



2010/11

MARIBYRNONG CITY COUNCIL

Annual Report 2010/2011



Maribyrnong
CITY COUNCIL

ENGLISH

This document, the *2010-2011 Annual Report*, fulfils Maribyrnong City Council's obligations under Section 131 of the *Local Government Act*. This *Annual Report* contains a report of Council's operations for the past 12 months, audited Standard and Financial Statements as well as other matters prescribed by the *Act*. If you would like to know more about the information in this *Annual Report*, please call the Telephone Interpreter Service on 131 450 and ask them to call Maribyrnong Council on 9688 0200 for assistance.

AMHARIC

ይህ የ 2010-2011 አመታዊ ሪፖርት ሰነድ ሲሆን በአካባቢ መንግሥት አንቀጽ 131 የማራብይርኖንግ ከተማ ምክር ቤትን ግዴታ ያሟላ ነው። ባለፈው 12 ወራት በምክር ቤቱ የተጠናቀቀን ሪፖርት፣ አዲት የተደረገን የፋይናንስ የጽሁፍ መግለጫ እና ሌሎች በአንቀጽ የተገለጹ ጉዳዮችን በአመታዊ ሪፖርት ውስጥ ይካተታል። ስለዚህ አመታዊ ሪፖርት በበለጠ መረጃ ለማወቅ ከፈለጉ እባክዎ ለስልክ አስተርጓሚ አገልግሎት በቁጥር 131 450 ይደውሉና ለማራብይርኖንግ ከተማ ምክር ቤት በ9688 0200 ደውለው እርዳታ ማግኘት ነው።

ARABIC

التزاماً بمسؤولياتها بموجب الفقرة 131 من قانون الحكومة المحلية، تقدم بلدية ماريبيرنونغ هذه الوثيقة، وهي التقرير السنوي 2010-2011، الذي يتضمن تقريراً عن عمليات البلدية للسنة الماضية، وكشف بالبيانات المالية إضافة إلى شؤون أخرى ينص عليها القانون. فإذا كنتم ترغبون في معرفة المزيد عن المعلومات الواردة في هذا التقرير السنوي، نرجو أن تتصلوا بخدمة الترجمة الهاتفية على الرقم 131 450 واطلبوا منهم الاتصال لكم ببلدية ماريبيرنونغ على الرقم 9688 0200 لمساعدتكم.

BOSNIAN

Ovaj dokument, *Godišnji izvještaj za 2010-2011 godinu*, ispunjava obaveze Općinskog vijeća Općine Maribyrnong na osnovu člana 131 *Zakona lokalne vlade*. *Godišnji izvještaj* sadrži izvještaj o radu Općinskog vijeća u zadnjih 12 mjeseci, provjerene Izvještaje o standardima i financijama kao i o drugim pitanjima koja propisuje *Zakon*. Ako želite dobiti više informacija iz ovog *Godišnjeg izvještaja*, molimo nazovite Telefonsku prevodilačku službu (Telephone Interpreter Service) na 131 450 i zamolite ih da nazovu Općinu Maribyrnong (Maibyrnong Council) na 9688 0200.

BURNESE

ဤစာစောင် 2010-2011 နှစ်ပတ်လည်အစီရင်ခံစာ သည် ဒသအစိုးရဥပဒေ ပုဒ်မ 131 အရ မာရီဘာနောင်မြို့နယ် ကောင်စီ၏ တာဝန်ရှိသည်များကို ဖြည့်ဆည်းထားသည်။ ဤနှစ်ပတ်လည်အစီရင်ခံစာတွင် လွန်ခဲ့သော 12 လ အတွင်းမှ ကောင်စီ၏လုပ်ဆောင်ချက်များကို၎င်း၊ ဥပဒေ အရ သတ်မှတ်ထားသည့်အတိုင်း စာရင်းစစ်ထားသည့် ပုံမှန်နှင့် ငွေကြေး ဆိုင်ရာ စာရင်းများကို၎င်း၊ ထို့အပြင် အခြားအကြောင်းအရာများကို၎င်း ဖော်ပြထားပါသည်။ အကယ်၍သင့်အနေနှင့် ဤ နှစ်ပတ်လည်အစီရင်ခံစာ အကြောင်းပိုမိုသိလိုပါက တယ်လီဖုန်းဖြင့်စကားပြန်ဝန်ဆောင်မှုကို 131 450 တွင်ခေါ်၍ သူတို့ ကို 9688 0200 မာရီဘာနောင်မြို့နယ်ကောင်စီကို အကူအညီပေးရန် ခေါ်ခိုင်းပါ။

CHINESE

本文件《2010-2011年度報告》履行了Maribyrnong市政府根據《地方政府法令》第131節所應承擔的義務。本《年度報告》包括市政府過去12個月以來的運作情況、經審計的標準和財務報表以及《法令》所規定的其他事宜。如果希望瞭解此《年度報告》詳情，請電131 450，聯絡電話傳譯服務處，請他們致電9688 0200，聯絡Maribyrnong市政府，獲取幫助。

CROATIAN

Ovim dokumentom, *Godišnje izvješće za 2010-2011 godinu*, ispunjavaju se obveze Općinskog vijeća Općine Maribyrnong temeljem članka 131 *Zakona mjesnih vlasti*. *Godišnje izvješće* sadrži izvještaj o radu Općinskog vijeća u zadnjih 12 mjeseci, revidirane Izvještaje o standardima i financijama kao i o drugim pitanjima propisanih Zakonom. Ako želite dobiti više informacija iz ovog *Godišnjeg izvješća*, molimo nazovite Telefonsku službu tumača (Telephone Interpreter Service) na 131 450 i zamolite ih da nazovu Općinu Maribyrnong (Maibyrnong Council) na 9688 0200.

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1 About this Annual Report

The Annual Report to the community concludes the annual corporate planning and reporting cycle of Maribyrnong City Council.

Council has a statutory duty to report annually on how well it has performed as an organisation. This 'report back' to the community shows what services and improvement projects Council has delivered over the past year.

Producing an Annual Report is a requirement of the Local Government Act (1989). The Act requires a council to report on:

- The context in which the council worked
- An organisational overview
- Council's operations – what it has delivered
- The key activities and priorities identified in the annual Budget, and
- A set of audited standard, financial and performance statements.

Each year, Council develops actions under its four year Council Plan, and prepares an annual Budget through a process that involves its community. Council uses the Annual Report to measure how it has progressed with its objectives, and explain any changes or additions to what it has previously committed to.

For the first time, this four year Council Plan has incorporated the requirements of the Municipal Public Health Plan with a wellbeing commitment that underpins the entire plan. This approach acknowledges that every action we undertake as local government has an impact on the wellbeing of our community.

The Council Plan 2009-13 has six key commitment areas:

- 1 Building community spirit, engagement and places
- 2 Prosperity
- 3 Moving around the City
- 4 Amenity
- 5 Environmental sustainability
- 6 Organisational performance.

The Council Plan is in its second year, with 119 annual actions committed to in 2010/11 and grouped under eighteen wellbeing outcomes.

Stock Bridge, Maribyrnong River



2 A message from the Mayor and the CEO

The City of Maribyrnong continues to be a city in transition, facing significant challenges associated with a growing and diverse population, an ageing infrastructure and the problems of congestion and traffic.



During 2010/2011 Council invested \$19.5 million in capital works across our city, primarily in roads, footpaths and community buildings. Council reduced its debt by over \$3 million and, through careful financial management of its day to day activities delivered an operating surplus of \$6.8 million.

Key community projects include the hockey pitch at McIvor Reserve, substantial redevelopment at the Clare Court Children's Centre and over \$4 million in road works across the city.

Council has also focused strongly on improving both its services and the amenity of the city over the past year. Improving services to our community and the presentation of the city remains a fundamental priority for Council.

Council has actively advocated to both the State and Commonwealth Governments on major projects impacting our City. The Regional Rail project when delivered, will have a major impact on availability of public transport across the west. Council has advocated for essential design and amenity improvements to be delivered as part of these project works.

Major planning also proceeded for significant urban renewal projects at former industrial sites: the North Maribyrnong Defence Site, Kinnears Rope Works Site, the Josephs Road Precinct, the Bradmill Site and many others. Council continued to adopt a collaborative approach with the State Government on projects across the city as it seeks to protect the amenity of existing residents whilst dealing with the considerable pressures of growth.

Council was able to support a range of new festivals through the festivals City Initiative and in 2010/2011, commenced the process of positioning the city as a culturally vibrant and diverse destination.

During 2010/2011 Council appointed a new Chief Executive Officer, Mr Vince Haining, following the departure of Ms Kerry Thompson to take up a role as CEO at Wyndham City Council. Additionally, during 2010/2011 four new General Managers were appointed to Council's Senior Executive Team.

I take this opportunity to thank those outgoing executives for their considerable contribution to our City over many years.

A handwritten signature in black ink, appearing to read 'Sarah Carter'.

Cr Sarah Carter
Mayor

A handwritten signature in black ink, appearing to read 'Vince Haining'.

Vince Haining
Chief Executive Officer



2.1 Councillors and wards



Cr Dina Lynch
1. RIVER WARD
0434 473 735



Cr Sarah Carter
2. IRONBANK WARD
0432 139 612



Cr Catherine Cumming
3. BLUESTONE WARD
0417 390 658



Cr Sel Sanli
4. STONY CREEK WARD
0417 390 038



Cr Michael Clarke
5. WATTLE WARD
0434 473 734



Cr Martin Zakharov
6. SHEOAK WARD
0432 139 613



Cr John Cumming
7. SALTWATER WARD
0432 139 610



3 Council Plan 2009-13

Under the Local Government Act 1989, a Council Plan must be prepared every four years following a local government election, and submitted to the Minister for Local Government.

Following the 2009 City of Maribyrnong elections, Council developed its Council Plan 2009-13 (Plan) – setting its long term vision, principles and values, and key commitment areas. The Plan incorporates the Municipal Public Health Plan (MPHP); Maribyrnong is one of the first councils in Victoria to take this approach.

The Plan was developed following extensive consultation with Councillors, community members and Council staff. It guides Council's planning, development, allocation of resources, and provision of services to the Maribyrnong community.

The Plan is a strategic document, and sets out Council's:

- Wellbeing Commitment,
- Vision,
- Principles and Values, and
- Key Commitment Areas.

3.1 Wellbeing Commitment

In line with the MPHP, the Plan is underpinned by a Wellbeing Commitment that provides a blueprint for achieving wellbeing outcomes for everyone in the City.

Council's primary objective is to protect and promote the wellbeing of its community. Wellbeing is achieved when everyone has, and feel they have, the ongoing opportunities to reach their full potential.

Putting people first means Council's thinks about the impact on its community for everything it does. Every policy, strategy, decision and action will be informed by this commitment.

3.2 Our Vision

“

A diverse, vibrant, and proud City focused on people-based places, environmentally sustainable practices, and opportunities to enhance community health and wellbeing through education, responsive services and participation in community life.

3.3 Our Principles And Values

Council's most important role is to govern for everyone. Therefore, it will provide local leadership based on a set of guiding principles and values that are at the core of all its activities.

Active Engagement and Inclusion

Council will actively engage and encourage diverse local communities and individuals to participate in the life, activities and decision making in the City.

Advocacy

Council will strive to bring the needs, strengths and opportunities of our diverse community to the attention of government, business and other organisations, to have them acted upon in the interests of the community.

Equality

Everyone will be treated equally and awarded every human right and responsibility.

Equity and Accessibility

Council will work to make the City a fair place by addressing people's restrictions or barriers to accessing to services, opportunities and resources.

Partnership

Council will seek to strengthen the trust and confidence of our community partners. We will work closely with groups, organisations and communities to achieve a shared vision.



Footscray Community Arts Centre

Public Service

Council takes its obligations of working for the community seriously. Council will strive to ensure all activities are planned, designed and implemented in the public interest by balancing and responding to changing needs, strengths and opportunities in a manner that is sustainable.

Respect

Council will be respectful and treat with dignity all people, ideas, beliefs and lifestyles.

Transparency and Accountability

Council will ensure all its processes, decisions and actions are carried out in an honest and transparent manner, and are open to regular public monitoring and scrutiny.

3.4 Our Key Commitment Areas

Council has created strategic objectives under six key commitment areas that build on the foundations of wellbeing.

Building community spirit, engagement & places

We will build community spirit through the provision of quality facilities, responsive services and people based places with a focus on proactive engagement and community participation in civic life.

Prosperity

We will facilitate and advocate for better access to education, housing, health, employment and cultural services for all residents so they have every opportunity to reach their full potential.

Moving around the city

We will plan, implement, manage and advocate for transport and parking systems for the City that enable people to get around and arrive safely at their destination, with a positive impact on community wellbeing and the environment.

Amenity

We will create a well planned City and improve its amenity by creating streets and spaces, neighbourhoods and public places that are safe, sustainable, well used and the pride of the community.

Environmental sustainability

We value our precious environmental resources. In partnership with our community we will lead, trial, and promote sustainable practice.

Organisational performance

We will develop an organisation that is valued and trusted, and facilitate its growth and development to ensure Council is continually positioned to respond to the challenges of providing a best practice service to our diverse community.



Anderson St, Yarraville

4 Highlights against Key Commitment Areas

The table below provides some highlights from the 119 actions Council has committed to deliver during 2010/11.

KEY COMMITMENT AREAS	Highlights
 <p>BUILDING COMMUNITY SPIRIT, ENGAGEMENT & PLACES</p>	<ul style="list-style-type: none"> Extended library hours at three libraries (Yarraville, West Footscray and Maribyrnong) Reviewed and updated the Stony Creek Directions Plan Established Older Persons Reference Group Developed leadership and participation opportunities for young people Developed a draft Heritage Interpretation Strategy Promoted the Australian Indigenous collection held at the libraries Facilitated the 'Urban Signs' graffiti arts project with young people Established the Arts and Cultural Advisory Committee Integrated health and wellbeing into core Council policies, strategies and actions Implemented the Maribyrnong Respect and Equity: Preventing Violence Against Women project
 <p>PROSPERITY</p>	<ul style="list-style-type: none"> Promoted training opportunities for local businesses Supported trader associations Developed the Maribyrnong Festival Policy Advocated for the State Government support and funding for the Footscray Renewal initiative including investment in social infrastructure and programs Developed a draft Responsible Gambling Policy
 <p>MOVING AROUND THE CITY</p>	<ul style="list-style-type: none"> Completed the construction of the Cross Street and Rupert Street shared path in West Footscray Completed the Walking Plan for the City Commenced the review of the Maribyrnong Integrated Transport Strategy Advocated for public transport upgrades Continued to liaise with the Melbourne Port Corporation on Port development activities Continued to work with VicRoads to monitor and enforce compliance of the truck restrictions

KEY COMMITMENT AREAS



AMENITY



ENVIRONMENTAL SUSTAINABILITY



ORGANISATIONAL PERFORMANCE

Highlights

- Developed an integrated Rooming House Assessment Protocol and Risk Management Plan
- Undertaken street lighting improvements within the Footscray Central Activities Area
- Completed the redevelopment of the Clare Court Children's Centre, Yarraville
- Managed environmental issues associated with land contamination
- Developed proactive maintenance program for Council parks, sporting grounds and playgrounds
- Completed 95% of capital works program
- Completed 97% of road improvement program
- Reviewed the Syringe Management Strategy

- Conducted monthly Greening Maribyrnong Workshops
- Held environmental forums and expos targeting culturally and linguistically diverse communities
- Undertaken water audits at all Council's Early Years buildings
- Implemented the Greening Footscray Street Trees Policy
- Developed a Regional Risk Assessment and Response Plan, in partnership with neighbouring Councils

- Reported regularly on organisational performance measures and progress on the Council Plan Annual Actions 2010/11
- Completed Best Value Service Review Pilot program, as part Council's Continuous Improvement Program
- Developed a new software module to monitor compliance with the Rooming House legislations to minimise health and safety risks to the community

5 Financial Highlights

Summary

- \$6.862 million surplus, including \$99.163 million income and \$92.301 million expenses.
- \$22.724 million spent on capital and improvement works.

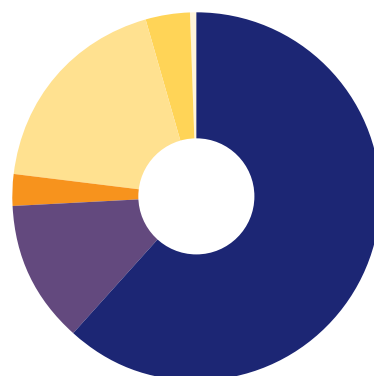
Operating Surplus

The actual surplus achieved of \$6.862 million compares to the original budget surplus estimated at \$7.447 million.

Council Income

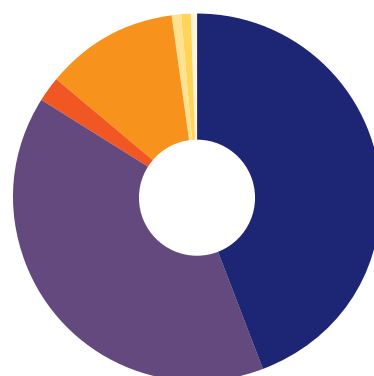
Council's Income Sources 2010-2011

	\$000	% TOTAL REVENUE
● Rates	61147	61.7%
● Grants	12611	12.7%
● Interest	2678	2.7%
● User Charges & Statutory Fees	18541	18.7%
● Contribution & Reimbursements	3691	3.7%
● Other Income	495	0.5%
Total Income	99163	100%



Council Expenditure

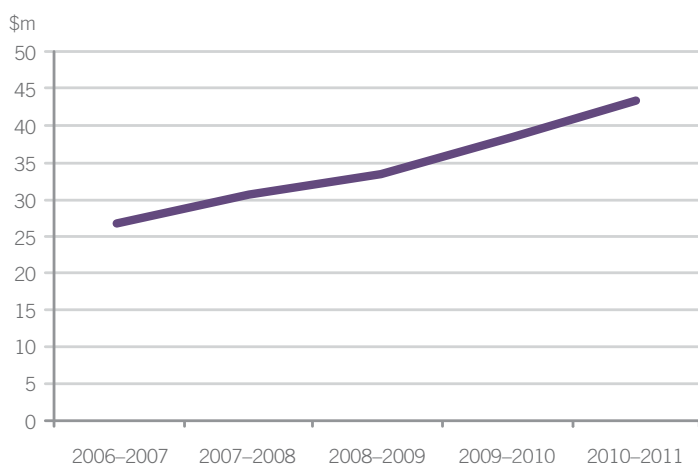
EXPENDITURE SOURCES 2010-2011	\$000	% TOTAL REVENUE
● Employee Benefits	40964	44.4%
● Materials & Services	36460	39.5%
● Bad & Doubtful Debts	2116	2.3%
● Depreciation	10933	11.8%
● Financial Costs	770	0.8%
● Net Loss on Depreciation of property	720	0.8%
● Other Expenses	338	0.4%
Total Income	92301	100%





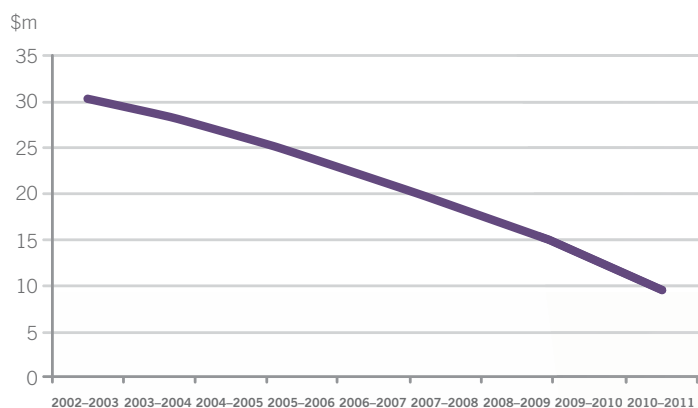
Cash Position

Council continues to improve its cash position with all reserves and provisions being fully funded allowing Council to plan for major projects in the future.



Council Debt

Council's continued adherence to its long term financial plan has seen debt reduced to \$9.701 million as of 30th June 2011.



6 What we delivered to our community – Some Facts

Council provides over 80 different services to its community, each contributing towards achieving the Council vision, key commitment areas and strategies. Below is a snapshot of some of the services Council has delivered to its community during 2010/11.

WHAT HAVE WE DELIVERED....	2009/10	2010/11
OUR CUSTOMER SERVICE		
Number of customer requests	24,815	28,189
Number of counter enquiries	118,722	135,343
Number of phone enquiries	138,441	93,184
Number of emails responded to (via Council email)	11,476	15,757
Percentage of calls resolved at first point of call	74%	79%
OUR COMMUNITY – COMMUNICATION, PROGRAMS, SUPPORT		
Number of media releases issued	174	142
Number of times interpreting and translation service accessed across all areas of Council	337	226
Number of web page viewed	1,874,986	1,932,790
Number of visits to libraries	536,838	527,646
Number of visits to Community Centres	338,476	250,089
Number of loans from libraries	816,531	808,110
Number of people who attended programs at libraries	14,450	13,368
Community Grants - total funds available	\$101,516	\$118,716
Number of visits to Maribyrnong Aquatic Centre	724,945	895,393
Number of sporting clubs we supported	60	60



Clare Court Children's Service

WHAT HAVE WE DELIVERED....	2009/10	2010/11
OUR FAMILIES, CHILDREN, YOUTH, ELDERLY		
Number of children immunised through Maternal Child and Health service	5,258	4,618
Council's ranking for immunisation rates (% of children aged 12 to 15 months fully immunised)	91.6	92.64
Number of hours of child care provided through Family Day Care	162,129.	128,038
Number of young people supported through regular programs, counselling service and activities	8,000	10,394
Number of frail aged and older adults and people with disabilities that have used home and community support services	2,638	3,195
Number of hours of care provided to frail and older adults and people with disabilities	146,369	147,408
UNIVERSAL SERVICES, AMENITY AND PLANNING		
Number of households provided refuse/recyclable collections	31,000 (approximately)	31,400 (approximately)
Number of trees maintained in reserves, parks, playgrounds	around 42,000	around 42,000
Km of roads maintained	346km	346km
Km of footpaths maintained	680km	680km
Km of drains maintained	356km	356km
Number of inspections of registered food and health premises	1,653	1,721
Number of planning applications processed	782	821
Number of registered dogs/cats	9,895	10,646





7 About Maribyrnong

7.1 Our place

The City of Maribyrnong is located in Melbourne's inner western suburbs and is bounded by the City of Moonee Valley in the north, the City of Melbourne in the east, the City of Hobsons Bay in the south and the City of Brimbank in the west. The City of Maribyrnong also shares a boundary with the Port of Melbourne.

The City of Maribyrnong is formed by the suburbs of Footscray, West Footscray, Maribyrnong, Maidstone, Seddon, Yarraville, Kingsville, Tottenham and Braybrook.

7.2 Our people

- The current population is estimated at 72,896 persons (ABS estimate, June 2010)
- 68% of all our residents are aged 18-64 years
- The City remains the third most disadvantaged municipality in Victoria (ABS Socio Economic Disadvantage Index for Areas (SEIFA))
- 54% of households have no internet connection
- There is a large proportion (28.1%) of lone persons households
- The City's average weekly household income is \$932
- The City has a high rental market - 35% of all households are renting (both public and private).

7.3 Our multicultural community

- 40% of people were born outside of Australia.
- The City's population comes from more than 135 different countries, speaking more than 80 languages.
- The older established groups include residents born in Italy, Greece, Macedonia, Serbia, Croatia, Poland, Chile and Turkey; while the newer established groups include residents born in Vietnam, India, Horn of Africa, Bosnia, Philippines and China.
- Half (50%) of Maribyrnong's population speak another language. The ten main languages spoken are Vietnamese, Cantonese, Greek, Italian, Macedonian, Spanish, Mandarin, Serbian, Croatian and Tagalog.
- Between March 2010 and March 2011 period a total of 644 persons arrived to Maribyrnong. The top ten country of birth groups were: - India, Vietnam, China, Afghanistan, Burma, Sri Lanka, Ethiopia, Bangladesh, Iran and Pakistan.
- Today, over 250 Aboriginal and Torres Strait Islander people live in the City of Maribyrnong.

7.4 Our working and business community

28,035 of residents are employed, with 18% working and living in the City of Maribyrnong. The three most popular occupation groups of residents (2006 Census) were:

- Professionals (6,737, or 24.0%)
- Clerical and administrative workers (4,297, or 15.3%)
- Technicians and trades workers (3,207, or 11.4%)

The City of Maribyrnong is home to approximately 6,500 businesses.

Maribyrnong's four key industries sectors for employment are education, health, retail and manufacturing. These sectors generate 60% of available jobs.

Maribyrnong continues to have a high unemployment rate. The City's unemployment rate was 6.2% for the March quarter 2011, which is still above the State average of 5.2% and the Melbourne average of 4.9%.

With a regional educational focus, Victoria University's two Footscray campuses host over 15,000 students and employ close to 1,200 staff.

7.5 Wellbeing indicators

- The top three chronic preventable lifestyle diseases for females in the City of Maribyrnong are heart disease, type 2 diabetes, and depression. For men, the top three diseases are heart disease, lung cancer, and stroke.
- Females in Maribyrnong experience the poorest health in the Western Region sub-region (with a disease burden rate of 134.9 disability adjusted life years per 1,000)
- Males in Maribyrnong have the lowest life expectancy in Victoria (74.8 years)
- Approximately 1 in 5 people living in the City of Maribyrnong have a disability
- 22.1% of households in Maribyrnong are spending 30% or more of gross household income on rent or mortgage payments
- 24.4% of people living in Maribyrnong are experiencing transport limitations
- 7.1% of people living in Maribyrnong had experienced food insecurity (not having access at all times to enough food to live an active and healthy life).

7.6 Changes

The changes the City of Maribyrnong will continue to see in the next five to 20 years include:

- Continued population growth – estimated to grow to 104,404 persons by year 2031
- Projected population growth is based on an increase of about 19,000 households
- The average number of persons per household is expected to decrease slightly from 2.39 to 2.23
- An increased wealth gap (haves and have nots)
- More affluent residents (higher education, higher income, professional jobs)
- An increase in young age groups, especially in the 12-24 years and 25-49 years groups
- Changes in land use – increase in residential and high rise developments
- Significant increase in residential developments across Maribyrnong, particularly medium density
- New infrastructure developments such as the Regional Rail Link, Melbourne Port and West Link
- An increase in new arrivals from overseas contributing to diversity in the municipality and demand for services

7.7 Local and regional significance

The City of Maribyrnong provides a number of local and regional services and facilities of significance. The most notable are Footscray Business Centre, Highpoint Shopping Centre, Victoria University, Western Hospital, Maribyrnong River, Stony Creek, Footscray Park and Whitten Oval.

The City also:

- borders the City of Melbourne
- has easy access to Docklands, and an extensive public transport system.
- is the gateway to the Western Region

8 Council Planning Framework



8.1 Working with our Local Communities

Events

A snapshot of selected community focused events Council has organised, or actively participated in.

- Healthy Homes – Greening Maribyrnong Conversations
- Vietnam on a Plate Tours
- Yarraville Markets
- Maribyrnong Makers Market
- Ganesh Festival
- Refugee Week
- Save Water – Act4Nature
- Poppets and Puppets in the Park
- The Big Reveal and Arts Show
- Show us de Money!
- The Very West
- North Western Skate and BMX League
- Street Surfer
- Music, Cruise and Barbecue
- Crowd Theory
- School Holidays Arts Program
- St Jerome's Laneway Festival
- Pet Expo
- Sound Soup – part of Melbourne Food and Vine Festival

Community Grants

The annual Community Grant Program enables local people, organisations and community groups to undertake projects based on issues they are passionate about, which provide a benefit to the citizens of Maribyrnong and build the community's capacity. The Grant Program is aligned with the Council Plan 2009-13 and supports Council in working with the community to achieve Council's vision for the future. In 2010/11 a total of 61 applications were funded, receiving in total \$118,716 in grants to undertake projects.

CATEGORY	NUMBER OF GROUPS FUNDED	AMOUNT ALLOCATED \$
Social Support	16	5,450
Community Development	26	55,648
Arts and Culture	8	22,000
Social Enterprise and Prosperity	1	500
Environmental Sustainability	6	14,518
Special Projects	4	20,600
Totals	61	\$118,716



Yarraville Station Plaza, Yarraville

9 Corporate governance

9.1 Council Meetings

Maribyrnong Council Meetings are held on a monthly cycle.

On the second Tuesday of the month, Council holds the Community Access and Strategic Policy (CASP) meeting, where residents are able to come and present matters of community interest to the full Council.

On the third Tuesday of the month, Council holds the Ordinary Council meeting. It is at this meeting that all decisions regarding planning matters, policies and programs are made.

Planning forums are held on the fourth Tuesday of the month. This forum enables Councillors to meet with applicants and objectors, and hear first hand about proposed developments and issues of concern, prior to making a planning decision.

Ordinary Meeting of Council – Chair

- July 2010 – December 2010 – Cr Sanli as the Mayor
- December 2010 – June 2011 – Cr Carter as the Mayor

CASP Meeting of Council – Chair

- July 2010 – December 2010 – Cr Zakharov
- December 2010 – June 2011 – Cr Lynch

Planning Forum – Chair

- July 2010 – December 2010 – Cr Lynch
- December 2010 – June 2011 – Cr J Cumming

9.2 Committees and advisory groups

An important part of the role of a Councillor is to represent their community on committees. Each year, Councillors are elected to committees that have a local or regional focus.

There is a requirement that Councillors report back to the community and their fellow Councillors via the Ordinary Meeting of Council each month. This helps Council fulfil its commitment to govern transparently and responsibly.

9.3 How Council communicates with its community

Council is committed to regularly communicating with its diverse community in an open and timely manner, using a range of different communications tools, including:

- Media relations – issuing media releases and photo opportunities, and responding to media requests
- Weekly advertisements in local newspapers
- Regularly posting updates to Council's Facebook and Twitter pages
- Community Update packs – incorporating the Maribyrnong News residents' newsletter – delivered three times a year to all local households and businesses
- Making information and publications available at Community Information Points at Council facilities (for events, consultations and services information)
- The comprehensive Council web site www.maribyrnong.vic.gov.au
- Community education events and activities, for example, water saving forums

Council also seeks community input through its Annual Community Survey. This year, Council will conduct its seventh in-depth survey.

Eight hundred residents are randomly selected across the eight suburbs (100 per suburb) and interviewed face to face. The survey measures 'level of importance' and 'level of satisfaction' with key council services and facilities, and identifies issues of importance to the community. Key survey results are reported in this report against the Council Plan six key commitment areas.



COMMITTEE/ADVISORY GROUP	COUNCILLOR REPRESENTATION	
	2009/10	2010/11
Audit Committee	Cr Sanli Cr Lynch Cr J Cumming	Cr Carter Cr Lynch Cr J Cumming
Big West Festival Board	Cr Zakharov	Cr Zakharov
Brooklyn Community Reference Group (formerly Brooklyn Odours Committee)	Cr Clarke	Cr Clarke
Disability Advisory Committee	Cr Sanli	Cr Carter
Heritage Advisory Committee	Cr Zakharov	Cr Zakharov
Highpoint Structure Plan Project Advisory Committee	Cr Lynch	Cr Lynch
LeadWest Board	Cr Clarke	Cr Carter
Living Museum of the West Board	n/a	Cr Zakharov Cr Lynch
Maribyrnong Arts and Cultural Advisory Committee	Cr Zakharov	Cr Zakharov
Maribyrnong Drug Strategy Reference Group	Cr J Cumming Cr Zakharov Cr Lynch	Cr J Cumming Cr Zakharov Cr Lynch
Maribyrnong Safety Taskforce	Cr C Cumming	Cr J Cumming
Melbourne Metropolitan Waste Management Group	Cr C Cumming	Cr C Cumming
Metropolitan Transport Forum	Cr Zakharov	Cr Zakharov
Municipal Association of Victoria – Environmental Advisory Group	Cr Clarke	n/a
Municipal Association of Victoria – Human Services Advisory Group	Cr Clarke	Cr Clarke
Municipal Association of Victoria	Cr Clarke Cr J Cumming (sub)	Cr Clarke Cr J Cumming (sub)
North West Transmission Lines Reference Group	Cr Lynch	n/a
Regional Rail Link Community Reference Group	n/a	Cr Zakharov
Roadsafe West Gate Community Road Safety Committee	Cr Sanli Cr Carter	Cr Carter
Victorian Local Governance Association	Cr Carter Cr Zakharov	Cr Zakharov Cr C Cumming
West Footscray Community Plan Reference Group	Cr C Cumming	n/a
Western Melbourne Tourism Board	Cr Carter	Cr Carter
Youth Leadership and Advisory Council	Cr Carter	Cr Sanli

10 Report of operations

10.1 Local Government Act S131 (2) (b)

The following section provides an overview of the past 12 months of operations at Maribyrnong City Council and focuses on:

- Council's achievement of the 119 actions from the Council Plan 2009-2013 Annual Action Plan 2010-11
- Significant projects and programs
- Major capital works

The key commitment areas in the Council Plan have a number of strategies and actions to ensure the overarching commitments of Council are met.

Council's Long Term Financial Plan remains the guiding document for Council's finances. The Plan is reviewed annually and addresses many challenges – the most significant of these being cost shifting from other levels of government, repaying Council's inherited debt and managing asset renewal. Council's Long Term Financial Plan relies upon income from other levels of government.

The Report of Operations also provides information about services and the organisation in accordance with the requirements of the Local Government Act 1989.

10.2 Council Plan 2009-13

Report on 2010/11 Actions

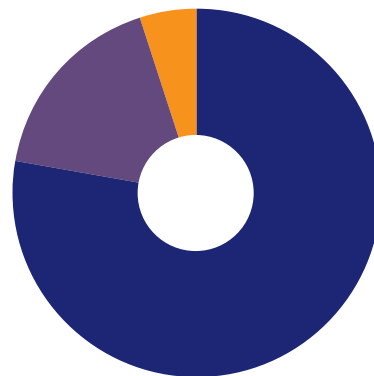
The Council Plan 2009-2013 was developed and adopted by Council in 2009. In order to achieve the stated vision Council identified six key commitment areas, as follows:

- 1 **BUILDING COMMUNITY SPIRIT, ENGAGEMENT AND PLACES**
- 2 **PROSPERITY**
- 3 **MOVING AROUND THE CITY**
- 4 **AMENITY**
- 5 **ENVIRONMENTAL SUSTAINABILITY**
- 6 **ORGANISATIONAL PERFORMANCE**

As part of annual planning process, Council has committed to 119 actions across the six key commitment areas. Progress on these actions has been reported to Council on a quarterly basis, providing ongoing transparency to show how Council is tracking on each of the actions.

Using a corporate performance reporting system, Council has adopted a 'traffic lights' approach to demonstrate its performance against each action. The overall achievement of actions is presented below:

Completion of Actions



- Actions fully completed
- Actions substantially completed
- Actions not fully completed or deferred

The actions that were not fully completed or deferred (4.2%) were due to a number of reasons including risk factors, delay in State Government decisions/funding, reallocation of funds to address constraints, lack of resources and external funding.

Actions deferred to 2011/12

- Landscape design for Railway Reserve
- Review of Waste Minimisation Strategy
- Review of Council's Fleet operations

The next section of the report provides an overview of each action, its completion status, and strategic indicators for each of the six key commitment areas.

10.3 Building community spirit, engagement and places

Strategic Objective

We will build community spirit through the provision of quality facilities, responsive services and people based places with a focus on proactive engagement and community participation in civic life.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Plan for adequate, appropriate, accessible and integrated physical and social infrastructure for our growing and changing communities.	Developed a Strategic Investment Plan through the Maribyrnong Strategic Partnership, to facilitate Government investment in the City of Maribyrnong.	●
	Facilitated and supported a Network of Community Centres and Neighbourhood Houses within the City of Maribyrnong.	●
	Investigated options for enabling greater access to library services via a review of opening hours. Library hours have been extended at three libraries.	●
	Continued to further develop the designs and model for children and family hubs across the municipality.	●
	Undertaken planning for the reforms to early years service that will commence in 2013 to ensure adequate infrastructure and service delivery response.	●
	Landscape design for Railway Reserve, Footscray was not completed and will be carried forward to 2011-12.	●
	Developed a Synthetic Sportsground Strategy.	●
	Reviewed and updated the Stony Creek Directions Plan.	●
	Commenced the design process for the development of additional change rooms at the Maribyrnong Aquatic Centre.	●
Provide opportunities that encourage and foster citizen engagement and participation in decision making processes.	Continued to implement Year 2 of the CALD Communications Strategy.	●
	Established and implemented the Older Person's Reference Group in the City of Maribyrnong.	●
	Reviewed the Council Plan 2009-13 to ensure its continued relevance and developed an Annual Action Plan for 2011-12.	●
	Provided opportunities for community members to volunteer at their local community centre or library.	●
	Developed leadership and participation opportunities for young people through the new Youth Leadership Forum and Youth Leadership Network.	●
	Implemented the Maribyrnong Community Engagement Framework.	●

10 Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote the City's arts, culture, heritage and diversity.	Supported the initiatives of the Heritage Advisory Committee.	●
	Developed a draft Heritage Interpretation Strategy.	●
	Restored the Avenue of Honour memorial plaques and draft design of a new memorial park.	●
	Advocated for the redevelopment of Footscray Wharf with opportunities for heritage interpretation.	●
	Developed the Interfaith Network in partnership with the City of Brimbank.	●
	Created opportunities for the community to participate in community celebrations by hosting annual events at the community centres.	●
	Taken an active leadership role in the community for promoting Reconciliation (events and activities for example NAIDOC week, community Flag raising).	●
	Promoted the Australian Indigenous collection held in library services to develop understanding, harmony and an appreciation of the indigenous heritage of Maribyrnong.	●
	Provided a range of arts and culture programs for young people at the Phoenix Youth Facility (eg. FREEZA, school holiday programs).	●
	Facilitated the "Urban Signs" graffiti art project with young people at the Phoenix Youth Centre.	●
	Continued to improve and promote Footscray's retail environment and cultural offerings via Footscray Renewal marketing.	●
	Conducted eleven Maribyrnong Walking Tours.	●
	Established an Arts and Cultural Advisory Committee.	●
Plan new residential developments that integrate into existing neighbourhoods, are designed to promote a sense of community, and contribute to the provision of public spaces, community facilities and services.	Commenced the review of the Arts and Cultural Strategy.	●
	Worked closely with VicUrban, in developing planning directions for the Northern Maribyrnong Defence site.	●
	Implemented the Neighbourhood Character Study character statements and design guidelines.	●
	Prepared a draft Municipal Housing Strategy.	●
	Progressed to develop the design of the Braybrook Community Centre to include a library.	●



STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote environments that support the health and wellbeing of the community.	Developed and maintained ongoing annual calendar of events for seniors.	●
	Planned and coordinated a range of activities for the Victorian Seniors.	●
	Reviewed in consultation with senior citizens groups, current services and activities offered within the centres.	●
	Led a “Child Friendly City” approach through implementation of the Maribyrnong Early Years Plan.	●
	Implemented the Maribyrnong Public Drinking Strategy.	●
	Developed a Food Security Strategy and implemented Year 1 Action Plan.	●
	Integrated health and wellbeing into core Council policies, strategies and actions.	●
	Implemented Council related actions in the Western Region Strategy for the prevention of violence against women.	●
	Advocated for high standard registered rooming houses in the City.	●
	Participated in the International Student Emergency Awareness to improve fire safety and emergency awareness in private rental accommodation.	●
	Continued to implement the Maribyrnong Respect and Equity: Preventing Violence Against Women project.	●
	Developed a social marketing campaign to raise awareness of violence against women and challenge violent and disrespectful attitudes and behaviours towards women.	●
	Implemented the Community Mental Health Promotion Plan.	●

10 Report of operations

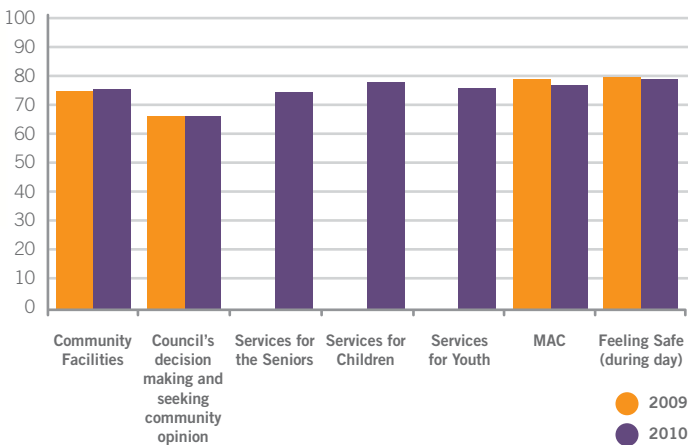


Bike paths, West Footscray

Strategic Indicators

The Graph below shows the results for a number of indicators relating to ‘Building Community Spirit, Engagement and Places’ key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Source: Annual Community Survey 2010

Wellbeing Outcomes

The completion of the 46 actions relating to ‘Building Community Spirit, Engagement and Places’ key commitment area has contributed to the following wellbeing outcomes:

- Improving city design promoting attractive and inclusive neighbourhoods
- Improving city wide facilities, open space and recreations services
- Improved community safety
- Increased community harmony and improved social interaction and community participation

10.4 PROSPERITY

Strategic Objective

We will facilitate and advocate for better access to education, housing, health, employment and cultural services for all residents so they have every opportunity to reach their full potential.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Promote and support a skilled community that is adaptable to changing workforce needs through education, training, business skills development and promoting life-long learning.	Promoted training opportunities for local businesses such as Business Expo.	●
	Continued to facilitate employment opportunities and experiences at Council for people from diverse backgrounds.	●
	Created and supported adult education opportunities across the municipality.	●
	Provided internet classes to users on a one to one basis and small groups via libraries and community centres.	●
	Established partnerships to deliver homework and tutoring support programs.	●
	Provided traineeship and work experience opportunities in Council for young people.	●
	Facilitated the L2P learner driver volunteer mentor program to assist young people gain driving experience.	●
Support industries and businesses which will create varied employment opportunities and enhance the social and economic wellbeing of residents.	Supported trader associations by providing administrative support.	●
	Implemented the Highpoint Structure Plan and Central West Structure Plan.	●
	Prepared the draft Maribyrnong Economic and Industrial Development Strategy.	●
Develop programs to increase and encourage community activities/entertainment within the public realm.	Improved public access to technology – by providing library users with greater bandwidth access and implement a pilot program of WiFi availability.	●
	Conducted Place Making Activities within Footscray Central Activities District (CAD) to activate key urban spaces in the centre – activities to include leisure and physical programs, Footscray Flicks, Progressive Dinner, Heritage Walks.	●
	Developed a Maribyrnong Festival Policy.	●
	Developed a draft Responsible Gambling Policy.	●

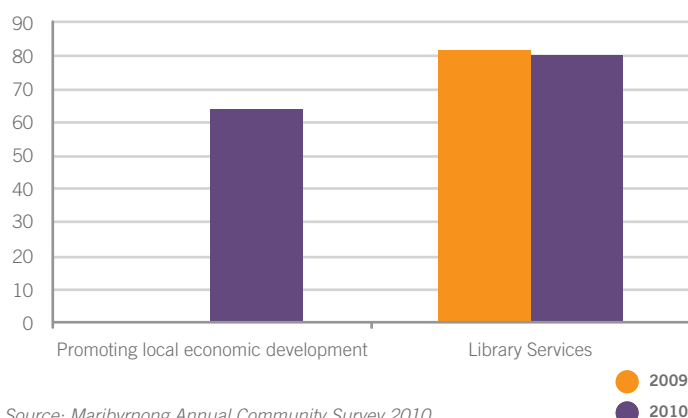
10 Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Investigate opportunities for private-public partnership to plan and deliver the required infrastructure for current and future communities.	Continued to advocate for State Government support and funding for the Footscray Renewal Initiative including investment in social infrastructure and programs.	●

Strategic Indicators

The Graph below shows the results for a number of indicators relating to 'Prosperity' key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Source: Maribyrnong Annual Community Survey 2010

Wellbeing Outcomes

The completion of the 15 actions under the 'Prosperity' objective has contributed to the following wellbeing outcomes:

- Improved access to opportunities that support life-long learning
- Improved capacity of community members to participate in decision making
- Improved community connections through participation in arts and culture
- Increased recognition and respect for historical and cultural heritage



10.5 MOVING AROUND THE CITY

Strategic Objective

We will plan, implement, manage and advocate for transport and parking systems for the City that enable people to get around and arrive safely at their destination, with a positive impact on community wellbeing and the environment.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Develop and promote safe, accessible, environmentally and economically sustainable transport infrastructure.	Reviewed the Community Bus Program.	●
	Continued implementing the Bus Services Review with State Government.	●
	Continued implementing the Maribyrnong Strategic Bicycle Plan.	●
	Completed construction of the Cross Street and Rupert Street shared path in West Footscray.	●
	Completed the Yarraville Station Plaza redevelopment.	●
Promote and support life-long mobility, ensuring access for all ages and abilities through our City.	Completed the Walking Plan for the City.	●
	Commenced the Review of the Maribyrnong Integrated Transport Strategy.	●
	Completing the Northern Maribyrnong Transport Strategy to incorporate community input.	●
Advocate to both State and Federal Governments for new and improved transport infrastructure.	Advocated for public transport upgrades in the inner west, including participation in the Metropolitan Transport Forum campaigns and the Western Transport Alliance.	●
	Monitored and reported on progress in the planning of the key projects in the Victorian Transport Plan.	●
	Continued to liaise with Melbourne Port Corporation on Port development activities.	●
	Continued to work with VicRoads to monitor and enforce compliance of the truck restrictions.	●
	Continued to implement Footscray Parking Management Plan recommendations.	●
	Monitored and reported on progress of State Government Renewal actions, including the Footscray Station Redevelopment.	●

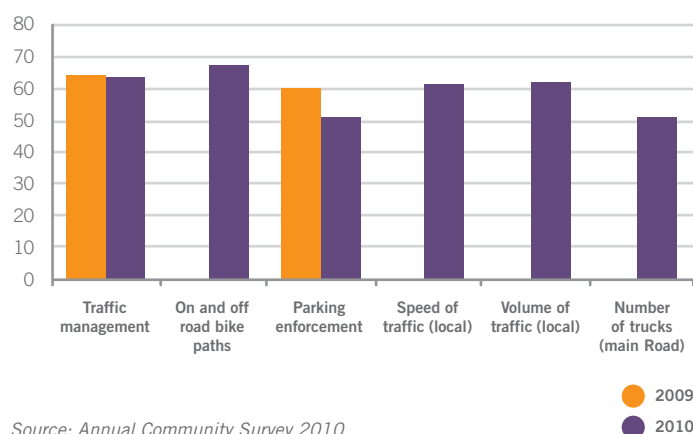
10 Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Ensure the City's traffic management system can move people, goods and services safely, efficiently and conveniently.	Consulted with community and stakeholders on the planning and implementation of local traffic management works.	●
	Responded to requests for parking restriction reviews.	●

Strategic Indicators

The Graph below shows the results for a number of indicators relating to 'Moving Around the City' key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Source: Annual Community Survey 2010

Wellbeing Outcomes

The completion of the 16 actions under the 'Moving Around the City' objective has contributed to the following wellbeing outcomes:

- Improved access to healthy travel options, including walking, cycling and user-friendly public transport
- Improved social interaction and community participation
- Improved protection of the environment and more sustainable use of natural resources



10.6 AMENITY

Strategic Objective

We will create a well planned City and improve its amenity by creating streets and spaces, neighbourhoods and public places that are safe, sustainable, well used and the pride of the community.

Action completely achieved (100%) ●

Action substantially achieved (70%+) ●

Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Provide integrated and responsive actions (planning enforcement, building control, local law, animal management and customer responses) to maximise public amenity and safety.	Developed an integrated Rooming House Assessment Protocol and Risk Management Plan.	●
	Commenced the review of the Domestic Animal Management Plan.	●
	Continued the implementation of the Parking Safety Around Schools program.	●
	Raised community awareness of Rooming Houses Regulations and Requirements through the development of Policy and a software system,	●
	Continued to monitor and enforce Building regulations relating to essential safety measures.	●
	Reviewed the Syringe Management Strategy.	●
Improve and maintain the quality and accessibility of social and physical infrastructure through development and implementation of policies and actions to improve the built environment.	Reviewed and revised the Maribyrnong Early Years Infrastructure Plan.	●
	The Streetscape Plan for Leeds St between Irving St and Byron Street has been delayed due to the construction of the tram stop and City West Water recently installing a new main in Leeds Street. Works are programmed to be completed by early September 2011.	●
	Reviewed and implemented recommendations of the Seddon Urban Design Framework – streetscape and street tree planting projects in consultation with the community.	●
	Completed Stage 1 construction of the Barkly Village Streetscape Plan as a recommendation of the West Footscray Urban Design Framework.	●
	Developed the draft City Design Strategy to improve the “fit out” of the public realm. This involved public consultation on the draft Strategy.	●
	Implemented recommendations from the Footscray at Night Lighting Strategy – street lighting improvements, creative light installations.	●
	Reviewed and update the Tree Planting Policy.	●
	Co-ordinated the development of Council's overall capital expenditure program (11/12 to 13/14).	●

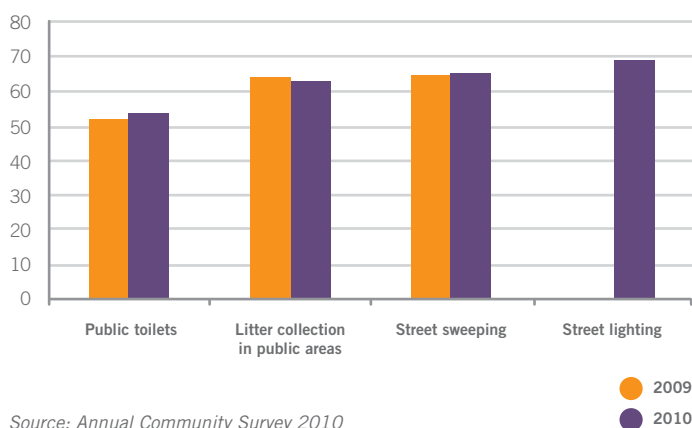
10 Report of operations

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Continue to manage and renew our assets.	Completed the redevelopment of the Clare Court Children's Centre.	●
	Completed the redevelopment of the playground at the Norfolk St Child Care Centre.	●
	Completed 97% of the Road Improvement Program.	●
	Completed 95% of the capital works program for Council facilities.	●
	Delivered 85% of reactive and scheduled maintenance services for Council building facilities. For example, refurbishments.	●
	Managed environmental issues associated with land contamination.	●
	Implemented 75% of the Road Management Plan required through improved civil maintenance plans.	●
	Commenced to develop proactive maintenance programs for Council parks, sporting grounds and playgrounds – achieving agreed standards and community expectation. Awaiting outcomes from the parks and Gardens service review program.	●

Strategic Indicators

The Graph below shows the results for a number of indicators relating to 'Amenity' key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Source: Annual Community Survey 2010

Wellbeing Outcomes

The completion of the 22 actions under the 'Amenity' objective has contributed to the following wellbeing outcomes:

- Improved city design that promotes attractive and inclusive neighbourhoods
- City wide facilities and open space that improve access to leisure and recreational facilities

10.7 ENVIRONMENTAL SUSTAINABILITY

Strategic Objective

We value our precious environmental resources. In partnership with our community we will lead, trial, and promote sustainable practice.

Action completely achieved (100%) ●

Action substantially achieved (70%+) ●

Action not fully completed (less than 70%) ●

STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Educate, inform and lead by example in environmental sustainability.	Conducted 11 monthly Greening Maribyrnong Workshops and Green Lunchbox sessions for the community on a variety of environmentally sustainability topics.	●
	Developed four environmental forums/expos targeted at specific groups within the community with an emphasis on CALD communities.	●
	Continued the implementation of Carbon Neutral Action Plan.	●
	Continued the implementation of the Sustainable Water Use Plan.	●
Deliver services and activities that support the preservation of the natural environment.	Undertaken water audits at all Early Years Buildings.	●
	Undertaken a Trial – Early Years Sustainability Project – retrofit an early years building for water efficiency, for example at the MAC Occasional Care Centre.	●
	Reported to Council on Energy Use, Greenhouse Emissions and Water Use at Council Buildings and Facilities.	●
	Continued with the implementation of the Greening Footscray Street Tree Planting Strategy.	●
	The review and development of the Waste Minimisation Strategy 2009-2013 has been postponed to 2011-12 period.	●
Work in partnership and collaboration with the community, key stakeholders, industries and other tiers of government, to respond to climate change impacts and reduce inequalities.	Developed a regional risk assessment and response plan to determine and minimise the risks to council assets and services in regards to climate change.	●
	Continued to act as lead Council working with the MAV in advocating for energy efficient street lighting in the “Give Our Streets The Green Light” Campaign in all Victorian Councils.	●
	Provided assistance to residents in improving the environmental performance of their homes through the Sustainable Suburbs in the West regional program, through retrofitting and bulk buy programs for solar technologies, water tanks and grey water systems.	●

10 Report of operations

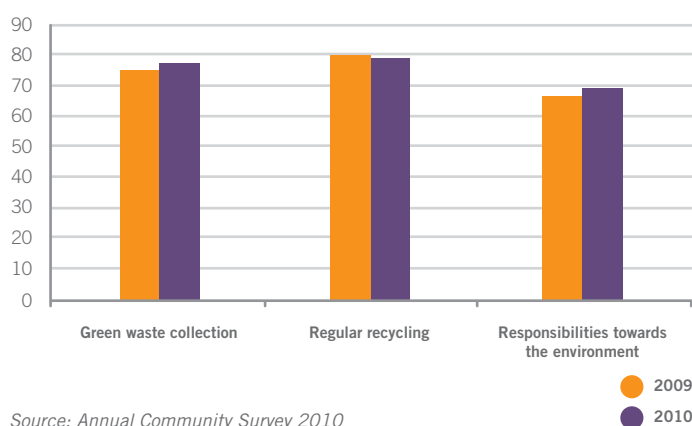


Footscray Park, Footscray

Strategic Indicators

The Graph below shows the results for a number of indicators relating to 'Environmental Sustainability' key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Wellbeing Outcomes

The completion of the 12 actions under the 'Environmental Sustainability' objective has contributed to the following wellbeing outcomes:

- Improved protection of the environment and more sustainable use of natural resources
- Improved social interaction and community participation

10.8 ORGANISATIONAL PERFORMANCE

Strategic Objective

We will develop an organisation that is valued and trusted, and facilitate its growth and development to ensure Council is continually positioned to respond to the challenges of providing a best practice service to our diverse community.

Action completely achieved (100%) ●
 Action substantially achieved (70%+) ●
 Action not fully completed (less than 70%) ●

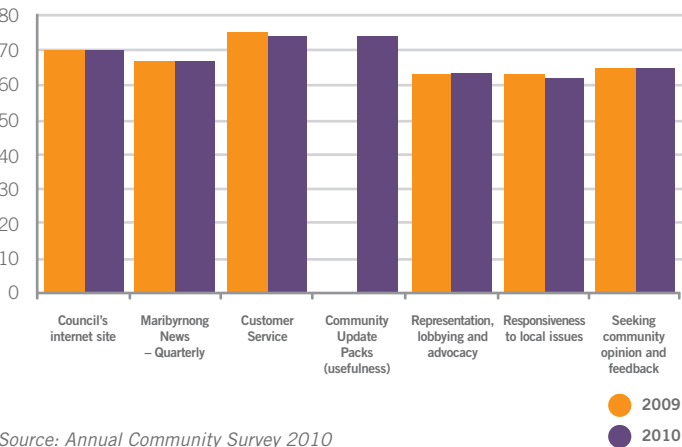
STRATEGY	ACTIONS – WHAT HAVE WE ACHIEVED	COMPLETION STATUS
Develop systems and processes that are innovative, continually improving and ensure accountability and responsiveness.	Continued to develop and report on organisational performance measures and accountabilities, for example, Quarterly Organisational Health Indicators, Quarterly progress reports to Council on Council Plan Annual Actions.	●
	Implemented the second year of Council's (5 year) Occupational Health and Safety and Injury Management action plan.	●
	Implemented Council's Continuous Improvement Framework, with two business units participating in service review pilot program.	●
	Developed an Asset Management Framework and supporting business processes in accordance with IT Strategy and Government Reform Initiatives.	●
	Developed processes to ensure systematic and continued investigation and monitoring of Rooming Houses to minimise health and safety risk to residents.	●
	Review of Council's fleet operations has been deferred to 2011-12.	●
Develop our staff to optimise the performance of the organisation to deliver quality outcomes for the community.	Continued to develop and implement systems, processes and accountabilities in relation to risk, contracting, contract management and procurement.	●
Develop an organisational culture driven by our core values to achieve a clear and common focus shared by Councillors, management and staff.	Continued to implement employee learning opportunities to reinforce Council's organisational leadership and community service expectations.	●

10 Report of operations

Strategic Indicators

The Graph below shows the results for a number of indicators relating to 'Organisational Performance' key commitment area.

LEVEL OF SATISFACTION (Percentage %)



Source: Annual Community Survey 2010

Wellbeing Outcomes

The completion of the 8 actions under the 'Organisational Performance' objective has contributed to the following wellbeing outcomes:

- Increased responsiveness, productivity and financial sustainability of Council
- Improved access to opportunities that support life-long learning



McIvor Reserve Pavilion, Yarraville

11 City leadership and management

The following is a snapshot of Council's diverse programs, projects, services and responsibilities over the past 12 months.

11.1 Major projects, programs and improvements

11.1.1 Projects / Programs

Wellbeing Outcome

Contributing to City wide facilities and open space, improved social interaction.

Community Infrastructure Planning – Council has undertaken a process to understand the current and future demands on Community Infrastructure – facilities and spaces that support a well functioning community, such as libraries, community centres, early years facilities, sports pavilions, open spaces and pedestrian and cycling networks.

This work will ensure Council understands and can appropriately respond to population growth and the emerging needs of the community.

With forecast population growth of over 30,000 (or about 42%) for the municipality in the next 20 years, combined with demographic change, it is critical that Council plan for this. The Community Infrastructure Planning work will not only identify priority community infrastructure, but also enable Council to determine where and how this should be provided to support the needs and general well being of the community.

Wellbeing Outcome

Improved city design that promotes attractive and inclusive neighbourhoods.

Rezoning of Bradmill Site – The Minister for Planning approved Council's proposal to rezone the land at the former Bradmill site in Yarraville, to allow residential and business development.

The 26 hectare site is 8km from the Melbourne CBD and will see 1200-plus new dwellings built on the former industrial site, including a new state-of-the-art library for local residents.

Footscray Masterplan – A Masterplan for Footscray is being developed to assist the community, Council and State Government through the transition.

Footscray is a Central Activities Area and as such serves a role in accommodating an increasing population. This growth and development needs to be complemented by quality streets and spaces, community facilities and recreation opportunities to improve its livability. The Masterplan will identify and prioritise a series of public real improvements for action.

Wellbeing Outcome

Improved access to appropriate housing and shelter.

Rooming House Management Program – A new web based rooming house management program has been developed to ensure the health and safety of people living in rooming houses. The program which is part of the Customer Request platform will;

- Register, monitor and provide regular reporting on the growing number of rooming houses in the city; and
- Track and integrate the various Council actions and legal responsibilities across three separate areas of State Government legislation pertaining to rooming houses.

The innovative program, aims to take an integrated whole of Council approach to managing the risks associated with the predicted increase in legal and illegal rooming houses.

Wellbeing Outcome

Improved Community Safety.

CCTV in Footscray Central – Council has begun work to install a CCTV camera network to monitor public spaces in central Footscray. The Close Circuit TV (CCTV) System is aimed to provide a higher level of safety in public spaces for residents, traders, shoppers and other visitors to Footscray.

In total, 27 CCTV cameras will be installed in 16 locations in the major pedestrian areas in central Footscray.

The CCTV system is jointly funded by Council and the State Government.

Council allocated \$1.1 million for security measures in Footscray's CBD, including CCTV cameras.

The State Government contributed \$400,000 in recognition of safety as a community priority.

11 City leadership and management

Wellbeing Outcome

Improved community connections through participation in arts and culture.

Looking Glass project – Council ran an eight week ‘The Looking Glass’ project which helped 13 young women examine their life and use art to piece together essential life skills at the Phoenix Youth Centre.

The project was initiated by Footscray Police with support and funding from Council and assisted by the Australian Federal Police, Melbourne City Mission, YMCA, Western Region Health Service and Women’s Health West.

The project aimed to strengthen relationships between young women and police and target risk factors facing young woman.

Festival City – Council has allocated \$400,000 in the 2011-12 Budget to fund cultural celebrations and festivals for the coming financial year.

The majority of the budget allocation will form a \$270,000 Festival Funding Program, established to allow community groups to apply for funding to help cover the cost of staging events. This is more than double the amount available in the 2010/11 financial year.

The funding is in line with Council’s new Festival Policy and Plan aimed to create a cohesive and integrated annual festivals program.

Wellbeing Outcome

Increased responsiveness, productivity and financial sustainability of Council.

The Maribyrnong Story – The Maribyrnong Story is a web based resource that provided current information on community needs and Council actions that directly affect the health and wellbeing of the Maribyrnong community.

This resource enables Council and its partners to plan programs and services that keep our community healthy now and for future generations.

The Maribyrnong Story is divided into four chapters: *Life Needs: Requisites for health; Social and Community Life: Belonging; and Livability: Environments for Health*. A fourth chapter, *Ill Health and Contributing Behaviours*, has been included to complete the story and provide an overview of the prevalence of poor health in the community.

The new resource builds on Council’s commitment in 2009 to be the first local government in Victoria to integrate the Municipal Public Health Plan into the Council Plan.

Extending Library hours and collections – Council provided an additional funding of \$57,000 in the 2011/12 Budget to extend opening hours at three libraries: Yarraville, Maribyrnong and West Footscray in response to requests from the community.

The extended opening hours will provide the residents with even greater opportunity to access Council’s high quality resources, encompassing books, multi-media and information technology services.

Council also allocated an additional \$615,000 to purchase additional collection resources including physical items for loan such as books, other print items and multimedia, and access to digital and e-resources, supplementing and offering alternative ways to access content.

Finding services on line – Council continued to improve its on line communications with residents. A new online service locator allows residents to use Council’s website to find Council services related to their home address, such as rubbish and recycling collection days, their closest libraries, community centres and parks.

Council’s online service locator gives residents a quick and easy way to get information about Council services, and provides up to date information about basic Council services.

Wellbeing Outcome

Improved protection of the environment and more sustainable use of natural resources.

Cogeneration energy plant @ MAC – Council has built a new cogeneration energy plant at the Maribyrnong Aquatic Centre (MAC) aimed at reducing the centre’s carbon emissions by 59 per cent – an energy saving equivalent to taking 480 cars off the road each year.

The cogeneration plant provides 79 per cent of the centre’s electrical needs and converts what would otherwise be wasted heat created by the plant into a useful energy source to heat the pools.

The cogeneration plant at MAC provides significant environmental benefits, by reducing our carbon footprint at the centre we move closer to our carbon neutral goals.

The cogeneration unit supplies 265kW of energy on a continuous basis to MAC.

Council’s 2011 Sustainability Expo – Council held four Expos on environmental issues, with a strong focus on sustainable food and eating. Council is committed to providing quality information and events for our community supporting sustainability and environment.

The 'Preserving the Harvest' expo aimed to share information and skills to educate residents in the best ways to preserve the food they are growing, while it is abundant, fresh and at its seasonal peak, with an aim to cut down on waste and learn skills to enjoy and preserve food.

The Sustainability Expo supports Council's Carbon Neutral Action Plan, Peak Oil Policy and Sustainable Water Management Plan.

Environmental Sustainability Award – Council has received an environmental sustainability award for its efforts to conserve water. The International Council for Local Environmental Initiatives (ICLEI) awarded the Water Campaign, Milestone 4, certificate to Council.

The award demonstrates Council's leadership in the area of water management.

The Water Campaign is an international freshwater management program that builds the capacity of local government to reduce water consumption and improve local water quality.

Council is committed to encouraging environmentally sustainable practices at workplace and in the wider community through practical initiatives and education programs.

Savings have been achieved by retrofitting council buildings with water efficient showerheads, replacing single-flush toilets with dual flush toilets and maximising the use of tank water. Council has also been able to significantly reduce the amount of water used on sportsgrounds by sowing warm season grasses which need less water.

Wellbeing Outcome

**Improved access to healthy and affordable food.
Improved access to health and support services
for those at risk of health inequality.**

Food Security – Council developed a new Food Security Policy 2011-2013 defining the scope of food insecurity and the role of Council in reducing the fundamental inequities and local barriers to accessing, consuming and preparing food.

This Policy aims to provide a strategic framework to inform and guide current and future work across Council, with stakeholders and in the community over the next three years.

Incredible, Edible, Moveable, Maribyrnong (Healthy Communities Initiative) - Council was successful in receiving a grant of \$703,006 over two years under the Federal Government's Healthy Communities Initiative grant Maribyrnong was one of seven Victorian Council's funded. Incredible, Edible, Moveable Maribyrnong aims to reduce the prevalence and incidence of chronic disease in the City of Maribyrnong.

The project aligns with Council's primary objective to promote and protect the wellbeing of the community, through improving the immediate and long term health and wellbeing outcomes of the Maribyrnong residents.

Wellbeing Outcomes

**Improved community attitudes and behaviours
that promote gender equity and respectful
relationships.**

Equal opportunities for women and prevent violence against women – Council has worked with the community to formulate a series of public statements that will be used across the city to promote equal opportunities for women and prevent violence against women. Council's aim was to publicly declare that the community and Council say 'Yes' to respect and equality and 'No' to violence against women. The statements, once finalised, will serve as a public show of support to visitors and members of our community alike the importance of respect and equality.

Wellbeing Outcome

**Improved access to opportunities that support
life-long learning.**

Creating employment opportunities for people with disabilities – Council developed a 13 week paid work experience program for people with disabilities. The program offered medium term induction and real work experience, and in particular, aimed to

- develop the employment skills and pathway opportunities of people with a disability
- develop the diversity of Council's workforce
- provide Council staff with improved capacity to support employees of all abilities and demonstrate leadership and innovation in inclusive employment practices.

Three people participated in the program with one of the participants being offered a permanent employment position.

11 City leadership and management

11.1.2 Projects / Capital Improvement

Wellbeing Outcome

Improved equitable access to and participation in child friendly facilities, spaces and services.

Clare Court Children's Centre – Council completed the \$3.5 million redevelopment of Clare Court Children's Centre in Yarraville. The redevelopment will increase the capacity of the long day care, kindergarten, playgroup and maternal and child health services and provide space for new specialist services.

The Clare Court Children's Centre redevelopment is the first of five integrated children and family hubs proposed across the municipality, and is a one-stop-shop for children's services.

The project was funded by Council and the State and Federal Governments.

The Federal Government has contributed \$1.6 million, the State Government \$500,000 and Council made up the balance of \$1.4 million.

Wellbeing Outcome

Improved city design that promotes attractive and inclusive neighbourhoods.

Leeds Street – A total of \$2.5 million was spent on the Leeds Street in Central Footscray redesign project, a partnership between Council and State Government. The redesign project included upgrade to roads and footpaths to improve pedestrian safety and traffic flow and new lighting and landscape will be implemented as part of the project.

Leeds Street provides access to one of Footscray's most significant public transport and retail hubs. These improvements have greatly enhanced the appeal of Central Footscray and pave the way for future development.

The project is part of the Footscray Renewal Program, a partnership between Council and the State Government which is bringing about many significant changes in Central Footscray.

Additional funding of \$140,000 has also been received from Melbourne Water to install Water Sensitive Urban Design tree.

Wellbeing Outcome

Improved access to healthy travel options, including walking, cycling and user-friendly public transport.

Yarraville Station Plaza – Council completed a \$738,000 project to transform Yarraville Station Plaza into a pedestrian friendly urban space.

The project was funded by Maribyrnong City Council (\$106,000), the Victorian Government's Local Area Access Program (\$413,000), the Australian Government's Regional and Local Community Infrastructure Program (\$169,000) and Melbourne Water (\$50,000).

The project will improve safety and access to public transport as part of the Yarraville Village Urban Design and Traffic Management Strategy.

A new park space has also been created with improved lighting, new feature seats, tree plantings and a screen wall.

Wellbeing Outcome

City wide facilities and open space that improve access to leisure and recreational

Yarraville Oval Works – Significant improvement works have been undertaken to the Yarraville Oval.

New paving and an improved landscape setting around Yarraville Oval will provide better connections between neighbouring facilities which include the 'Free to Public' tennis courts, Yarraville Skate Park, Yarraville West Primary School, the Mouth Organ Society Rooms and streets that border the Reserve.

Yarraville Oval will provide passive and structured recreation spaces for the Maribyrnong Community.

Other Projects

In addition to the above, Council has also worked on the following projects:

- Footscray Community Art Centre (developed a Performance Centre and the Art Gallery)
- Footscray at Night implementations – lighting installation (Paisley St, Nicholson St, Irving Place and Pickett St car park)
- Whitten Oval Redevelopment Landscape upgrade



Maribyrnong River, Footscray

11.2 Urban Amenity Improvements

11.2.1 Parks and Reserves

Upgrades were made to the following parks and reserves

- Footscray Hockey Club – renewal of synthetic turf surface
- Braybrook Community and Sports Hub
- Skinner Reserve Pavilion redevelopment, Braybrook
- Sportsground turf replacement (Hamner Reserve, Pennell Reserve, McIvor Reserve, Angliss Reserve)
- Footscray Park Master Plan Implementation
- McIvor Reserve Wembley Park Pavilion, Yarraville

11.2.2 Playgrounds

Playground

A new \$120,000 neighbourhood park has been completed in Braybrook and is influenced by the land's former use as a RAAF site. The site features a playground with an air traffic control tower with high slide, a cubby, a set of swings and a rocking jeep, seating, and hard paved areas.

The playground revitalises a former industrial site and opens it up for the community

Council has upgraded or replaced the following playgrounds:

- Edgewater Playground and landscape setting (Maribyrnong)
- Cranwell Reserve – playground upgrade and renewal (Braybrook)
- Norfolk St Child Care Centre – playground redevelopment (Yarraville)

11.2.3 Bicycle Paths

The City of Maribyrnong has 22km on road bike lanes and 22km off road paths, including 8km of shared walking and cycling path beside the Maribyrnong River.

West Footscray shared bike path – Council completed the construction of a shared bike and pedestrian path in West Footscray along Cross and Rupert Streets. Funding for the path came from State and Federal Governments, Melbourne Water's Living Rivers program and Council's capital works program.

The project has improved the look of the area between Cross and Rupert Streets by landscaping and new planting. The project has incorporated elements of water sensitive urban design to filter pollutants from storm water and to irrigate street trees and plants.

Hyde Street Bike Lanes – Bike lanes have been marked along Hyde Street aimed to provide safe passage for all forms of transport.

11.2.4 Footpaths

Footpath improvement projects completed (footpath grinding and replacement Program and DDA compliance):

FOOTPATHS

Anderson St, Yarraville – (Fehon to Railway Xing – (North & South side))
Free St, Yarraville
Gladstone St, Yarraville – (Fehon to Railway Line – South Side)
Gordon Pde, Yarraville
Gordon St, Footscray – (Barkly St to Cross St – West Side)
Buninyong St, Yarraville – (Simpson to Francis – West Side)
Francis St, Yarraville – (Freame to Jewell – North Side)
Geelong Rd, West Footscray – (Somerville to Roberts – North Side)
Somerville Rd, Yarraville – (Storey to Gamon – North Side)
Williamstown Rd, Seddon – (Pilgrim to Sydenham – East Side)
Nicholson St, Footscray – (Napier to Buckley – West Side)
Somerville Rd, Yarraville – (Roberts to Stony Creek – South Side)
Wingfield St, Footscray – (Moreland to Whitehall – North Side)



Anderson St, Yarraville

11 City leadership and management

11.2.5 Roads

Roads resurfacing were undertaken in the following streets:

ROADS
Aliwal St, West Footscray
Burnett Ave, Braybrook – (Commenced in 09/10 year and completed in 10/11 financial year)
Anderson St, Yarraville
Bunbury St, Footscray – Stage 3 – (Commenced June 2011 and to be completed August 2011)
Gamon St, Yarraville – Stage 1 – (Commenced 09/10 year and completed in 10/11 financial year)
Gamon St, Seddon – (Stage 2)
Khartoum St, West Footscray
Lyons St, Footscray
McArthur St, West Footscray
Milton St, West Footscray
Queensville St, Kingsville – (Stage 2)
Wales St, Kingsville

ROAD RESHEETS
Ann St, Footscray
Barnet St, Seddon
Buninyong St, Yarraville
Darling St, Footscray
Dawson Ave, Footscray
Rippon St, Footscray
Robinson Rd, Footscray
Hyde St, Seddon – (Nth Bound, btw Somerville Rd & Bristow St)
Rosamond Rd, Maribyrnong – (Nth Bound btw Williamson Rd & White St)
Somerville Rd, Yarraville
Tait St, Footscray



Autumn leaves, Yarraville

12 Our Organisation

12.1 Organisational structure as at 30 June 2011



Maribyrnong River, Footscray

12 Our Organisation

12.2 Our Executive Team

Vince Haining CHIEF EXECUTIVE OFFICER

Vince Haining was appointed to the CEO position in October 2010. Vince heads a team of four General Managers who take a leadership role in ensuring that the organisation delivers on Council's 'contract' with the community in delivering on the vision and key commitment areas.



Ian Butterworth GENERAL MANAGER

INFRASTRUCTURE AND ENGINEERING

The Infrastructure and Engineering Branch is responsible for strategic planning and development of Council's physical assets such as the City's local roads, footpaths, cycle paths, drains and buildings, along with transport planning, parking management, traffic engineering and public lighting.

The Branch is responsible for Parking and Local Laws, including animal management, compliance and school crossing supervisors.

The Branch is also responsible for maintenance of assets, including parks and gardens, and providing cleansing services, and recycling, garbage, hard waste and green waste collection services.



Nigel Higgins GENERAL MANAGER

SUSTAINABLE DEVELOPMENT

The Sustainable Development Branch is committed to promoting the long-term sustainable development of the City. The Branch has a strong focus on planning for sustainable developments, creating improvements and the renewal of public realms, increasing economic development, providing urban planning and building services.

Lisa King held the position of Acting General Manager of Sustainable Development until March 2011.



Stephen Wall GENERAL MANAGER

CORPORATE SERVICES

The Corporate Services Branch provides a diverse range of statutory and non-statutory services that are essential to maintain the successful operation and sustainable development of the organisation. These services include all aspects of organisational support including Information Technology (IT), organisational development (including human resources, occupational health and safety, risk management), communications, governance, customer service, council planning and performance, emergency management, sustainability and climate change, and managing the Council in a financially responsible and sustainable manner. The Branch is also responsible for Council's property management function.

Helen Morrissey held the position of General Manager Corporate Services until November 2010.

Jenny McMahon held the position of Acting General Manager Corporate Services from November 2010 until February 2011.

Leigh Anson held the position of Acting General Manager Corporate Services from 4 February 2011 until 28 February 2011.



Arden Joseph GENERAL MANAGER

COMMUNITY WELLBEING

The focus of Community Wellbeing Branch is to plan and provide services and functions that support the community, enhance wellbeing and provide opportunities to participate in the life of the City.

The Branch delivers a range of services to support the community in all stages of their lives. From early childhood services, including maternal and child health, through to services for young people and families, and the older members of the community. The Branch promotes a safe and healthy community through public health services, festivals and cultural activities. It also focuses on advocacy for emerging critical issues such as public drinking, problem gambling, rooming houses and public and affordable housing, as well as planning and managing open space and recreation. The Branch is also responsible for leisure and open space, and the Maribyrnong Aquatic Centre.

Andrew Day held the position of Acting General Manager Community Wellbeing until February 2011.



12.3 Organisational effectiveness

The Local Government Act 1989 (the Act) requires Council to prepare a Strategic Resource Plan (SRP) which includes both the financial and non-financial resources required to achieve the strategic objectives included in the Council Plan.

Council's capacity to deliver the objectives of the Council Plan is based on its service culture, people, good governance, business systems and technology, asset management, risk and environmental management, competent financial planning and the application of Best Value principles.

Organisational culture and leadership program

Council is committed to an organisation with strong leadership skills and ensuring it takes a learning approach to its work. Council wants to be consistently looking at ways to do things better, and provide staff with the right skills and support.

Council has developed a leadership model for the organisation. This includes 'The Maribyrnong Way' (our organisational values), 'Leadership Statements' (the expected behaviours from our leaders) and a 'Leadership Development Framework' (to assist staff in developing the skills to become effective leaders). This model underpins much of Council's employee-related activity, from learning and development programs, through to performance reviews.

Our Organisational Values

In determining the desired culture of the organisation, Council staff developed a set of organisational values to guide behaviour:

Respect

This includes the promotion of inclusiveness, empathy, communication, and goodwill.

Integrity

This includes the promotion of honesty, loyalty, ethical behaviour, and trustworthiness.

Courage

This includes the promotion of innovation, considered risk, creativity, problem solving, initiative accountability, and responsibility.

Enterprise Agreement

A new three year Enterprise Agreement was completed and agreed to with staff and workplace unions. The agreement, which expires in June 2013, details the ongoing terms and conditions of employment for staff and commits all parties to the continuing flexibility of work practices and hours to meet the needs of the community and improving the effectiveness of service delivery.

12 Our Organisation

Developing integrated corporate planning and a performance framework

Council continues to enhance its Corporate Performance Reporting system. The system integrates all Council's corporate planning and reporting, including:

- Business Plans
- Council Plan Annual Actions
- Key Performance Indicators
- Capital Works projects
- Council funded initiatives projects
- Organisational health performance indicators
- Best Value principles
- Occupation Health and Safety Strategic Plan
- Contracts and Contract Management Strategic Plan.

Best Value and Continuous Improvement

The current legislation requires councils to report annually to its community on its achievements in relation to Best Value principles. This means:

- All services provided by Council must meet quality and cost standards
- Each service provided by Council must be accessible to those members of the community to whom the service is intended
- All services provided by Council must be responsive to the needs of the community
- Council must provide continuous improvement in the provision of services to its community
- Council must develop program of regular consultation with its community in relation to the principles
- Council must report regularly to its community on its achievements in relation to the principles.

The Best Value principles have been incorporated into Council's Corporate Performance Manager (PM) system. All service areas have a number of performance measures, grouped under Best Value principles, and reported in the Performance Manager system.

This year, two service areas participating in the service review pilots: Parks and Gardens and Youth Services and Social Support. The review process included six key steps, as follows:



The Best Value service review pilot program applied best value principles in assessing service levels, consulting with the community, benchmarking and service improvement plans.

In 2011/12 Council will roll out Best Value Service Review program within selected service areas. Outcomes from these service reviews will be reported in the 2011/12 Annual Report.

Customer Service

Council has a Customer Service Charter containing a set of standards and principles. The Charter aims to provide high quality customer service. It states that Council is committed to simplifying processes, finding solutions and continuous improvement.

The Charter makes a commitment to ensure all staff provide a customer service based around:

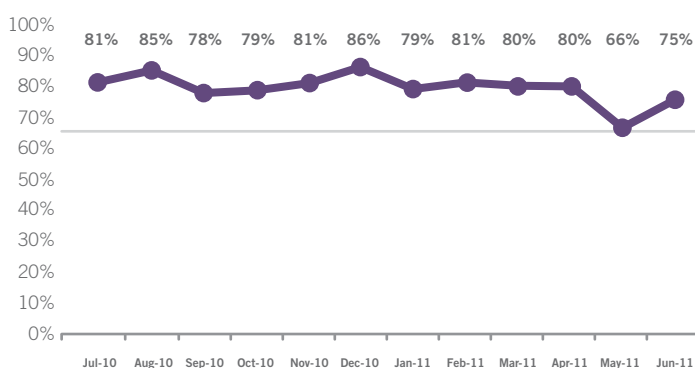
- Empathy
- Courtesy
- Prompt attention
- Clear communication
- Privacy and confidentiality.

Over the 2010/11 period, the customer service team responded to 93,184 telephone calls – an average of 388 calls a day.

The total number of customer service requests received and responded to was 28,189 – an average of 117 service requests a day.

Council is committed to resolving at least 65 calls out of every 100 at the first point. For 2010/11, on average, customer service resolved 79 calls at first point of call out of every 100 calls. This is well above Council's target. The graph below shows the monthly data.

CALLS RESOLVED AT FIRST POINT OF CALL



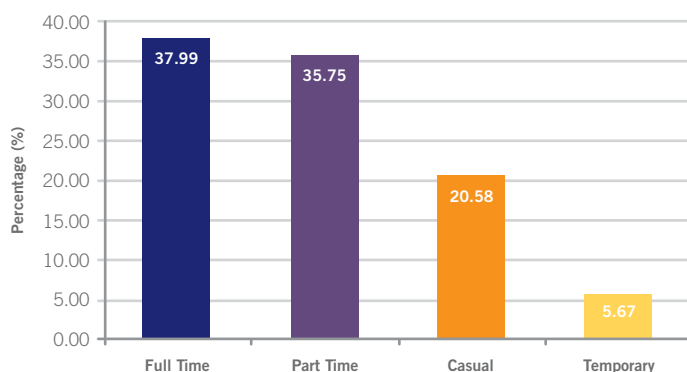
Our staff

As at the end of June 2011, Council's workforce comprised of 758 employees (this is based on active paid headcount).

Of the total number of staff, 58.97% were females and 41.03% were males.

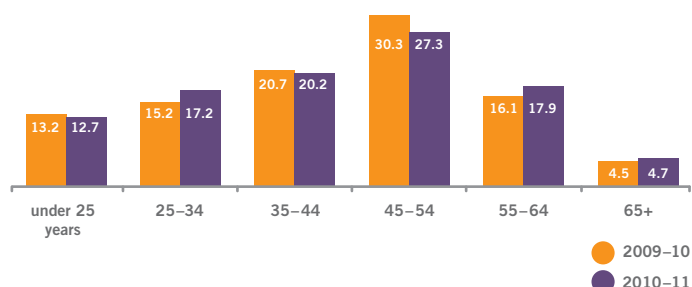
Profile of Staff – by Employment Status (full time, part time, casual, temporary)

STAFF EMPLOYMENT STATUS 2010-11



Profile of Staff – by Age

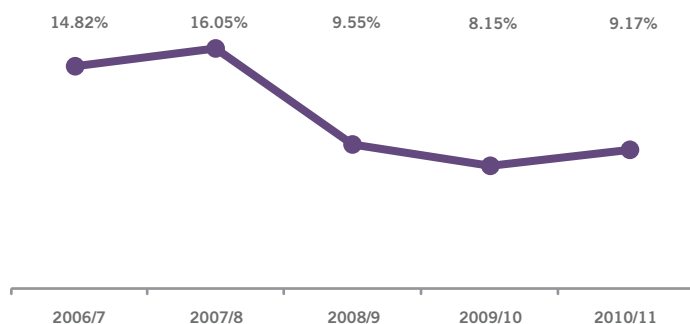
AGE GROUP OF STAFF



Profile of Staff – by Turnover

For the last few years, Council's staff turnover continued to be lower than its target. For 2010/11, Council achieved staff turnover rate of 9.17% – well below the industry standard of 12.4%.

STAFF TURNOVER



Health and Wellbeing at Maribyrnong

The Health and Wellbeing Program is seen as complimentary to the Council's Occupational Health and Safety Program and the Corporate Learning and Development Program.

In this year's 2010/2011 program, a Health & Wellbeing Expo was held at the Town Hall for all staff to attend. Exhibitors from a wide range of fitness, nutrition and general health disciplines were on site to provide advice and conduct practical demonstrations and assessments.

The Expo was received well by staff who attended, and feedback was that it provided beneficial information to the health and wellbeing of staff.

12 Our Organisation

Learning & Development at Maribyrnong

Council is committed to fostering a workplace where the learning and development of employees is valued and actively encouraged. The overall purpose of the learning and development policy is to enhance the organisation's capacity to achieve its strategies to meet community needs through:

- Improved job knowledge, skills and competencies
- Broadening and deepening of professional skills and capabilities
- Encouragement of individual career development and growth
- Retention of highly skilled and committed staff.

In line with Council's Learning & Development Policy, the Corporate Learning & Development Calendar offered a range of learning and development opportunities in corporate, diversity, personal effectiveness, leadership, and safety and risk management categories.

Risk

Council is committed to productively managing all the risks inherent in its operations. Council recognises that effective risk management ensures the ongoing delivery of high quality services and amenities. Council identifies and controls its strategic and operational risks by adopting an organisation-wide approach.

Council continues to manage organisational risk across all business units. Council implemented a computerised Integrated Risk Management system that assists to assess and control risk on an enterprise wide basis.

Contracting and Procurement

Council participated in the Local Government Victoria Procurement Road Map process and has continued to further strengthen its strategic contract and procurement action plan. Council has also undertaken a social procurement project to develop a range of systems and tools to identify potential social outcomes in the procurement process. Council continued to improve its procurement systems in line with industry best practice and in accordance with the *Local Government Act 1989*.

Occupational Health and Safety (OH&S)

Council has continued to focus on the Occupational Health and Safety (OH&S) Plan 2009-2014 and has further refined consultation mechanisms and performance reporting.

Over the past year, the following projects have been completed:

- Completed a number of the OH&S Plan action
- Completed a review of the OH&S Plan
- OH&S committee and all designated workgroups local safety committees continued to meet on a regular basis to resolve OH&S issues
- Established a test and tag program for electrical appliances at Council facilities
- Reviewed and updated OH&S policies
- Conducted consultation on a number of key OH&S policies
- Developed a new software package '*Quality Safety Environment Integrated Management*' System for use as a database and reporting tool for incidents, claims and proactive safety measures such as inspections.

Maribyrnong River, Maribyrnong

13 Statutory information

Information available for inspection

Section 222 of the Local Government Act (the “Act”) entitles any person to inspect and take copies of (subject to any fee) prescribed accounts and records. The following information is available at the Maribyrnong Council Offices, Corner Napier & Hyde Streets, Footscray, during office hours:

- Details of current allowances fixed for the Mayor and Councillors under section 74 or 74A of *the Act*
- Listing of senior officers by remuneration range and number for the current and previous financial year
- A register of delegations kept under sections 87 and 98 of *the Act*, including the date on which the last review under section 98(6) of the Act took place
- Submissions received in accordance with section 223 of *the Act* during the previous 12 months
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than 3 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
- Agreements to establish regional libraries under section 196 of *the Act*
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease
- Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- A register of authorised officers appointed under section 224 of *the Act*
- Names of councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- A list of donations and grants made by the Council during the financial year, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant
- Agendas and minutes of ordinary and special meetings held in the previous 12 months kept under section 93 of *The Act* except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of *the Act*
- A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council

- A list of all special committees established by Council and the purpose for which each committee was established
- A list of contracts valued at \$100,000 (or such higher amount as is fixed from time to time under section 186(1) of the Act) or more –
 - (i) which the Council entered into during the financial year without first engaging in a competitive process and
 - (ii) which are not contracts referred to in section 186 (5) of *the Act*
- A list of all special committees established by Council which were abolished or ceased to function during the financial year
- Minutes of meetings of special committees established under section 86 of *the Act* and held in the 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*
- In accordance with section 80A of *the Act*, a record of ‘assembly of Councillors’ meetings for a period of 12 months after the date of the assembly.

Freedom of Information

The Freedom of Information Act 1982 provides the opportunity for public access to Council documents. The Act establishes a legally enforceable right for the community to access information in document form held by Council. Council received 19 new applications under Freedom of Information for the period 1 July 2010 to 30 June 2011.

Contracts

Maribyrnong City Council did not enter into any contracts valued at more than \$150,000 other than through a competitive tendering process.

Local Laws

Local Laws current at the end of the financial year are:

Local Law No 5 Governance Local Law (2001) – including by reference Council’s Code of Meeting Procedure

Local Law No 6 General Purposes Local Law (this local law took in elements of former Local Law No 1 (Environment Local Law) and Local Law No. 2 (Roads, Municipal Property and Council Land Local Law)

13 Statutory information

Whistleblowers Protection Act 2001

The *Whistleblowers Protection Act 2001 (the Act)* was introduced in January 2001.

In accordance with the Act, Council has developed procedures to facilitate the making of any disclosure that is made in compliance with *the Act*.

Council has a nominated Protected Disclosure Coordinator, who is responsible for the receipt and initial assessment of a disclosure made under *the Act*. Details about *the Act* and how people may make a disclosure are available from Council's Protected Disclosure Coordinator and Council's website.

As required by Section 104 of the Whistleblowers Protection Act 2001, it is reported that:

- Council has established procedures under Part 6 of *the Act* to deal with any disclosures made under *the Act*. These procedures are available to the public.
- For the period 1 July 2010 to 30 June 2011, no protected disclosures were received by Council.
- No protected disclosures were referred by Council to the Ombudsman Victoria for determination as to whether they were public interest disclosures.
- No public interest disclosures were referred to Council during the year by the Ombudsman.
- No public interest disclosures were referred by Council during the year to the Ombudsman to investigate.
- No investigations of disclosed matters were taken over by the Ombudsman from Council during the year.
- No requests were made under Section 74 of *the Act* to the Ombudsman to investigate disclosed matters referred to Council.
- There were no disclosed matters that Council declined to investigate during the year.
- There were no disclosed matters substantiated on investigation and action taken on completion of investigation.
- There were 14 recommendations of the Ombudsman under *the Act* that relate to Council during this past year (relating to an investigation that commenced in 2009/2010).

Yarraville Station Plaza, Yarraville



14 National Competition Policy Compliance 2010/11

Certification by Chief Executive Officer

Maribyrnong City Council has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2010 to 30 June 2011 in accordance with the requirements outlined in National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy, December 2008 (2008 Statement) as set out below:

A. TRADE PRACTICES COMPLIANCE	(State whether the Council is compliant or non-compliant. If non-compliant, justify or cite actions to redress).	Compliant
B. LOCAL LAWS COMPLIANCE	(State whether the Council is compliant or non-compliant. List all local laws made or remade during 2010-11 which impose a restriction on competition.)	Compliant
C. COMPETITIVE NEUTRALITY COMPLIANCE	(State whether the Council is compliant or non compliant for all significant businesses. List any significant businesses that are non-compliant)	Compliant

I certify that:

- a) this statement has been prepared in accordance with the 2009/10 National Competition Policy reporting guidelines, which is pursuant to the 2008 Statement; and
- b) this statement present fairly the Council's implementation of the National Competition Policy.

Signed:



Chief Executive Officer

Date 28/7/2011

15 Council's Performance 2010-2011

15.1 Annual Indicators

Overall Performance	Community satisfaction rating for overall performance of the Council	6.43
Advocacy	Community satisfaction rating for Council's advocacy and community representation on key local issues	6.24
Engagement	Community satisfaction rating for Council's engagement in decision making on key local issues	6.41
All rates	Average rates and charges per assessment	\$1,812.19
Residential rates	Average residential rates and charges per assessment	\$1,442.24
Operating costs	Average operating expenditure per assessment	\$2,735.49
Capital expenditure	Average capital expenditure per assessment	\$437.05
Infrastructure	Renewal gap	134.89%
	Renewal and maintenance	207.85%
Debts	Average liabilities per assessment	\$1,019.23
Operating result	Operating result per assessment	\$203.36

15.2 Performance Statement 2010-2011

Under Section 127(D) of the Local Government Act 1989, the preparation of the annual Municipal Budget contains a list of separately identified Key Strategic Activities Council will undertake in the 2010/11 financial year. This list of Key Strategic Activities includes performance targets and measures that will be assessed through an independent audit process and reported in this 2010/11 Annual Report.

Key Strategic Activities for 2010/11

The following lists Council's Key Strategic Activities for 2010/11.

	KEY STRATEGIC ACTIVITIES	TARGET	PERFORMANCE MEASURES	ACHIEVED YES / NO	ACHIEVEMENTS
1	Review Library Opening hours and investigate options for enabling greater access to services.	Review completed by June 2011.	Review complete, recommendations made for future extensions of hours, and budget implications identified.	Y	Completed the review of library opening hours. Council endorsed the recommendations for extended hours and allocated funds in the 2011-12 budget.
2	Review and update the 2007 Early Years Infrastructure Plan.	Review completed by December 2010.	2010 Early Years Infrastructure Plan adopted by Council.	Y	The Early Years Infrastructure Plan has been completed and adopted by Council in October 2010.
3	Prepare a Municipal Housing Strategy.	Strategy is adopted by June 2011.	Council adoption of a Housing Strategy including an implementation plan.	N	A draft Housing Strategy has been developed, and community input will be sought prior to Council adoption in December 2011.
4	Prepare the Maribyrnong Economic and Industrial Development Strategy.	Strategy is adopted by December 2010.	Council adoption of the Strategy.	N	A draft Maribyrnong Economic Development Strategy and the Industrial Land Strategy has been completed. The draft will be presented to Council for adaption in September 2011.

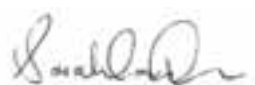
	KEY STRATEGIC ACTIVITIES	TARGET	PERFORMANCE MEASURES	ACHIEVED YES / NO	ACHIEVEMENTS
5	Continue programs promoting 'Activating Footscray'.	Develop annual events calendar and delivery of events within available budget.	Number of events and number of participants.	Y	The following events have been organised aimed at promoting 'Activating Footscray': <ul style="list-style-type: none"> ■ Melbourne Food and Wine Festival ■ Walking Maribyrnong – 11 tours involving just over 200 people. ■ Parkour – 8 sessions involving 50 people ■ Tai Chi – 22 sessions involving just over 200 participants ■ Lunar New Year Festival ■ Footscray Flicks ■ Progressive Dinner
6	Develop a Maribyrnong Festival Policy.	Festival Policy developed and adopted by Council by June 2011.	Festival Policy developed.	Y	The Festival Policy was adopted by Council in November 2010, and is available on Council's website.
7	Complete the Walking Plan for the City.	Draft Walking Plan completed by 30 June 2011.	Plan completed with defined actions.	Y	The Walking Plan has been completed and adopted by Council in February 2011.
8	Continue to work with VicRoads to monitor and enforce compliance of the truck restrictions.	A reduction of overall truck numbers on specified curfew routes during curfew hours.	A reduction in truck numbers as measured in the March post curfew traffic counts.	N	Continued with the on- going annual monitoring of truck numbers on specified curfew routes. Council is unable to report on the actual figures as they have not been released by the State Government/ VicRoads.
9	Develop integrated Rooming House Assessment Protocol and Risk Management Plan.	Rooming House Assessment Protocol and Risk Management Plan developed by June 2011.	Creation of new Rooming House Assessment Protocol.	Y	The Rooming House Assessment Protocol and Risk Management Plan has been developed and endorsed by Council in October 2010.
10	Review and update the Tree Planting Policy.	New policy completed by June 2011.	Strategy completed within endorsed timeline and budget.	N	Completed the draft Tree Planting Policy. Further consultation will be undertaken prior to presenting the Policy to Council for adoption in December 2011.
11	Develop reports on Energy Use, Greenhouse Emissions and Water Use at Council Buildings and Facilities.	Reported on a bi-annual basis.	Reports made available on Council's web page.	N	Quarterly reports have been presented to the Executive Management Team on the energy use, greenhouse emission and water use in Council buildings and facilities.
12	Continue to report progress of Council Plan 2010-11 annual actions.	Reports produced on a quarterly basis.	Reports made available on Council's web page.	Y	Quarterly progress reports on the Council Plan 2010-11 annual actions have been presented to Council and placed on the Council website.
13	Develop a Community Gardens Strategy and Action Plan.	Strategy and Action Plan developed by June 2011.	Community Gardens Strategy and Action Plan developed to guide Council and the community with regards to the creation of new community gardens in the City.	Y	The Community Gardens Strategy and Action Plan has been developed and adopted by Council in June 2011.

Council Approval of the Performance Statement

In our opinion the accompanying performance statement of the Maribyrnong City Council in respect of the 2010/2011 financial year is presented fairly in accordance with the local Government Act 1989.

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

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



Sarah Carter
Councillor



Martin Zakharov
Councillor



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2011 of the Maribyrnong City Council which comprises the statement, the related notes and the council approval of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Maribyrnong City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

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

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Auditing in the Public Interest



Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Maribyrnong City Council in respect of the 30 June 2011 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Maribyrnong City Council for the year ended 30 June 2011 included both in the Maribyrnong City Council's annual report and on the website. The Councillors of the Maribyrnong City Council are responsible for the integrity of the Maribyrnong City Council's website. I have not been engaged to report on the integrity of the Maribyrnong City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
12 September 2011


D D R Pearson
Auditor-General

2

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Auditing in the Public Interest

16 Audit Committee Annual Report for year ending 30 June 2011

The “Terms of Reference” Clause 2.4 Reporting, of the Maribyrnong City Council Audit Committee Charter, state that the Audit Committee shall:-

“

report annually to the Council summarising the activities of the Committee during the previous financial year”

Meetings

The Committee met during the period under review, on the following dates:-

24th August 2010

28th September 2010

23rd November 2010

22nd February 2011

27th April 2011

28th June 2011

Meeting Attendance

Each Committee meeting was conducted with at least a quorum (2 members of a total of 4). At least one independent member and one Councillor were present at each meeting.

MEMBERS	ELIGIBLE TO ATTEND	ATTENDED
Alan Hawkes, Independent Member	6	6
Linda MacRae, Independent Member	6	5
Cr Sel Sanli (Ex-Mayor) Member	3	2
Cr Sarah Carter (Mayor) Member	3	1
Cr Dina Lynch Member	6	6
Cr John Cumming Member	6	6

The Chief Executive Officer, General Manager of Sustainable Development, Finance Manager and Management Accountant were regularly in attendance. At least one representative from the Internal Auditors, McLean Delmo, was also in attendance at each meeting.

The External Auditors – VAGO attended the 24 August 2010 meeting to discuss the 2009/10 Annual Financial Statements.

Other senior officers of the Council were in attendance at Audit Committee meetings, as required when specific matters or reports were under discussion.

Duties and Responsibilities

It is considered that the Duties and Responsibilities, as detailed in Sub-section 2.5 (o) (i) to (xvii) inclusive of the Audit Committee's Terms of Reference were adequately fulfilled during the review period.

Independent Members

In accordance with the Audit Committee Charter 2.2 (d) Membership.

Mr Hawkes was appointed to the Committee in September 2005 and Ms. MacRae was appointed in April 2006.

“

Appointment of external persons shall be made by Council for a minimum term of three years. Appointments of external persons will be for a maximum of seven years. The term of the appointment should be arranged to ensure an orderly rotation and continuity of membership despite changes to Council's elected representatives”.

16 Audit Committee Annual Report for year ending 30 June 2011

Audit Reports Considered

The following Internal Audit Reports were presented by the Internal Auditors – McLean Delmo (MD) – to the Audit Committee for consideration and comment:

- Review Council's municipal emergency management plan and controls.
- Review Council's Human Resources systems and processes.
- Review Council's grants received recording processes and controls.
- Review of Council's Risk Management Framework relating to "Rooming Houses".
- Review of outstanding and implemented recommendations from previous reports.
- Review / update of audit plan for 2011.
- Update of outstanding items. It was pleasing to note that this report reduced the number of "high" risks from four to two and the "moderate" risks from three to two.
- Review of Council's delegations.
- Review parking cash collection processes and procedures.
- Review town hall cashing processes, procedures and controls.
- Review Council's financial and accounting system.

Other Regular & Special Reports

- 2009/2010 Financial Statements.
- Overdue Debtors Reports.
- Business Continuity Plan.
- Draft 2009/2010 Management Letter.
- Management review and response to auditor general's reports on Fees & Charges and Development Contributions.
- Records Management Processes & Procedures.
- Review of Council's Risk Management Framework and Implementations Monitoring Processes including management's review and response to auditor generals' reports on Tendering & Contracting in Local Government.
- OH&S Report (Including statistics).
- Cash Handling.
- Review of Internal Audit Charges.
- Status Report - Contamination of Maribyrnong Land and Buildings.
- Overdue Annual Leave Report.
- Reporting on Underlying Result.

- The CEO and internal auditor gave the committee an update on matters outstanding relating to the Ombudsman's Report on the 23rd August 2010.
- Councils Road Management Plan.
- External Audit Plan.
- Review of 2011 Internal Audit Plan.
- The Audit Committee recommended changes to its Charter following Local Government Victoria's "Audit Committees – A Guide to Good Practice for Local Government".
- The Internal Auditor gave a verbal update on the final whistleblowers report which was provided to the ombudsman.
- Internal Audit Contract.
- The General Manager of Corporate Services gave the committee a verbal update as to the current position of shared services.
- Asset Management Processes and Procedures.
- Risk Management Frame Work and Implementations monitoring process.
- Revised Fraud Policy.
- Managing the risks associated with the increase in rooming house in Maribyrnong.
- External Audit Strategy for the financial year ending 30th June 2011.
- VAGO Interim management letter.
- Report relating to L G Inspectorate visit .
- Review of 2011 Internal Audit Plan Charges.

General Comments

The Committee worked well together in the 2010/11 financial year, due largely to the very positive attitude of both the Internal Auditors and Senior Council staff and their various expertise in dealing with issues raised. The Committee is very appreciative of the cooperation and support of Council staff.



Alan Hawkes
Independent Audit Committee Member
And Chairman
Maribyrnong City Council

17 Finance Report

Financial Overview

Council's finances continue to be guided by the Long Term Financial Plan which was first implemented in July 2000. This Plan is reviewed annually as a part of the Council planning process and updated to reflect changing circumstances.

Council's investments are currently held with financial institutions with a \$1 million government guarantee, or any of the four major banks.

The Long Term Financial Plan was initially used as a tool to ensure the management of Council's debt. Council's outstanding debt has reduced from \$33.019 million in June 2000 to \$9.701 million in June 2011.

This report provides an overview of the major results portrayed in Council's Financial Statements for the year ended June 30 2011.

Surplus (deficit) for the period

The surplus (deficit) for the reporting period represents accrual accounting treatments which includes depreciation but excludes expenditure on capital items, loan repayments and transfers to and from reserves. Council budgeted for a \$7.447 million surplus in the 2010/11 financial year and has achieved a \$6.862 million surplus.

This surplus is reported in the Comprehensive Income Statement as presented in the Annual Financial Report.

Capital Expenditure

Council's capital expenditure for the 2010/11 financial year was \$14.747 million. A further \$7.977 million has been expended on assets but not capitalised. This has been made possible by the improvement in Council's financial position and the introduction of the community infrastructure fund.

Cash Holdings

Council's cash & investments on hand at 30 June was \$43.566 million an increase over the previous financial year of \$5.029 million. This increase is mainly made up of Government funding advance to Council prior to the end of the Financial Year. These grants will be expended on projects and programs to occur in the 2011/2012 year. The other major component is the increase in reserves. The level of Council's cash and investments has seen the continuance of the Asset Investment Program and all reserves and provisions being fully funded, including:- Council's provision for employee benefits amounts to \$11.650 million and reserves for Mausoleum Trust of \$552,000 developer contributions of 4.655 million and Asset Investment Program of \$11.119 million.

Assets – Property, Plant & Equipment

The level of Council assets has increased by \$6.955 million

Outstanding Debtors (Receivables)

Council's debtors have reduced by \$873,000 from the previous financial year with the main decrease being in unpaid parking infringement debtors.

Borrowings

Council has not borrowed during the financial year, and repayments have occurred in line with Council's commitments. The outstanding amount at the end of the financial year was \$9.701 million.

Working Capital & Liquidity

The Working Capital Ratio or Liquidity position is a ratio of 1.95:1 at June 30 2011, compared to 2.01:1 at June 30 2010. This ratio is used to assess Council's ability to meet its current liabilities, by using its current assets. The ratio indicates \$1.95 of current assets for every \$1.00 of current liabilities. The current position is seen to be adequate.

18 A Guide to the Financial Statements

This Council prepares its financial statements in accordance with the Australian Accounting Standards, using particular terminology and conventions that may not be familiar to some readers. This guide may assist readers understand the outcomes stated in the financial statements.

Financial Statements

The Financial Statements report on how the Council performed financially during the year and the overall financial position at the end of the year. The Financial Statements include a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity and Cash Flow Statement. The Financial Statements also contain 42 Notes, which set out Council's accounting policies and details of the line item amounts contained in each of the first four main statements in the Annual Report 2010/2011.

17 Finance Report

Standard Statements

The Standard Statements report on how the Council performed financially during the year compared to its annual budget. The Standard Statements include an Income Statement, Balance Sheet, Cash Flow Statement and Statement of Capital Works. With the exception of the Statement of Capital Works, each of the statements is discussed later in this guide. The Statement of Capital Works shows the total value spent on projects in Council's capital works program for the year by type of assets such as roads and buildings. The Standard Statements include one note which contains information about how the Statements were prepared, together with explanations for significant variances between the actual and budgeted line items in each of the Statements. This guide provides an overview of each of the Statements included in the 2010/2011 Financial Statements for the City of Maribyrnong and the key financial results.

Comprehensive Income Statement

The Income Statement shows the value of revenues such as rates that Council has earned and the value of expenses such as employee costs Council has incurred in delivering all its various services (excluding capital works) for the year. This Statement is prepared on an 'accrual' basis and includes both cash and non-cash items. All revenue and expenses for the year are reflected in the Statement even though some revenue may not yet be received (such as fees invoiced but not yet received) and some expenses may not yet be paid (such as supplier invoices not yet paid for goods and services already received). The surplus or deficit for the year is the key figure to look at on the Income Statement to assess Council's financial performance. It is calculated by deducting the total expenses for the year from total revenues. While Council is a 'not-for-profit' organisation, it should nonetheless generate a surplus in order to ensure financial sustainability in the future. For the 2010/2011 year the City of Maribyrnong recorded a surplus of \$6.862 million.

Balance Sheet

The Balance Sheet shows what the Council owns as assets such as cash and investments, what it owes as liabilities such as amounts owed to creditors, and the equity or net worth at the end of the year. The assets and liabilities are separated into current and non-current sections. Current generally means those assets which will be received, or liabilities which will be paid, within the next 12 months. Non-current are all those assets and liabilities which are held for a longer term. The net current assets or working capital as it is sometimes called, is an important measure of Council's ability to meet its debts as and when they fall due. The equity section of the Balance Sheet shows the reserves of the Council and the total of all

the surpluses that have accumulated over the years. The total of the equity section represents the net financial worth of the Council. At 30 June 2011 the Balance Sheet shows Council to be in a healthy financial position, with \$43.566 million in cash and a net worth of \$796,698 million.

Statement of Changes in Equity

The Statement of Changes in Equity shows the changes that have happened during the year for each of the amounts shown in the equity section of the Balance Sheet. Accumulated surplus represents the aggregate of all surpluses and deficits reported since the formation of the City of Maribyrnong. Other reserves represent amounts set aside in cash and investments for future replacement of specific types of assets or a specific purpose. A separate Asset Revaluation Reserve records the aggregate of all changes in the value of property and infrastructure assets. At 30 June 2011 the Statement of Changes in Equity shows an increase in equity, or net worth, of \$6.862 million during the 2010/2011 year, representing the recorded surplus for the year.

Cash Flow Statement

The Cash Flow Statement shows all cash amounts received and all cash payments made during the year. It also shows the change in Council's bank balance during the year and the balance at the end of the year. The cash flows are separated into different activities. Operating activities are those cash receipts and payments arising from delivering the various services of Council. The Net Cash Inflow from Operating Activities is an important result in the Statement, as it shows the ability of the Council to generate a cash surplus which can then be used to fund the purchase or construction of long term assets such as property and infrastructure. If this amount is negative, it means that Council will be unable to fund future capital expenditure or pay its debts as and when they fall due. Investing activities are those cash receipts and payments arising from the purchase and sale of Council's noncurrent assets. Financing activities are those cash receipts and payments arising from the raising of new borrowings and the repayment thereof. The Cash Flow Statement shows that in 2010/2011. Council generated a net operating inflow of \$23.642 million from operating activities. A cash outflow of \$14.447 million was incurred on investing activities and financing activities incurred a \$4.166 million cash outflow. Total cash balances increased by \$5.029 million during the year to \$43.566 million at 30 June 2011.

Notes to the Financial Statements

The Financial Statements also contain 42 notes, which set out Council's accounting policies and details of the line item values contained in each of the first four main statements just discussed. The notes are very important and give greater meaning to the values included in the main four statements. For that reason it is important that the Notes be read at the same time as reading the statements. To assist readers, where additional information in a statement is included in a note, the number of the note is shown next to that value. For example, in the Income Statement, a reference to note 3 is shown next to Rates and Charges. Note 3 shows a number of items which make up the Rates and Charges value for the current and previous year.

Performance Statement

The Performance Statement shows the results that were achieved for the year for a number of performance indicators. These are then compared against targets that were set for those indicators at the beginning of the year and published in Council's Annual Budget. The indicators cover the six strategic objectives included in the Council Plan 2009-2013.

For the 2010/2011 year, the actual results met the targets for 8 of the 13 indicators.

Certifications by the Principal Accounting Officer, Councillors and Chief Executive Officer

The Certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council. The person must state whether in their opinion, the Statements have met all the statutory and professional reporting requirements. Two Councillors and the Chief Executive Officer make a certification. The Councillors and the Chief Executive Officer must state that in their opinion, the Statements fairly present the financial transactions of Council.

Independent Audit Reports

The Independent Audit Report is the external and independent opinion of the Victorian Auditor-General and provides the reader with a totally independent view about Council's compliance with the statutory and professional requirements as well as the fairness aspects of the Statements. The Victorian Auditor-General issues two Audit Reports – a combined Report on the Standard Statements and Financial Statements and a separate Report on the Performance Statement. Each of the Audit Reports is addressed to the Councillors of the City of Maribyrnong



Comparative Report and Annual Financial Statement

For the Year Ended 30 June 2011

Maribyrnong City Council

Comparative Report

Standard Statements

For the Year Ended 30 June 2011

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Maribyrnong City Council
Comparative Report
Standard Statements

For the Year Ended 30 June 2011

Notes to Standard Statements

1. Basis of preparation of Standard Statements

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

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

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

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

The Standard Statements compare council's financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. The Council has adopted a materiality threshold of greater than 10 per cent and more than \$100,000. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures included in the Statements are those adopted by Council on 30 June 2010. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

Maribyrnong City Council **Comparative Report** **Standard Income Statement**

For the Year Ended 30 June 2011

	Budget 2010/11 \$'000	Variances \$'000 %		Ref	Actuals 2010/11 \$'000
Income					
Rates and charges	61,024	123	0		61,147
Statutory fees and fines	9,303	(367)	(4)		8,936
User fees	9,414	191	2		9,605
Grants - recurrent	8,719	793	9		9,512
Grants - non - recurrent	1,580	1,519	96	1	3,099
Contributions - cash	425	1,006	237	2	1,431
Reimbursements	1,186	1,074	91	3	2,260
Interest	1,475	1,203	82	4	2,678
Other income	-	495	100	5	495
Total income	93,126	6,037	6		99,163
Expenses					
Employee benefits	40,277	(687)	(2)		40,964
Materials and services	33,438	(2,637)	(8)		36,075
Bad and doubtful debts	1,742	(374)	(21)	6	2,116
Depreciation	10,310	(623)	(6)		10,933
Finance costs	1,125	(30)	(3)		1,155
Other expenses	337	(1)	(0)		338
Total expenses	87,229	(4,352)	(5)		91,581
Contributions - non-monetary assets	1,200	(1,200)	(100)	7	-
Net gain (loss) on disposal of property, infrastructure, plant and equipment	350	(1,070)	(306)	8	(720)
Surplus (Deficit) for the year	7,447	(585)	(8)		6,862

The above statement should be read with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Income Statement

For the Year Ended 30 June 2011

Variance Explanation Report

Item	Ref	Explanation
Income		
Grants - non - recurrent	1	An unbudgeted Footscray Community Arts Centre grant was received during the year.
Contributions - cash	2	The receipt of Open Space contributions for Nicholson and Bute Streets, and the DCP 5 contribution for Hampstead Road were more than anticipated. All receipts for Open Space and Developer Contributions are transferred to the appropriate statutory reserves until required.
Reimbursements	3	This is mainly the unbudgeted recovery of costs for works done to renew the Footscray hockey pitch.
Interest	4	Council, when preparing the budget, took a conservative approach due to the volatility of interest rates. Interest rates increased more than budgeted. There were more funds available for investment due to grants received in advance and the later than expected spending on major projects.
Other income	5	The sale of laneways sold during the year were not budgeted nor were the fees from mobile phone towers.
Expenditure		
Bad and doubtful debts	6	The increase in doubtful debts relates to the write off for statute barred infringements held over 3 years.
Other		
Contributions - non-monetary assets	7	There were no contributed assets received this year.
Net gain (loss) on disposal of property, infrastructure, plant and equipment	8	The value of assets demolished during the construction of the new infrastructure assets is not budgeted.

Maribyrnong City Council
Comparative Report
Standard Balance Sheet

For the Year Ended 30 June 2011

	Budget 2010/11 \$'000	Variances		Ref	Actuals 2010/11 \$'000
		\$'000	%		
Assets					
Current assets					
Cash and cash equivalents	31,505	12,061	38	1	43,566
Trade and other receivables	8,721	(1,701)	(20)	2	7,020
Other assets	531	606	114	3	1,137
Non current asset subject to compulsory acquisition	-	-	100	4	2,911
Total current assets	40,757	10,966	27		54,634
Non-current assets					
Trade and other receivables	121	(40)	(33)		81
Property, infrastructure, plant and equipment	648,895	127,479	20	5	776,374
Total non-current assets	649,016	127,439	20		776,455
Total assets	689,773	138,405	20		831,089
Liabilities					
Current liabilities					
Trade and other payables	6,962	(3,493)	(50)	6	10,455
Trust funds and deposits	612	(1,973)	(322)	7	2,585
Provisions	11,012	144	1	8	10,868
Interest bearing loans and borrowings	4,152	(1)	-		4,153
Total current liabilities	22,738	(5,323)	(23)		28,061
Non-current liabilities					
Provisions	1,365	583	43	8	782
Interest bearing loans and borrowings	5,549	1	-		5,548
Total non-current liabilities	6,914	584	8		6,330
Total liabilities	29,652	(4,739)	(16)		34,391
Net assets	660,121	133,666	20		796,698
Equity					
Accumulated surplus	281,768	(9,272)	(3)		272,496
Asset revaluation reserve	368,664	139,212	38	9	507,876
Other reserves	9,689	6,637	69	10	16,326
Total equity	660,121	136,577	21		796,698

The above statement should be read with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Balance Sheet
For the Year Ended 30 June 2011

Variance Explanation Report	Ref	Explanation
Item		
Assets		
Cash and cash equivalents	1	This item is mainly made up of Government funding advanced to Council prior to the end of the financial year. These grants will be expended on projects and programs to occur in the next financial year. The other major component is the increase in cash backed Reserves.
Trade and other receivables	2	The reduction in the debtor balance is due to less debtors outstanding at the year end.
Other assets	3	This variance is the accrued interest income from investments earned, but not received by council at the end of the financial year.
Non current asset subject to compulsory acquisition	4	The unbudgeted notice of compulsory acquisition of 130 Buckley Street Footscray.
Property, infrastructure, plant and equipment	5	Asset revaluations are not budgeted for as the timing and value are unknown at the time of budget preparation.
Liabilities		
Trade and other payables	6	A large number of creditors invoices were received in early July, for major projects completed in June which lead to this timing difference.
Trust funds and deposits	7	The increase in deposits is a result of less projects being completed then expected.
Provisions	8	The overall provisions remain within 6% of budget when the movement between current and non current is considered together.
Asset revaluation reserve	9	Asset revaluations are not budgeted for as the timing and value are unknown at the time of budget preparation.
Other reserves	10	The increase in reserves to segregate specifically identifiable future major projects. The continued collections for Open space and Developer Contributions have also contributed to this variance.

Maribyrnong City Council
Comparative Report
Standard Cash Flow Statement

For the Year Ended 30 June 2011

	Adopted Budget 2010/11 \$'000	Variances \$'000	%	Ref	Actuals 2010/11 \$'000
	Inflows/ (Outflows)	Inflows/ (Outflows)			Inflows/ (Outflows)
Cash flows from operating activities					
Receipts from customers	80,872	6,403	8		87,275
Payments to suppliers	(69,585)	(8,917)	(13)	1	(78,502)
Net cash inflow from customers/suppliers	11,287	(2,514)	(22)		8,773
Grants - recurrent	8,719	793	9		9,512
Grants - non - recurrent	1,580	1,519	96	2	3,099
Interest	1,475	1,168	79	3	2,643
Net cash provided by (used in) operating activities	23,061	966	4		24,027
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(19,525)	4,778	24	4	(14,747)
Proceeds from sale of property, infrastructure, plant and equipment	350	(50)	(14)		300
Net cash (used in) investing activities	(19,175)	4,728	25		(14,447)
Cash flows from financing activities					
Finance costs	(1,125)	(30)	(3)		(1,155)
Trust funds and deposits	2	(58)	2,900		(56)
Repayment of interest bearing loans and borrowings	(3,340)	-	-		(3,340)
Net cash (used in) financing activities	(4,463)	(88)	(2)		(4,551)
Net increase in cash and cash equivalents	(577)	5,606	972		5,029
Cash and cash equivalents at the beginning of financial year	32,082	6,455	20		38,537
Cash and cash equivalents at the end of the financial year	31,505	12,061	38		43,566

The above statement should be read with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Cash Flow Statement
For the Year Ended 30 June 2011

Variance Explanation Report

Item	Ref	Explanation
Cash flows from operating activities		
Payments to suppliers	1	Expenditure budgeted within Council's capital and improvement program has been expensed in accordance with Council's accounting policies, causing a shift to this item.
Grants - non - recurrent	2	An unbudgeted Footscray Community Arts Centre grant was received during the year.
Interest	3	Council, when preparing the budget, took a conservative approach due to the volatility of interest rates. Interest rates increased more than budgeted. There were more funds available for investment due to grants received in advance and the later than expected spending on major projects.
Net cash (used in) investing activities		
Payments for property, infrastructure, plant and equipment	4	Expenditure budgeted within Council's capital and improvement program has been expensed in accordance with Council's accounting policies, causing a shift to this item.

Maribyrnong City Council
Comparative Report
Standard Statement of Capital Works
For the Year Ended 30 June 2011

Capital Works Groups	Budget 2010/11 \$'000	Variances \$'000	%	Ref	Actuals 2010/11 \$'000
Property	3,817	(2,098)	55	1	5,915
Plant and Equipment	3,008	123	(4)		2,885
Infrastructure	7,317	3,416	(47)	2	3,901
Works in Progress	-	(2,046)	100	3	2,046
Operating - Improvement works	5,383	(2,594)	48	4	7,977
Total capital & improvement works	19,525	(3,199)	16		22,724
Operating - Improvement works	(5,383)	2,594	(48)	4	(7,977)
Total capital	14,142	(605)	4		14,747
Represented by:					
Renewal	8,204	(54)	(1)		8,258
Upgrade	1,780	(432)	(24)	5	2,212
New assets	4,158	(119)	(3)		4,277
Operating - Improvement works	5,383	(2,594)	(48)	4	7,977
Total capital & improvement works	19,525	(3,199)	(16)		22,724
Property, Infrastructure, Plant and Equipment movement Reconciliation Worksheet	Budget 2010/11 \$'000	Variances \$'000	%		Actual 2010/11 \$'000
The movement between the previous year and the current year in property, infrastructure, plant and equipment as shown in the Balance Sheet which links to the following items:					
Total capital & improvement works	19,525	3,199	16		22,724
Contributions - non-monetary assets	1,200	(1,200)	(100)	6	-
Operating - Improvement works	(5,383)	(2,594)	48	4	(7,977)
Depreciation	(10,310)	(623)	6		(10,933)
Written down value of assets sold or disposed	-	(1,020)	100	7	(1,020)
Net movement in property, infrastructure, plant and equipment	5,032	(2,238)	(44)		2,794

The above statement should be read with the accompanying notes.

Maribyrnong City Council
Comparative Report
Standard Statement of Capital Works
For the Year Ended 30 June 2011

Variance Explanation Report

Item	Ref	Explanation
Property	1	The major project for Clare Court was included in the carried forwards from 2010 to this year.
Infrastructure	2	A number of major projects were commenced but not completed by year. These are included in References 3 & 4 below.
Works in Progress	3	There were a number of projects commenced.
Operating - Improvement works	4	Several projects were budgeted as capital but have been expensed in line with Council's accounting policy. At the completion of the project they were not considered as capital.
Upgrade	5	The major project for Footscray Community Arts Centre redevelopment was budgeted in prior year and included in the carried forwards to this year.
New assets		
Contributions - non-monetary assets	6	There were no contributed assets received this year.
Written down value of assets sold or disposed	7	Disposal of Infrastructure assets are not budgeted for due to the uncertain timing and value of the assets demolished during the construction of the new assets.

Maribyrnong City Council
Comparative Report
Certification of the Standard Statements
For the Year Ended 30 June 2011

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



Bryan Stone CPA
Principal Accounting Officer
8 September 2011
Footscray

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

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

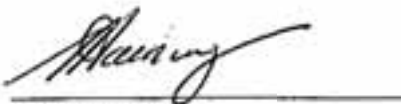
We have been authorised by Council on date to be fixed to certify the standard statements in their final form.



Sarah Carter
Councillor
8 September 2011
Footscray



Martin Zakharov
Councillor
8 September 2011
Footscray



Vince Haining
Chief Executive Officer
8 September 2011
Footscray

Maribyrnong City Council

Financial Report

For the Year Ended 30 June 2011

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Maribyrnong City Council

Financial Report

For the Year Ended 30 June 2011

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Maribyrnong City Council
Comprehensive Income Statement
For the Year Ended 30 June 2011

	<i>Note</i>	2011 \$'000	2010 \$'000
Income			
Rates and charges	3	61,147	56,915
Statutory fees and fines	4	8,936	10,060
User fees	5	9,605	8,863
Grants - recurrent	6	9,512	9,803
Grants - non - recurrent	6	3,099	7,034
Contributions - cash	7	1,431	1,711
Reimbursements	8	2,260	1,793
Interest	9	2,678	1,889
Other income	10	495	811
Total income		99,163	98,879
Expenses			
Employee benefits	12	40,964	38,419
Materials and services	13	36,460	33,667
Bad and doubtful debts	14	2,116	3,080
Depreciation	15	10,933	10,131
Finance costs	16	770	969
Other expenses	17	338	339
Net loss on disposal of property, infrastructure, plant and equipment	11	720	751
Control of assets transferred for no consideration	21	-	1,904
Total expenses		92,301	89,260
Surplus / (Deficit)		6,862	9,619
Other comprehensive income / (losses)			
Revaluations of property and infrastructure	26(a)	-	139,212
Comprehensive result	40	6,862	148,831

The above statement should be read with the accompanying notes.

Maribyrnong City Council

Balance Sheet

As at 30 June 2011

	Note	2011 \$'000	2010 \$'000
Assets			
Current assets			
Cash and cash equivalents	18	43,566	38,537
Trade and other receivables	19	7,020	7,893
Non current asset subject to compulsory acquisition	42	2,911	-
Other assets	20	1,137	1,130
Total current assets		54,634	47,560
Non-current assets			
Trade and other receivables	19	81	83
Property, infrastructure, plant and equipment	21	776,374	776,491
Total non-current assets		776,455	776,574
Total assets		831,089	824,134
Liabilities			
Current liabilities			
Trade and other payables	22	10,455	7,299
Trust funds and deposits	23	2,585	2,641
Provisions	24	10,868	10,407
Interest bearing loans and borrowings	25	4,153	3,340
Total current liabilities		28,061	23,687
Non-current liabilities			
Provisions	24	782	910
Interest bearing loans and borrowings	25	5,548	9,701
Total non-current liabilities		6,330	10,611
Total liabilities		34,391	34,298
Net assets		796,698	789,836
Equity			
Accumulated surplus		272,496	271,059
Asset revaluation reserve	26	507,876	507,876
Other reserves	26	16,326	10,901
Total equity		796,698	789,836

The above statement should be read with the accompanying notes.

Maribyrnong City Council
Statement of Changes in Equity

For the Year Ended 30 June 2011

	<i>Note</i>	Total 2011 \$'000	Accumulated Surplus 2011 \$'000	Asset Revaluation Reserve 2011 \$'000	Other Reserves 2011 \$'000
2011					
Balance at beginning of the financial year		789,836	271,059	507,876	10,901
Comprehensive result		6,862	6,862	-	-
Transfers from other reserves	26	-	4,219	-	(4,219)
Transfers to other reserves	26	-	(9,644)	-	9,644
Balance at end of the financial year		796,698	272,496	507,876	16,326
2010					
Balance at beginning of the financial year		641,005	261,742	368,664	10,599
Comprehensive result		148,831	9,619	139,212	-
Transfers from other reserves	26	-	514	-	(514)
Transfers to other reserves	26	-	(816)	-	816
Balance at end of the financial year		789,836	271,059	507,876	10,901

The above statement should be read with the accompanying notes.

Maribyrnong City Council

Cash Flow Statement

For the Year Ended 30 June 2011

		2011 Inflows/ (Outflows) \$'000	2010 Inflows/ (Outflows) \$'000
Cash flows from operating activities	Note		
Receipts			
Rates and charges		61,038	56,910
Statutory fees and fines		6,840	6,786
User fees		12,195	10,765
Grants - recurrent		9,512	9,803
Grants - non - recurrent		3,099	7,034
Contributions - cash		1,431	1,711
Reimbursements		2,260	1,793
Interest		2,643	1,346
Other income		495	811
Net GST refund		3,016	2,818
		102,529	99,777
Payments			
Employee benefits		(40,408)	(38,424)
Materials and services		(38,141)	(37,592)
Other expenses		(338)	(339)
		(78,887)	(76,355)
Net cash provided by (used in) operating activities	27	23,642	23,422
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(14,747)	(15,037)
Proceeds from sale of property, infrastructure, plant and equipment		300	264
Net cash (used in) investing activities		(14,447)	(14,773)
Cash flows from financing activities			
Finance costs		(770)	(1,017)
Trust funds and deposits		(56)	341
Repayment of interest bearing loans and borrowings		(3,340)	(3,129)
Net cash (used in) financing activities		(4,166)	(3,805)
Net increase in cash and cash equivalents		5,029	4,844
Cash and cash equivalents at the beginning of financial year		38,537	33,693
Cash and cash equivalents at the end of the financial year	18	43,566	38,537
Financing arrangements	28		
Restrictions on cash assets	29		

The above statement should be read with the accompanying notes.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

Introduction

The Maribyrnong City Council ("the Council") was established by an Order of the Governor in Council on 15th December 1994 and is a body corporate. The Council's main office is located at the corner of Napier and Hyde Streets Footscray.

The purpose of the Council is to:

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

External Auditor - Auditor General of Victoria

Internal Auditor - MDHC Audit Assurance

Solicitors - Maddocks

Bankers - Commonwealth Bank of Australia

Website - www.maribyrnong.vic.gov.au

Authorised Deposit Institutions as listed by Australian Prudential Regulations Authority (APRA):

Commonwealth Bank of Australia	Police & Nurses Credit Union
Australia & New Zealand	Australia Central Savings & Loans
National Australia Bank Ltd	Heritage Building Society
Bendigo & Adelaide Bank	Laiki Bank (Australia) Ltd
New England Credit Union	ING Bank
Members Equity Bank Pty Ltd	B & E Ltd
Bank of Queensland	Community CPS Aust.
WideBay Aust. Ltd	IMB Ltd

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

1 Significant accounting policies

(a) Basis of accounting

This financial report has been prepared on an accrual and going concern basis.

The financial report has also been prepared under the historical cost convention except where specifically stated in the notes. Cost is based on the fair value of the consideration given in exchange for assets.

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

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, have been included in this financial report. All transactions between these sections and the Council have been eliminated in full. There are no material entities controlled by Council in these accounts. Both the functional or presentation currency of the council are in Australian dollars.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

1 Significant accounting policies (continued)

(b) Changes in accounting policies

Financial statement presentation

The Council has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to the current reporting period from 1 July 2010. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

In 2009 the AASB issued an omnibus of amendments, AASB 2009-4 and AASB 2009-5, to its Standards as part of the Annual Improvements Project, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions and application dates for each amendment. The adoption of the amendments did not have any impact on the financial position or performance of the Council.

The amendments to AASB7 introduced by AASB7009-2 expand the disclosures required in respect of the fair value measurements and liquidity risk.

(c) Revenue recognition

Rates, grants and contributions

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

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

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

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

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

Where grants or contributions recognised as revenue during the reporting period were obtained on the condition that they would be expended in a particular manner, or used over a particular period and those conditions were undischarged as at balance date, the unused grant or contribution is disclosed in note 6(c). 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.

Contributed infrastructure assets, in the form of land, roads, drains, footpaths etc, which are received as a condition of development, have been recognised as revenue.

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

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

1 Significant accounting policies (continued)

User fees and fines

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

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

Sale of property, infrastructure, plant and equipment

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

Trade and other receivables

Receivables are carried at their nominal value. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss had occurred.

Interest

Interest is recognised progressively as it is earned.

Inventories

Inventories held for resale are measured at the lower of cost and net realisable value.

(d) Depreciation of property, infrastructure, plant and equipment

Building, land improvements, infrastructure, plant and equipment, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with the 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 and artworks are not depreciated.

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

Major depreciation periods are listed in note 1(g) and are consistent with prior year unless otherwise stated.

(e) 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 and adds to the fair value to the asset, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

1 Significant accounting policies (continued)

(f) Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred. This includes interest on bank overdrafts, interest on borrowings and finance lease charges.

(g) Recognition and measurement of assets

Acquisition

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

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

The following classes of assets have been recognised in note 21. In accordance with Council's policy, the threshold limits and useful lives detailed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Class of Asset	Threshold Limit 2011 \$'000	Depreciation period 2011
Property		
Land	10	n/a
Land under roads	20	n/a
Buildings*	10	50-100 years
Plant and Equipment		
Motor Vehicles	5	7 years
Plant & Machinery	1	2-10 years
Equipment	1	2-10 years
Computers	1	3 years
Cultural assets*	1	1-8 years
Infrastructure Assets		
Road Base	20	80 years
Road Pavement	20	25 years
Kerb and Channel	10	50 years
Bridges	50	80 years
Car parks	10	20 years
Rights of Ways*	10	20-100 years
Footpaths and cycleways	10	50 years
Drains	10	100 years
Other assets*	10	5-30 years

* Dependent upon materials used in construction and usage.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2011

1 Significant accounting policies (continued)

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, motor vehicles, computers, other assets and cultural items, are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differs from the fair value the assets class was revalued.

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

Where 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 and shown in the Comprehensive Income statement.

Land under roads

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

(h) Cash and cash equivalents

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

Investments (non financial), other than investments in associates, are measured at cost.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

1 Significant Accounting Policies (continued)

(i) Deposits and retentions

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

(j) Employee benefits

Wages and salaries

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

Annual leave

Annual leave entitlements are accrued on a pro rata basis in respect of service provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled. Any annual leave expected to be paid later than one year it will be measured at the present value of the estimated future cash outflows to be made for those accrued entitlements. Department of Treasury and Finance rates are used for discounting future cash flows.

Long Service Leave

Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at present value of the estimated future cash outflows to be made for these accrued entitlements. Department of Treasury and Finance rates are used for discounting future cash flows.

Classification of employee benefits

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

Superannuation

A liability is recognised in respect of Council's present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as Council's share of the scheme's unfunded position, being the difference between the present value of employees' accrued benefits and the net market value of the scheme's assets at balance date. The liability also includes the applicable contributions tax of 17.65%.

The superannuation expense for the reporting period is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees, together with any movements (favourable/unfavourable) in the position of any defined benefits scheme. Details of these arrangements are set out in the note 30.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

1 Significant Accounting Policies (continued)

Retirement Gratuities

Retirement gratuities were provided to certain employees who joined the Council prior to 8 December 1994 and their entitlements were frozen as at 14 December 2000. The liability represents a set proportion based on years of service that is payable on termination. At balance date, the liability is measured at the present value of the estimated future cash flows to be made for this entitlement.

(k) Leases

Operating Leases

Lease payments for operating leases are recognised as an expense in the years in which they are incurred as this reflects the pattern of benefits derived by the Council.

(l) Allocation between current and non-current

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

(m) Agreements equally proportionately unperformed

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

(n) Web site costs

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

(o) 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 part of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

(p) Rounding

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

(q) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's 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.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

1 Significant Accounting Policies (continued)

(r) Financial guarantees

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

(s) Contingent assets and contingent liabilities and commitments

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

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

(t) Critical accounting estimates and judgements

In the application of the Australian Accounting Standards, management is required to make judgements, estimates and assumptions about carrying value of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements. Actual results may differ from these estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that may have a financial or disclosure impact on the Council and are believed to be reasonable under the circumstances.

Critical accounting judgements

Critical judgements that management has made in the process of applying the Council's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Impairment of non-financial assets

The Council assesses impairment of all assets at each reporting date by evaluating conditions to the Council and to the particular asset that may lead to impairment. These include obsolescence or physical damage, technology, economic and political environments and the future income expectations. If an impairment trigger exists, the recoverable amount of the asset is determined.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

2 Income, expenses and assets by function/activities

(a)	Community Wellbeing		Corporate Services		Infrastructure Services		Sustainable Development		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
INCOME										
Grants	7,003	8,640	2,442	2,490	2,471	4,473	695	1,234	12,611	16,837
Other	6,525	5,785	64,377	59,973	13,060	14,242	2,590	2,042	86,552	82,042
TOTAL	13,528	14,425	66,819	62,463	15,531	18,715	3,285	3,276	99,163	98,879
EXPENSES	(25,446)	(25,272)	(19,584)	(14,843)	(42,316)	(44,231)	(4,955)	(4,914)	(92,301)	(89,260)
SURPLUS (DEFICIT) FOR THE YEAR	(11,918)	(10,847)	47,235	47,620	(26,785)	(25,516)	(1,670)	(1,638)	6,862	9,619
ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*	-	-	54,634	47,643	776,455	776,491	-	-	831,089	824,134

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

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2011

2 Income, expenses and assets by function/activities

(b) The activities of Council are categorised into the following broad functions:

Community Wellbeing

The Community Wellbeing branch promotes and enhances community wellbeing through funding programs, service provision, community partnerships and regulatory activity.

This Branch includes the following services:

Aged & Diversity	Community Learning & Libraries
Community Planning & Advocacy	Community Wellbeing Management
Family Services & Community Projects	Leisure & Open Space

Corporate Services

The Corporate Services branch is responsible for providing a range of strategic and operational services to all business units and Council as a whole.

This Branch includes the following services:

Corporate Services Management	Council & Community Relations
Emergency Management	Office of CEO
Information Services	Finance
Organisation Development	Sustainability

Infrastructure Services

The Infrastructure Services branch is responsible for the provision of infrastructure and asset management of property and open space.

This Branch includes the following services:

Operations & Maintenance	Engineering Projects
Infrastructure & Engineering Management	Civil Design & Transport
Asset Management/Construction	Traffic & Local Laws

Sustainable Development

The Sustainable Development branch is responsible for protecting, enhancing and developing the Council's social and physical environment. The broad objective will be achieved through planning, coordination and delivery of a range of high quality, cost efficient community and environmental services which are responsive to the needs of residents and other service users.

This Branch includes the following services:

Building Control	Strategy & Economic Development
City design & Placemaking	Sustainability
Sustainable Management	Urban Planning
Planning & Development	

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

		2011 \$'000	2010 \$'000
3	Rates and charges		
	Council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of any land, means the rent at which the land might reasonably be expected to return.		
	The valuation base used to calculate general rates for 2010/11 was \$958,241 million (2009/10, \$834.801 million). The 2010/11 rate in the NAV dollar was 6.35027 cents (2009/10, 6.78647 cents).		
	Assessments for 2010/11 rate strike		
	Residential	30,253	43,632
	Commercial	2,410	10,516
	Industrial	1,079	6,344
	Supplementary rates & adjustments		655
	Total rates and chagres	33,742	61,147
			56,915

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

The date of the previous general revaluation of land for rateable purposes within the Municipal district is 1 January 2008 and the valuation applied to the rating period commencing 1 July 2008.

4 Statutory fees and fines

Permits	1,676	1,496
Fees	395	359
Infringements & costs	6,691	8,106
Magistrates	109	50
Fines other	65	49
Total statutory fees and fines	8,936	10,060

5 User fees

Certificates	136	133
Customer service requests	356	363
Fees	4,041	3,968
Ticket machine & casual bookings	4,282	3,749
Plant hire	341	354
*Miscellaneous fees	80	58
Environmental charge	12	12
Sale of information	242	84
Product sales	115	142
Total user fees	9,605	8,863

*The Mausoleum trust was set up in 1999 to provide for the future maintenance of the cemetery in the long term over 10 to 15 years. The full amount received to date of \$39,000 has been set aside to Reserves (\$513,000 at 30 June 2010).

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
6 Grants		
Grants were received in respect of the following:		
Summary of grants		
Home and Community Care (HACC)	2,453	2,417
Victorian Grants Commission (VGC)	2,780	2,715
Other	7,378	11,705
Total grants	12,611	16,837
(a) Grants - recurrent		
Federal appropriations	905	962
Federal grants	625	1,899
HACC	2,453	2,417
Other operating revenues	2,395	685
Fee assistance	358	525
VGC	2,345	2,316
Other operating grants	431	999
Total recurrent	9,512	9,803
(b) Grants - non - recurrent		
Federal appropriations	232	232
VGC	435	399
Other granted revenues	2,432	6,403
Total non current	3,099	7,034
(c) Conditions on Grants		
Grants recognised as revenue during the year and obtained on the condition that they be expended in a specific manner that had not occurred at balance date were:		
Healthy communities	138	-
RecWest redevelopment	200	-
Power undergrounding	232	-
Closed Circuit Television - Public safety cameras	310	400
Best start	44	155
Early years community development	-	105
Living libraries	160	160
Railway reserve	917	953
Streetscaping - Leeds street	1,470	1,522
Greening Footscray / Street tree planting	200	200
Footscray at night	-	157
Yarraville station	-	346
VGC	716	714
Clare court redevelopment	-	1,944
One stop shop	-	120
Footscray Community Arts Centre redevelopment (FCAC)	-	430
Other misc. programs	497	1,242
Total conditional grants	4,884	8,448

Grants over \$100,000 which were recognised as revenues, these have been expensed in the year following their receipt, except for those shown with balances carried forward to this year.

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
7 Contributions		
(a) Contributions - cash		
Developer contributions	766	462
Open space contributions	665	584
Cash contributions	-	665
Total contributions - cash	1,431	1,711

Conditions on contributions

Contributions recognised as revenues during the year and were obtained on the condition that they be expended in a specific manner.

8 Reimbursements		
Parking Infringement Notice (PIN) & other recoveries	982	1,187
Wage recoveries	6	7
Facility costs recoveries	821	346
Workcover & misc. recoveries	444	251
Utilities costs recovered	7	2
Total reimbursements	2,260	1,793

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
9 Interest		
Interest on rates	212	207
Interest on cash assets	2,466	1,682
Total interest	2,678	1,889
10 Other income		
Council facilities (permanent bookings)	234	215
Other*	261	596
Total other income	495	811
*Council realised \$596,000 in 2010 from the sale of surplus laneways not listed as assets.		
11 Net loss on disposal of property, infrastructure, plant and equipment		
(a) Property		
Less written down value of buildings sold or disposed	-	(129)
(Loss) on sale of land & buildings	-	(129)
(b) Infrastructure		
Written down value of assets disposed	(759)	(662)
(Loss) on disposal of infrastructure assets	(759)	(662)
(c) Plant and Equipment		
Proceeds from sale of assets	300	264
Less written down value of assets sold	(261)	(224)
Gain (Loss) on sale of plant and equipment	39	40
Summary		
Proceeds from sale of assets	300	264
Less written down value of assets disposed	(1,020)	(1,015)
Total (loss) on disposal of assets	(720)	(751)

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
12 Employee benefits		
Wages & Salaries	38,498	37,572
Employee costs	698	528
Redundancy costs	-	117
Fringe benefits tax	192	202
*Unfunded liability (UFL) for superannuation call	1,576	-
Total employee benefits	40,964	38,419
*Council has expensed \$1.576m in unfunded superannuation costs as part of its membership call from the defined benefits scheme.		
13 Materials and services		
Non capitalised project expenses	7,977	6,651
Maintenance costs	1,071	1,024
Major projects	3,410	2,592
Contract services	2,307	2,915
Consulting services	1,796	2,156
Legal expenses	758	1,010
Insurances	670	644
General expenses, postage, printing & other	1,549	1,582
Fees, Vic roads, Perin costs, other fees & charges	1,221	853
Tip & refuse collections	3,201	2,521
Memberships and subscriptions	192	200
Fire brigade levy	892	857
Materials	1,772	1,496
Utilities	1,145	1,147
Public lighting & electricity	815	644
Operating equipment leasing	310	285
Community contributions	1,206	1,361
Vehicle & Plant costs	1,069	1,214
Equipment & maintenance	1,793	1,284
Computer & communications	2,021	1,933
Cash collections, general & office supplies	1,285	1,298
Total materials and services	36,460	33,667
14 Bad and doubtful debts		
Infringement debtors	1,969	2,594
Other debtors	147	486
Total bad and doubtful debts	2,116	3,080

Council has adjusted the doubtful debts following a review of the recent payment history including of infringements over 3 years, the statute barring legislation and the discontinued camera operation.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

		2011	2010
		\$'000	\$'000
15	Depreciation		
	Building	1,995	1,678
	Plant and Equipment	1,755	1,809
	Infrastructure	7,183	6,644
	Total depreciation	10,933	10,131
16	Finance costs		
	Interest - borrowings	770	969
	Total finance costs	770	969
17	Other expenses		
	Councillors' allowances	209	203
	Elections	3	9
	Auditors' remuneration	49	49
	Other auditors' services	74	77
	Other miscellaneous	3	1
	Total other costs	338	339

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
18 Cash and cash equivalents		
Cash on hand and at bank	566	500
Term deposits	43,000	38,037
	<u>43,566</u>	<u>38,537</u>
Councils cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include :		
- Grants received in advance for which there is an obligation to complete	4,884	8,448
- Long service leave obligations as prescribes by Local Government Act.	6,448	5,909
- Reserves funds allocated for specific future purposes	5,207	5,605
- Trust funds and deposits	2,585	2,641
Restricted Funds	<u>19,124</u>	<u>22,603</u>
Total unrestricted cash and cash equivalents	<u>24,442</u>	<u>15,934</u>
19 Trade and other receivables		
Current		
Rates debtors	<u>2,722</u>	<u>2,611</u>
Sundry debtors	1,576	2,670
Less allowance for doubtful debts	-	(22)
	<u>1,576</u>	<u>2,648</u>
Perin fine debtors	3,030	1,296
Less allowance for doubtful debts	(2,235)	(988)
	<u>795</u>	<u>308</u>
Infringement debtors	4,094	3,861
Less allowance for doubtful debts	(2,955)	(2,193)
	<u>1,139</u>	<u>1,668</u>
Net GST receivable	<u>788</u>	<u>658</u>
	<u>4,298</u>	<u>5,282</u>
Total current	<u>7,020</u>	<u>7,893</u>
Non - current		
Deferred rates	81	83
Loans and advances to community organisations	-	750
Less allowance for doubtful debts	-	(750)
	<u>81</u>	<u>83</u>
Total non - current	<u>81</u>	<u>83</u>
Total trade and other receivables	<u>7,101</u>	<u>7,976</u>

Deferred rates are those which can be deferred under Section 170 of the Local Government Act due to hardship.

The \$750,000 advance to the Western Bulldogs Football Club secured by a debenture over their assets has been discharged following a Council resolution 1st March 2011 and the accompanying allowance was also removed.

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

		2011	2010
		\$'000	\$'000
20	Other assets		
	Accrued income	687	652
	Prepayments	431	458
	Inventories held for sale	19	20
	Total other assets	1,137	1,130
21	Property, infrastructure, plant and equipment		
	Summary		
	at cost	47,148	33,775
	Less: accumulated depreciation	(14,600)	(13,154)
		32,548	20,621
	at fair value as at 30 June 2010	589,041	593,263
	Less: accumulated depreciation	(62,401)	(61,727)
		526,640	531,536
	at Council valuation as at 30 June 2010	356,269	357,683
	Less: accumulated depreciation	(139,083)	(133,349)
		217,186	224,334
	Total	776,374	776,491

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
21 Property, infrastructure, plant and equipment		
Property		
Land		
At fair value as at 30 June 2010	407,008	408,108
Total Land	<u>407,008</u>	<u>408,108</u>
Land under roads (LUR)		
At cost	513	513
Total Land under roads	<u>513</u>	<u>513</u>
Buildings		
At cost	8,067	-
Less: accumulated depreciation	(10)	-
At fair value as at 30 June 2010	182,033	185,155
Less: accumulated depreciation	(62,401)	(61,727)
Total Buildings	<u>127,689</u>	<u>123,428</u>
Total Property	<u>535,210</u>	<u>532,049</u>

Valuation of land (excluding land under roads) and buildings was undertaken by a qualified independent valuer Mr Vin Bourke, Certified Practising Valuer (CPV), Rating Valuation services. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for public open space is valued at a discount of 30 percent to market value based on legal precedents.

The valuation of land under roads was undertaken by a qualified independent valuer Mr Vin Bourke, Certified Practising Valuer (CPV), Rating Valuation services. Land under roads is valued at deemed cost. Deemed cost is based on valuations for land under roads acquired during the year, using site values adjusted for englobo valued at a discount of 95%, for (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. The effective date of the above valuation was 30 June 2010.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
21 Property, infrastructure, plant and equipment (continued)		
Plant and equipment		
Plant and machinery		
At cost	8,927	8,571
Less: accumulated depreciation	(4,798)	(4,346)
Total Plant and machinery	<u>4,129</u>	<u>4,225</u>
Equipment and computers		
At cost	3,001	2,825
Less: accumulated depreciation	(2,303)	(2,042)
Total Equipment and computers	<u>698</u>	<u>783</u>
Cultural items		
At cost	4,461	4,430
Less: accumulated depreciation	(2,357)	(2,445)
Total Cultural items	<u>2,104</u>	<u>1,985</u>
Total Plant and equipment	<u>6,931</u>	<u>6,993</u>
Infrastructure and other assets		
Roads and bridges		
At cost	2,394	-
Less: accumulated depreciation	(9)	-
Council valuation at 30 June 2010	194,869	195,789
Less: accumulated depreciation	(79,960)	(76,319)
Total Roads and bridges	<u>117,294</u>	<u>119,470</u>

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
21 Property, infrastructure, plant and equipment (continued)		
Footpaths and cycle ways		
At cost	1,630	-
Less: accumulated depreciation	(3)	-
Council valuation at 30 June 2010	46,769	47,263
Less: accumulated depreciation	(17,528)	(16,597)
Total Footpaths and cycle ways	30,868	30,666
Drains		
At cost	863	-
Less: accumulated depreciation	(1)	-
Council valuation at 30 June 2010	114,631	114,631
Less: accumulated depreciation	(41,595)	(40,433)
Total Drains	73,898	74,198
Total Infrastructure assets	222,060	224,334
Other assets		
At cost	13,983	13,049
Less: accumulated depreciation	(5,119)	(4,321)
Total Other assets	8,864	8,728
Total Infrastructure and other assets	230,924	233,062
Both the valuation of infrastructure assets, other than other assets, have been determined in accordance with a Council valuation undertaken by Mr Gary Balcam. Mr Balcam holds a Bachelor of Science - Civil Engineering and a Masters of Engineering. He has 29 years experience in managing Council infrastructure.		
The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. The effective date of the valuation was 30 June 2010.		
Total Works in progress - at cost	3,309	4,387
Total Property, infrastructure, plant and machinery	776,374	776,491

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

21 Property, infrastructure, plant and equipment									
2011	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation	Written down value of disposals	Current asset subject to compulsory acquisition (a)	Transfers In (out)	Balance at end of financial year	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Property									
land	408,108	-	-	-	-	(1,100)	-	-	407,008
land under roads	513	-	-	-	-	-	-	-	513
Total land	408,621	-	-	-	-	(1,100)	-	-	407,521
buildings	123,428	5,915	-	(1,995)	-	(1,811)	2,152	-	127,689
Total buildings	123,428	5,915	-	(1,995)	-	(1,811)	2,152	-	127,689
Total property	532,049	5,915	-	(1,995)	-	(2,911)	2,152	-	535,210
Plant and Equipment									
plant and machinery	4,225	1,073	-	(1,002)	(167)	-	-	-	4,129
equipment and computers	783	367	-	(452)	-	-	-	-	698
cultural items	1,985	514	-	(301)	(94)	-	-	-	2,104
Total plant and equipment	6,993	1,954	-	(1,755)	(261)	-	-	-	6,931
Infrastructure									
roads & bridges	119,470	2,088	-	(4,013)	(540)	-	289	-	117,294
footpaths and cycle ways	30,666	1,110	-	(1,208)	(219)	-	519	-	30,868
drainage	74,198	702	-	(1,163)	-	-	161	-	73,898
other assets	8,728	932	-	(799)	-	-	3	-	8,864
Total infrastructure	233,062	4,832	-	(7,183)	(759)	-	972	-	230,924
Works in progress									
Infrastructure - projects	4,387	2,046	-	-	-	-	(3,124)	-	3,309
non capitalised expenditure	-	-	-	-	-	-	-	-	-
Total works in progress	4,387	2,046	-	-	-	-	(3,124)	-	3,309
Total property, infrastructure, plant and equipment	776,491	14,747	-	(10,933)	(1,020)	(2,911)	-	-	776,374

(a) Council has been notified of the compulsory acquisition of 130 Bucklet Street Footscray with a written down value of \$2.9million in its asset register.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

21 Property, infrastructure, plant and equipment									
2010	Balance at beginning of financial year	Acquisition of assets	Revaluation increments (decrements)	Depreciation & amortisation	Written down value of disposals	Control of assets transferred for no consideration	Transfers In (out)	Balance at end of financial year	
	\$'000	\$'000	\$'000	\$'000	\$'000	(a) \$'000	\$'000	\$'000	
Property									
land	297,788	652	109,668	-	-	-	-	-	408,108
land under roads	513	-	-	-	-	-	-	-	513
Total land	298,301	652	109,668	-	-	-	-	-	408,621
buildings	97,448	5,704	20,042	(1,678)	(129)	(129)	2,041	2,041	123,428
Total buildings	97,448	5,704	20,042	(1,678)	(129)	(129)	2,041	2,041	123,428
Total property	395,749	6,356	129,710	(1,678)	(129)	(129)	2,041	2,041	532,049
Plant and Equipment									
plant and machinery	3,758	1,366	-	(945)	(124)	-	170	170	4,225
equipment and computers	711	498	-	(426)	-	-	-	-	783
cultural items	2,132	391	-	(438)	(100)	-	-	-	1,985
Total plant and equipment	6,601	2,255	-	(1,809)	(224)	-	170	170	6,993
Infrastructure									
roads & bridges	130,093	1,730	(4,552)	(4,016)	(502)	(1,904)	(1,379)	(1,379)	119,470
footpaths and cycle ways	20,419	274	9,582	(863)	(160)	-	1,414	1,414	30,666
drainage	70,327	482	4,472	(1,083)	-	-	-	-	74,198
other assets	9,092	318	-	(682)	-	-	-	-	8,728
Total infrastructure	229,931	2,804	9,502	(6,644)	(662)	(1,904)	35	35	233,062
Works in progress									
Infrastructure - projects	3,011	3,622	-	-	-	-	(2,246)	(2,246)	4,387
non capitalised expenditure	-	-	-	-	-	-	-	-	-
Total works in progress	3,011	3,622	-	-	-	-	(2,246)	(2,246)	4,387
Total property, infrastructure, plant and equipment	635,292	15,037	139,212	(10,131)	(1,015)	(1,904)	-	-	776,491

(a) Council was informed that the Somerville Road bridge is under the control of Victrack and subsequently removed the bridge valued at \$1.9 million from its asset register.

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
22 Trade and other payables		
Unsecured		
Current		
Trade payables	8,407	5,532
Accrued expenses	2,048	1,767
Total trade and other payables	10,455	7,299

23 Trust funds and deposits		
Refundable asset protection deposits	1,314	1,181
Refundable capital works retentions	2	-
Other refundable deposits	978	1,038
Refundable civic facilities deposits	291	422
	2,585	2,641

Deposits and retentions are held until the works or services have been completed. At completion of the agreement the deposit is refunded less any claim for damages via forfeiture.

24 Provisions

2011	Annual leave \$'000	Long service \$'000	Retirement gratuity \$'000	Total \$'000
Balance at beginning of the financial year	3,407	6,835	1,075	11,317
Additional provisions	2,150	1,134	16	3,300
Amounts used	(2,084)	(725)	(28)	(2,837)
Increase in discounted amount arising because of time and the effect in discount rate change.	-	(130)	-	(130)
Balance at the end of the financial year	3,473	7,114	1,063	11,650
2010	Annual leave \$'000	LSL service \$'000	Retirement gratuity \$'000	Total \$'000
Balance at beginning of the financial year	3,307	6,107	1,151	10,565
Additional provisions	2,195	1,240	(28)	3,407
Amounts used	(2,095)	(532)	(48)	(2,675)
Increase in discounted amount arising because of time and the effect in discount rate change.	-	20	-	20
Balance at the end of the financial year	3,407	6,835	1,075	11,317

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
24 Provisions (continued)		
Employee benefits		
Current (i)		
Annual leave	3,473	3,407
Retirement gratuity	1,063	1,075
Long service leave	6,332	5,925
	<u>10,868</u>	<u>10,407</u>
(i) All annual leave is measured at nominal value. Long service leave and gratuity entitlements representing 10 or more years of continuous service: - Short term employee benefits, that fall due within 12 months after the end of the period were measured at nominal value.		
Non current (ii)		
Long service leave	782	910
	<u>782</u>	<u>910</u>
(ii) Long service leave representing less than 10 years of continuous service measured are present value.		
- Other long term employee benefits that do not fall due within 12 months after the end of the period were measured at present value.		
Total employee benefits	<u>11,650</u>	<u>11,317</u>
Aggregate carrying amount of employee benefits:		
Current	10,868	10,407
Non-current	782	910
	<u>11,650</u>	<u>11,317</u>
The following assumptions were adopted in measuring the present value of employee benefits:		
Wage inflation rate	4.0%	4.5%
Weighted average discount rates	5.3%	5.2%
Weighted average settlement period	16 yrs	13 yrs
25 Interest bearing loans and borrowings		
Current		
Borrowings - Secured	4,153	3,340
Total current	<u>4,153</u>	<u>3,340</u>
Non Current		
Borrowings - Secured	5,548	9,701
Total non current	<u>5,548</u>	<u>9,701</u>
The maturity profile for Council's borrowings is:		
Not later than one year	4,153	3,340
Later than one year and not later than five years	2,875	5,501
Later than five years	2,673	4,200
Total	<u>9,701</u>	<u>13,041</u>
Aggregate carrying amount of Interest-bearing liabilities:		
Current	4,153	3,340
Non Current	5,548	9,701
Total Interest bearing loans and borrowings	<u>9,701</u>	<u>13,041</u>
Borrowings are secured by a claim over Council rates.		

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

26	Reserves	Balance at beginning of reporting period \$'000	Increment	(decrement)	Balance at end of reporting period \$'000
(a)	Asset revaluation reserve				
	2011				
	Property				
	land	339,823	-	-	339,823
	buildings	72,200	-	-	72,200
		412,023	-	-	412,023
	Infrastructure				
	roads & bridges	54,054	-	-	54,054
	footpaths and cycle ways	10,053	-	-	10,053
	drainage	31,746	-	-	31,746
	Assets disposed	95,853	-	-	95,853
	Total asset revaluation reserve	507,876	-	-	507,876

The asset revaluation reserve was established to capture the movements in asset valuations upon the periodic revaluation of Council's assets.

2010

Property

land	230,155	109,668	-	339,823
buildings	52,158	20,042	-	72,200
	282,313	129,710	-	412,023

Infrastructure

roads & bridges	55,438	-	(1,384)	54,054
footpaths and cycle ways	5,581	4,472	-	10,053
drainage	25,332	6,414	-	31,746
	86,351	10,886	(1,384)	95,853

Total asset revaluation reserve	368,664	140,596	(1,384)	507,876
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(b)	Other reserves	\$'000	\$'000	\$'000	\$'000
	2011				
	Major programs	5,296	8,175	(2,352)	11,119
	Developer plans	2,549	766	(1,592)	1,723
	Open space	2,543	664	(275)	2,932
	Mausoleum trust	513	39	-	552
	Total Other reserves	10,901	9,644	(4,219)	16,326

2010

Major programs	5,143	400	(247)	5,296
Developer plans	2,137	412	-	2,549
Open space	2,810	-	(267)	2,543
Mausoleum trust	509	4	-	513
Total Other reserves	10,599	816	(514)	10,901

The purpose of the major programs is to segregate funds until commencement of works.

The purpose of the mausoleum trust reserve is for the future maintenance of the cemetery.

The open space reserve is to segregate the levies collected until required for major works.

The developer contributions reserves segregate the levies collected until required.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
27 Reconciliation of cash flows from operating activities to surplus or (deficit)		
Surplus / (Deficit)	6,862	9,619
Non cash items		
Depreciation	10,933	10,131
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	720	751
Control of assets transferred	-	1,904
	<u>18,515</u>	<u>22,405</u>
Movement included in investment and financing activities		
Financing costs	770	969
Change in assets and liabilities:		
Decrease/(Increase) in trade and other receivables	875	(121)
Decrease/(Increase) in other assets	(7)	(730)
Increase/(Decrease) in trade and other payables	3,156	147
Increase/(Decrease) in employee provisions	333	752
	<u>23,642</u>	<u>23,422</u>
Net cash inflows provided by operating activities	<u>23,642</u>	<u>23,422</u>
28 Financing arrangements		
Unrestricted access was available at balance date to the following lines of credit:		
Bank loans	9,701	13,041
Bank overdraft	200	200
Purchasing card	150	150
Total credit facilities	<u>10,051</u>	<u>13,391</u>
Bank loans (Note 25)	9,701	13,041
Purchasing card	26	26
Used facilities at balance date	<u>9,727</u>	<u>13,067</u>
Bank overdraft	200	200
Purchasing card	124	124
Unused facilities at balance date	<u>324</u>	<u>324</u>

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

2011
\$'000

2010
\$'000

29 Restricted assets

Council has cash assets and cash equivalents that are subject to restrictions. As at the reporting date, Council had legislative restrictions in relation to employee entitlements and on other reserve funds excluding grants and trust funds.

Long service leave		6,448	5,909
Grants	(Note 6)	4,884	8,448
Trust funds	(Note 23)	2,585	2,641
Mausoleum trust	(Note 26)	552	513
Developer contribution reserves	(Note 26)	1,723	2,549
Open space reserve	(Note 26)	2,932	2,543
Total restricted assets		19,124	22,603

The restricted asset for long service leave is based on the Local Government (Long Service Leave) Regulations 2002 and does not necessarily equate to the long service leave liability due to a different basis of calculation prescribed by the regulation.

30 Superannuation

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

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

Defined Benefits Plan

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

Council makes employer contributions to the defined benefits category of the Fund at rates determined by the Trustee on the advice of the Fund's actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2008. Council makes the following contributions:

- 9.25% of members salaries (same as previous year)
- the difference between resignation and retrenchment benefits paid to any retrenched employees plus contribution tax (same as previous year)

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

30 Superannuation benefit (continued)

The Fund surplus or deficit (ie the difference between fund assets and liabilities) is calculated differently for funding purposes (ie calculating required contributions) and for the calculation of accrued benefits as required in AAS 25 to provide the values needed for the AASB 119 disclosure in the council's financial statements. AAS 25 requires that the present value of the defined benefit liability to be calculated based on benefits that have accrued in respect of membership of the plan up to the measurement date, with no allowance for future benefits that may accrue.

Following the actuarial review conducted by the Trustee in late 2010, as at 31 December 2008, a funding shortfall of \$71 million for the fund was determined. A call to Employers for additional contributions was made for the financial year 30 June 2011. A further actuarial review will be undertaken as at 31 December 2011 by mid 2012. Based on the result of this review, a detailed funding plan will be implemented to achieve the target of full funding by 31 December 2013. The Council will be notified of any additional contributions by late 2012.

Accounting Standard Disclosure

The Fund's liability for accrued benefits was determined in the 31 December 2008 actuarial investigation pursuant to the requirements of Australian Accounting Standard AAS25 follows:

	31-Dec-08
	\$'000
Net Market Value of Assets	3,630,432
Less Accrued Benefits (per accounting standards)	3,616,422
Difference between Assets and Accrued Benefits	<u>14,010</u>
Vested Benefits	<u>3,561,588</u>

The financial assumptions used to calculate the Accrued Benefits for the defined benefit category of the Fund were:

Net Investment Return	8.50% p.a.
Salary Inflation	4.25% p.a.
Price Inflation	2.75% p.a.

Superannuation expense

Details of contributions to superannuation funds during the year and contributions payable to 30 June 2010 are as follows:

	2011	2010
	\$'000	\$'000
Employer contributions to the Fund (Vision super)	4,519	2,748
Employer contributions to other super funds	202	125
	<u>4,721</u>	<u>2,873</u>

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2011

31 Commitments

The Council has entered into the following commitments:

	2011 \$'000	2010 \$'000
Operating		
Not later than one year	2,295	2,450
Later than one year and not later than five years	863	1,422
Total	3,158	3,872

Operating commitments are represented by:

Domestic refuse and recycling collection	1,082	2,938
Graffiti	30	-
Rating services	456	-
Internet services	124	122
Microsoft licensing	468	-
Industrial development strategy	-	76
Storm water	140	210
Cash collection	165	-
Other	499	352
Cardiovascular equipment	117	174
Public facility cleaning	30	-
Internal audit	47	-
Total	3,158	3,872

Capital

Commitments for capital expenditure contracted for at the end of the year but not recognised in the accounts are payable as follows:

Not later than one year	2,033	4,247
Total	2,033	4,247

Capital commitments are represented by:

Clare Court	-	3,052
Hyde street church	-	87
Yarraville reserve	-	669
Barkly village	-	270
Leeds street	1,828	-
Hockey centre	48	-
Seddon street	43	-
Other	114	169
Total	2,033	4,247

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

32	Operating leases	2011	2010
		\$'000	\$'000

At reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment for use within Council's activities (these obligations are not recognised as liabilities).

Not later than one year	224	304
Later than one year and not later than five years	166	386
	<u>390</u>	<u>690</u>

33 **Contingent liabilities and contingent assets**

Contingent liabilities

Guarantees for loans to other entities

The Council has provided guarantees for loans to other entities in respect of these loans and its maximum potential exposure at the reporting date follows:

Yarraville Soccer Club	<u>21</u>	<u>34</u>
	<u>21</u>	<u>34</u>

Other contingent liabilities

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors.

As these matters are yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowances for these contingencies has been made in the financial report.

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

The Council is unaware of any other contingent liabilities not recognised elsewhere in these accounts.

Contingent assets

Contributed assets include roads, drains, footpaths and parks which may be created in the approval and construction of large scale residential developments. On completion of the development they are donated to the City for ongoing maintenance and replacement. Contributed assets are valued at their current replacement cost. The budget estimate is that approximately \$1,200,000 will be contributed, given a similar level of residential development in the coming year.

There have been no contributed assets received in 2010/10 and 2009/10.

Maribyrnong City Council Notes to the Financial Report

For the Year Ended 30 June 2011

34 Financial instruments

(a) Accounting policy, terms and conditions

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
Financial Assets			
Cash and cash equivalents	18	Cash on hand, at bank and money market call accounts are valued at face value. Investments and bills are valued at cost. Investments are held within Council's policies and strict guidelines to minimise the level of risk on interest returns of surplus cash. Interest revenues are recognised as they accrue. Managed funds are measured at market value.	On call deposits interest rate at balance date of 4.75% (4.5% in 2010). The operating account interest rate at balance date was 4.25% (2.75% in 2010). Term deposits returned fixed interest rate of between 6.86% (6.8% in 2010), and 5.2% (4.5% in 2010) net of fees.
Other debtors	19	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured. Credit terms are based on 30 days. These terms and conditions were the same as prior year.
Financial Liabilities			
Trade and other payables	22	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General Creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing loans and borrowings	25	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables.	Borrowings are secured by way of mortgage over the general rates of Council. The weighted average on borrowings is 6.3% (6.3% in 2010).
Bank overdraft		Overdrafts are recognised at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. There was no overdraft used therefore no interest rates were applied. The interest rate as at balance date was 10.74 % (10.49% in 2010).

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

34 Financial instruments (cont.)

(b) Categorisation of financial instruments

2011	Notes	Cash & cash equivalents	Contractual financial assets-loans & receivables	Contractual financial liabilities at amortised cost	Total
		\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Current assets					
Cash and cash equivalents	18	43,566	-	-	43,566
Trade and other receivables	19	-	1,576	-	1,576
Total contractual financial assets		43,566	1,576	-	45,142
Contractual financial liabilities					
Current liabilities					
Trade and other payables	22	-	-	10,455	10,455
Trust funds and deposits	23	-	-	2,585	2,585
Interest-bearing loans and borrowings	25	-	-	4,153	4,153
Non current liabilities					
Interest-bearing loans and borrowings	25	-	-	5,548	5,548
Total contractual financial liabilities		-	-	22,741	22,741
2010	Notes	Cash & cash equivalents	Contractual financial assets-loans & receivables	Contractual financial liabilities at amortised cost	Total
		\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Current assets					
Cash and cash equivalents	18	38,537	-	-	38,537
Trade and other receivables	19	-	2,648	-	2,648
Total contractual financial assets		38,537	2,648	-	41,185
Contractual financial liabilities					
Current liabilities					
Trade and other payables	22	-	-	7,299	7,299
Trust funds and deposits	23	-	-	2,641	2,641
Interest-bearing loans and borrowings	25	-	-	3,340	3,340
Non current liabilities					
Interest-bearing loans and borrowings	25	-	-	9,701	9,701
Total contractual financial liabilities		-	-	22,981	22,981

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

34 Financial instruments (cont.)

(c) Interest Rate Risk

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

2011	Fixed interest maturing in:					Total
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	557	43,000	-	-	9	43,566
Trade and other receivables	-	-	-	-	1,576	1,576
Total financial assets	557	43,000	-	-	1,585	45,142
Weighted average interest rate	4.6%	6.0%				
Financial liabilities						
Trade and other payables	-	-	-	-	10,455	10,455
Trust funds and deposits	-	-	-	-	2,585	2,585
Interest-bearing loans and borrowings	-	4,153	2,875	2,673	-	9,701
Total financial liabilities	-	4,153	2,875	2,673	13,040	22,741
Weighted average interest rate		6.3%	6.3%	6.3%		
Net financial assets (liabilities)	557	38,847	(2,875)	(2,673)	(11,455)	22,401

2010	Fixed interest maturing in:					Total
	Floating interest rate	1 year or less	Over 1 to 5 years	More than 5 years	Non-interest bearing	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets						
Cash and cash equivalents	492	38,037	-	-	8	38,537
Trade and other receivables	-	-	-	-	2,648	2,648
Total financial assets	492	38,037	-	-	2,656	41,185
Weighted average interest rate	2.8%	5.7%				
Financial liabilities						
Trade and other payables	-	-	-	-	7,299	7,299
Trust funds and deposits	-	-	-	-	2,641	2,641
Interest-bearing loans and borrowings	-	3,340	5,501	4,200	-	13,041
Total financial liabilities	-	3,340	5,501	4,200	9,940	22,981
Weighted average interest rate		6.3%	6.3%	6.3%		
Net financial assets (liabilities)	492	34,697	(5,501)	(4,200)	(7,284)	18,204

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

34 Financial instruments (cont.)

(d) Net Fair Values

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

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2011 \$'000	2010 \$'000	2011 \$'000	2010 \$'000
Financial assets				
Cash and cash equivalents	43,566	38,537	43,566	38,537
Trade and other receivables	1,576	2,648	1,576	2,648
Total financial assets	45,142	41,185	45,142	41,185
Financial liabilities				
Trade and other payables	10,455	7,299	10,455	7,299
Trust funds and deposits	2,585	2,641	2,585	2,641
Interest-bearing loans and borrowings	9,701	13,041	9,234	12,442
Total financial liabilities	22,741	22,981	22,274	22,382

At balance date, the council did not hold any financial assets or financial liabilities requiring measurement at fair value subsequent to initial recognition.

(e) Credit Risk

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

(f) Risks and mitigation

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

Market risk

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

Interest rate risk

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

Maribyrnong City Council

Notes to the Financial Report

For the Year Ended 30 June 2011

34 (f) Financial instruments (cont.)

Our loan borrowings are sourced from major Australian banks. If finance leases are required they will be sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

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

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

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

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

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

Credit risk

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

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

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal. We do not have any significant credit risk exposure to a single customer or groups of customers. Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised.

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in the note 33.

Movement in Other debtors - Provisions for Doubtful Debts

	2011	2010
	\$'000	\$'000
Balance at the beginning of the year	(22)	-
New Provisions recognised during the year	-	(22)
Amounts already provided for and written off as uncollectible	22	-
Amounts provided for but recovered during the year	-	-
Balance at end of year	-	(22)

34 (f) Financial instruments (cont.)

Ageing of Other Debtors

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

	2011	2010
	\$'000	\$'000
Current (not yet due)	1,060	2,367
Past due by up to 30 days	25	103
Past due between 31 and 60 days	378	68
Past due by more than 60 days	113	110
Impaired	-	22
Total Trade & Other Receivables	<u>1,576</u>	<u>2,670</u>

Ageing of individually impaired Trade and Other Receivables

At balance date, other debtors representing financial assets with a nominal value of \$0 (\$22,000 in 2010) were impaired. The amount of the provision raised against these debtors was \$0 (\$22,000 in 2010). A provision for doubtful debts directly off sets the debtor balance. The individually impaired debtors relate to general and sundry debtor and 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 Other Debtors that have been individually determined as impaired at reporting date was:

	2011	2010
	\$'000	\$'000
Past due by more than 60 days	-	22
Total Trade & Other Receivables	<u>-</u>	<u>22</u>

Liquidity risk

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

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

To help reduce these risks we:

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

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

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

34 Financial instruments (cont.)

The table below lists the contractual maturities for Financial Liabilities.

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

2011	1 year or less \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	10,455	-	-	10,455	10,455
Trust funds and deposits	2,585	-	-	2,585	2,585
Interest-bearing loans and borrowings	4,153	2,875	2,673	9,701	9,701
Total financial liabilities	17,193	2,875	2,673	22,741	22,741
2010	1 year or less \$'000	2-5 years \$'000	>5 years \$'000	Contracted Cash Flow \$'000	Carrying Amount \$'000
Trade and other payables	7,299	-	-	7,299	7,299
Trust funds and deposits	2,641	-	-	2,641	2,641
Interest-bearing loans and borrowings	3,340	5,501	4,200	13,041	13,041
Total financial liabilities	13,280	5,501	4,200	22,981	22,981

(g) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 5.278%.

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

Interest rate risk					
		-1 %		+1%	
		-100 basis points		+100 basis points	
2011	Carrying amount \$'000	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
Financial assets:					
Cash and cash equivalents	43,566	(436)	(436)	436	436
2010	\$'000	\$'000	\$'000	\$'000	\$'000
Financial assets:					
Cash and cash equivalents	38,537	(385)	(385)	385	385

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
35 Auditors' remuneration		
Audit fee to conduct external audit - Victorian Auditor General	49	49
Internal audit fees	74	77
	<u>123</u>	<u>126</u>

36 Events occurring after balance date

No events occurred after balance date that have any material or significant effect on the Financial Report.

37 Related party transactions

(I) Responsible Persons

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

Councillors

Sarah Carter	(Councillor 1/7/10 to 30/11/10, Mayor 3/12/10 to 30/6/11)
Michael Clarke	(1/7/10 to 30/6/11)
Catherine Cumming	(1/7/10 to 30/6/11)
John Cumming	(1/7/10 to 30/6/11)
Dina Lynch	(1/7/10 to 30/6/11)
Sel Sanli	(Councillor 3/12/10 to 30/6/11, Mayor 1/7/10 to 30/11/10)
Martin Zakharov	(1/7/10 to 30/6/11)

Chief Executive Officer

Vince Haining	(1/7/10 to 30/6/11)
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(ii) Remuneration of responsible persons

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

Income Range:	2011 No.	2010 No.
\$20,000 - \$29,999	5	5
\$30,000 - \$39,999	1	1
\$40,000 - \$49,999	-	1
\$60,000 - \$69,999	1	-
\$280,000 - \$289,999	1	-
\$300,000 - \$309,999	-	1
	<u>8</u>	<u>8</u>
Total remuneration for the reporting year for Responsible Persons included above amounted to:	490	487

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

37 Related party transactions (continued)

(iii) Retirement benefits

No retirement benefits have been made by Council to a Responsible Person (2010, Nil).

(iv) Loans, guarantees etc.

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2010, Nil).

(v) Other transactions

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or Related Parties of such Responsible Persons during the reporting year (2010, Nil).

(vi) Senior officers remuneration

A Senior Officer, other than a Responsible Person, is an officer of council whose total annual remuneration exceeds \$124,000 or if remuneration is less than \$124,000 has management responsibilities and reports directly to the Chief Executive Officer.

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

Income Range:			2011 No.	2010 No.
		<\$124,000	3	5
\$124,000	-	\$129,999	3	3
\$130,000	-	\$139,999	2	3
\$140,000	-	\$149,999	4	-
\$160,000	-	\$169,999	1	-
\$170,000	-	\$179,999	-	3
\$190,000		\$199,999	-	1
			13	15
Total Remuneration for the reporting year for Senior Officers included above amount to:			2,145	2,122

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

38 Financial ratios (Performance indicators)

**2011
ratio** **2010
ratio** **2009
ratio**

(a) Debt servicing ratio (to identify the capacity of Council to service its outstanding debt)

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease and bank overdraft interest. The ratio expresses the amount of interest paid as a ratio of Council's total revenue.

<u>Debt servicing costs</u>			
Total revenue	0.01	0.01	0.01

(b) Debt commitment ratio (to identify Council's debt redemption strategy)

The strategy involves the payment of loan principal and interest, finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

<u>Debt servicing & redemption costs</u>			
Rate revenue	0.05	0.06	0.07

(c) Revenue ratio (to identify Council's dependence on non-rate revenue)

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of the Council.

<u>Rate revenue</u>			
Total revenue	0.62	0.58	0.58

(d) Debt exposure ratio (to identify Council's exposure to debt)

<u>Total indebtedness</u>			
Total realisable assets	0.06	0.06	0.09

For the purposes of calculating financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets: restricted assets; infrastructure assets and other controlled property.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the multiple of total liabilities for each dollar of realisable assets.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

38	Financial ratios (continued)	2011 ratio	2010 ratio	2009 ratio
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(e)	Working capital ratio	(to assess Council's ability to meet current commitments)		
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The ratio expresses the level of current assets the Council has available to meet its current liabilities.

<u>Current assets</u>				
Current liabilities	1.95	2.01	1.86	

(f)	Adjusted working capital ratio	(to assess Council's ability to meet current commitments)		
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<u>Current assets</u>				
Current liabilities	3.18	3.58	3.31	

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

Current liabilities have been reduced to reflect the long service leave and gratuity allowance that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

38 Financial ratios (continued)

(g) Definitions

Current assets:

Total current assets as shown in the Balance Sheet

Current liabilities:

Total current liabilities as shown in the Balance Sheet

Debt redemption:

Includes the principal component of loan repayments and financial leases and capital items purchased on vendor terms.

Debt servicing:

Includes interest and charges on loans, overdrafts, financial leases and interest on payments for capital items purchased on vendor terms, and contributions to sinking funds.

Rate revenue:

Includes revenue from general rates, municipal charges, special rates, special charges, service rates and service charges.

Total revenue:

Total revenue as shown in the Income Statement

Total indebtedness:

Total liabilities, both current and non current, as shown in the Balance Sheet

Realisable assets:

Includes total assets, both current and non current, excluding those assets which cannot be sold and those subject to restrictions. The following assets have been removed from total assets when calculating realisable assets: Restricted assets and Infrastructure assets.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	<i>Note</i>	2011 \$'000	2010 \$'000
39 Capital expenditure			
Capital works areas			
Property		5,915	6,356
Infrastructure		3,901	2,804
Plant and Equipment		2,885	2,255
Works in Progress		2,046	3,622
Total capital works		14,747	15,037
Represented by:			
Renewal	(a)	8,258	8,872
Upgrade	(b)	2,212	3,759
New assets		4,277	2,406
Total capital works		14,747	15,037

**Property, Infrastructure, Plant and Equipment
movement Reconciliation Worksheet**

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

Total capital works		14,747	15,037
Asset revaluation movement	26	-	139,212
Depreciation	15	(10,933)	(10,131)
Written down value of assets sold and disposed		(1,020)	(2,919)
Net movement in property, infrastructure, plant and equipment		2,794	141,199

39 Capital expenditure (continued)

(a) Renewal

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

(b) Upgrade

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

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	Note	2011 \$'000	2010 \$'000
40 Underlying result			
Reconciliation of underlining surplus to comprehensive result			
Comprehensive result		6,862	148,831
Revaluations of property and infrastructure	26	-	(139,212)
Surplus / (Deficit)		6,862	9,619
One-off / non-recurrent adjustments:			
Grants - non - recurrent	6	(3,099)	(7,034)
Total (loss) on disposal of assets	11	720	751
Control of assets transferred for no consideration	21	-	1,904
Underling surplus or (deficit)		4,483	5,240

In addition to the surplus and the comprehensive result as provided in the statement of comprehensive income, the Council monitors its financial performance in terms of financial sustainability by establishing an Underlying Result. The Underlying Result, as determined by the Council, is calculated by adjusting the comprehensive result by subtracting any non-cash contributions and removing any one-off or non-recurrent transactions. The Council believes that the Underlying Result allows it to establish its ability to remain sustainable and to fund day to day operations.

Maribyrnong City Council
Notes to the Financial Report

For the Year Ended 30 June 2011

41 Pending Accounting Standards

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

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

<i>Standard / Interpretation</i>	<i>Summary</i>	<i>Applicable for annual reporting periods beginning or</i>	<i>Impact on Local Government financial statements</i>
AASB 9: Financial Instruments and AASB 2009-11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:	Applicable for annual reporting periods commencing on or after 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments
	* simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;		
	* removing the tainting rules associated with held-to-maturity assets;		
	* simplifying the requirements for embedded derivatives;		
	* removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;		
	* allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and		
	* reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:		
	a. the objective of the entity's business model for managing the financial assets; and		
	b. the characteristics of the contractual cash flows.		

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

41 Pending Accounting Standards

AASB 124: Related Party Disclosures	This standard removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities and clarifies the definition of a related party to remove inconsistencies and simplify the structure of the standard.	Applicable for annual reporting periods commencing on or after 1 January 2011.	Although this standard does not strictly apply to Local Government it is often used as guidance, as such there will be greater clarity on the disclosure of inter government transactions.
AASB 2010-4 Further Amendments to Australian Accounting Standards arising from the Annual Improvements Project [AASB 1, AASB 7, AASB 101 & AASB 134 and Interpretation 13].	Amendments generally clarify the disclosure requirements of other Australian Accounting Standards.	Applicable for annual reporting periods commencing on or after 1 July 2011.	These amendments are not expected to impact Council.
AASB 2010-5 Amendments to Australian Accounting Standards [AASB 1, 3, 4, 5, 101, 107, 112, 118, 119, 121, 132, 133, 134, 137, 139, 140, 1023 & 1038 and Interpretations 112, 115, 127, 132 & 1042].	Makes numerous editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of IFRS by the International Accounting Standards Board.	Applicable for annual reporting periods commencing on or after 1 July 2011.	These amendments are not expected to impact Council
AASB 2011-1 Amendments to Australian Accounting Standards arising from the Trans-Tasman Convergence Project [AASB 1, AASB 5, AASB 101, AASB 107, AASB 108, AASB 121, AASB 128, AASB 132 & AASB 134 and Interpretations 2, 112 & 113].	Harmonises Australian and New Zealand Standards by removing guidance and definitions from some Australian Accounting Standards, without changing their requirements.	Applicable for annual reporting periods commencing on or after 1 July 2011.	These amendments are not expected to impact Council
AASB 2009-12: Amendments to Australian Accounting Standards [AASBs 5, 8, 108, 110, 112, 119, 133, 137, 139, 1023 & 1031 and Interpretations 2, 4, 16, 1039 & 1052].	This standard makes a number of editorial amendments to a range of Australian Accounting Standards and Interpretations, including amendments to reflect changes made to the text of International Financial Reporting Standards by the IASB. The standard also amends AASB 8 to require entities to exercise judgment in assessing whether a government and entities known to be under the control of that government are considered a single customer for the purposes of certain operating segment disclosures.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council.
AASB 2009-14: Amendments to Australian Interpretation — Prepayments of a Minimum Funding Requirement [AASB Interpretation 14].	This standard amends Interpretation 14 to address unintended consequences that can arise from the previous accounting requirements when an entity prepays future contributions into a defined benefit pension plan.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

	2011 \$'000	2010 \$'000
42 Non current asset subject to compulsory acquisition		
Land		
At fair value as at 30 June 2010	1,100	-
Buildings		
At fair value as at 30 June 2010	3,122	-
Less: accumulated depreciation	(1,311)	-
Total Buildings	1,811	-
Total property	2,911	-

On the 13 April 2011 the Department of Transport published a Notice of Acquisition in the Government Gazette for the compulsory acquisition of the property known as 130 Buckley Street Footscray.

Correspondence received from the Department of Transport on 14 June 2011 indicate an offer of compensation for \$3,658,200 which will not prejudice council's right to seek additional compensation.

On the 19 July Council received notification that the hand over of possession occur be on the 31 August 2011.

Non current assets subject to compulsory acquisition are measured at the lower of their carrying amount and fair value, less costs to sell. Fair value is deemed to be the amount offered for the respective asset.

Maribyrnong City Council
Notes to the Financial Report
For the Year Ended 30 June 2011

Certification of the Financial Report

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

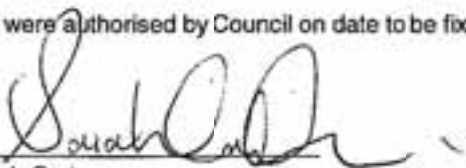


Bryan Stone CPA
Principal Accounting Officer
8 September 2011
Footscray

In our opinion, the accompanying financial statements presents fairly the financial transactions of the Maribyrnong City Council for the year ended 30 June 2011 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 report to be misleading or inaccurate.

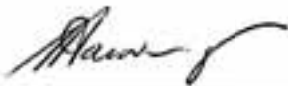
We were authorised by Council on date to be fixed to certify the financial report in its final form.



Sarah Carter
Councillor
8 September 2011
Footscray



Martin Zakharov
Councillor
8 September 2011
Footscray



Vince Haining
Chief Executive Officer
8 September 2011
Footscray



Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Maribyrnong City Council

The Standard Statements and Financial Report

The accompanying standard statements for the year ended 30 June 2011 of the Council which comprises of standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of the standard statements have been audited.

The accompanying financial report for the year ended 30 June 2011 of the Maribyrnong City Council which comprises of comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification of the financial report has been audited.

The Councillor's Responsibility for the Standard Statements and Financial Report

The Councillors of the Maribyrnong City Council are responsible for the preparation and the fair presentation of:

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

This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the standard statements and financial report that are free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

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

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

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Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

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

Independence

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

Auditor's Opinion

In my opinion:

- (a) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.
- (b) the financial report presents fairly, in all material respects, the financial position of the Maribyrnong City Council as at 30 June 2011 and its financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Local Government Act 1989*.

Basis of Accounting for Standard Statements

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

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

This auditor's report relates to the standard statements and financial report of the Maribyrnong City Council for the year ended 30 June 2011 included both in the Maribyrnong City Council's annual report and on the website. The Councillors of the Maribyrnong City Council are responsible for the integrity of the Maribyrnong City Council's website. I have not been engaged to report on the integrity of the Maribyrnong City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the standard statements and financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited standard statements and financial report to confirm the information contained in the website version of the standard statements and financial report.

MELBOURNE
12 September 2011


D D R Pearson
Auditor-General

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Auditing in the Public Interest

GREEK

Το έγγραφο αυτό, η *Ετήσια Έκθεση 2010-2011*, πληροί τις υποχρεώσεις του Δημοτικού Συμβουλίου του Maribyrnong βάσει του άρθρου 131 του νόμου περί Τοπικής Αυτοδιοίκησης. Αυτή η *Ετήσια Έκθεση* περιέχει αναφορά για τις λειτουργίες του Δήμου τους τελευταίους 12 μήνες, Κανονικές και Οικονομικές Δηλώσεις που ελέγχθηκαν από εμπειρογνώμονες καθώς και άλλα ζητήματα που προβλέπονται από το νόμο. Αν θέλετε να μάθετε περισσότερα σχετικά με τις πληροφορίες στην παρούσα *Ετήσια Έκθεση*, παρακαλούμε καλέστε την Τηλεφωνική Υπηρεσία Διερμηνέων στο 131 450 και ζητήστε τους να καλέσουν το Δήμο του Maribyrnong 9688 0200 για βοήθεια.

ITALIAN

Il presente documento, *Relazione Annuale 2010-2011*, soddisfa gli obblighi del Comune di Maribyrnong ai sensi dell'Articolo 131 della *Legge dell'Amministrazione Locale*. La *Relazione Annuale* contiene un rapporto delle operazioni del Comune negli ultimi 12 mesi, e anche rendiconti Finanziari e Standard, verificati dal Revisore dei conti, e altre questioni secondo quanto stabilito dalla *Legge*. Se volete maggiori informazioni sulla *Relazione Annuale*, chiamate il Servizio Interpreti Telefonico al numero 131 450 e chiedete di mettervi in comunicazione con il Comune di Maribyrnong al numero 9688 0200.

MACEDONIAN

Овој документ *Годишен извештај 2010-2011* ги исполнува обврските на Општината Марибирнонг според Членот 131 на *Заколот за локална управа*. Овој Годишен извештај содржи извештај за работата на Општината во изминатите 12 месеци, проверени Стандардна и Финансиска изјава, како и други прашања одредени со *Заколот*. Ако сакате да дознаете повеќе за информациите содржани во овој *Годишен извештај*, ве молиме јавете се на Телефонската преведувачка служба на 131 450 и побарајте да ја повикаат Општина Марибирнонг (Maribyrnong Council) на 9688 0200 заради помош.

SOMALI

Qoraalkaani, *waa warbixin sanadeedka 2010-2011*, ee fulinta waajibaadka Golaha Degmada Maribyrnong sida waafaqsan Qaybta 131 ee xeerka Dawlada Hoose. Warbixin sanadeedaani waxay ka koobantaa hawsha Golaha ee 12kii bilood oo la soo dhaafay, Caddaynta Xisaab Xirka Dhaqaalaha iyo weliba arrima kaleeto oo Xeerka lagu muujiyey. Haddii aad jeclaan lahayd inaad wax badan ka ogaato *warbixin sanadeedka* halkan ku yaalla, fadlan wac Adeegyada Turjubaanka tel 131 450 weydiina inay kuu wacaan Golaha Degmada Maribyrnong tel: 9688 0200 wixii caawima ah.

TURKISH

2010-2011 Yıllık Raporu'nu kapsayan bu belge, Maribyrnong Belediyesi'nin, *Yerel Belediyeler Yasası'nın* 131. Maddesi uyarınca yerine getirdiği yükümlülükleri içermektedir. Bu *Yıllık Rapor*, Belediye'nin geçen 12 ay içinde yürüttüğü uygulamaları açıklayan bir rapor ve denetimden geçmiş Standart ve Mali Hesap Özetleri'nin yanısıra, Yasa tarafından öngörülen diğer konuları da içermektedir. *Yıllık Rapor'da* açıklanan hususlarla ilgili daha fazla bilgi almak istemeniz durumunda, Telefonla Çevirmenlik Servisini 131 450 No'lu telefondan arayarak, 9688 0200 No'lu telefondan Maribyrnong Belediyesi'ni aramalarını isteyin.

VIETNAMESE

Văn kiện này, *Bản Báo Cáo Thường Niên 2010-2011*, hoàn thành bổn phận của Hội Đồng Thành Phố Maribyrnong dưới Phần 131 của *Đạo Luật Chính Quyền Địa Phương*. *Bản Báo Cáo Thường Niên* bao gồm một sự báo cáo về hoạt động của Hội Đồng trong 12 tháng vừa qua, các Bản Báo Cáo Tài Chính và Tiêu Chuẩn đã được kiểm toán cũng như các vấn đề khác theo quy định của Đạo Luật. Nếu quý vị muốn biết thêm về thông tin trong *Bản Báo Cáo Thường Niên* này, vui lòng gọi Dịch Vụ Thông Dịch trên Điện Thoại qua số 131 450 và yêu cầu họ gọi cho Hội Đồng Thành Phố Maribyrnong qua số 9688 0200 để được giúp đỡ.



Maribyrnong
CITY COUNCIL

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