at the December Ordinary Council Meeting.</p> <p>The five year review of the Toolamba Community Plan was undertaken in the later part of 2016. The purpose of the five year review is to ensure that the Community Plan remains a living document and reflects current community priorities. This review was endorsed by Council in December 2016.</p> <p>The Dhurringile Community Plan was endorsed at the August 2016 Ordinary Council Meeting. This plan highlights greater relationships, improved infrastructure and other community activities.</p> <p>The Murchison Community Plan five year review has been completed and was endorsed by Council at the June 2017 Ordinary Council Meeting.</p> <p>The third Community Leadership Program commenced with a welcome event on 19 April 2017. Participants come from a wide variety of backgrounds and together with their mentors came together for a successful networking dinner on 28 June 2017 where they spoke about their projects. The purpose of the leadership program is for grass roots community members to continue to develop and enhance their community leadership skills. Participants of this program will graduate in November 2017.</p> <p>Greater Shepparton City Council Volunteer Recognition Awards were held on 10 May 2017 recognising the contribution volunteers make to the community.</p>



## GOAL 5

### High Performing Organisation (Leadership & Governance)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Review, adopt and implement Council's community engagement strategy.</b>	Develop and implement systems and procedures to ensure that Council decision making remains transparent and accountable to the community.	<b>Ongoing</b> All contracts are now debated in an open meeting to ensure transparency. There are continual discussions with the Executive team and Councillors where required on ensuring transparency and accountability of Councillors and the decisions they make. This matter will also be ongoing.
	Adopt and implement the Community Engagement Strategy.	<b>Ongoing</b> Continuing to support Council departments to deliver community engagement strategies. Supported consultations on the RiverConnect strategy and the development of the 2017-2021 Council Plan.
<b>Implement a "citizen first" commitment to the delivery of our services.</b>	Review and update Council's "Customer First" commitment.	<b>Deferred</b> Research has begun on this action, however, it has been put on hold until budget is allocated in the 2017/18 financial year.
<b>2. Develop stronger relationships between Council and State and Federal Governments, local government sector and non-government partnerships to enhance our position.</b>		
<b>Work with Strathbogie and Moira Shires to improve service delivery to our respective communities via the Goulburn Valley Regional Collaborative Alliance.</b>	Identify at least one Key Project opportunity to work as lead with the Goulburn Valley Regional Collaborative Alliance on.	<b>Ongoing</b> Existing projects are continuing and are largely incorporated into standard operations for the member Councils. These projects include: <ul style="list-style-type: none"> <li>• Graders without Borders</li> <li>• Legal services</li> <li>• Service planning</li> </ul> A number of new projects have been launched in the last 12 months which include: <ul style="list-style-type: none"> <li>• Strategic Planning – this project is continuing, however the first piece of collaborative work was including planning professionals from Moira and Strathbogie Shires on GSCC Development Hearings Panel. The project will continue to explore further opportunities for resource sharing across the three councils in the area of strategic land use planning.</li> <li>• Payroll Processing – payroll staff across the three councils are currently documenting the scope of a shared payroll services model. Once this is completed a cost and capacity analysis will be completed.</li> <li>• Procurement – all three alliance Councils are participating in the MAV Procurement LEAP program. The first report for this project will be presented to the Alliance board and project control group members in May 2017. This data will then be used to determine the future opportunities for joint tendering of works and services.</li> </ul>

**GOAL 5****High Performing Organisation (Leadership & Governance)**

STRATEGIES	ACTIVITIES	OUTCOME
<b>Proactively lobby politicians and the local government sector for support in the delivery of services to our community.</b>	Engage Victorian and Australian politicians in the pursuit of community priorities.	<b>Ongoing</b> Delegations to Canberra have occurred twice so far in 2017 and delegations to Melbourne several times. Council have also had numerous Ministers and bureaucrats visit Shepparton.
<b>Seek opportunities for partnerships with the non-government sector to support Greater Shepparton in the delivery of services to our community.</b>	Continue to demonstrate our capacity to effectively deliver programs and activities in partnership with other levels of government.	<b>Ongoing</b>
	Continue to promote Greater Shepparton as an important regional centre, with the capacity to support significant population growth.	<b>Ongoing</b> The Mayor and the CEO accompanied the Premier and the Minister Economic and Regional Development to China in 2016 and promoted our area to the Jiangsu Province. We have recently had a return visit from a Jiangsu Province representative.  March 2017 saw the signing of a Declaration of Friendship agreement with Jintan City and we have promoted the City to other delegations including India and Sri Lanka. A return visit to Jintan is planned for September 2017 and we will also visit the Asia Fruit Logistica Expo in Hong Kong.
<b>Continue to advocate for improved levels of support from Federal and State Government.</b>	Seek out opportunities for improved levels of support from governments.	<b>Ongoing</b> Minister for Agriculture and Regional Development, Jaala Pulford's Senior Adviser Jarrod Dobson visited with RDV representatives in March and this was an opportunity to promote our projects and Asks of Government. We have recently met with Minister Pulford to discuss the 2030 Commonwealth Games and the Deputy Premier to discuss Education.
<b>3. Ensure strong internal systems and processes to ensure best practice delivery of services for the community.</b>		
<b>Develop and review annually Council's long term financial plan (10 year).</b>	Develop Council's 10 year capital works program.	<b>In progress</b> Council's 10 year capital works program has been fully developed and will be taken to the Executive Leadership Team on 28 June 2017 for endorsement, after which it will be tabled with the Councillors. Once approved, it will be reviewed six monthly for currency, and adjusted as need be should Council's priorities/available budget change over time.
<b>Develop and adopt a comprehensive Strategic Resource Plan which contains strategic direction for the management of the resources for Council.</b>	Review the Greater Shepparton 2030 Strategy.	<b>In progress</b> Review has commenced, to be done in conjunction with the Council Plan. Will also be considered as part of the Shepparton Mooroopna Strategic Framework Plan being undertaken by the Victorian Planning Authority.





## GOAL 5

### High Performing Organisation (Leadership & Governance)

STRATEGIES	ACTIVITIES	OUTCOME
<b>Complete a Workforce Development Plan which will enable GSCC to become an employer of choice.</b>	Continue to implement our strategic human resources plan and recognise the value of our staff.	<p><b>Completed</b></p> <p>We have developed a People Performance Strategy, which was adopted by Council in 2014. This strategy addressed numerous areas including workforce planning, culture, learning and development, succession planning, talent management, performance management, employee recognition, whole brain thinking and early intervention and proactive occupational health and safety. Work continues in all of the areas.</p> <p>Since the implementation there has been numerous staff and management changes which has result in the strategy losing direction. It is recommended to review/reconsider the strategy after the new council plan and enterprise agreement is implemented.</p> <p>A new People and Development Strategy will be developed in line with the new Council Plan, Departmental Business Plans and Enterprise Agreement.</p>
	Encourage and provide training opportunities for Councillors and staff to increase their knowledge and skills.	<p><b>Completed</b></p> <p>Over the past three years we have centralised the training budgets across Council as well as centralising the performance review process which links data to our annual learning needs analysis report. This allows us to annually develop a Corporate Training Schedule based on staff needs.</p> <p>In relation to Councillors, we continue to inform and encourage Councillors to engage and take up training opportunities which are available to them.</p> <p>The Corporate Training Calendar is updated annually based upon mandatory organisational training and requested departmental and individually approved training. Learning and Development continue to review and monitor learning opportunities and will work closely with People and Workforce to link development to Succession Planning.</p>
<b>Commence implementation of the 2013 - 2018 Information, Communications &amp; Telecommunications Strategy.</b>	Undertake an annual review of Council's ICT Strategy.	<p><b>Ongoing</b></p> <p>Reviews are undertaken annually in order to prepare for the capital bid process of the coming financial year.</p> <p>The document has been reviewed and will be replaced with a new strategy document during 2017</p>

## Major Capital Works Report

Council completed 93 per cent of its capital works budget during the 2016/17 financial year.

Council delivered 137 projects on behalf of its community with 119 projects on time and on budget.

Active Living Projects	\$868k
BMX Berms	\$120k
Building Renewals	\$743k
Cosgrove Landfill	\$11.3m
Edward Street Car Park – Improved Lighting	\$51k
Gravel Resheeting	\$1.1m
Kerb and Channel	\$994k
Road Renewal projects	\$6.1m
Road Sealing Program	\$1.2m
Sports Field Lighting Mooroopna	\$442k
Sports Pavilion – Small Pavilion	\$1m
Sports Precinct – Boulevard	\$3.9m
Sports Precinct – Synthetic Field	\$663k
Town Signs for Arcadia and Congupna	\$27k



## Sustainability Report

### Our Commitment

We are committed to planning and action that will progress our municipality, enhancing and persevering the quality of life for our community, while ensuring that Council is financially sustainable and environmentally responsible.

### Financial Sustainability

One of Greater Shepparton City Council's financial goals is to achieve financial sustainability for the long-term.

In 2015/16 The Victorian State Government introduced the Fair Go Rates System (FGRS) which has capped rates increases by Victorian councils to the forecast movement in the Consumer Price Index (CPI) of 2.5 per cent in the first year and 2.0 per cent in 2016/17.

The FGRS provides an additional challenge to Council to remain financially sustainable while balancing the service delivery and infrastructure needs and expectations of a growing municipality.

In planning for our long-term financial sustainability Council utilises a number of financial indicators to assess our financial health and performance.

### Liquidity

Also referred to as Working Capital, Liquidity is the difference between Council's current assets and non-current assets.

The broad objective of this indicator is to ensure Council has sufficient working capital available to pay bills when they fall due.

At the end of 2015/16, Council reported a Liquidity of 186 per cent which, while healthy, was lower than the average of similar large regional city councils and lower than the average of all Victorian councils.

### Victorian Auditor General

With Liquidity (Working Capital), the Victorian Auditor General's Office (VAGO) considers anything under 75 per cent to be 'high risk', between 75 per cent and 100 per cent to be "medium risk" and greater than 100 per cent as "low risk" in the context of a Council's ongoing financial sustainability.

In 2017 Greater Shepparton City Council recorded a working capital of 248.7 per cent which is considered low risk.

### Strategic Resource Plan and Long Term Financial Plan

Through annual revisions to our Strategic Resource Plan and Long Term Financial Plan Council will continue to focus on identifying sustainable cost savings that will enable it to remain financially sustainable when delivering high quality, responsive and accessible services to the Community.

Going forward, Council will also work towards achieving the following underlying financial principles in regards to financial sustainability:

- a. generate an operating surplus;
- b. fully fund asset renewals; and
- c. borrow responsibly.

## Environmental Sustainability

The Environmental Sustainability Strategy continues to be implemented with the following notable achievements:

- Finalised implementation of the Watts Working Better street-lighting upgrade with a total of 12500 energy efficient lights being installed.
- Council's internal Sustainable Working Group continues to offer a range of education and behaviour change programs for staff including the installation of bike hubs for use by the wider community and the installation of plumbed drinking water stations replacing the need for trucked in plastic water bottles.
- Through the RiverConnect project, 15 environmental education events were organised and attended by 2035 community members and 535 students from 17 local schools attended 65 school events.
- Council adopted the revised RiverConnect Strategic Plan for 2017-2022 in June 2017.
- Council's second Sustainable Home Expert Forum was held in May 2017. Over 20 participants booked to speak to one of seven experts including architects, designers, landscape architects, renewable energy specialist and permaculture designers.
- Council's Climate Adaptation Plan was adopted in February 2017 and will implement actions that will minimise the impacts of climate change on Council assets and service delivery.
- Energy Reduction Plan actions were commenced during the year. The Plan targets a 20 per cent reduction in energy usage using 2010 energy usage figures.
- Council continues to work with the Infrastructure Sustainability Council of Australia (ISCA) to make improvements to the rating tool for use by Local Government
- Under the Roadside Weed and Pest Annual Control Plan, 545 kilometres of roadside was treated for eight species of noxious weeds.





**WATTS  
WORKING  
BETTER**

MORE THAN 13,500 STREET LIGHTS IN THE GOULBURN-BROKEN REGION HAVE BEEN REPLACED WITH HIGHLY EFFICIENT LED'S & T5'S SAVING MONEY GREENHOUSE GAS EMISSIONS.

REDUCING GREENHOUSE GAS EMISSIONS, THE SAME AS TAKING 21,000 CARS OFF THE ROAD



**WATTS  
WORKING  
BETTER**

[www.wattsworkingbetter.com.au](http://www.wattsworkingbetter.com.au)





## Social Sustainability

Council has a range of strategies and action plans to ensure that diversity is respected, that there is equity in the services that Council delivers and that social connectedness is nurtured. Council is committed to those that live in Greater

Shepparton to enable them to enjoy a high quality lifestyle that provides opportunities for members of our community to reach their full potential. This includes providing services and actions that foster a good quality of life for all in regards to health, housing, education, employment and safety.

<b>Best Start Early Years Plan</b>	The Best Start Early Years Plan 2015 – 2019 reinforces Council’s commitment to the children and families of the municipality. The plan consists of four outcome areas <ul style="list-style-type: none"> <li>• Every Child enjoys a healthy start to life</li> <li>• Every child is supported to become a confident learner</li> <li>• Greater Shepparton (is) a child and family friendly community</li> <li>• Collaboration to achieve collective impact</li> </ul>
<b>Community Plans</b>	A Community Plan is a written document which identifies a community’s vision for the future and the priorities it has identified to achieve this vision. Greater Shepparton City Council is committed to work in partnership with communities to develop Community Plans for small towns, localities and neighbourhoods.
<b>Community Safety Strategy</b>	The Community Safety Strategy 2014-2017 addresses high priority relevant community safety issues facing Greater Shepparton that were identified using local agency knowledge, statistics and community feedback. Each initiative has been developed with measurable objectives to enable the Advisory Committee to assess and report on progress of each community safety initiative on an annual basis.
<b>Cultural Diversity and Inclusion Strategy and Action Plan</b>	Greater Shepparton City Council’s vision is to promote and facilitate good multicultural practice and leadership within and across Victorian local government. The Cultural Diversity Strategy supports Council in continuing its work towards creating a vibrant, cohesive society that celebrates and incorporates aspects of cultural diversity within daily life. The Strategy is based on valuing our community’s diversity, recognising contributions to our society and celebrating the many cultures and diversity in our community. The five strategic goals that frame the strategy are: Active & Engaged Community (Social); Enhancing the Environment (Natural); Economic Prosperity (Economic); Quality Infrastructure (Built); and High Performing Organisation (Leadership & Governance). This strategy and associated action plan is considered a living document and will be reviewed by the Cultural Development Officer on an annual basis.
<b>Disability Action Plan</b>	The Disability Action Plan provides the framework for Greater Shepparton to address disability access issues across all Council areas of responsibility in line with Council’s Corporate Plan and Municipal Public Health Plan. The strategies developed will assist the Council in removing barriers and providing equity of access to Council services, facilities and employment for all people.
<b>Housing Strategy</b>	This Strategy has been developed to respond to existing and future housing needs in the municipality to the year 2031. It includes objectives, strategies and actions to guide housing delivery and sets a long-term direction for future residential growth. The strategy informs and guides decision making by landowners, Council, service authorities and the general community about residential land and housing needs and locations.
<b>Municipal Health and Wellbeing Action Plan</b>	The MPHP plays an important role whereby community, local stakeholders and Council set the strategic direction for positive health and wellbeing initiatives that address population health trends to maximise health outcomes.

<b>Positive Ageing Action Plan</b>	<p>The Greater Shepparton City Council remains committed to our older residents and the actions within the Health and Wellbeing Plan and the Universal Access and Inclusion Plan ensure that Council is working towards creating an ‘age friendly’ community for the residents who live within the municipality. The main areas of focus are:</p> <ul style="list-style-type: none"> <li>• Community Planning and Leadership</li> <li>• Housing and Infrastructure</li> <li>• Participation in Community Life</li> <li>• Settlement</li> <li>• Transition to Retirement and Financial Wellbeing</li> <li>• Workforce Participation</li> </ul>
<b>Universal Access and Inclusion Plan</b>	<p>The Disability Action Plan provides the framework for Greater Shepparton to address disability access issues across all Council areas of responsibility in line with Council’s Corporate Plan and Municipal Public Health Plan. The strategies developed will assist the Council in removing barriers and providing equity of access to Council services, facilities and employment for all people.</p>
<b>Volunteer Strategy and Action Plan</b>	<p>The Volunteer Strategy sets out Council’s vision and approach to support volunteering in our region. This Strategy provides a framework for the promotion, recruitment/retention, recognition and celebration of Council’s volunteers at a local level, encouraging a responsive and supportive environment for all volunteers. Council recognises, where there is a vibrant culture of volunteering, communities are stronger due to the inclusiveness volunteering promotes in the community.</p>
<b>Women’s Charter Alliance</b>	<p>The Women’s Charter Alliance Advisory Committee provides advice to Council on issues relating to the Victorian Government Women’s Charter and its key principles. A three point action plan focussing on Gender Equity, Diversity, and Active Citizenship guides the key strategic objectives of this Committee who make recommendations to encourage delivery of initiatives to ensure there are opportunities for the women of Greater Shepparton to access information, share knowledge and be aware of local leadership opportunities.</p>
<b>Youth Strategy and Action Plan</b>	<p>The Youth Strategy and Action Plan is currently being reviewed and updated to provide Council with a strategic framework to guide our role within the youth sector into the future.</p> <p>The strategy will inform how we work in partnership with the youth sector, young people and their families to ensure that young people are provided with every opportunity to actively participate in their community including those with diverse social, economic or cultural backgrounds.</p>









# CONTENTS

## PART THREE: GOVERNANCE

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# PART 3: GOVERNANCE REPORT

## Council Meetings

Council meetings are held at 5.30pm on the third Tuesday of each month including public question time. Public questions must be submitted five clear business days prior to the Council meeting. Special Council Meetings are also held as required.

There were 11 Ordinary Council Meetings and six Special Council Meetings in 2016-2017.

Meetings of the Council are open to the public unless the Council resolves to close the meeting. Council is committed to transparent governance and therefore meetings and regular briefing sessions are only closed when considering confidential reports.

While the majority of the Council meetings are held in the Council Boardroom, some meetings are held in our regional towns throughout the municipality. The times and venues of Council meetings are advertised in the Shepparton News and Tatura Guardian, on our website and Facebook page.

A video summary of meeting outcomes is presented by the Mayor or available Councillor on the Wednesday following each meeting. This is made available on Council's website and YouTube channel.

### Briefing Sessions

In addition to regular Council Meetings, there are weekly briefing sessions where Council officers make presentations to Councillors on policy matters, projects and initiatives and issues of importance to the Council and the Greater Shepparton community.

Briefing sessions are not decision-making forums. They enable Councillors to ascertain critical information required to assist them in making a formal decision at a Council Meeting.

## Council Committees

Council can appoint advisory committees and committees with special delegated power. There are 21 Section 86 committees made up of community volunteers. Most of the committees have delegated functions for community facilities such as recreation reserves, community centres and halls.

- Arcadia Community Centre Committee of Management
- Australian Botanic Gardens Shepparton Special Committee
- Ballantyne Centre Committee of Management
- Bunbartha Recreation Reserve Committee of Management
- Caniambo Hall Committee of Management
- Central Park Recreation Reserve Committee of Management
- Congupna Recreation Reserve and Community Centre Committee of Management
- Development Hearings Panel
- Dhurringile Recreation Reserve and Community Centre Committee of Management
- Dookie Memorial Hall Committee of Management
- Dookie Recreation Reserve and Community Centre Committee of Management
- Harston Hall Committee of Management
- Karramomus Recreation Reserve and Community Centre Committee of Management
- Katandra West Community Facilities Committee of Management
- Kialla District Hall Committee of Management
- Kialla West Recreation Reserve Committee of Management
- Lemnos Recreation Reserve Committee of Management
- Murchison Community Centre Committee of Management
- Shepparton Show Me Committee of Management
- Tallygaroopna Memorial Hall Committee of Management
- Tallygaroopna Recreation Reserve Committee of Management
- Toolamba Recreation Reserve & Community Centre Committee of Management

## Advisory Committees

Council also has 20 advisory committees with community representatives. Advisory committees provide advice to Council but, unlike a Section 86 committee, have no delegated authority.

- Audit and Risk Management Committee
- Calder Woodburn Memorial Advisory Committee
- Cussen Park Advisory Committee
- Deakin Reserve Advisory Committee
- Festive Decorations Advisory Committee
- Goulburn Valley Highway Shepparton Bypass Action Group
- Greater Shepparton Aerodrome Advisory Committee
- Greater Shepparton Disability Advisory Committee
- Greater Shepparton Health and Wellbeing Advisory Committee
- Greater Shepparton Heritage Advisory Committee
- Greater Shepparton Positive Ageing Advisory Committee
- Greater Shepparton Safer Communities Advisory Committee
- Greater Shepparton Sports Hall of Fame Advisory Committee
- Greater Shepparton Women's Charter Alliance Advisory Committee
- RiverConnect Implementation Advisory Committee
- Shepparton Art Museum Advisory Committee
- Shepparton Regional Saleyards Advisory Committee
- Shepparton Showgrounds Advisory Committee
- Sir Murray Bouchier Memorial Advisory Committee
- Tatura Park Advisory Board

## Audit and Risk Management Committee

The Audit and Risk Management Committee is an independent Advisory Committee to Council formed pursuant to Section 139 of the *Local Government Act 1989*.

The primary objective of the ARMC is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and ensuring that Council obtains value for money.

The Committee comprises two Councillors and three external independent people appointed by Council. The membership of the Committee at 30 June 2017 is:

- Mr Geoff Cobbledick (Chairperson)
- Cr Dinny Adem
- Cr Chris Hazelman
- Mr Graeme Jolly
- Ms Anne O'Connor
- Mr John Calleja

The Committee oversees the activities and reports of the internal auditor HLB Mann Judd, and the external auditor (Victorian Auditor-General's Office). The committee also provides advice on Council's annual financial reporting, insurance, risk management and compliance issues.

The annual internal audit program and the scope of the works to be performed is set by the Committee and the Committee reviews each of the reports made pursuant to that program.

The committee met five times during the year with the following activities carried out:

- Financial Statements, Standard Statements and Performance Statement for the year ended 30 June 2017 were considered and recommended 'in principle' adoption to Council.
- Received quarterly risk management reports including insurance claims.



- Received quarterly updates on Occupational Health and safety incidents and statistics.
- Received the internal audit plan for 2016/2017.
- Received and considered Council's monthly financial reports.
- Received a variety of final reports presented by HLB Mann Judd on internal audits conducted throughout the year.

## Information to be made available to the public

Greater Shepparton City Council is committed to open and transparent governance. In accordance with Regulation 12 of the Local Government (General) Regulations (2015), the following information is available for public inspection at Council's Welsford Street office:

- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel, including accommodation costs
- The agendas for and minutes of ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to parts of meetings which have been closed to members of the public under section 89 of the Act
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act and are confidential information within the meaning of the section 77 (2) of the Act
- A register of delegations kept under sections 87 (1) and 98 (4) of the Act, including the dates on which the last reviews under section 86(6) and 98(6) of the Act took place

- A document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and value of the lease
- A register of authorised officers appointed under section 224 (1A) of the Act
- A list of donations and grants made by the Council during the previous 12 months, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.

## Freedom of Information

Greater Shepparton City Council maintains both paper based and electronic documents in respect to its operational, general administrative, financial and investment functions.

The disposal of these records is governed by the *Public Records Act (1973)* and no records are destroyed or otherwise disposed of except in accordance with the relevant standards.

The *Freedom of Information Act (1982)* gives any individual or organisation the right to access information held by Greater Shepparton City Council unless that information is deemed exempt under the Act.

The *Freedom of Information Act (1982)* embodies the four following basic principles:

- Members of the public have a legal right of access to information in documentary form
- Government departments and agencies are required to publish information concerning the documents they hold
- People may ask for inaccurate, incomplete, out-of-date or misleading information in their personal records to be amended
- People may appeal against a decision not to give access to the information or not to amend a personal record.

During the 2016 – 2017 financial year Greater Shepparton City Council received the following requests for information:

Freedom of Information Activity 2016/2017

DESCRIPTION	NUMBER
Applications received	21
Access granted in full	2
Access granted in part	2
Number not finalised	9
Not proceeded with	4
No information found	2
Access denied in full	2

Requests for information should be directed to the Governance Compliance Officer, Greater Shepparton City Council, Locked Bag 1000, Shepparton, Victoria, 3632 or phone (03) 5832 9700.

## Current Local Laws

### Local Law No 1 Community Living

This local law provides for the administration of Council powers and functions, and for the issue of permits and infringement notices.

It prohibits, regulates and controls activities, events, practices or behaviour in places so that no detriment is caused to the amenity of the neighbourhood, nuisance to a person, or detrimental effect to a person's property.

It also prohibits, regulates and controls activities, events, practices or behaviour in the Maude Street Mall so that no detriment is caused to the amenity of the Mall.

It regulates the droving and movement of livestock throughout the municipal district, minimises the damage to road surfaces, formations, drainage, native vegetation and surrounding areas arising from livestock and to alert other road users to the presence of livestock on roads in the interests of road safety.

It also aims to enhance public safety and community amenity.

### Local Law No 2 Processes of Local Government (Meetings and Common Seal)

This local law regulates and controls processes for the election of Mayor and chairpersons of committees, procedures for formal Council and committee meetings, and use of the Common Seal.

### Local Law No 5 Drainage of Land

This local law enables better implementation of an exercise of power, under section 200 of the Local Government Act 1989, to define the obligations of a member of Council staff; and a person authorised by Council when entering land to investigate the carrying out of drainage works on or adjacent to or for the benefit of that land.

This local law defines what a member of Council staff; and a person authorised by Council may do once they have entered land to investigate the carrying out of drainage works on, adjacent to or for the benefit of that land, and provides for the peace, order and good government of the municipal district.

## Protected Disclosure Act

Council is committed to the aims and objectives of the *Protected Disclosure Act 2012* and does not tolerate improper conduct by its employees, nor the taking of reprisals against those who come forward to disclose such conduct.

Council recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure, and will also afford natural justice to the person who is the subject of the disclosure.

The Act commenced operation in 2013, and a Policy has been developed to establish a system for reporting disclosures of improper conduct or detrimental action by employees of the Council. This Policy is publicly available at the Council offices and website.

As at 30 June 2017, Council's Protected Disclosure Officers are the people holding the position of:

- Team Leader Governance
- Manager People and Development
- Team Leader Information Management

The Protected Disclosure Officer is the Team Leader of People and Workforce.

The Protected Disclosure Coordinator is the Manager Corporate Governance.

## Protected Disclosure Activity 2016/2017

DESCRIPTION	NUMBER
Number and type of disclosures made to the Council during the year	0
Number of disclosures referred to the Ombudsman for determination	0
Number and type of disclosed matters referred to the Council by the Ombudsman for investigation	0
Number and type of disclosed matters referred by the Council to the Ombudsman for investigation	1
Number and type of investigations taken over from the Council by the Ombudsman	0
Number of requests made by a Whistleblower to the Ombudsman to take over an investigation by the Council	0
Number and types of disclosed matters that the Council has declined to investigate	0
Number and type of disclosed matters that were substantiated upon investigation and action taken on completion of the investigation	0
Any recommendations made by the Ombudsman that relate to the public body	0

## Disclosure Relating to Contracts

Section 186 of *Local Government Act 1989* requires Council to seek public tenders before entering into contracts valued at greater than \$150,000 for goods and services and \$200,000 for works.

Councils are required to make available to the public a list of contracts above these amounts which were entered into during the financial year without first engaging in a competitive process.



## Infrastructure and Development Contributions

### Total DCP levies received in 2016/17

DCP NAME (YEAR APPROVED)	LEVIES RECEIVED IN 2016-17 FINANCIAL YEAR (\$)
Mooroopna West Growth Corridor DCP (2010)	\$134,753
South Growth Corridor DCP (2003)	\$279,799
North Growth Corridor DCP (2003)	\$114,637
<b>TOTAL</b>	<b>\$529,189</b>

### DCP land, works, services or facilities accepted in-kind in 2016-17

DCP NAME (YEAR APPROVED)	PROJECT ID	PROJECT DESCRIPTION	ITEM PURPOSE	PROJECT VALUE
South Growth Corridor DCP (2003)	Bike Path	Extension of shared path adjacent to the stage of development	To provide pedestrian linkage from development toward the CBD	\$40,000
<b>TOTAL</b>				<b>\$40,000</b>

### Total DCP contributions received and expended to date (for DCP's approved after 1 June 2016)

DCP NAME (YEAR APPROVED)	TOTAL LEVIES RECEIVED (\$)	TOTAL LEVIES EXPENDED (\$)	TOTAL WORKS-IN-KIND ACCEPTED (\$)	TOTAL DCP CONTRIBUTIONS RECEIVED (LEVIES AND WORKS-IN-KIND) (\$)
No DCP's approved after June 2016 so N/A				
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Land, works, services or facilities delivered in 2016-17 from DCP levies collected

PROJECT DESCRIPTION	PROJECT ID	DCP NAME (YEAR APPROVED)	DCP FUND EXPENDED (\$)	WORKS-IN-KIND ACCEPTED (\$)	COUNCIL'S CONTRIBUTION (\$)	TOTAL PROJECT EXPENDITURE (\$)	PERCENTAGE OF ITEM DELIVERED
Flood mitigation works	D001	Mooroopna West Growth Corridor DCP (2010)	\$49,872	\$0	\$32,931	\$82,803	20%
Southern most basin functional design	Drainage and wetland	South Growth Corridor DCP (2003)	\$53,290	\$0	\$0	\$53,290	5%
Extension of shared path adjacent to the stage of development	Bike Path	South Growth Corridor DCP (2003)	\$0	\$40,000	\$0	\$40,000	20%
Compulsory acquisition of land for drainage	Drainage and wetland	North Growth Corridor DCP (2003)	\$64,703	\$0	\$186,387	\$251,090	5%
<b>TOTAL</b>			<b>\$167,865</b>	<b>\$40,000</b>	<b>\$219,318</b>	<b>\$427,183</b>	











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## PART FOUR: FINANCIAL REPORT

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# FINANCIAL SUMMARY

Council achieved a strong result with an operating surplus of \$27.21 million compared to a budgeted surplus of \$13.64 million.

The variance is largely due to the early receipt in 2016/17 of 50 per cent of the Federal Financial Assistance Grant funding allocation for 2017/18 (\$5.98 million).

Council recorded \$42.17 million in capital works for 2016/17 with asset renewal expenditure of \$24.1 million or 108 per cent of the total depreciation expense.

Council's working capital ratio for the year was a healthy 2.49:1, however, Council does have a restricted investments balance which means not all working capital is considered available for discretionary use.

## Highlights

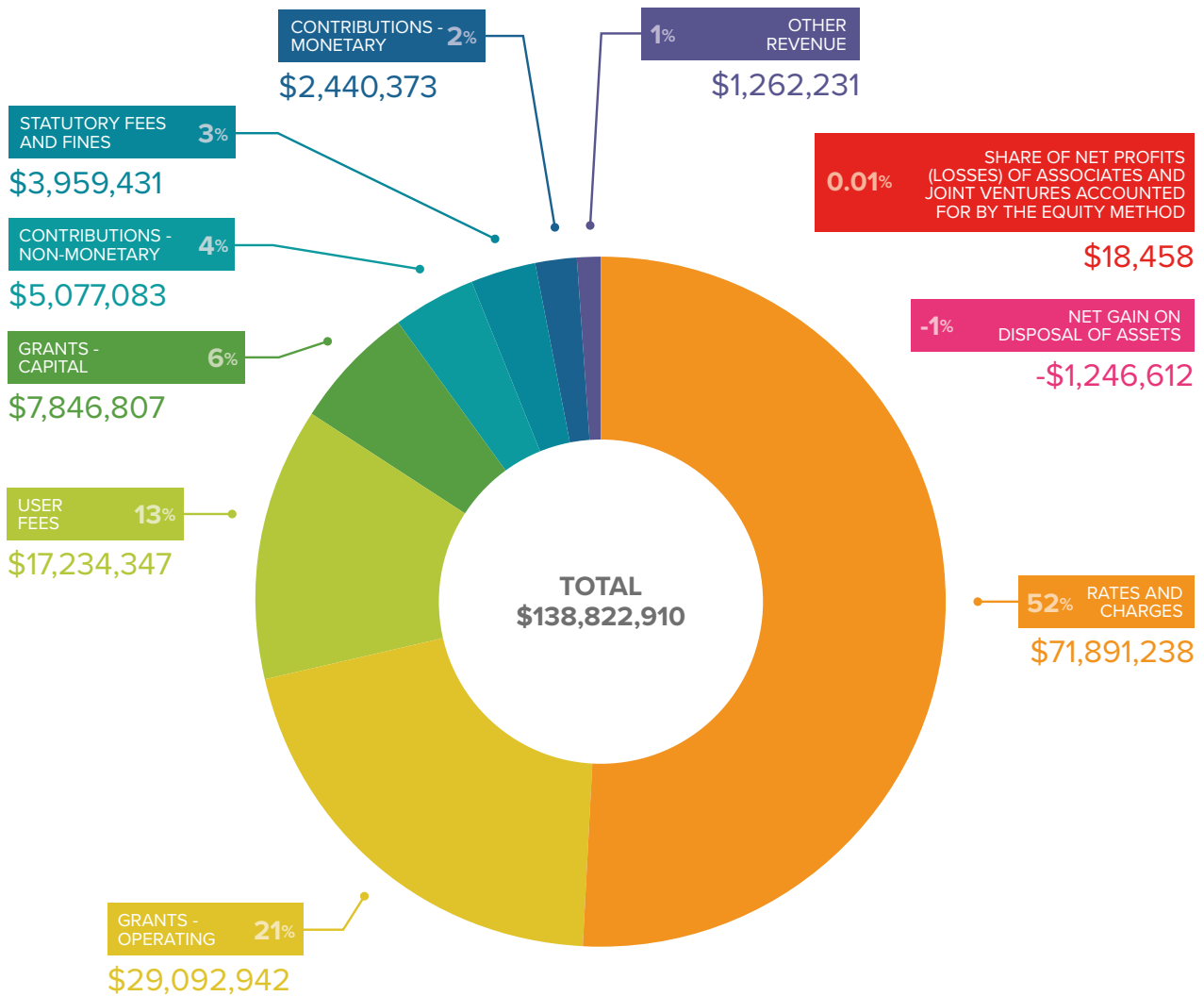
- Total Operating Revenues (excluding capital): \$125.9 million.
- Total Operating Expenses: \$111.6 million.
- Total Capital Revenues: \$12.9 million.
- Capital Works completed: \$42.17 million.



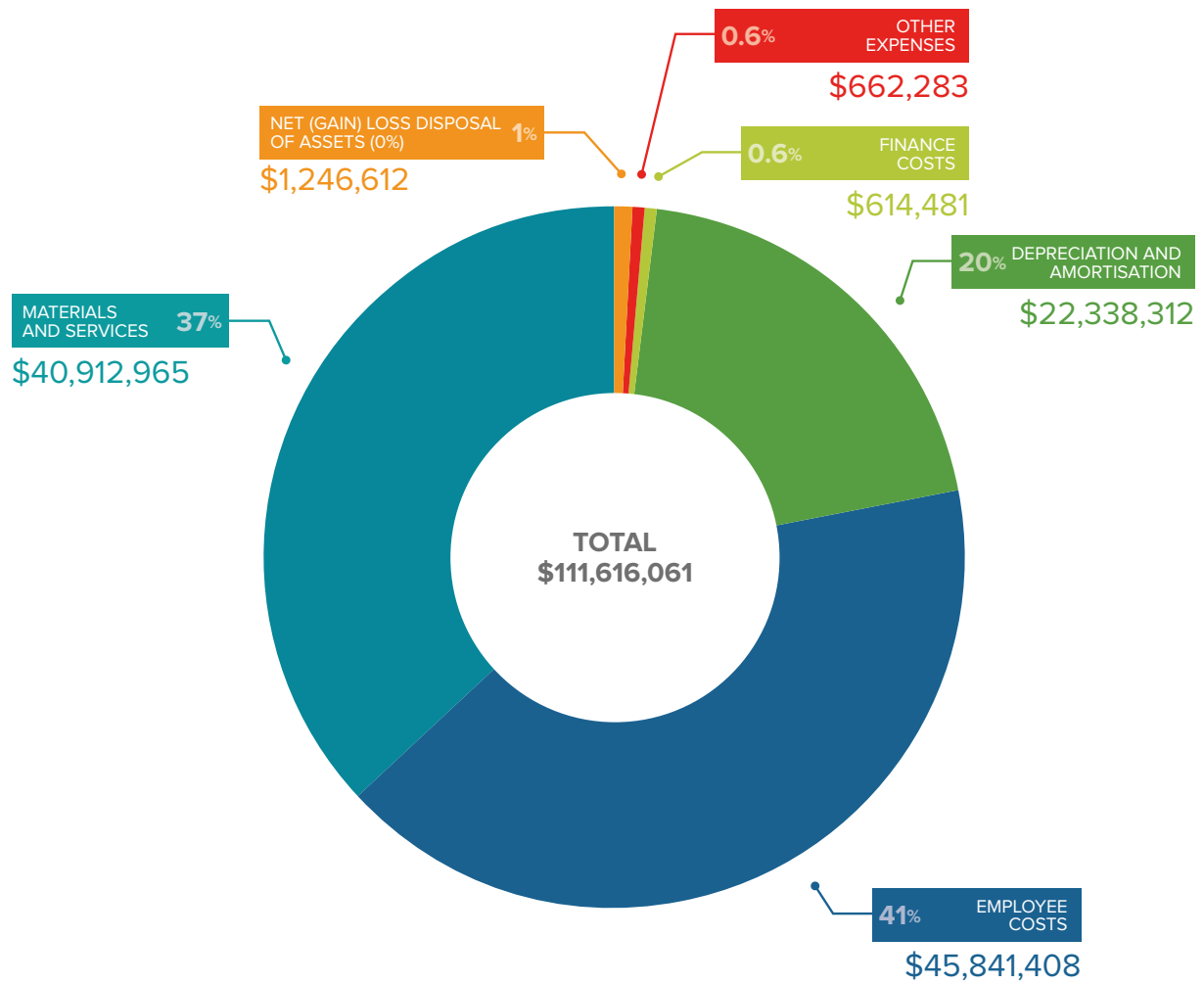


# PART 4: FINANCIAL REPORT

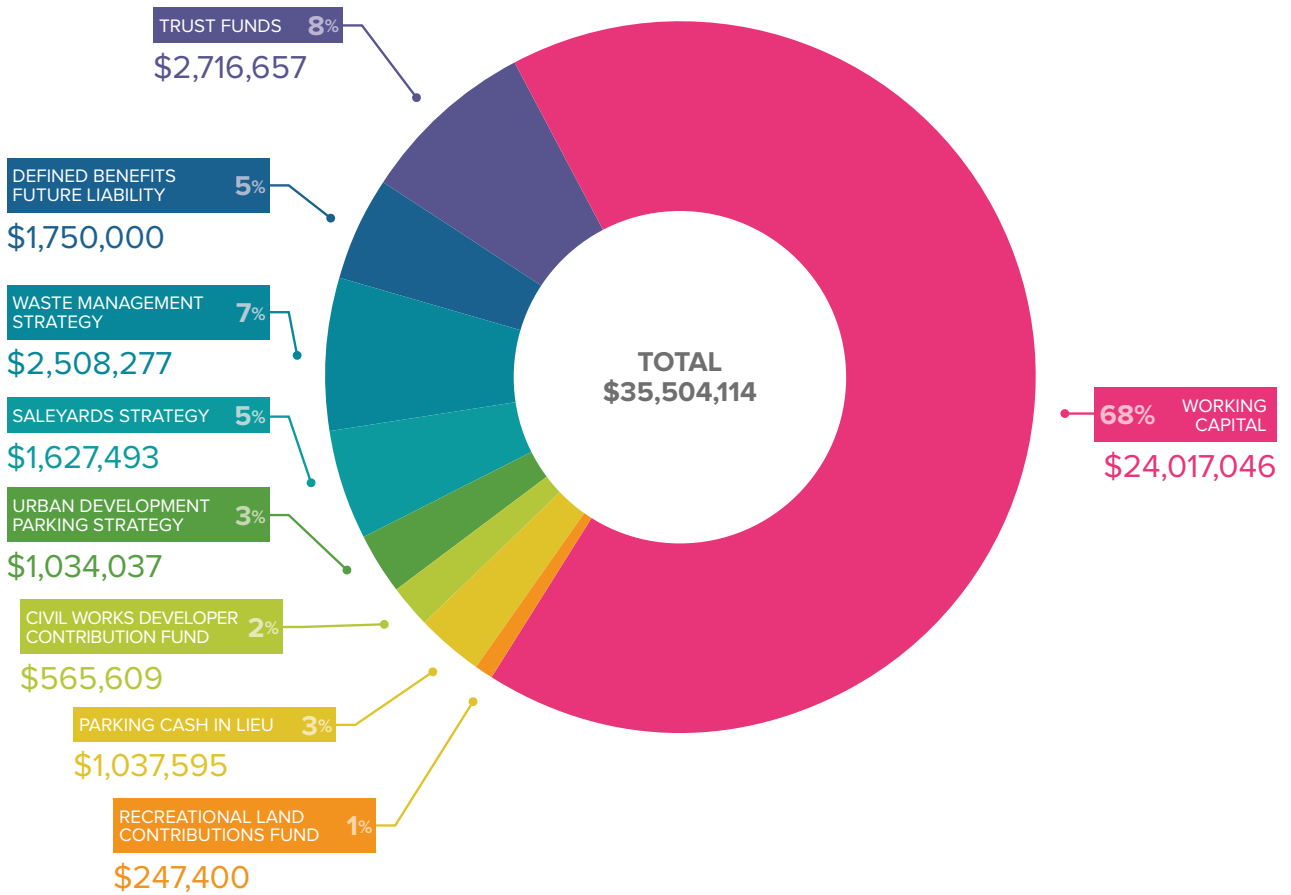
## 2016 – 2017 Operating Income



## 2016 – 2017 Operating Expense

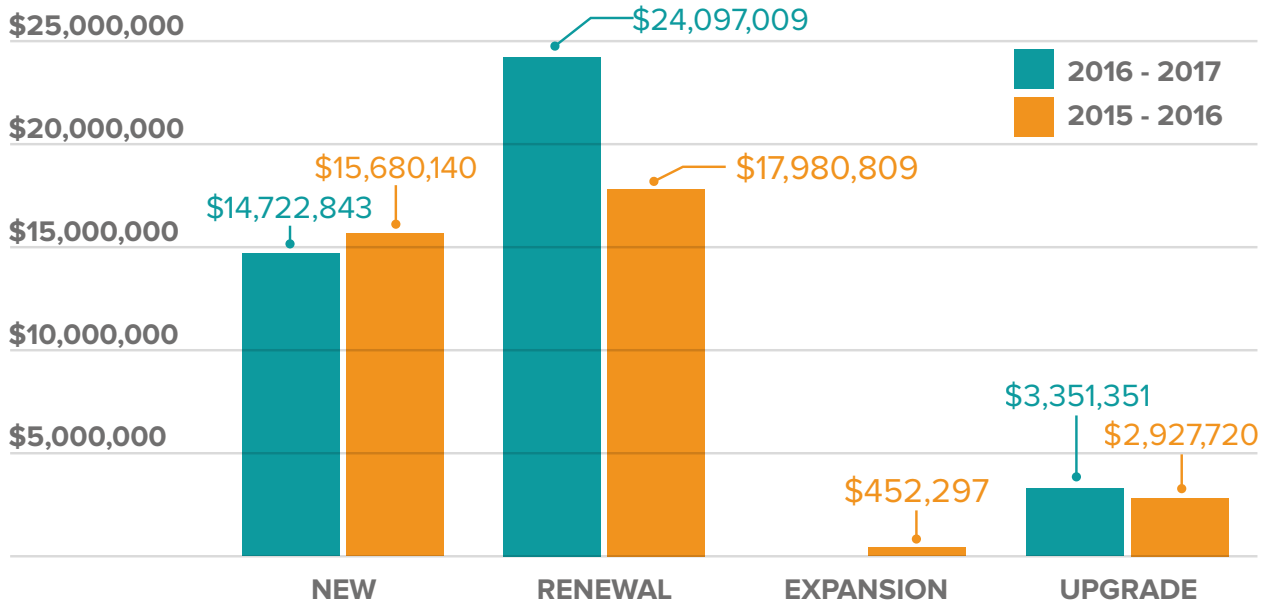


## 2016 – 2017 Council Investments





## 2015 - 2017 Capital Expenditure Comparison



## 2016 - 2017 Capital Expenditure by Type

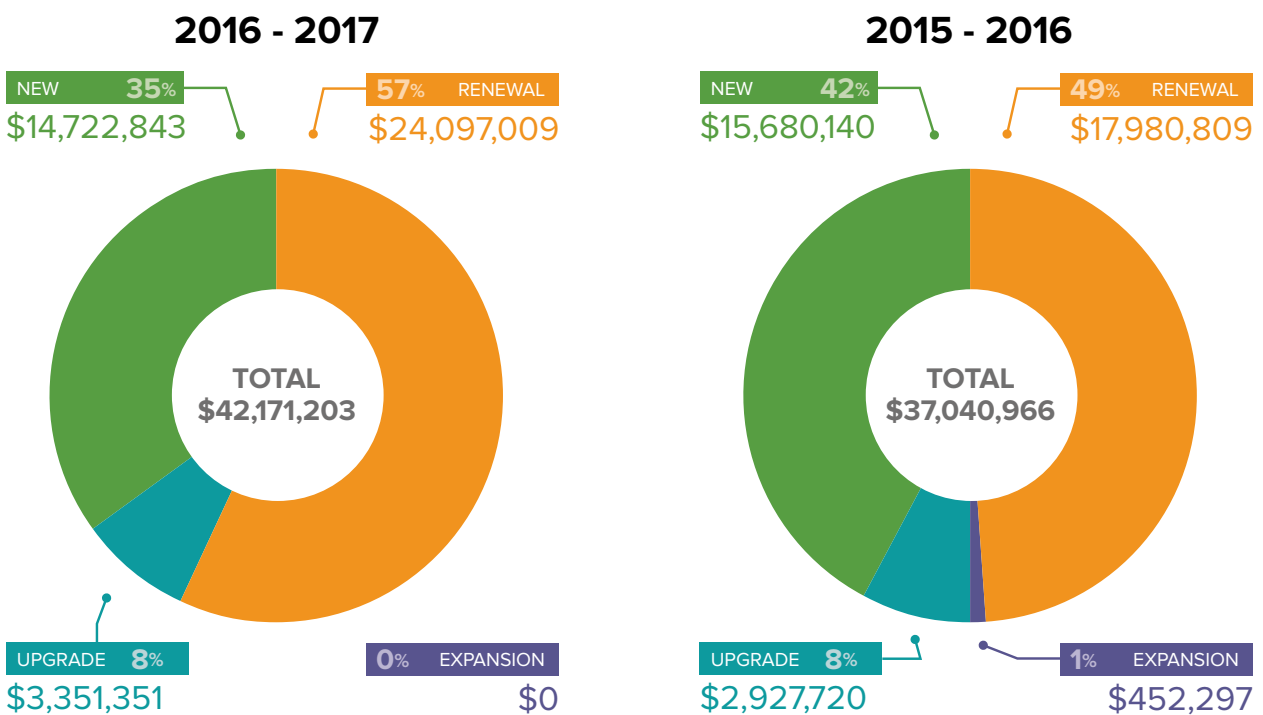




Image Credit - Tallis Wine Dookie

# FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2017

## Comprehensive Income Statement

	NOTE	2017 \$	2016 \$
<b>INCOME</b>			
Rates and charges	3	71,891,238	68,553,718
Statutory fees and fines	4	3,959,431	3,101,773
User fees	5	17,234,347	17,576,194
Grants - operating	6	29,092,942	16,533,467
Grants - capital	6	7,846,807	11,330,928
Contributions - monetary	7	2,440,373	1,827,308
Contributions - non monetary	7	5,077,083	4,074,092
Net gain on disposal of property, infrastructure, plant and equipment	8	-	14,826
Share of net profits of associates and joint ventures	16	18,458	(20,555)
Other income	9	1,262,231	1,450,490
<b>Total income</b>		<b>138,822,910</b>	<b>124,442,241</b>
<b>EXPENSES</b>			
Employee costs	10	(45,841,408)	(44,180,180)
Materials and services	11	(40,912,965)	(49,794,183)
Bad and doubtful debts	12	(113,585)	(61,690)
Depreciation and amortisation	13	(22,338,312)	(21,838,450)
Borrowing costs	14	(614,481)	(1,194,869)
Net loss on disposal of property, infrastructure, plant and equipment	8	(1,246,612)	-
Other expenses	15	(548,698)	(7,283,228)
<b>Total expenses</b>		<b>(111,616,061)</b>	<b>(124,352,600)</b>
<b>Surplus/(deficit) for the year</b>		<b>27,206,849</b>	<b>89,641</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Net asset revaluation increment/(decrement)	22	16,720,909	-
Items that will not be reclassified to surplus or deficit in future periods	16	-	-
<b>Total comprehensive result</b>		<b>43,927,758</b>	<b>89,641</b>

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



## Balance Sheet

	NOTE	2017 \$	2016 \$
<b>ASSETS</b>			
<i>CURRENT ASSETS</i>			
Cash and cash equivalents	17	25,303,343	13,275,933
Trade and other receivables	18	7,208,640	5,965,568
Other financial assets	19	17,000,000	27,042,827
Inventories	20	73,983	73,754
Other assets	21	1,050,880	1,230,300
<b>Total current assets</b>		<b>50,636,846</b>	<b>47,588,382</b>
<i>NON-CURRENT ASSETS</i>			
Investments in associates and joint ventures	16	1,511,499	1,493,041
Property, infrastructure, plant and equipment	22	1,058,401,546	1,020,986,173
Intangible assets	23	847,820	972,944
<b>Total non-current assets</b>		<b>1,060,760,865</b>	<b>1,023,452,158</b>
<b>Total assets</b>		<b>1,111,397,711</b>	<b>1,071,040,540</b>
<b>LIABILITIES</b>			
<i>CURRENT LIABILITIES</i>			
Trade and other payables	24	6,220,097	9,986,239
Trust funds and deposits	25	2,716,657	3,093,498
Provisions	26	10,119,393	11,499,521
Interest-bearing loans and borrowings	27	1,307,898	896,755
<b>Total current liabilities</b>		<b>20,364,044</b>	<b>25,476,013</b>
<i>NON-CURRENT LIABILITIES</i>			
Provisions	26	7,093,881	6,484,709
Interest-bearing loans and borrowings	27	18,426,370	17,494,161
<b>Total non-current liabilities</b>		<b>25,520,251</b>	<b>23,978,870</b>
<b>Total liabilities</b>		<b>45,884,295</b>	<b>49,454,882</b>
<b>Net assets</b>		<b>1,065,513,416</b>	<b>1,021,585,658</b>
<b>EQUITY</b>			
Accumulated surplus		519,606,407	492,399,558
Reserves	28	545,907,009	529,186,100
<b>Total Equity</b>		<b>1,065,513,416</b>	<b>1,021,585,658</b>

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

## Statement of Changes in Equity

2017	NOTE	TOTAL \$	ACCUMULATED SURPLUS \$	REVALUATION RESERVE \$
Balance at beginning of the financial year		1,021,585,658	492,399,558	529,186,100
Surplus/(deficit) for the year		27,206,849	27,206,849	-
Net asset revaluation increment/(decrement)	28	16,720,909	-	16,720,909
<b>Balance at end of the financial year</b>		<b>1,065,513,416</b>	<b>519,606,407</b>	<b>545,907,009</b>

2016	NOTE	TOTAL \$	ACCUMULATED SURPLUS \$	REVALUATION RESERVE \$
Balance at beginning of the financial year		1,021,496,017	323,881,554	697,614,463
Correction of prior period error	28	-	168,428,363	(168,428,363)
Surplus/(deficit) for the year		89,641	89,641	-
<b>Balance at end of the financial year</b>		<b>1,021,585,658</b>	<b>492,399,558</b>	<b>529,186,100</b>

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

## Statement of Cash Flows

	NOTE	2017 INFLWS/ (OUTFLOWS) \$	2016 INFLWS/ (OUTFLOWS) \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Rates and charges		70,493,649	68,461,621
Statutory fees and fines		3,959,431	3,021,964
User fees		17,322,704	17,451,499
Grants - operating		29,092,942	16,390,534
Grants - capital		7,846,807	11,330,926
Contributions - monetary		2,440,373	1,827,308
Interest received		669,954	1,182,721
Trust funds and deposits taken		-	38,450
Other receipts		592,277	546,579
Net GST refund/(payment)		1,233,933	(627,888)
Employee costs		(46,612,362)	(43,749,658)
Materials and services		(45,421,680)	(45,124,911)
Trust funds and deposits repaid		(376,841)	-
<b>Net cash provided by/(used in) operating activities</b>	<b>29</b>	<b>41,241,187</b>	<b>30,749,145</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Payments for property, infrastructure, plant and equipment	22	(42,110,597)	(37,164,981)
Proceeds from sale of property, infrastructure, plant and equipment		2,125,123	494,404
Proceeds from (payments for) investments		10,042,827	(1,942,826)
<b>Net cash provided by/(used in) investing activities</b>		<b>(29,942,647)</b>	<b>(38,613,403)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Finance costs		(614,481)	(1,194,869)
Proceeds from borrowings		4,064,000	4,436,000
Repayment of borrowings		(2,720,649)	(403,488)
<b>Net cash provided by/(used in) financing activities</b>		<b>728,870</b>	<b>2,837,643</b>
Net increase (decrease) in cash and cash equivalents		12,027,410	(5,026,616)
Cash and cash equivalents at the beginning of the financial year		13,275,933	18,302,549
<b>Cash and cash equivalents at the end of the financial year</b>		<b>25,303,343</b>	<b>13,275,933</b>

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



## Statement of Capital Works

	NOTE	2017 \$	2016 \$
<b>PROPERTY</b>			
Land		-	1,989,448
Land improvements		5,942,061	11,033,512
<b>Total land</b>		<b>5,942,061</b>	<b>13,022,960</b>
Buildings		2,246,288	4,245,437
<b>Total buildings</b>		<b>2,246,288</b>	<b>4,245,437</b>
<b>Total property</b>		<b>8,188,350</b>	<b>17,268,397</b>
<b>PLANT AND EQUIPMENT</b>			
Plant, machinery and equipment		2,248,258	2,098,394
Fixtures, fittings and furniture		525,959	970,411
Computers and telecommunications		791,310	815,333
<b>Total plant and equipment</b>		<b>3,565,527</b>	<b>3,884,137</b>
<b>INFRASTRUCTURE</b>			
Roads		11,971,263	9,768,116
Bridges		53,591	-
Footpaths and cycleways		411,533	216,371
Drainage		619,496	1,667,324
Recreational, leisure and community facilities		5,502,519	3,061,285
Waste management		11,299,114	722,382
Parks, open space and streetscapes		530,922	201,821
Aerodromes		26,248	37,087
Other infrastructure		2,643	214,045
<b>Total infrastructure</b>		<b>30,417,327</b>	<b>15,888,431</b>
<b>Total capital works expenditure</b>		<b>42,171,203</b>	<b>37,040,965</b>
<b>REPRESENTED BY:</b>			
New asset expenditure		14,722,843	15,680,140
Asset renewal expenditure		24,097,009	17,980,809
Asset expansion expenditure		-	452,297
Asset upgrade expenditure		3,351,351	2,927,720
<b>Total capital works expenditure</b>		<b>42,171,203</b>	<b>37,040,965</b>

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

# NOTES TO THE FINANCIAL REPORT

## FOR THE YEAR ENDING 30 JUNE 2017

The Greater Shepparton City Council was established by an Order of the Governor in Council on 17 November 1994 and is a body corporate. The Council's main office is located at 90 Welsford Street, Shepparton.

### **Statement of compliance**

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

### **Note 1 - Significant accounting policies**

#### **(a) Basis of accounting**

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Notes 1 (f) )
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (l) )
- the determination of employee provisions (refer to Note 1 (q) )
- the determination of landfill provisions (refer to Note 1 (r) )

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

#### **(b) Changes in accounting policies**

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

#### **(c) Committees of Management**

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

#### **(d) Accounting for investments in associates and joint arrangements**

##### *Associates*

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

### **(e) Revenue recognition**

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

#### *Rates and Charges*

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

#### *Statutory fees and fines*

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

#### *User fees*

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

#### *Grants*

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

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

#### *Contributions*

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

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

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

#### *Interest*

Interest is recognised as it is earned.

#### *Dividends*

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

#### *Other Income*

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

### **(f) Fair Value Measurement**

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

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



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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

#### **(g) Cash and cash equivalents**

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

#### **(h) Trade and other receivables**

Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

#### **(i) Other financial assets**

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

#### **(j) Inventories**

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

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

#### **(k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles**

##### *Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

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

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

### *Revaluation*

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

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

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced council officers or independent experts.

An internal review is conducted outside of valuation years to check that the unit rate used for assets is at fair value. For the 2016/17 year Council has revalued drainage assets and bridges and major culverts. The drainage assets have had a valuation increase of \$17,183,564 and an increase in accumulated depreciation of \$5,925,508. Bridges and major culverts have had a valuation increase of \$787,584 and a reduction in accumulated depreciation of \$205,242 (reflecting changes in asset condition). These changes are disclosed in Note 22.

Where the assets are revalued, the revaluation increments are credited directly to the asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is

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

Prior to 2016/17 an initial recognition of Land Under Roads assets was recorded in the asset revaluation reserve instead of accumulated surplus. An adjustment to the asset revaluation reserve has been made to the value of \$168,428,363 and is disclosed in Notes 22 and 28.

### *Land under roads*

Council recognises land under roads it controls at fair value.

### **(I) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles**

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

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

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

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

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

## Asset recognition thresholds and depreciation periods

	DEPRECIATION PERIOD	THRESHOLD LIMIT \$
<b>PROPERTY</b>		
<b>Buildings and Land Improvements</b>		
Land	-	1
Land improvements	15 to 60 years	5,000
Land under roads	-	1
Buildings <sup>1</sup>	10 to 100 years	10,000
<b>Heritage Assets</b>		
Heritage assets	10 to 100 years	5,000
<b>PLANT AND EQUIPMENT</b>		
Plant, machinery and equipment	2 to 10 years	500
Furniture, equipment and computers	2 to 13 years	1,500
Art collection and civic regalia <sup>2</sup>	-	3,000
<b>INFRASTRUCTURE</b>		
<b>Roads</b>		
Road surface and seals	12 to 60 years	-
spray seal		500m <sup>2</sup>
asphalt		150m <sup>2</sup>
concrete		55m <sup>2</sup>
line marking		5,000
Road pavement	53 to 60 years	290m <sup>2</sup>
Road kerb, channel and minor culverts	60 to 90 years	1
Bridges and major culverts	50 to 80 years	
Footpaths <sup>3</sup>	10 to 70 years	1
Bike paths	10 to 65 years	1
Drainage	50 to 90 years	1
Naturestrip trees	50 years	1
Regulatory signs	7 to 35 years	1
Street furniture	5 to 50 years	1
<b>INTANGIBLE ASSETS</b>		
intangible assets	-	1,000

<sup>1</sup> Greater Shepparton City Council's Depreciation Policy 34.POL3 notes a threshold for New buildings as "all". The minimum threshold for renewal, upgrade and expansion is \$5,000.

<sup>2</sup> Greater Shepparton City Council's Depreciation Policy 34.POL3 notes a depreciation period of 50 years for Mayoral Robes.

<sup>3</sup> During 2016/17 the useful lives for Footpaths was extended from 10 to 60 years to 10 to 70 years. This change has reduced accumulated depreciation by \$4,470,027 as disclosed in Note 22. The effect on the annual depreciation change is estimated to be a reduction of \$142,819.

### (m) 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.

### (n) 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 of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

### (o) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 25).



## **(p) Borrowings**

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

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

### *Borrowing costs*

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

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

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

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

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

rate expected to apply at the time of settlement.

### *Long service leave*

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

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

The components of this current liability are measured at:

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

### *Classification of employee benefits*

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

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

## **(r) Landfill rehabilitation provision**

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

**(s) Leases***Operating leases*

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

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

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

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

**(u) Financial guarantees**

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet, are disclosed at Note 36 contingent liabilities and contingent assets.

**(v) Contingent assets and contingent liabilities and commitments**

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

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

**(w) Pending accounting standards**

The following new AAS's have been issued that are not mandatory for the 30 June 2017 reporting

period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

*Revenue from contracts with customers (AASB 15) (applies 2018/19)*

The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measurement encompasses estimation by the entity of the amount expected to be entitled for performing under the contract. The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income.

*Leases (AASB 16) (applies 2019/20)*

The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capitalising the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the 'right-of-use' asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term.

Council has a significant number of operating leases that will be impacted as a result of this change. This will see assets and liabilities of approximately \$1.404m recognised.

**(x) Rounding**

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

## Note 2 - Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10 per cent and \$100k where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 21 June 2016. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

A) INCOME AND EXPENDITURE	BUDGET 2017 \$	ACTUAL 2017 \$	VARIANCE 2017 \$	REF
<b>INCOME</b>				
Rates and charges	70,956,622	71,891,238	934,616	
Statutory fees and fines	3,147,663	3,959,431	811,768	1
User fees	20,607,998	17,234,347	(3,373,651)	2
Grants - operating	22,838,467	29,092,942	6,254,475	3
Grants - capital	7,462,860	7,846,807	383,947	
Contributions - monetary	1,312,444	2,440,373	1,127,929	4
Contributions - non monetary	2,000,000	5,077,083	3,077,083	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	114,447	(1,246,612)	(1,361,059)	6
Share of net profits/(losses) of associates and joint ventures	-	18,458	18,458	
Other income	1,647,027	1,262,231	(384,796)	7
<b>Total income</b>	<b>130,087,528</b>	<b>137,576,298</b>	<b>7,488,770</b>	
<b>EXPENSES</b>				
Employee costs	46,463,647	45,841,408	622,239	
Materials and services	46,330,015	40,912,965	5,417,050	8
Bad and doubtful debts	144,000	113,585	30,415	
Depreciation and amortisation	22,044,545	22,338,312	(293,767)	
Borrowing costs	1,250,000	614,481	635,519	9
Other expenses	284,500	548,698	(264,198)	10
<b>Total expenses</b>	<b>116,516,707</b>	<b>110,369,449</b>	<b>6,147,258</b>	
<b>Surplus/(deficit) for the year</b>	<b>13,570,821</b>	<b>27,206,849</b>	<b>13,636,028</b>	



**(i) Explanation of material variations**

VARIANCE REF	ITEM	EXPLANATION
1	Statutory fees & fines	More than budget by \$812,000 largely due to an increase in parking infringements statutory fees and fines (\$588,000) reflecting a change in parking enforcement practices and includes recoverable infringement court costs.
2	User fees	Less than budget by \$3.37 million largely due to a decrease in Cosgrove Landfill user fees (\$5.1 million) offset by increased user fees in Children's Services (\$411,000) and Performing Arts and Conventions (\$270,000).
3	Grants - operating	More than budget by \$6.25 million largely due to the early receipt of 50% of the 2016/17 Federal Financial Assistance Grant funding allocation (\$5.98 million).
4	Contributions - monetary	More than budget by \$1.13 million mainly due to increased developer contributions for Recreational Land fund and Cash in Lieu of Car Parks (\$208,000) and increased insurance claims (\$99,000).
5	Contributions - non-monetary	More than budget by \$3.08 million largely due to asset contributions received from developers which are often difficult to predict.
6	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Less than budget by \$1.36 million largely due to the write down off assets removed (\$1.67 million). Refer to note 22.
7	Other income	Less than budget by \$385,000 largely due to the reclassification of Municipal Rates Interest (\$268,000) from 'Other Income' to 'Rates and Charges Income'. Refer to note 3.
8	Materials and services	Less than budget by \$5.42 million mainly due to lower EPA levy charges at Cosgrove Landfill (\$2.95 million), operational savings in stationery/ office consumables and advertising (\$630,000), the carry forward of intersection works as part of the Mooroopna West Growth Corridor (\$600,000) into 2017/18 and reduced power costs for street lighting (\$193,000).
9	Borrowing costs	Less than budget by \$636,000 mainly due to the early pay down of \$2 million in existing borrowings during 2016/17 and the capitalisation of interest expense for borrowings associated with the construction of the Greater Shepparton Sports Precinct.
10	Other expenses	More than budget by \$264,000 mainly due to the write down of intangible assets due to actual lot sales at Parkside Gardens (\$126,000).

## Note 2 - Budget comparison (continued)

B) CAPITAL WORKS	BUDGET 2017 \$	ACTUAL 2017 \$	VARIANCE 2017 \$	REF
<b>PROPERTY</b>				
Land improvements	4,472,383	5,942,061	1,469,678	1
<b>Total Land</b>	<b>4,472,383</b>	<b>5,942,061</b>	<b>1,469,678</b>	
Buildings	2,684,161	2,246,288	(437,873)	2
<b>Total Buildings</b>	<b>2,684,161</b>	<b>2,246,288</b>	<b>(437,873)</b>	
<b>Total Property</b>	<b>7,156,544</b>	<b>8,188,350</b>	<b>1,031,806</b>	
<b>PLANT AND EQUIPMENT</b>				
Plant, machinery and equipment	2,355,937	2,248,258	(107,679)	
Fixtures, fittings and furniture	629,741	525,959	(103,782)	3
Computers and telecommunications	815,000	791,310	(23,690)	
<b>Total Plant and Equipment</b>	<b>3,800,678</b>	<b>3,565,527</b>	<b>(235,151)</b>	
<b>INFRASTRUCTURE</b>				
Roads	14,036,919	11,971,263	(2,065,656)	4
Bridges	-	53,591	53,591	
Footpaths and cycleways	694,450	411,533	(282,917)	5
Drainage	1,127,000	619,496	(507,504)	6
Recreational, leisure and community facilities	6,051,245	5,502,519	(548,726)	
Waste management	11,624,916	11,299,114	(325,802)	
Parks, open space and streetscapes	804,700	530,922	(273,778)	7
Aerodromes	189,000	26,248	(162,752)	8
Other infrastructure	-	2,643	2,643	
<b>Total Infrastructure</b>	<b>34,528,230</b>	<b>30,417,327</b>	<b>(4,110,903)</b>	
<b>Total Capital Works Expenditure</b>	<b>45,485,452</b>	<b>42,171,203</b>	<b>(3,314,249)</b>	
<b>REPRESENTED BY:</b>				
New asset expenditure	16,537,342	14,722,843	(1,814,499)	
Asset renewal expenditure	24,806,252	24,097,009	(709,243)	
Asset expansion expenditure	600,000	-	(600,000)	
Asset upgrade expenditure	3,541,858	3,351,351	(190,507)	
<b>Total Capital Works Expenditure</b>	<b>45,485,452</b>	<b>42,171,203</b>	<b>(3,314,249)</b>	

**(i) Explanation of material variations**

VARIANCE REF	ITEM	EXPLANATION
1	Land improvements	More than budget by \$1.47 million largely due to Quarter 1 Adopted Forecast Reviews for Greater Shepparton Regional Sports Precinct rebudgets (\$1.21 million) and Saleyards projects Truck Wash Crossover, Water Tanks, Lighting and Walkways and Pens (\$205,000)
2	Buildings	Less than budget by \$438,000 largely due to the rebudget of New Shepparton Art Museum works into future years to match expenditure profiles in line with funding agreements (\$957,000). This reduction is largely offset by 2015/16 rebudgets for Katandra West Community Centre (\$331,000)
3	Fixtures, Fittings and Furniture	Less than budget by \$104,000 mainly due to the rebudgeting of software purchases into future years (\$36,000) and lower expenditure in Kerbside Waste Bin purchases (\$25,000).
4	Roads	Lower than budget by \$2.07 million largely due to the rebudgeting of works for Verney Road and Welsford Street projects (\$1.4 million) and Mooroopna West Growth Corridor intersection works being included in the operating budget (\$600,000). These rebudgets were mainly due to delays in obtaining approvals from relevant authorities.
5	Footpaths & Cycleways	Less than budget by \$283,000 mainly due to lower expenditure in Shared Paths (\$163,000) and the rebudgeting of Lake Bartlett Circuit Path works (\$71,000).
5	Footpaths & Cycleways	Less than budget by \$283,000 mainly due to lower expenditure in Shared Paths (\$163,000) and the rebudgeting of Lake Bartlett Circuit Path works (\$71,000).
6	Drainage	Less than budget by \$508,000 largely due to the rebudgeting of drainage works relating to developer contribution plans (\$448,000).
7	Parks, Open Space and Streetscapes	Less than budget by \$274,000 mainly due to the rebudgeting of Maude Street Mall Activation works (\$300,000).
8	Aerodrome	Less than budget by \$163,000 due to the rebudgeting of aerodrome renewals (\$189,000) into 2017/2018 in consideration of market pricing of the works.

### Note 3 - Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its market value, which takes into account the land and all improvements fixed to the land.

The valuation base used to calculate general rates for 2016/17 was \$9.438 billion (2015/16 \$9.186 billion).

	2017 \$	2016 \$
General Rates	54,592,879	52,239,432
Municipal charge	7,599,872	7,334,500
Waste management charge	9,169,234	8,430,173
Supplementary rates and rate adjustments	260,791	256,265
Interest on rates and charges	268,462	293,349
<b>Total rates and charges</b>	<b>71,891,238</b>	<b>68,553,719</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation was first applied in the rating year commencing 1 July 2016.

### Note 4 - Statutory fees and fines

	2017 \$	2016 \$
Infringements and costs	1,122,207	681,006
Court recoveries	152,448	40,563
Town planning fees	540,650	422,302
Permits	1,585,488	1,419,448
Aged Services	558,638	538,454
<b>Total statutory fees and fines</b>	<b>3,959,431</b>	<b>3,101,773</b>

### Note 5 - User fees

	2017 \$	2016 \$
Aged and Disability services	77,635	27,358
Animal Control	110,816	97,360
Aquatic Facilities	3,141,228	2,821,997
Arts and Culture	1,309,283	657,273
Children's Services	2,238,365	2,224,757
Development Facilities	263,944	212,281
Environmental Health	17,371	25,140
Financial Services	1,226,091	432,052
Miscellaneous	599,138	780,231
Parking	1,299,015	1,254,776
Private Works	125,649	385,792
Recreational Facilities	521,487	409,619



## Note 5 - User fees (Continued)

	2017 \$	2016 \$
Saleyards	1,475,525	1,741,715
Tourism	1,351,270	1,013,930
Waste management services	3,477,532	5,491,913
<b>Total user fees</b>	<b>17,234,347</b>	<b>17,576,194</b>

## Note 6 - Grants

Grants were received in respect of the following:	2017 \$	2016 \$
<b>SUMMARY OF GRANTS</b>		
Commonwealth funded grants	27,532,545	13,568,282
State funded grants	9,407,204	14,296,113
<b>Total grants received</b>	<b>36,939,749</b>	<b>27,864,395</b>
<b>OPERATING GRANTS</b>		
<b>Recurrent - Commonwealth Government</b>		
Federal Financial Assistance Grants	17,520,487	5,706,000
Children's Services	2,792,498	2,527,218
Aged & Disability Services	1,175,691	558,633
Waste & Resource Recovery	20,500	104,940
<b>Recurrent - State Government</b>		
Aged & Disability Services	2,888,877	3,314,989
Children's Services	1,804,617	1,735,661
Citizens Service - Parking	204,385	77,849
Environmental Health	196,622	74,038
Arts and Culture	120,000	193,000
Emergency Management	120,000	146,106
Economic Development	-	15,000
<b>Total recurrent operating grants</b>	<b>26,843,676</b>	<b>14,453,434</b>
<b>Non-recurrent - Commonwealth Government</b>		
Environmental planning	52,832	267,511
Economic Development	18,182	-
Other	11,581	150,353
<b>Non-recurrent - State Government</b>		
Youth and Children's Services	1,216,364	1,216,355
Arts and Culture	240,520	139,606
Aged & Disability Services	223,780	-
Active Living	148,018	74,545
Building & Planning	132,000	-
Environment	75,000	-
Other	60,372	98,690

## Note 6 - Grants (Continued)

Grants were received in respect of the following:	2017 \$	2016 \$
Economic Development	58,800	-
Infrastructure	7,500	100,000
Recreation and Parks	4,317	32,973
<b>Total non-recurrent operating grants</b>	<b>2,249,266</b>	<b>2,080,033</b>
<b>Total operating grants</b>	<b>29,092,942</b>	<b>16,533,467</b>
<b>CAPITAL GRANTS</b>		
<b>Recurrent - Commonwealth Government</b>		
Roads to recovery	4,880,774	4,225,997
<b>Recurrent - State Government</b>		
Recreation and Parks	50,000	--
<b>Total recurrent capital grants</b>	<b>4,930,774</b>	<b>4,225,997</b>
<b>Non-recurrent - Commonwealth Government</b>		
Infrastructure - Local Roads	1,000,000	-
Community life	60,000	--
Information Services	-	19,800-
Recreation and Parks	-	7,830
<b>Non-recurrent - State Government</b>		
Sports Facilities	1,385,800	5,993,289
Community life	234,357	-
Infrastructure	124,350	-
Economic Development	90,000	-
Recreation and Parks	13,726	123,700
Art and Culture	7,800	-
Buildings	-	110,000
Drainage	-	750,400
Other	-	99,912
<b>Total non-recurrent capital grants</b>	<b>2,916,033</b>	<b>7,104,931</b>
<b>Total capital grants</b>	<b>7,846,807</b>	<b>11,330,928</b>
<b>Total grants received</b>	<b>36,939,749</b>	<b>27,864,395</b>
<b>Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	777,174	5,769,338
Received during the financial year and remained unspent at balance date	8,088,603	1,060,241
Received in prior years and spent during the financial year	(620,584)	(6,052,405)
<b>Balance at year end</b>	<b>8,245,193</b>	<b>777,174</b>

## Note 7 - Contributions

	2017 \$	2016 \$
Monetary	2,440,373	1,827,308
Non-monetary	5,077,083	4,074,092
<b>Total contributions</b>	<b>7,517,456</b>	<b>5,901,399</b>
<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
Land	1,097,255	671,345
Roads	1,984,343	3,402,747
Other infrastructure	1,995,485	-
<b>Total non-monetary contributions</b>	<b>5,077,083</b>	<b>4,074,092</b>

## Note 8 - Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2017 \$	2016 \$
Proceeds of sale	2,125,123	494,404
Written down value of assets disposed	(3,371,735)	(479,578)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(1,246,612)</b>	<b>14,826</b>

## Note 9 - Other income

	2017 \$	2016 \$
Interest	669,954	889,372
Rent	592,277	546,579
Revenue commission	-	14,539
<b>Total other income</b>	<b>1,262,231</b>	<b>1,450,490</b>

## Note 10 (a) - Employee costs

	2017 \$	2016 \$
Wages and salaries	41,208,455	39,833,737
WorkCover	421,314	316,467
Superannuation	4,065,019	3,823,195
Fringe benefits tax	146,620	206,781
<b>Total employee costs</b>	<b>45,841,408</b>	<b>44,180,180</b>

## Note 10 (b) - Superannuation

	2017 \$	2016 \$
<b>COUNCIL MADE CONTRIBUTIONS TO THE FOLLOWING FUNDS:</b>		
<b>Defined benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	166,721	172,053
	<b>166,721</b>	<b>172,053</b>
Employer contributions payable at reporting date.	-	-
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,888,633	3,642,084
Employer contributions - other funds	9,665	9,058
	<b>3,898,298</b>	<b>3,651,142</b>
Employer contributions payable at reporting date.	-	62
	<b>4,065,019</b>	<b>3,823,195</b>

Refer to note 33 for further information relating to Council's superannuation obligations.

## Note 11 - Materials and services

	2017 \$	2016 \$
Contract payments	16,004,440	15,456,631
Building maintenance	604,315	778,954
General maintenance	11,743,725	14,999,779
Utilities	2,754,336	3,090,771
Office administration	6,602,613	12,219,309
Information technology	199,181	283,780
Insurance	1,429,620	1,016,706
Consultants	1,574,736	1,948,253
<b>Total materials and services</b>	<b>40,912,965</b>	<b>49,794,183</b>



## Note 12 - Bad and doubtful debts

	2017 \$	2016 \$
Parking fine debtors	88,676	28,857
Rates debtors	12,905	11,371
Other debtors	12,004	21,462
<b>Total bad and doubtful debts</b>	<b>113,585</b>	<b>61,690</b>

## Note 13 - Depreciation and amortisation

	2017 \$	2016 \$
Property	2,246,305	4,000,083
Plant and equipment	2,048,310	2,527,236
Infrastructure	18,043,697	15,311,131
<b>Total depreciation and amortisation</b>	<b>22,338,312</b>	<b>21,838,450</b>

Refer to note 22 for a more detailed breakdown of depreciation and amortisation charges

## Note 14 - Borrowing costs

	2017 \$	2016 \$
Interest - Borrowings	774,359	1,194,869
Less capitalised borrowing costs on qualifying assets	159,878	-
<b>Total borrowing costs</b>	<b>614,481</b>	<b>1,194,869</b>
Rate used to capitalise borrowing costs	3.66%	n/a

## Note 15 - Other expenses

	2017 \$	2016 \$
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	64,200	66,500
Auditors' remuneration - Internal	57,740	84,435
Councillors' allowances	299,864	240,343
Write off of replaced assets	-	6,811,859
Write down of intangible assets	126,894	80,091
<b>Total other expenses</b>	<b>548,698</b>	<b>7,283,228</b>

## Note 16 - Investments in associates, joint ventures and subsidiaries

### a) Investments in associates

	2017 \$	2016 \$
Investments in associates accounted for by the equity method are:	1,511,499	1,493,041
- Goulburn Valley Regional Library Corporation		

### Goulburn Valley Regional Library Corporation

#### Background

The Goulburn Valley Regional Library Corporation is an entity which has been established to serve three northern Victorian Councils; the Greater Shepparton City Council, Moira Shire Council and the Strathbogie Shire Council. Each Council has two representatives on the Board of the Corporation.

Each of the member Councils contributes financially to the operation of the Corporation based on the ratio of their population base. Contribution payments are considered a 'fee for service' on a commercial basis and are relative to the services the Corporation provides. The amount of financial contribution does not bring with it any additional voting rights or influence on the library activities and therefore no greater power or control.

	2017 \$	2016 \$
<b>Fair value of Council's investment in the Goulburn Valley Regional Library Corporation</b>	<b>1,511,499</b>	<b>1,493,041</b>
<b>COUNCIL'S SHARE OF ACCUMULATED SURPLUS/(DEFICIT)</b>		
Council's share of accumulated surplus(deficit) at start of year	(387,147)	(366,592)
Reported surplus(deficit) for year	18,458	(20,555)
<b>Council's share of accumulated surplus(deficit) at end of year</b>	<b>(368,689)</b>	<b>(387,147)</b>
<b>COUNCIL'S SHARE OF RESERVES</b>		
Council's share of reserves at start of year	1,493,041	1,513,596
<b>Council's share of reserves at end of year</b>	<b>1,493,041</b>	<b>1,513,596</b>
<b>MOVEMENT IN CARRYING VALUE OF SPECIFIC INVESTMENT</b>		
Carrying value of investment at start of year	1,493,041	1,513,596
Share of surplus(deficit) for year	18,458	(20,555)
<b>Carrying value of investment at end of year</b>	<b>1,511,499</b>	<b>1,493,041</b>

## Note 17 - Cash and cash equivalents

	2017 \$	2016 \$
Cash on hand	9,745	8,700
Cash at bank	6,789,484	7,763,119
Term deposits	18,504,114	5,504,114
	<b>25,303,343</b>	<b>13,275,933</b>
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Trust funds and deposits (Note 25)	2,716,657	3,093,498
- Funds held on a statutory basis	1,850,604	1,429,228
<b>Total restricted funds</b>	<b>4,567,261</b>	<b>4,522,726</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>20,736,082</b>	<b>8,753,207</b>
<b>INTENDED ALLOCATIONS</b>		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash held to fund carried forward capital works	2,691,553	3,425,876
- Conditional grants unspent	8,245,193	777,174
<b>Total funds subject to intended allocations</b>	<b>10,936,746</b>	<b>4,203,050</b>

Refer also to Note 18 for details of other financial assets held by Council.

## Note 18 - Other financial assets

	2017 \$	2016 \$
Term deposits	17,000,000	27,042,827
<b>Total other financial assets</b>	<b>17,000,000</b>	<b>27,042,827</b>

## Note 19 - Trade and other receivables

	2017 \$	2016 \$
<b>CURRENT</b>		
<i>Statutory receivables</i>		
Rates debtors	2,670,343	3,277,313
Infringement debtors	798,215	425,046
Provision for doubtful debts - infringements	(85,710)	(44,778)
Other debtors	2,621,799	1,711,478
Provision for doubtful debts - other debtors	(30,000)	(30,000)
<i>Non statutory receivables</i>		
Net GST receivable	1,233,993	626,510
<b>Total current trade and other receivables</b>	<b>7,208,640</b>	<b>5,965,568</b>
<b>Total trade and other receivables</b>	<b>7,208,640</b>	<b>5,965,568</b>
<b>A) AGEING OF RECEIVABLES</b>		
At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	1,168,477	1,457,932
Past due by up to 30 days	1,160,309	169,752
Past due between 31 and 180 days	293,013	83,794
<b>Total trade &amp; other receivables</b>	<b>2,621,799</b>	<b>1,711,478</b>
<b>B) MOVEMENT IN PROVISIONS FOR DOUBTFUL DEBTS</b>		
Balance at the beginning of the year	(74,778)	(131,386)
New Provisions recognised during the year	(154,517)	(5,082)
Amounts already provided for and written off as uncollectible	113,585	61,690
<b>Balance at end of year</b>	<b>(115,710)</b>	<b>(74,778)</b>
<b>C) AGEING OF INDIVIDUALLY IMPAIRED RECEIVABLES</b>		
At balance date, other debtors representing financial assets with a nominal value of approx. \$30,000 (2016: \$29,826) were impaired. The amount of the provision raised against these debtors was \$30,000 (2016: \$30,000). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.		
The ageing of receivables that have been individually determined as impaired at reporting date was:		
Past due between 31 and 180 days	30,000	29,826
<b>Total trade &amp; other receivables</b>	<b>30,000</b>	<b>29,826</b>



## Note 20 - Inventories

	2017 \$	2016 \$
Inventories held for distribution	73,983	73,754
<b>Total inventories</b>	<b>73,983</b>	<b>73,754</b>

## Note 21 - Other assets

	2017 \$	2016 \$
Prepayments	674,044	763,344
Accrued income	333,134	421,491
Intangible asset - Parkside Gardens right to receive income within 12 months	43,702	45,465
<b>Total other assets</b>	<b>1,050,880</b>	<b>1,230,300</b>

## Note 22 - Property, infrastructure plant and equipment

### Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Transfers	At Fair Value 30 June 2017
Land	243,641,645	568,987	1,080,245	-	(420,326)	(331,383)	<b>(19,121,696)</b>	<b>225,417,472</b>
Buildings	70,407,420	1,794,489	-	-	(1,825,979)	(283,362)	<b>65,347</b>	<b>70,157,915</b>
Plant and Equipment	27,421,119	3,087,834	-	-	(2,048,310)	(220,502)	1,196,261	29,436,402
Infrastructure	645,997,721	7,845,749	3,996,839	16,720,909	(18,043,697)	(2,518,275)	40,418,251	694,417,497
Work in progress	33,518,268	28,035,638	-	-	-	(23,482)	(22,558,163)	38,972,261
<b>Total</b>	<b>1,020,986,173</b>	<b>41,332,697</b>	<b>5,077,084</b>	<b>16,720,909</b>	<b>(22,338,312)</b>	<b>(3,377,005)</b>	<b>-</b>	<b>1,058,401,546</b>

### Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Property	2,823,667	1,426,751	(2,811,039)	-	1,439,379
Plant and Equipment	1,204,194	438,986	(1,196,261)	-	446,919
Infrastructure	29,490,407	26,169,901	(18,550,863)	(23,482)	37,085,963
<b>Total</b>	<b>33,518,268</b>	<b>28,035,638</b>	<b>(22,558,163)</b>	<b>(23,482)</b>	<b>38,972,261</b>

## Note 22 - Property, infrastructure plant and equipment (continued)

<b>Land and Buildings</b>	Land - specialised	Land - non specialised	Land improvements	<b>Total Land</b>	Heritage buildings	Buildings - specialised	<b>Total Buildings</b>	Work In Progress	<b>Total Property</b>
At fair value 1 July 2016	179,074,509	58,196,133	7,161,640	<b>244,432,282</b>	26,554,249	90,438,279	<b>116,992,528</b>	2,823,667	<b>364,248,477</b>
Accumulated depreciation at 1 July 2016	-	-	(790,637)	<b>(790,637)</b>	(9,476,043)	(37,109,065)	<b>(46,585,108)</b>	-	<b>(47,375,745)</b>
	<b>179,074,509</b>	<b>58,196,133</b>	<b>6,371,003</b>	<b>243,641,645</b>	<b>17,078,206</b>	<b>53,329,214</b>	<b>70,407,420</b>	<b>2,823,667</b>	<b>316,872,732</b>
<b>Movements in fair value</b>									
Acquisition of assets at fair value	-	388,000	180,987	<b>568,987</b>	218,125	1,576,364	<b>1,794,489</b>	1,426,751	<b>3,790,227</b>
Contributed assets	651,145	429,100	-	<b>1,080,245</b>	-	-	-	-	<b>1,080,245</b>
Revaluation increments/decrements	-	-	-	-	-	-	-	-	-
Fair value of assets disposed	(123,310)	(170,835)	(38,911)	<b>(333,056)</b>	(108,790)	(296,700)	<b>(405,490)</b>	-	<b>(738,546)</b>
Transfers	-	(19,061,652)	(998,833)	<b>(20,060,485)</b>	5,305,140	(7,248,226)	<b>(1,943,086)</b>	(2,811,039)	<b>(24,814,610)</b>
	<b>527,835</b>	<b>(18,415,387)</b>	<b>856,757</b>	<b>(18,744,309)</b>	<b>5,414,475</b>	<b>(5,968,562)</b>	<b>(554,087)</b>	<b>(1,384,288)</b>	<b>(20,682,684)</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	(420,326)	<b>(420,326)</b>	(477,464)	(1,348,515)	<b>(1,825,979)</b>	-	<b>(2,246,305)</b>
Accumulated depreciation of disposals	-	-	1,673	<b>1,673</b>	88,199	172,085	<b>260,284</b>	-	<b>261,957</b>
Revaluation increments/decrements	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	(138,156)	<b>(138,156)</b>	-	<b>(138,156)</b>
Transfers	-	-	938,789	<b>938,789</b>	(1,896,862)	3,905,295	<b>2,008,433</b>	-	<b>2,947,222</b>
	-	-	<b>520,136</b>	<b>520,136</b>	<b>(2,286,127)</b>	<b>2,590,709</b>	<b>304,582</b>	-	<b>824,718</b>
At fair value 30 June 2017	179,602,344	39,780,746	6,304,883	<b>225,687,973</b>	31,968,724	84,469,717	<b>116,438,441</b>	1,439,379	<b>343,565,793</b>
Accumulated depreciation at 30 June 2017	-	-	(270,501)	<b>(270,501)</b>	(11,762,170)	(34,518,356)	<b>(46,280,526)</b>	-	<b>(46,551,027)</b>
	<b>179,602,344</b>	<b>39,780,746</b>	<b>6,034,382</b>	<b>225,417,472</b>	<b>20,206,554</b>	<b>49,951,361</b>	<b>70,157,915</b>	<b>1,439,379</b>	<b>297,014,765</b>

## Note 22 - Property, infrastructure plant and equipment (continued)

<b>Plant and Equipment</b>	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Work in Progress	<b>Total plant and equipment</b>
At fair value 1 July 2016	14,284,105	24,202,855	6,156,864	1,204,194	<b>45,848,018</b>
Accumulated depreciation at 1 July 2016	(7,442,812)	(4,810,760)	(4,969,133)	-	<b>(17,222,705)</b>
	<b>6,841,293</b>	<b>19,392,095</b>	<b>1,187,731</b>	<b>1,204,194</b>	<b>28,625,313</b>
<b>Movements in fair value</b>					
Acquisition of assets at fair value	2,127,044	68,883	891,907	438,986	<b>3,526,820</b>
Fair value of assets disposed	(1,530,851)	-	(314,845)	-	<b>(1,845,696)</b>
Transfers	206,395	(68,469)	318,663	(1,196,261)	<b>(739,672)</b>
	<b>802,588</b>	<b>414</b>	<b>895,725</b>	<b>(757,275)</b>	<b>941,452</b>
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(1,341,235)	(239,079)	(467,996)	-	<b>(2,048,310)</b>
Accumulated depreciation of disposals	1,310,349	-	314,845	-	<b>1,625,194</b>
Transfers	5,546	551,856	182,270	-	739,672
	<b>(25,340)</b>	<b>312,777</b>	<b>29,119</b>	<b>-</b>	<b>316,556</b>
At fair value 30 June 2017	15,086,693	24,203,269	7,052,589	446,919	<b>46,789,470</b>
Accumulated depreciation at 30 June 2017	(7,468,152)	(4,497,983)	(4,940,014)	-	<b>(16,906,149)</b>
	<b>7,618,541</b>	<b>19,705,286</b>	<b>2,112,575</b>	<b>446,919</b>	<b>29,883,321</b>

## Note 22 - Property, infrastructure plant and equipment (continued)

Infrastructure	Note	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management
At fair value 1 July 2016		571,020,745	21,760,425	66,080,656	127,267,496	111,478,113	5,886,741
Accumulated depreciation at 1 July 2016		(175,456,784)	(7,853,164)	(32,799,917)	(47,126,064)	(39,500,752)	(2,481,542)
		<b>395,563,961</b>	<b>13,907,261</b>	<b>33,280,739</b>	<b>80,141,432</b>	<b>71,977,361</b>	<b>3,405,199</b>
<b>Movements in fair value</b>							
Acquisition of assets at fair value		5,975,180	53,591	24,844	80,605	1,540,661	-
Contributed assets		1,984,343	-	750,763	1,221,687	-	-
Revaluation increments/decrements		-	787,584	-	17,183,564	-	-
Fair value of assets disposed		(1,403,576)	-	(198,307)	(1,226,096)	(408,320)	(6,444)
Transfers		4,003,575	(1,084,018)	(303,589)	6,941,627	16,612,678	3,209,596
		<b>10,559,522</b>	<b>(242,843)</b>	<b>273,711</b>	<b>24,201,387</b>	<b>17,745,019</b>	<b>3,203,152</b>
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation		(12,336,732)	(494,732)	(1,028,472)	(1,414,083)	(1,564,692)	(248,375)
Accumulated depreciation of disposals		296,692	-	59,279	150,541	254,089	6,444
Revaluation increments/decrements		-	205,242	-	(5,925,508)	-	-
Change in useful life	1(l)	-	-	4,470,027	-	-	-
Transfers		(3,213)	982,889	174,846	432,194	(3,156,510)	(5,546)
		<b>(12,043,253)</b>	<b>693,399</b>	<b>3,675,680</b>	<b>(6,756,856)</b>	<b>(4,467,113)</b>	<b>(247,477)</b>
At fair value 30 June 2017		581,580,267	21,517,582	66,354,367	151,468,883	129,223,132	9,089,893
Accumulated depreciation at 30 June 2017		(187,500,037)	(7,159,765)	(29,124,237)	(53,882,920)	(43,967,865)	(2,729,019)
		<b>394,080,230</b>	<b>14,357,817</b>	<b>37,230,130</b>	<b>97,585,963</b>	<b>85,255,267</b>	<b>6,360,874</b>



## Note 22 - Property, infrastructure plant and equipment (continued)

Infrastructure (continued)	Note	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
At fair value 1 July 2016		27,450,373	6,955,423	11,138,999	11,641,884	29,490,407	<b>990,171,262</b>
Accumulated depreciation at 1 July 2016		(2,358,760)	(510,098)	(1,792,374)	(4,803,679)	-	<b>(314,683,134)</b>
		<b>25,091,613</b>	<b>6,445,325</b>	<b>9,346,625</b>	<b>6,838,205</b>	<b>29,490,407</b>	<b>675,488,128</b>
<b>Movements in fair value</b>							
Acquisition of assets at fair value		151,585	-	-	19,283	26,169,901	<b>34,015,650</b>
Contributed assets		-	-	-	40,046	-	<b>3,996,839</b>
Revaluation increments/ decrements		-	-	-	-	-	<b>17,971,148</b>
Fair value of assets disposed		(500)	-	-	(74,940)	(23,482)	<b>(3,341,665)</b>
Transfers		14,260,386	161,010	234,181	69,699	(18,550,863)	<b>25,554,282</b>
		<b>14,411,471</b>	<b>161,010</b>	<b>234,181</b>	<b>54,088</b>	<b>7,595,556</b>	<b>78,196,254</b>
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation		(236,671)	(28,533)	(179,306)	(512,101)	-	<b>(18,043,697)</b>
Accumulated depreciation of disposals		229	-	-	32,634	-	<b>799,908</b>
Revaluation increments/ decrements		-	-	-	-	-	<b>(5,720,266)</b>
Change in useful life	1(l)	-	-	-	-	-	<b>4,470,027</b>
Transfers		(2,117,210)	-	(42,982)	48,638	-	<b>(3,686,894)</b>
		<b>(2,353,652)</b>	<b>(28,533)</b>	<b>(222,288)</b>	<b>(430,829)</b>	-	<b>(22,180,922)</b>
At fair value 30 June 2017		41,861,844	7,116,433	11,373,180	11,695,972	37,085,963	<b>1,068,367,516</b>
Accumulated depreciation at 30 June 2017		(4,712,412)	(538,631)	(2,014,662)	(5,234,508)	-	<b>(336,864,056)</b>
		<b>37,149,432</b>	<b>6,577,802</b>	<b>9,358,518</b>	<b>6,461,464</b>	<b>37,085,963</b>	<b>731,503,460</b>

## Note 22 - Property, infrastructure plant and equipment (continued)

### Valuation of land and buildings

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

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2017 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3
Land	-	1,183,957	38,596,789
Specialised land	-	-	179,602,344
Land improvements	-	5,348,525	685,857
Heritage buildings	-	-	20,206,554
Buildings	-	5,996,605	43,954,756
<b>Total</b>	-	<b>12,529,087</b>	<b>283,046,300</b>

## Note 22 - Property, infrastructure plant and equipment (continued)

### Valuation of infrastructure

Valuation of infrastructure assets (excluding Major Culverts) has been determined in accordance with an internal valuation undertaken by the Team Leader Strategic Assets.

Valuation of infrastructure assets - Major Culverts (included in Bridges) has been determined in accordance with an internal valuation undertaken by Sterling Group Consultants Pty Ltd. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2017 are as follows:

	LEVEL 1	LEVEL 2	LEVEL 3
Roads	-	-	394,080,230
Bridges	-	-	14,357,817
Footpaths and cycleways	-	-	37,230,130
Drainage	-	-	97,585,963
Recreational, leisure and community facilities	-	-	85,255,267
Waste management	-	-	6,360,874
Parks, open space and streetscapes	-	-	37,149,432
Aerodromes	-	-	6,577,802
Off Street Car Parks	-	-	9,358,518
Other infrastructure	-	-	6,461,464
<b>Total</b>	-	-	<b>694,417,497</b>

### Description of significant unobservable inputs into level 3 valuations

**Specialised land** and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.05 and \$834.54 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$150 to \$15,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 7 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

## Note 22 - Property, infrastructure plant and equipment (continued)

	2017 \$	2016 \$
<b>Reconciliation of specialised land</b>		
Land under roads	179,602,344	179,074,509
<b>Total specialised land</b>	<b>179,602,344</b>	<b>179,074,509</b>

## Note 23 - Intangible assets

	2017 \$	2016 \$
Parkside Gardens right to receive income	847,819	972,944
<b>Total intangible assets</b>	<b>847,819</b>	<b>972,944</b>
	<b>PARKSIDE GARDENS \$</b>	
<b>Gross carrying amount</b>		
Balance at 1 July 2016	972,944	
Additions from internal developments	-	
Write down due to actual lot sales	(125,125)	
<b>Balance at 30 June 2017</b>	<b>847,819</b>	
Net book value at 30 June 2017	<b>847,819</b>	



## Note 24 - Trade and other payables

	2017 \$	2016 \$
Trade payables	618,365	1,565,326
Accrued expenses	5,601,732	8,420,913
<b>Total trade and other payables</b>	<b>6,220,097</b>	<b>9,986,239</b>

## Note 25 - Trust funds and deposits

	2017 \$	2016 \$
Refundable deposits	2,018,771	2,189,369
Fire services levy	282,371	397,577
Retention amounts	415,515	506,552
<b>Total trust funds and deposits</b>	<b>2,716,657</b>	<b>3,093,498</b>

### Purpose and nature of items

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

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

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

## Note 26 - Provisions

	EMPLOYEE \$	LANDFILL RESTORATION \$	TOTAL \$
<b>2017</b>			
Balance at beginning of the financial year	10,499,570	7,484,659	17,984,229
Additional provisions	4,082,646	-	4,082,646
Amounts used	(4,050,039)	(682,211)	(4,732,250)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	(12,419)	(108,931)	(121,350)
<b>Balance at the end of the financial year</b>	<b>10,519,757</b>	<b>6,693,517</b>	<b>17,213,274</b>
<b>2016</b>			
Balance at beginning of the financial year	10,015,174	4,029,330	14,044,504
Additional provisions	3,489,286	3,455,329	6,944,615
Amounts used	(3,091,327)	-	(3,091,327)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	86,437	-	86,437
<b>Balance at the end of the financial year</b>	<b>10,499,570</b>	<b>7,484,659</b>	<b>17,984,229</b>

## Note 26 - Provisions (continued)

	2017 \$	2016 \$
<b>(A) EMPLOYEE PROVISIONS</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	2,877,834	2,667,615
Long service leave	719,324	1,649,109
	<b>3,597,158</b>	<b>4,316,724</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	767,726	779,685
Long service leave	4,869,202	4,835,594
	<b>5,636,928</b>	<b>5,615,279</b>
<b>Total current employee provisions</b>	<b>9,234,086</b>	<b>9,932,003</b>
<b>Non-current</b>		
Long service leave	1,285,671	567,568
<b>Total non-current employee provisions</b>	<b>1,285,671</b>	<b>567,568</b>
Aggregate carrying amount of employee provisions:		
Current	9,234,086	9,932,003
Non-current	1,285,671	567,568
<b>Total aggregate carrying amount of employee provisions</b>	<b>10,519,757</b>	<b>10,499,570</b>
<b>(B) LAND FILL RESTORATION</b>		
Current	885,307	1,567,518
Non-current	5,808,210	5,917,141
	<b>6,693,517</b>	<b>7,484,659</b>

## Note 27 - Interest-bearing loans and borrowings

	2017 \$	2016 \$
<b>Current</b>		
Borrowings-secured (1)	1,307,898	896,755
	<b>1,307,898</b>	<b>896,755</b>
<b>Non-current</b>		
Borrowings-secured (1)	18,426,369	17,494,161
	<b>18,426,369</b>	<b>17,494,161</b>
<b>Total</b>	<b>19,734,267</b>	<b>18,390,916</b>
(1) Borrowings are secured over general rates as per <i>Local Government Act-Section 148 (1) (a)</i> .		
(a) The maturity profile for Council's borrowings is:		
Not later than one year	1,307,898	896,755
Later than one year and not later than five years	5,691,373	4,175,361
Later than five years	12,734,996	13,318,800
	<b>19,734,267</b>	<b>18,390,916</b>

## Note 28 - Reserves

	BALANCE AT BEGINNING OF REPORTING PERIOD \$	INCREMENT (DECREMENT) \$	BALANCE AT END OF REPORTING PERIOD \$
<b>(A) ASSET REVALUATION RESERVES</b>			
<b>2017</b>			
<b>Property</b>			
Land - Specialised	3,321,720	-	3,321,720
Land - Non-Specialised	1,572,450	-	1,572,450
Land Improvements	4,539,888	-	4,539,888
Heritage Buildings	338,673	-	338,673
Buildings	2,821,193	-	2,821,193
	<b>12,593,924</b>	-	<b>12,593,924</b>
<b>Plant &amp; Equipment</b>			
Artwork & Regalia	13,516,054	-	13,516,054
	<b>13,516,054</b>	-	<b>13,516,054</b>
<b>Infrastructure</b>			
Roads	343,535,621	-	343,535,621
Bridges	17,826,478	992,826	18,819,304
Footpaths and cycleways	33,335,296	4,470,027	37,805,323
Drainage	31,855,019	11,258,056	43,113,075
Recreational, leisure and community facilities	53,821,354	-	53,821,354
Waste management	228,141	-	228,141
Parks, open space and streetscapes	15,030,807	-	15,030,807
Aerodromes	1,128,645	-	1,128,645
Off Street Car Park	5,183,777	-	5,183,777
Other infrastructure	1,130,984	-	1,130,984
	<b>503,076,122</b>	<b>16,720,909</b>	<b>519,797,031</b>
<b>Total asset revaluation reserves</b>	<b>529,186,100</b>	<b>16,720,909</b>	<b>545,907,009</b>



## Note 28 - Reserves (continued)

	BALANCE AT BEGINNING OF REPORTING PERIOD \$	INCREMENT (DECREMENT) \$	BALANCE AT END OF REPORTING PERIOD \$
<b>2016</b>			
<b>Property</b>			
Land	61,822,160	(52,388,102)	9,434,058
Buildings	26,162,472	(23,002,606)	3,159,866
	<b>87,984,632</b>	<b>(75,390,708)</b>	<b>12,593,924</b>
<b>Plant &amp; Equipment</b>			
Artwork & Regalia	13,516,054	-	13,516,054
	<b>13,516,054</b>	<b>-</b>	<b>13,516,054</b>
<b>Infrastructure</b>			
Roads	343,537,637	(2,016)	343,535,621
Bridges	17,826,478	-	17,826,478
Footpaths and cycleways	33,335,296	-	33,335,296
Drainage	31,855,019	-	31,855,019
Recreational, leisure and community facilities	-	53,821,354	53,821,354
Waste management	-	228,141	228,141
Parks, open space and streetscapes	-	15,030,807	15,030,807
Aerodromes	-	1,128,645	1,128,645
Off Street Car Park	-	5,183,777	5,183,777
Other infrastructure	1,130,984	-	1,130,984
	<b>427,685,414</b>	<b>75,390,708</b>	<b>503,076,122</b>
<b>Total asset revaluation reserves</b>	<b>529,186,100</b>	<b>-</b>	<b>529,186,100</b>

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

There have been reallocations and reclassifications between asset classes from the 2016 to 2017 year.

### Prior year adjustment:

Council's initial recognition of Land Under Roads of \$168,428,363 was booked to the Asset Revaluation Reserve. This has been amended as a prior year adjustment and is now reported as Accumulated Surplus (refer Statement of Changes in Equity).

## Note 29 - Reconciliation of cash flows from operating activities to surplus/(deficit)

	2017 \$	2016 \$
Surplus/(deficit) for the year	27,206,849	89,641
Depreciation/amortisation	22,338,312	21,838,45
Profit/(loss) on disposal of property, infrastructure, plant and equipment	1,246,612	(14,826)
Contributions- Non-monetary assets	(5,077,083)	(4,074,092)
Finance costs	614,481	1,194,869
Share of net (profits)/losses of associates and joint ventures	(18,458)	20,555
<b>CHANGE IN ASSETS AND LIABILITIES:</b>		
(Increase)/decrease in trade and other receivables	(1,243,072)	(704,611)
(Increase)/decrease in prepayments	89,300	(37,882)
Increase/(decrease) in accrued income	(88,357)	(100,124)
Increase/(decrease) in trade and other payables	(3,766,144)	1,306,154
Increase/(decrease) in other liabilities	(376,841)	4,377,806
(Increase)/decrease in inventories	(229)	19,916
Increase/(decrease) in provisions	(671,627)	484,396
Increase/(decrease) in landfill provisions	(99,327)	3,455,329
(Increase)/decrease in other assets	1,086,771	2,893,564
<b>Net cash provided by/(used in) operating activities</b>	<b>41,241,187</b>	<b>30,749,145</b>

## Note 30 - Financing arrangements

Bank overdraft	200,000	200,000
Credit card facilities	100,000	100,000
Interest bearing loans	19,734,267	18,390,916
<b>Total facilities</b>	<b>20,034,267</b>	<b>18,690,916</b>
Bank overdraft - Bank guarantees	199,475	30,000
Used facilities- Credit card	20,610	58,113
Used facilities- Interest bearing loans	19,734,267	18,390,916
<b>Unused facilities</b>	<b>79,915</b>	<b>211,887</b>

## Note 31 - Commitments

The Council has entered into the following commitments:

2017	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 \$
<b>OPERATING</b>					
Recycling	918,750	964,688	3,193,242	1,172,587	6,249,267
Garbage collection	4,893,000	5,137,650	17,006,266	6,244,847	33,281,763
Open space management	505,000	-	-	-	505,000
Consultancies	2,394,307	1,509,989	973,902	129,327	5,007,525
Home care services	2,016,328	2,076,817	-	-	4,093,145
Cleaning contracts for Council buildings	430,366	430,366	430,366	-	1,291,098
Meals for delivery	412,000	424,360	-	-	836,360
<b>Total</b>	<b>11,569,751</b>	<b>10,543,870</b>	<b>21,603,776</b>	<b>7,546,761</b>	<b>51,264,158</b>
<b>CAPITAL</b>					
Buildings	1,700,711	-	-	-	1,700,711
Roads	3,376,000	201,000	76,000	-	3,653,000
Drainage	55,000	-	-	-	55,000
Waste Management	2,055,662	171,000	-	-	2,226,662
<b>Total</b>	<b>7,187,373</b>	<b>372,000</b>	<b>76,000</b>	<b>-</b>	<b>7,635,373</b>
2016	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 \$
<b>OPERATING</b>					
Recycling	820,500	861,525	2,851,755	1,047,189	5,580,969
Garbage collection	4,310,000	4,525,500	14,979,971	5,500,774	29,316,244
Open space management	682,426	-	-	-	682,426
Consultancies	1,580,196	796,104	767,662	153,982	3,297,944
Home care services	2,007,600	2,066,328	2,126,817	-	6,200,745
Cleaning contracts for Council buildings	406,456	406,456	-	-	812,912
Meals for delivery	400,000	412,000	424,360	-	1,236,360
Council elections 2016	360,000	-	-	-	360,000
<b>Total</b>	<b>10,567,178</b>	<b>9,067,913</b>	<b>21,150,565</b>	<b>6,701,944</b>	<b>47,487,601</b>
<b>CAPITAL</b>					
Buildings	2,474,061	-	-	-	2,474,061
Roads	1,289,505	-	-	-	1,289,505
Drainage	82,344	-	-	-	82,344
<b>Total</b>	<b>3,845,910</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,845,910</b>

## Note 32 - Operating leases

	2017 \$	2016 \$
<b>(A) OPERATING LEASE COMMITMENTS</b>		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	714,214	427,812
Later than one year and not later than five years	689,695	933,694
	<b>1,403,910</b>	<b>1,361,506</b>
<b>(B) OPERATING LEASE RECEIVABLES</b>		
The Council has entered into commercial property leases. This consists mainly of general property, buildings and sporting facilities. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	375,688	215,770
Later than one year and not later than five years	1,111,495	236,684
Later than five years	660,084	-
	<b>2,147,267</b>	<b>452,454</b>

## Note 33 - Superannuation

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

### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2017, this was 9.5% as required under Superannuation Guarantee legislation).

### Defined Benefit

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

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



## **Funding arrangements**

Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary.

As at 30 June 2016, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.0%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

- Net investment returns 7.0% pa
- Salary information 4.25% pa
- Price inflation (CPI) 2.5% pa

Vision Super has advised that the estimated VBI at June Quarter 2017 was 103.1%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

## **Employer contributions**

### **Regular contributions**

On the basis of the results of the 2016 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2017, this rate was 9.5% of members' salaries (9.5% in 2015/2016). In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

## **Funding calls**

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%. In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Council) are required to make an employer contribution to cover the shortfall.

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up. If there is a surplus in the Fund, the surplus cannot be returned to the participating employers. In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

### **2016 Interim actuarial investigation surplus amounts**

The Fund's interim actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$40.3 million; and
- A total service liability surplus of \$156 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2016. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2016 VBI during August 2016.

### **2017 Full triennial actuarial investigation**

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

### **Future superannuation contributions**

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2017. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 are estimated to be \$160k.

## **Note 34 - Contingent liabilities and contingent assets**

### **Contingent Liabilities**

- (i) Contingent liabilities arising from public liabilities

As a local authority with ownership of numerous parks, reserves, roads and other land holdings, the council carries a \$400 million Public and Products Liability Insurance that has an excess payment of \$20,000 per claim on this policy. Any exposure to the Council from insurable incidents allegedly arising out of negligent management of its assets has a maximum liability of the excess payment on any single claim. MAV Insurance – Liability Mutual Insurance (LMI) is the Council's primary insurer and under the terms and conditions of the 2016/2017 policy the Council has made the insurer aware of any pending or existing claims. Financial outcomes pertaining to claims are unpredictable and are an estimate only. Payments for Public Liability claims are limited to the excess amount or part thereof.

- (ii) Contingent liabilities arising from professional indemnity

As a local authority with statutory regulatory responsibilities, including the issuing of permit approvals, the Council can be exposed to claims and demands for damages allegedly arising due to advice given by Council Officers. The Council carries \$300 million Professional Indemnity Insurance that has an excess payment of \$20,000 per claim on this policy. The maximum liability for the Council in any single insurable claim is the extent of its excess payment. MAV Insurance – Liability Mutual Insurance (LMI) is Council's primary insurer and under the terms and conditions of the 2016/2017 policy the Council has made the insurer aware of any pending or existing claims.

(iii) Contingent liabilities arising from Cosgrove Landfill Financial Assurance

Council has a responsibility under the Environment and Protection Act 1970, for rehabilitation, site aftercare and remedial action at its landfill site at Cosgrove. While rehabilitation and site after care is funded through the annual budget, the EPA requires a financial assurance to meet the potential costs should Council neglect their responsibility for closure. As it is not possible to accurately calculate the cost of such a contingent event, the Council has developed a model to assist in estimating closure and aftercare costs. Using this model, Council has recognised a financial provision of \$6.694m at 30 June 2017 (\$7.485m at 2015/16). The Council also has a \$30k bank guarantee held by the Department of Primary Industry for an extractive industry work authority for clay extraction (WA1425) taken out in 2010.

(iv) Contingent liabilities arising from defined benefits superannuation scheme (refer Vision Super website for more details)

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 33. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

### **Contingent assets**

As at the reporting date there were a number of subdivisions in progress throughout the municipality and on completion the Council will receive ownership of the infrastructure associated with those subdivisions. Valuations are determined at the time of handover.

## **Note 35 - Financial Instruments**

### **(a) Objectives and policies**

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

### **(b) Market risk**

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

### **Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with

approved financial institutions under the Local Government Act 1989. Council manages interest rate risk by adopting an investment policy that ensures:

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

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

### **(c) Credit risk**

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 34.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions

for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

### **(d) Liquidity risk**

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

To help reduce these risks Council:

- have a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- have readily accessible standby facilities and other funding arrangements in place;
- monitor budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 27.

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



### (e) Fair value

#### *Fair value hierarchy*

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

### (f) Sensitivity disclosure analysis

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

- A parallel shift of + 1.0% and -1.0% in market interest rates (AUD) from year-end rates of 2.417%.

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

## Note 36 - Related party disclosures

### (i) Related Parties

#### *Parent entity*

Greater Shepparton City Council is the parent entity.

#### *Subsidiaries and Associates*

Interests in subsidiaries and associates are detailed in Note 16.

### (ii) Key Management Personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:

#### **Councillors**

- Councillor Dinny Adem (Mayor)
- Councillor Kevin Ryan (term expired 21 October 2016)
- Councillor Jenny Houlihan (term expired 21 October 2016)
- Councillor Kim O'Keefe (term commenced 31 October 2016)
- Councillor Seema Abdullah (term commenced 31 October 2016)
- Councillor Bruce Giovanetti (term commenced 31 October 2016)
- Councillor Chris Hazelman
- Councillor Les Oroszvary
- Councillor Dennis Patterson
- Councillor Fern Summer
- Councillor Shelley Sutton (term commenced 31 October 2016)

	2017 NO.	2016 NO
Total Number of Councillors	11	8
Chief Executive Officer and other Key Management Personnel	5	7
<b>Total Key Management Personnel</b>	<b>16</b>	<b>15</b>

Total Key Management Personnel now captures Directors (members of the Executive Leadership Team), who were previously reported within Note 37 as Senior Officers.

### (iii) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2017 \$	2016 \$
Short-term benefits	1,356,961	1,174,327
Post employment benefits	96,261	88,728
Long-term benefits	147,370	150,282
<b>Total</b>	<b>1,600,592</b>	<b>1,413,337</b>

The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2017 NO.	2016 NO.
\$1 - \$9,999	1	1
\$10,000 - \$19,999	1	-
\$20,000 - \$29,999	8	5
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	2
\$80,000 - \$89,999	1	1
\$110,000 - \$119,999	-	1
\$120,000 - \$129,999	-	1
\$190,000 - \$199,999	2	1
\$200,000 - \$209,999	1	2
\$210,000 - \$219,999	1	-
\$280,000 - \$289,999	1	-
<b>Total</b>	<b>16</b>	<b>15</b>

### (iv) Transactions with related parties

During the period Council entered into the following transactions with related parties.

	2017 \$	2016 \$
Payments to Goulburn Valley Regional Library Corporation	1,548,804	1,503,700

Annual fees paid for provision of library services to the Council. Library services were provided to Shepparton, Mooroopna and Tatura townships, whilst a mobile library serviced nine additional towns within the municipality of the Greater Shepparton City Council.

### Note 37 - Senior Officer Remuneration

A Senior Officer is an officer of Council, other than Key Management Personnel, who:

- has management responsibilities and reports directly to the Chief Executive; or
- whose total annual remuneration exceeds \$142,000

The number of Senior Officers are shown below in their relevant income bands:

	2017 NO.	2016 NO.
\$120,000 - \$129,999	-	1
\$130,000 - \$139,999	-	1
\$140,000 - \$149,999	6	1
\$150,000 - \$159,999	2	1
\$160,000 - \$169,999	1	1
<b>Total</b>	<b>9</b>	<b>5</b>
<b>Total Remuneration for the reporting year for Senior Officers included above, amounted to:</b>	<b>\$1,339,278</b>	<b>\$733,183</b>

### Note 38 - Events occurring after the balance date

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

# Certification of the Financial Statements

Greater Shepparton City Council  
2016/2017 Financial Report

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## Certification of the Financial Statements

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



Mr. Matthew Jarvis, Manager Finance and Rates, CPA.  
Principal Accounting Officer

Date : 20-Sep-17  
Shepparton

In our opinion the accompanying financial statements present fairly the financial transactions of the City of Greater Shepparton for the year ended 30 June 2017 and the financial position of the Council as at that date.

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

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



Cr. Dinny Adem (Mayor)  
Councillor

Date : 20-Sep-17  
Shepparton



Cr. Kim O'Keefe (Deputy Mayor)  
Councillor

Date : 20-Sep-17  
Shepparton



Mr. Peter Harriott  
Chief Executive Officer

Date : 20-Sep-17  
Shepparton

# PERFORMANCE STATEMENT

## For the year ended 30 June 2017

Council is required under Section 127 of the Local Government Act (1989) to separately identify in the budget the Key Strategic Activities to be undertaken during the financial year, and performance targets and measure to each of those Key Strategic Activities.

Under Section 132 of the Act, it is required that the Key Strategic Activities and performance target and measures specified under Section 127 of the Act must be included in the Performance Statement in the Annual Report, and be subject to Audit.

The following table details the Key Strategic Activities and performance target and measures contained in the Council's 2016-17 budget compared to the actual results for the year.

### Description of municipality

Greater Shepparton is a vibrant, diverse community located approximately two hours north of Melbourne in the heart of the Goulburn Valley, the food bowl of Australia.

As a growing regional centre with a vibrant cultural mix of people, the community comprises approximately 65,000 residents living within 60 localities. However Shepparton services a much larger population of approximately 250,000 people as the main service centre for northern Victoria.

Greater Shepparton enjoys a young demographic with growing families, with 2016 census data showing the proportion of couples with children nearly three per cent above the regional Victorian average, at 27.8 per cent.

Our community is culturally rich with a large proportion of the population born overseas (13 per cent), with many residents immigrating from India, Afghanistan, Sudan, Italy, Iraq, Turkey, New Zealand and the Philippines. Italian, Arabic, Persian/Dari, Turkish, Albanian, Punjabi, Greek, Macedonian, Mandarin and Filipino/Tagalog are the most commonly spoken languages other than English.

Greater Shepparton is also the home to regional Victoria's largest Aboriginal community, making up

approximately 3.5 per cent of the population.

Two hours north of Melbourne, Greater Shepparton's central location is a major advantage and has seen our urban centre emerge as the retail, industry and services hub for central Victoria. Located at the intersection of the Midland and Goulburn Valley Highways, Greater Shepparton provides easy access to Adelaide, Sydney, Brisbane and Melbourne.

The City of Greater Shepparton acts as a major industrial, employment and service centre for a wide catchment, including many rural settlements within and beyond its municipal boundaries, with its gross regional product totalling \$2.86 billion per annum.

Greater Shepparton forms part of the 'Food Bowl of Australia', which accounts for 25 per cent of the total value of Victoria's agricultural production. We are a national centre for dairy and horticulture, exporting reliable premium quality fresh and value-added produce via innovative practices and a world class irrigation system. Shepparton is also often referred to as the transport hub of regional Victoria due to its extensive road transport industry.

Major industries for the region include manufacturing, retail trade, health care and social assistance, agriculture and construction. Greater Shepparton is home to several multinational and iconic companies such as Campbell's Soups, SPC, Tatura Milk Industries (Bega), Unilever, Visy, Pental Soaps and Pactum Dairy (Australian Consolidated Milk). Several multinational companies also reside just outside of the Greater Shepparton municipal boundary, such as Nestle, Murray Goulburn and Bega.

These companies utilise Shepparton as their major hub and home to their transport and logistics operations.



## REPORT OF OPERATIONS

### Service Performance Indicators

For the year ended 30 June 2017

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Aquatic Facilities</b>				
<b>Service standard</b>				
Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0.50	1.00	1.00	No material variations.
<b>Health and Safety</b>				
Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	5.00	3.00	0.00	No workplace reportable incidents in 2017.
<b>Service cost</b>				
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$0.69	\$1.15	\$0.98	Variance to 2016 influenced by major renewal works in 2016 and an increase in visitors in 2017.
<b>Service Cost</b>				
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$15.78	\$8.09	\$10.56	Attendance in 2017 lower due to the impact of weather conditions on the number of days open compared to previous year.
<b>Animal Management</b>				
<b>Timeliness</b>				
Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	1.00	1.00	No material variations.
<b>Service standard</b>				
Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	26.00%	44.22%	41.27%	No material variations.
<b>Service cost</b>				
Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$79.00	\$55.64	\$57.47	No material variations.
<i>External labour costs associated with Animal Management were not included in the 2016 figures.</i>				

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Food Safety</b>				
<b>Timeliness</b>				
Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	4.97	4.60	The response to food complaints depends on the nature and complexity of the complaint. Council has made an effort to ensure a quicker response time than previously achieved. From 1 July 2016, 'Time taken to action food complaints' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year.
<b>Service standard</b>				
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	72.00%	80.76%	67.65%	For 2017 this indicator was reported by calendar year. Previously this indicator was reported by financial year. Compared to 2016, for 2017 there were less assessments combined with an increase in the number of food assessments.
<b>Service cost</b>				
Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$760.56	\$669.46	\$610.70	No material variations.
<b>Governance</b>				
<b>Transparency</b>				
Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100	14.00%	4.56%	2.23%	Improvements in 2016 and 2017 due to the awarding of contracts now taking place in the open Council meeting.

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Consultation and engagement</b>				
Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	58.00	51.00	53.00	While 2017 is lower than 2015, within the last 12 months Greater Shepparton City Council has seen a two (2) point increase in community satisfaction in this area. This is an indication that there is increased community confidence in Council.
<b>Attendance</b>				
Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100	94.00%	89.52%	92.31%	No material variations.
<b>Service cost</b>				
Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$53,119.86	\$74,780.00	\$51,505.78	Variance with 2017 due to Councillor legal expenses in 2016.
<b>Home and Community Care (HACC)</b>				
<b>Timeliness</b>				
Time taken to commence the HACC service [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]	0.00	0.00	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service standard</b>				
Compliance with Community Care Common Standards [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	89.00%	88.89%	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service cost</b>				
Cost of domestic care service [Cost of the domestic care service / Hours of domestic care service provided]	\$0.00	\$38.67	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service cost</b>				
Cost of personal care service [Cost of the personal care service / Hours of personal care service provided]	\$0.00	\$48.32	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Service cost</b>				
Cost of respite care service [Cost of the respite care service / Hours of respite care service provided]	\$0.00	\$46.04	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Libraries</b>				
<b>Utilisation</b>				
Library collection usage [Number of library collection item loans / Number of library collection items]	1.73	2.98	3.10	No material variations.
<b>Resource standard</b>				
Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	34.00%	41.08%	41.25%	No material variations.
<b>Service cost</b>				
Cost of library service [Direct cost of the library service / Number of visits]	\$8.41	\$712	\$7.27	No material variations.
<b>Maternal and Child Health (MCH)</b>				
<b>Satisfaction</b>				
Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	96.00%	96.52%	102.08%	No material variations.
<b>Service standard</b>				
Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	95.00%	95.29%	100.00%	No material variations.
<b>Service cost</b>				
Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$0.00	\$59.35	\$60.22	2016 was the first year of reporting for this indicator.
<b>Roads</b>				
<b>Satisfaction of use</b>				
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads ] x100	19.76	17.81	27.68	2017 saw an increase in the number of sealed local road requests pertaining to pothole enquiries due to the wet 2016 winter.



INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Condition</b>				
<b>Sealed local roads maintained to condition standards</b> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	94.00%	94.40%	94.43%	No material variations.
<b>Service Cost</b>				
<b>Cost of sealed local road reconstruction</b> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$43.02	\$56.98	\$85.89	2017 result influenced by three high cost urban constructions as opposed to one the previous year.
<b>Service Cost</b>				
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$3.76	\$8.24	\$4.54	2016 figure includes greater expenditure on asphalt works.
<b>Statutory Planning</b>				
<b>Timeliness</b>				
Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	52.81	51.00	43.00	2017 is an improvement on 2016 due to quicker processing times and a reduction in planning permit applications.
<b>Service standard</b>				
Planning applications decided within required timeframes [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	78.00%	76.94%	85.50%	2017 is an improvement on 2016 due to quicker processing times and a reduction in planning permit applications.
<b>Service cost</b>				
Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,695.77	\$2,318.74	\$2,059.75	Reduced costs in the area of processing Section 173 agreements.
<b>Waste Collection</b>				
<b>Satisfaction</b>				
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	13.36	38.23	30.27	Variance between years impacted by additional requirements from existing services plus new requests from new developments (i.e. new housing estates).
<b>Service standard</b>				
Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	1.83	2.01	2.34	Data collection has improved in 2017 for this indicator compared to previous years.

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Service cost</b>				
Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$50.06	\$46.15	\$39.85	Variance between 2016 and 2017 largely due to increase in number of kerbside collections.
<b>Service cost</b>				
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$31.29	\$25.83	\$23.67	No material variations.

## PERFORMANCE STATEMENT

### Sustainable Capacity Indicators

For the year ended 30 June 2017

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Own-source revenue</b>				
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,385	\$1,431	\$1,450	No material variations.
<b>Recurrent grants</b>				
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$429	\$314	\$488	2017 result impacted by early receipt of half of the 2018 Federal Financial Assistance Grant allocation in 2017 (approximately \$6 million).
<b>Population</b>				
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,007	\$1,964	\$1,715	2015 and 2016 results higher due to recognition of Cosgrove 2 landfill rehabilitation provision. 2017 result reflects more normal operational expenditure.
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$9,172	\$12,268	\$12,800	As per the definitions Infrastructure means non-current property, plant and equipment excluding land.  The variance between 2014/15 and 2015/16 is due to a reclassification of a number of previously recorded land assets being reclassified into those categories included in the definition.
Population density per length of road [Municipal population / Kilometres of local roads]	28	28	28	No material variations.
<b>Disadvantage</b>				
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	2	2	2	No material variations.

#### Definitions

“infrastructure” means non-current property, plant and equipment excluding land

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

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of Council (including government grants)

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of

Statistics, Regional Population Growth, Australia (3218.0)

“relative socio-economic disadvantage”, in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of SEIFA

“SEIFA” means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its Internet website

## Service Performance Indicators

For the year ended 30 June 2017

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Governance</b>				
<b>Satisfaction</b>				
Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	56	46	49	While 2017 is lower than 2015, within the last 12 months Greater Shepparton City Council has seen a three (3) point increase in community satisfaction in this area. This is an indication that there is increased community confidence in Council.
<b>Statutory Planning</b>				
<b>Decision making</b>				
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	80%	100%	25%	Low number of VCAT decisions. Some applications were either withdrawn or consent orders reached.
<b>Roads</b>				
<b>Satisfaction</b>				
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	49	48	40	While there has been a significant decline in the community's perception of the condition of the sealed roads in Greater Shepparton, the outcomes of the 2014 sealed roads survey indicated that the majority of the sealed roads were in good condition.  Council currently spends on average \$5M on road rehabilitation each year, and has done so since the 2014 survey.  In 2018 Council will undertake a new condition survey and repeat this process of modelling road condition and performance.  While some of the roads sustained damage during 2016's wet winter, the majority of those defects have long been repaired. There can also be confusion regarding the roads that Council is responsible for and those under the jurisdiction of the VicRoads which can influence the satisfaction results.
<b>Libraries</b>				
<b>Participation</b>				
Active library members [Number of active library members / Municipal population] x100	14%	13%	10%	In 2017 the population figure increased while the number of active library members decreased, however, the number of loans per active member increased during the same period.



SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Waste Collection</b>				
<b>Waste diversion</b>				
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	28%	37%	52%	2017 figure influenced by a full 12 months of compulsory green organics along with continuous waste education.
<b>Aquatic facilities</b>				
<b>Utilisation</b>				
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	10	10	10	No material variations.
<b>Animal management</b>				
<b>Health and safety</b>				
Animal management prosecutions [Number of successful animal management prosecutions]	1	1	3	Number of prosecutions increased from 1 in 2016 to 3 in 2017.
<b>Food safety</b>				
<b>Health and safety</b>				
Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	0%	100%	0%	From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year.  In 2016 there was one notification while in 2017 there were zero critical or major non-compliance notifications.
<b>Home and community care</b>				
<b>Participation</b>				
Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100	15%	17%	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

SERVICE/INDICATOR/ MEASURE	RESULTS 2015	RESULTS 2016	RESULTS 2017	MATERIAL VARIATIONS
<b>Participation</b> Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	11%	10%	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Maternal and child health</b>				
<b>Participation</b> Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	78%	77%	78%	No material variations.
<b>Participation</b> Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	66%	64%	70%	No material variations.

## Definitions

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

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

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

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

“CALD” means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English

“class 1 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 1 food premises under section 19C of that Act

“class 2 food premises” means food premises, within the meaning of the Food Act 1984, that have been declared as class 2 food premises under section 19C of that Act

“Community Care Common Standards” means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

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

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

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

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

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

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

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

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

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

## Financial Performance Indicators

For the year ended 30 June 2017

DIMENSION/INDICATOR/ MEASURE	RESULTS				FORECASTS			MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	
<b>OPERATING POSITION</b>								
<b>Adjusted underlying result</b>								
Adjusted underlying surplus (or deficit)								
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-6%	-9%	14%	-0.5%	8%	8%	8%	Variance between 2015/16 and 2016/17 largely due to early receipt of half of the 2017/18 Federal Financial Assistance Grant allocation in 2016/17 (approximately \$6 million). The 2017/18 forecast reflects the lower Federal Financial Assistance Grant allocation while 2018/19 and beyond forecasts reflect more normal operations.
<b>LIQUIDITY</b>								
<b>Working capital</b>								
Current assets compared to current liabilities	241%	186%	249%	174%	183%	185%	212%	2016/17 result impacted by early receipt of half of the 2017/18 Federal Financial Assistance Grant allocation in 2016/17 (approximately \$6 million).
[Current assets / Current liabilities] x100								
<b>Unrestricted cash</b>								
Unrestricted cash compared to current liabilities	144%	136%	133%	120%	120%	118%	117%	No material variations.
[Unrestricted cash / Current liabilities] x100								
<b>OBLIGATIONS</b>								
<b>Loans and borrowings</b>								
Loans and borrowings compared to rates	23%	27%	27%	33%	40%	39%	38%	Future year forecasts include proposed borrowings for Cosgrove Landfill and the new Shepparton Art Museum projects as per the adopted Strategic Resource Plan.
[Interest bearing loans and borrowings / Rate revenue] x100								
Loans and borrowings repayments compared to rates	3%	2%	5%	3%	5%	5%	5%	During 2016/17 Council paid down \$2.0 million of outstanding loan balances. Future year forecasts include proposed borrowings for Cosgrove Landfill and the new Shepparton Art Museum projects as per the adopted Strategic Resource Plan.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100								



DIMENSION/INDICATOR/ MEASURE	RESULTS				FORECASTS			MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	
<b>Indebtedness</b>								
Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	22%	26%	27%	30%	35%	34%	32%	Future year forecasts include proposed borrowings for Cosgrove Landfill and the new Shepparton Art Museum projects as per the adopted Strategic Resource Plan.
<b>Asset renewal</b>								
Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	74%	82%	108%	113%	111%	93%	94%	2016/17 reflects an increased focus on renewal expenditure. Greater Shepparton City Council has an underlying aim as part of each annual budget to fully fund asset renewals.
<b>STABILITY</b>								
<b>Rates concentration</b>								
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	53%	60%	56%	60%	56%	57%	58%	No material variations.
<b>Rates effort</b>								
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	0.8%	No material variations.
<b>EFFICIENCY</b>								
<b>Expenditure level</b>								
Expenses per property assessment [Total expenses / Number of property assessments]	\$4,449	\$4,141	\$3,655	\$3,953	\$3,854	\$3,936	\$4,008	2014/15 and 2015/16 results higher due to recognition of Cosgrove 2 landfill rehabilitation provision. 2016/17 results reflect more normal operations.
<b>Revenue level</b>								
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,696	\$1,803	\$1,870	\$1,888	\$1,914	\$1,942	\$1,969	No material variations.

DIMENSION/INDICATOR/ MEASURE	RESULTS			FORECASTS				MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	2021	
<b>Workforce turnover</b>								
Resignations and terminations compared to average staff								
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	7%	13%	10%	9%	9%	9%	9%	Lower number of staff resignations in 2016/17 compared to 2015/16.

### Definitions

“adjusted underlying revenue” means total income other than—

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure

“asset renewal expenditure” means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability

“current assets” has the same meaning as in the AAS

“current liabilities” has the same meaning as in the AAS

“non-current assets” means all assets other than current assets

“non-current liabilities” means all liabilities other than current liabilities

“non-recurrent grant” means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council’s Strategic Resource Plan

“own-source revenue” means adjusted underlying revenue other than revenue that is not under the control of council (including government grants

“population” means the resident population estimated by council

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“recurrent grant” means a grant other than a non-recurrent grant

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties

“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

## Other Information

### 1. Basis of preparation

Council is required to prepare and include a performance statement within its annual report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014.

Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year for the prescribed financial performance indicators and measures as well as the results forecast by the council's strategic resource plan.

The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted the materiality thresholds as per Appendix B – Materiality Guidelines of the Local Government Better Practice Guide 2014-15 Performance Statement. Explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material of its nature.

The forecast figures included in the performance statement are those adopted by council in its adopted budget and strategic resource plan on 20 June 2017. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by visiting [www.greatershepparton.com.au](http://www.greatershepparton.com.au)

## Certification of the Performance Statement

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



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Matthew Jarvis CPA

**Principal Accounting Officer**

**Dated:** 20 September 2017

In our opinion, the accompanying performance statement of the Greater Shepparton City Council for the year ended 30 June 2017 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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



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Cr Dinny Adem

**Mayor**

**Dated:** 20 September 2017



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Cr Kim O'Keeffe

**Deputy Mayor**

**Dated:** 20 September 2017



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Peter Harriott

**Chief Executive Officer**

**Dated:** 20 September 2017





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# Independent Auditor's Report

## *To the Councillors of Greater Shepparton City Council*

<b>Opinion</b>	<p>I have audited the financial report of Greater Shepparton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• balance sheet as at 30 June 2017</li> <li>• comprehensive income statement for the year then ended</li> <li>• statement of changes in equity for the year then ended</li> <li>• statement of cash flows for the year then ended</li> <li>• statement of capital works for the year then ended</li> <li>• notes to the financial statements, including a summary of significant accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
<b>Basis for Opinion</b>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<b>Councillors' responsibilities for the financial report</b>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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**Auditor's responsibilities for the audit of the financial report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

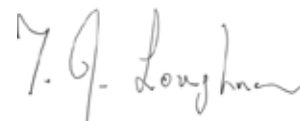
As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
25 September 2017



Tim Loughnan  
*as delegate for the Auditor-General of Victoria*



# Independent Auditor's Report

## To the Councillors of Greater Shepparton City Council

<p><b>Opinion</b></p>	<p>I have audited the accompanying performance statement of Greater Shepparton City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> <li>• description of municipality for the year ended 30 June 2017</li> <li>• sustainable capacity indicators for the year ended 30 June 2017</li> <li>• service performance indicators for the year ended 30 June 2017</li> <li>• financial performance indicators for the year ended 30 June 2017</li> <li>• other information and</li> <li>• the certification of the performance statement.</li> </ul> <p>In my opinion, the performance statement of Greater Shepparton City Council in respect of the year ended 30 June 2017 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<p><b>Basis for Opinion</b></p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the <i>Auditor's responsibilities for the audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p><b>Councillors' responsibilities for the performance statement</b></p>	<p>The Councillors is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>



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**Auditor's responsibilities for the audit of the performance statement**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

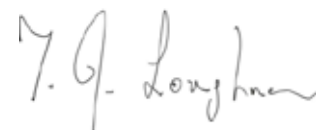
As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 council's internal control
- evaluate the overall presentation, structure and content of the statement of performance, including the disclosures, and whether the statement of performance represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
25 September 2017



Tim Loughnan  
*as delegate for the Auditor-General of Victoria*











## CONTACT US

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Join the conversation:    

Greater Shepparton City Council is NRS friendly. If you are deaf, hearing-impaired, or speech-impaired, we ask that you call us via the National Relay Service:

**TTY users:** 133 677 then ask for (03) 5832 9700.

**Speak & Listen users:** (speech-to-speech relay) 1300 555 727 then ask for (03) 5832 9700.

**Internet relay users:** Connect to the National Relay Service via [www.relayservice.com.au](http://www.relayservice.com.au) and then ask for (03) 5832 9700.

A hearing loop is also available at Council's customer service centre and Council meeting rooms.



Interpreter service available.