

CITY OF GREATER DANDENONG FINANCIAL STATEMENTS YEAR ENDED 30 JUNE 2000

Year Ended 30 June, 2000

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Operating Statement for the Year ended 30 June 2000

	Note	2000 \$'000	1999 \$'000
REVENUES			
Rates		33,592	30,765
Government Grants	3.1,3.2	11,622	10,816
Fees, Charges and Fines	3.3	4,524	4,455
Contributions		641	782
Interest		911	756
Proceeds from Sale of Assets	3.4	1,381	2,922
Other	3.5	4,056	3,792
Total Revenues		56,727	54,288
EXPENSES			
Employee Costs	4.1	19,421	20,916
Materials and Services	4.2	14,504	11,673
Depreciation	4.3	12,573	7,984
Carrying Amount of Assets Sold	3.4	987	2,525
Interest		1,140	1,304
Other	4.4	10,916	10,433
Total Expenses		59,541	54,835
INCREASE / (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS BEFORE ABNORMAL ITEMS		(2,814)	(547)
Abnormal Items			
Abnormal Revenue	3.6	1,180	1,861
Abnormal Expenses	4.5	(22,772)	(2,057)
Total Abnormal Items		(21,592)	(196)
INCREASE / (DECREASE) IN NET ASSETS RESULTING FROM OPERATIONS AFTER ABNORMAL ITEMS		(24,406)	(743)

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2000

	Note	2000 \$'000	1999 \$'000
ASSETS			
Current Assets			
Cash	5.1	7,837	4,357
Investments	5.2	1,827	1,735
Receivables	5.3	5,588	7,314
Property Held for Resale	5.4	7,892	1,248
Other	5.5	246	181
Total Current Assets		23,390	14,835
Non-Current Assets			
Property, Plant and Equipment	1.2, 1.3, 6	602,033	428,100
Total Non-Current Assets		602,033	428,100
Total Assets		625,423	442,935
LIABILITIES			
Current Liabilities			
Creditors & Accruals		7,172	5,147
Provisions	7.1	3,020	2,838
Borrowings	12	2,825	2,952
Trust Monies	7.2	583	491
Total Current Liabilities		13,600	11,428
Non-Current Liabilities			
Provisions	8	2,208	2,271
Borrowings	12	11,465	13,988
Total Non-Current Liabilities		13,673	16,259
Total Liabilities		27,273	27,687
NET ASSETS		598,150	415,248
EQUITY			
Accumulated surplus		388,374	412,730
General reserves	9	2,468	2,518
Asset revaluation reserve	1.3(d),9.4	207,308	-
TOTAL EQUITY		598,150	415,248

The accompanying notes form part of these financial statements.

Statement of Changes in Equity for the Year ended 30 June 2000

	Notes	Total		Accumulated Surplus		Reserves	
		1999/00	1998/99	1999/00	1998/99	1999/00	1998/99
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Balance at the beginning of the year		415,248	415,991	412,730	413,117	2,518	2,874
Change in Net Assets resulting from Operations after Abnormal items		(24,406)	(743)	(24,406)	(743)	-	-
Revaluation of assets	9.4	207,308	-	-	-	207,308	-
Transfer to Reserves	9.3	-	-	(350)	-	350	-
Transfer from Reserves	9.3	-	-	400	356	(400)	(356)
Balance at the end of the year		598,150	415,248	388,374	412,730	209,776	2,518

The accompanying notes form part of these financial statements

Statement of Cash Flows for Year ended 30 June 2000

	Note	2000 \$'000	1999 \$'000
CASH INFLOWS / (OUTFLOWS) FROM OPERATING ACTIVITIES			
Receipts from Ratepayers		33,625	30,845
Fees, Charges, Fines & other		11,014	7,514
Government Grants —Untied	3.1	5,616	4,932
Government Grants for Service Delivery	3.2	6,006	5,884
Interest Received		911	756
Payments to Suppliers and Employees		(42,862)	(43,090)
Interest Paid		(1,140)	(1,304)
Net Cash (Used in) / Provided by Operating Activities	17(a)	13,170	5,537
CASH INFLOWS / (OUTFLOWS) FROM INVESTING ACTIVITIES			
Payments for Property, Plant and Equipment		(8,421)	(7,333)
Proceeds from sale of Property, Plant and Equipment		1,381	2,922
Net Cash (Used in) Investing Activities		(7,040)	(4,411)
CASH INFLOWS / (OUTFLOWS) FROM FINANCING ACTIVITIES			
Borrowings		-	8,453
Repayment of Borrowings		(2,650)	(2,092)
Repayment of Superannuation		-	(9,417)
Trust monies and deposits received / (returned)	1.6	92	(442)
Net Cash (Used in) / Provided by Financing Activities		(2,558)	(3,498)
NET INCREASE / (DECREASE) IN CASH HELD		3,572	(2,372)
Non-restricted Cash at beginning of the financial year		4,357	6,809
Restricted Cash at beginning of the financial year		1,735	1,655
TOTAL CASH AT BEGINNING OF THE YEAR		6,092	8,464
Non-restricted Cash at the end of the financial year	5.1	7,837	4,357
Restricted Cash at the end of the financial year	5.2	1,827	1,735
TOTAL CASH AT END OF THE YEAR	17(b)	9,664	6,092

This Statement should be read in conjunction with the notes to the financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1.1. Basis of Accounting

These financial statements constitute a general purpose financial report that has been prepared in accordance with Australian Accounting Standards, Local Government Act 1989, Local Government Regulations 1990, other authoritative pronouncements of the Australian Accounting Standards Board and Urgent Issues Group Consensus Views. Accounting policies employed have remained consistent unless otherwise stated.

The financial statements are prepared on the accrual basis under the convention of historical cost accounting, except for certain assets, which are recorded at valuation in compliance with Local Government Regulations. These assets are valued at written down replacement cost or market value.

1.2. Acquisition of Assets

Assets are initially recorded at cost, including costs incidental to the acquisition such as architects fees and engineering design fees that are incurred in getting the asset ready for use.

1.3. Recognition of Non-Current Assets

The Council has adopted the following policy in relation to the acquisition of fixed assets and depreciation rates in relation to those assets.

- a) Due to an absence of reliable methodology and in accordance with Australian Accounting Standard AAS 27 Financial Reporting by Local Governments, the recognition of Land under Roads has been deferred until the year ending 30 June 2004.
- b) Thresholds for asset recognition were unchanged from 1998/99 except for Minor Plant, Furniture & Equipment where the threshold limit changed from \$5,000 to \$500. The financial effect of this change is not material.

Class of Assets	New Works Threshold Limit\$	Improvements Threshold Limit\$
Plant and Equipment	1,000	N/A
Minor Plant, Furniture & Equipment	500	5,000
Land and Buildings	1	N/A
Infrastructure Assets		
Roads	1	20,000
Drains, Footpaths and Bridges	1	5,000
Street Furniture	10,000	10,000

- c) All non-current assets having a limited useful life are systematically depreciated over their useful lives to Council in a manner that reflects the consumption of the service potential of those assets. Depreciation is provided on a straight-line basis using rates applicable to Council's experience. The estimated useful lives reflect a program of normal maintenance and are reviewed annually.

The following table shows the major categories of assets and associated useful lives.

Asset Category	Useful Life	Depreciation Rate
Plant and Equipment	10 years	10%
Minor Plant, Furniture & Equipment		
Artworks	100 years	1%
Furniture & Equipment	6 years	15%
IT Devices	5 years	20%
Parking Meters	10 years	10%
Street Signs/Traffic Control	10 years	10%
Library Catalogue	5 years	20%
Library Equipment	10 years	10%
Library Plant	5 years	20%

Land & Buildings		
Car Parks	100 years	1%
Land	Infinite	Nil
Buildings	50 years	2%
Non-Realisable Infrastructure Assets		
Bike Paths	50 years	2%
Footpaths	50 years	2%
Bridges	100 years	1%
Roads	60 years	1.6%
Drains	100 years	1%
Realisable Infrastructure Assets		
Street Furniture	10 years	10%
Playgrounds	10 years	10%

d) Revaluation of Non-current Assets

All non-current assets, are revalued to their current cost less accumulated depreciation at the date of each revaluation of property within the municipality.

The last such revaluation was carried out as at 1 January 2000.

Any revaluation decrement is recognised as an expense, except that, to the extent that the decrement reverses a previous revaluation increment that has been credited to, and is still being carried in the asset revaluation reserve in respect of the class of assets to which the asset belongs. In that event, the decrement is debited directly to the asset revaluation reserve.

Revaluation increments are credited directly to the asset revaluation reserve.

e) Realisable Infrastructure Assets

Infrastructure assets comprising street furniture and playground equipment are considered by their nature to be realisable assets. All other Infrastructure Assets are considered to be non-realisable. Non-realisable assets are excluded from the calculations of financial ratios. (Refer note 18)

1.4. Comparative Figures

Comparative information has, where necessary, been reclassified to comply with the presentation adopted in the current year.

1.5. Recognition of Revenues

a) Rates revenue

Rates and service charges are recognised as revenue when control over the assets comprising the revenues is obtained. Control over assets comprising rates and service charges is obtained at the declaration of the rate, levy or service charge, at commencement of the rating year.

- b) Grants, Donations and Other Contributions
Grants, donations and other contributions are recognised as revenue upon receipt or upon prior confirmation that they have been secured.

Related notes: Note 3.1 and 3.2.

- c) Fees, Charges and Fines
Fees and Charges are recognised as revenue upon receipt. Fines are recognised as revenue upon issuance of the infringement notice.
- d) Sale of Land
Revenue arising from the sale of land is recognised upon entering into an unconditional contract, or if conditional, revenue is recognised at settlement.

1.6. Trust Funds

Amounts received as tender deposits, bonds, retention monies and Hostel Entrance fees controlled by Council are recognised as trusts until they are refunded, forfeited or adjusted. Related Note 7.2.

1.7. Employee Entitlements

- a) Accrued Salary and Wages
A liability for accrued salary and wages including associated oncosts is recognised as a current liability being the amount earned and unpaid at balance date.
- b) Annual Leave and Long Service Leave
The liability for annual leave is determined at current rates of pay, inclusive of leave loading and associated oncosts, and is based on annual leave accrued and not taken as at balance date.

A liability for long service leave is recognised when it is probable that settlement will be required and the liability is capable of being measured reliably. Long service leave entitlements payable are assessed at each balance date having regard to length of service, estimated future movements in rates of pay, on costs and other factors including experience of employee departures and their periods of service. Long service leave entitlements expected to be settled after twelve months are measured at the present value of the estimated future cash outflows. The current portion is measured in nominal dollars. Interest rates on government securities are used for discounting future cash flows. Related note: Note 7.1 & 8

No provision is made in respect of employee entitlements for sick leave because it is non-vesting and the pattern of sick leave taken indicates that accumulated non-vesting sick leave will never be paid, in the majority of instances.

The Local Government (Long Service Leave) Regulations 1991 require maintenance of a separate investment account for Long Service Leave. This restricted asset is disclosed at Note 5.2. The liability calculated under the regulations formula does not match the liability determined under AAS 30 — Accounting for Employee Entitlements

- c) Superannuation

The superannuation expense for the financial year is the amount of the statutory contribution the council makes to the superannuation plan, which provides benefits to its employees. Additionally, the council may be called up to contribute towards any unfunded amounts in the Local Authorities Superannuation Fund in respect of former employees of council. Details of those arrangements are set out in Note 13.

1.8. Recognition of General Creditors

Liabilities are recognised for amounts to be paid in the future for goods provided and services received as at balance date, whether or not invoices have been received. Related notes: Note 12.

1.9. Leases

Operating lease payments are expensed in the year in which the payment is made. Operating leases are those where the risks of ownership of the assets are effectively retained by the lessor, as opposed to finance leases where the lessee carries a substantial component of the risk. Council has no finance leases.

1.10. Property Held for Resale

Property held for resale is valued at the lower of cost and net realisable value. Cost includes all incidental costs associated with the property such as acquisition costs, development costs and financing costs during development of the property.

1.11. Investments

Investments are valued at cost. Interest revenues are recognised as they accrue.

Cash

For the purpose of the statement of cash flows, cash includes cash deposits which are readily convertible to cash on hand and which are available for day to day cash management activities.

1.12. Rounding

The figures in the financial statements and the accompanying notes are rounded to the nearest thousand dollars.

2. FUNCTIONS AND ACTIVITIES

Revenue and expenses have been attributed to the following functions:

2.1. Revenue and Expenses by Function

Grants Commission revenue and expense classifications have been used in the table:

REVENUE ATTRIBUTED 1999/00				EXPENSES 1999/00		SURPLUS / (DEFICIT) before Abnormals	
	\$000 General	\$000 Grants	\$000 Total	% of Total	\$000		% of Total
Community Services	1,372	4,989	6,361	11.21%	9,818	16.49%	(3,457)
Health & Environment	6,251	109	6,360	11.21%	8,690	14.59%	(2,330)
Leisure	871	635	1,506	2.65%	6,576	11.04%	(5,070)
Transport	1,762	995	2,757	4.86%	4,654	7.82%	(1,897)
Management & Economic Development	34,849	4,894	39,743	70.07%	29,803	50.06%	9,940
Total Revenues & Expenses	45,105	11,622	56,727	100%	59,541	100%	(2814)

REVENUE ATTRIBUTED 1998/99				EXPENSES 1998/99		SURPLUS / (DEFICIT) before Abnormals	
	\$000 General	\$000 Grants	\$000 Total	% of Total	\$000		% of Total
Community Services	1,467	4,634	6,101	11.24%	8,712	15.89%	(2,611)
Health & Environment	4,591	117	4,708	8.67%	8,181	14.92%	(3,473)
Leisure	1,239	772	2,011	3.70%	6,870	12.53%	(4,859)
Transport	1,982	1,094	3,076	5.67%	5,238	9.55%	(2,162)
Management & Economic Development	34,193	4,199	38,392	70.72%	25,834	47.11%	12,558
Total Revenues & Expenses	43,472	10,816	54,288	100%	54,835	100%	(547)

Assets are distributed according to management responsibility and this does not align to activities or functions. Therefore, distribution of assets by activities or functions is not separately disclosed as required by Australian Accounting Standard AAS 27 Financial Reporting by Local Governments .

2.2. Functions of Council

Function by Grants Commission Categories	Synopsis of activities by functions undertaken
Community Services	Community services to residents and local organisations and support services covering a broad range of community and individual needs: <ul style="list-style-type: none"> • Adult day care and aged persons hostel • Childcare centres & pre-schools • Family support, home care • Meals-on-wheels • Recreation programmes • Services for the disabled • Youth support and youth housing
Health & Environment	Operation and maintenance of <ul style="list-style-type: none"> • Collection and disposal of all waste materials • Development planning and control • Preventative health services • Street beautification • Street cleaning and environmental protection
Leisure	Operation and maintenance of <ul style="list-style-type: none"> • Arts and cultural activities • Indoor leisure centres • Parks and gardens, sporting and nature reserves • Public halls & community centres • Public library
Transport	Operation and maintenance of <ul style="list-style-type: none"> • Bridges • Parking and traffic control facilities • Pedestrian and bicycle networks • Road & footpath construction • Street lighting • Works depots
Management & Economic Development	Operation and maintenance of <ul style="list-style-type: none"> • Economic development • General management and administrative support for all Council operations and services • Maintenance and protection of Council assets • Promotion and marketing of Council services • Rate Revenues & Financial Assistance Grants • Strategic planning

	2000 \$'000	1999 \$'000
3. REVENUES		
3.1. Government Grants Untied		
Financial Assistance Grant - General Purpose	4,808	4,130
Financial Assistance Grant - Untied Road Funding	808	802
	5,616	4,932
3.2. Government Grants for Service Delivery		
Community Services	4,989	4,634
Health & Environment	109	117
Leisure	635	772
Transport	187	292
Management & Economic Development	86	69
Total Government Grants for Service Delivery	6,006	5,884
Total Government Grants	11,622	10,816
3.3. Fees, Charges and Fines		
Community Services	1,140	1,218
Health & Environment	998	824
Leisure	610	636
Transport	1,187	1,022
Management & Economic Development	589	755
Total Fees, Charges and Fines	4,524	4,455
3.4. Profit on Sale of Property, Plant and Equipment		
Proceeds on sale of Property, Plant & Equipment	1,381	2,922
Less carrying amount of assets sold.	(987)	(2,525)
	394	397
3.5. Other Revenue		
Recoveries		
Residential Amenity	581	754
State Revenue Office	231	44
Other	173	180
	985	978
Produce Market	1,769	1,755
Communication Towers	102	102
National Competition Policy	74	75
Retainer	33	36
Other	1,093	846
Total Other revenue	4,056	3,792

	Note	2000 \$'000	1999 \$'000
3.6. Abnormal Revenue			
Transfer of Superannuation Liability	13	-	1,861
Recognition of assets previously not included		1,180	-
		1,180	1,861
4. EXPENSES			
4.1. Employee Costs			
Salaries & Wages		16,735	18,572
Superannuation		1,824	1,604
WorkCover		704	581
Fringe Benefits Tax		158	159
		19,421	20,916
4.2. Materials and Services			
Maintenance and Repairs		2,048	1,872
External Contracts		8,733	6,093
Special Projects		3,723	3,708
		14,504	11,673
4.3. Depreciation			
Plant & Equipment		1,641	1,163
Minor Plant, Furniture and Equipment		1,716	1,055
Land Improvement		4	3
Buildings		3,764	3,178
Infrastructure Assets- Non-Realisable		4,704	2,159
Infrastructure Assets —Realisable		744	426
		12,573	7,984
4.4. Other			
Contractors/Consultants		2,670	2,195
Grants		1,506	1,394
Utilities		1,167	1,148
Sponsorships		718	597
Legal		222	405
Motor Vehicles		535	453
Insurance		535	490
Other		3,563	3,751
		10,916	10,433
4.5. Abnormal Expenses			
Y2K Project		-	153
Staff Redundancies		-	1,734
Superannuation		-	170
Depreciation adjustment for prior years (i)	13	15,209	-
Write off of assets (ii)		7,563	-
		22,772	2,057

- (i) —This adjustment represents the under depreciation of non-current assets in prior years arising from an incorrect basis upon which depreciation had been calculated.
- (ii) —Represents the write off of non-council assets included in the previous valuation in error.

5. CURRENT ASSETS	Note	2000 \$'000	1999 \$'000
5.1. Cash at Bank			
Cash on Call		<u>7,837</u>	<u>4,357</u>
5.2. Investments			
Bank Deposits on Call		<u>1,827</u>	<u>1,735</u>
Total cash and Investments		<u>9,664</u>	<u>6,092</u>
The above figures are reconciled to cash at the end of the period as shown in the statement of cash flows as follows;			
Balance per statement of cash flows		<u>9,664</u>	<u>6,092</u>
Assets, which have restrictions imposed on their use by law, deed or regulation and which are included in Investments:			
Restricted Assets with offsetting Liabilities			
Long Service Leave Investment	12	1,827	1,735
Restricted Cash - Cashflows			
Restricted Cash at beginning of the financial year		1,735	1,655
Cash Inflows Long Service Leave		92	80
Restricted Cash at end of the financial year		<u>1,827</u>	<u>1,735</u>
5.3. Receivables			
Rates Debtors		1,477	1,510
General Debtors (i)		5,437	7,230
Less: Provision for Doubtful Debts		<u>(1,326)</u>	<u>(1,426)</u>
		<u>5,588</u>	<u>7,314</u>
(i) Following the amalgamation of councils, the Council entered into a settlement agreement with the Cities of Casey & Kingston to address the consequences of changes in the council boundaries. These agreements resulted in the transfer of certain assets, liabilities and personnel between the councils. At that time the responsibility for the superannuation liability in respect of employees transferred to/from the Cities of Casey and Kingston was not transferred. Council negotiated with these Councils to determine the share of liability to be transferred between all three parties. With the City of Kingston, an amount of \$1.678M was recognised in 1998/99 as a debtor following arbitration. Action taken by Kingston against another council has reopened new arbitration which is due for hearing in September 2000. Council however does not envisage any change to the original determination. Interest accrued on this amount has also been recognised by Council.			
5.4. Property Held for Resale			
Land at net realisable value —Valued 1 July 1997		-	1,248
Land at net realisable value - Valued 1 January 2000		<u>7,892</u>	<u>-</u>
5.5. Other			
Prepayments		90	21
Inventory		156	160
		<u>246</u>	<u>181</u>

6. NON-CURRENT ASSETS	Note	2000 \$'000	1999 \$'000
6.1. Plant and Equipment			
At Valuation - 1 July 1996		-	4,055
At Council Valuation —1 January 2000		7,060	-
At Cost		1,088	2,362
Less: Accumulated Depreciation		<u>(4,458)</u>	<u>(3,084)</u>
		<u>3,690</u>	<u>3,333</u>
Plant and Equipment was valued by Sam DiStefano, Council's Fleet Co-ordinator, as at 1 January 2000. The valuation was done on the basis of written down replacement value.			
6.2. Minor Plant, Furniture & Equipment			
At Valuation 30 June 1997		-	4,477
At Independent Valuation —1 January 2000		13,357	-
At Cost		766	2,118
Less: Accumulated Depreciation		<u>(8,414)</u>	<u>(2,622)</u>
		<u>5,709</u>	<u>3,973</u>
"At valuation" estimates for minor plant, furniture and equipment were determined by Denis Hunt and Associates Pty Ltd as at 1 January 2000. The valuation was done on the basis of written down replacement value.			
6.3. Land and Buildings			
Land			
At Valuation - 1 July 1997		-	176,723
At Independent Valuation —1 January 2000		182,311	-
Land transferred to Current Assets for sale		(7,491)	(1,248)
At Cost		456	864
Less: Accumulated Depreciation		<u>(72)</u>	<u>(68)</u>
		<u>175,204</u>	<u>176,271</u>
Buildings			
At Valuation - 1 July 1997		-	157,226
At Independent Valuation —1 January 2000		196,769	-
Buildings transferred to Current Assets for sale		(321)	-
At Cost		808	2,911
Less: Accumulated Depreciation		<u>(92,018)</u>	<u>(73,171)</u>
		<u>105,238</u>	<u>86,966</u>
"At valuation" estimates for land and buildings were determined by ProVal (Vic) Pty Ltd Certified Valuers as at January 1, 2000. The valuation was done on the basis of market value.			
6.4. Non Realisable Infrastructure Assets			
Bike Paths			
At Valuation - 1 July 1997		-	747
At Council Valuation —1 January 2000		2,283	-
At Cost		58	208
Less: Accumulated Depreciation		<u>(495)</u>	<u>(37)</u>
		<u>1,846</u>	<u>918</u>
Footpaths			
At Valuation - 1 July 1997		-	11,588
At Council Valuation —1 January 2000		52,226	-
At Cost		460	543
Less: Accumulated Depreciation		<u>(25,724)</u>	<u>(472)</u>
		<u>26,962</u>	<u>11,659</u>
Bridges			
At Valuation - 1 July 1997		-	7,500
At Council Valuation —1 January 2000		8,998	-
At Cost		32	303
Less: Accumulated Depreciation		<u>(1,148)</u>	<u>(161)</u>
		<u>7,882</u>	<u>7,642</u>

CITY OF GREATER DANDENONG

Notes to and forming part of the Financial Statements for the year ended 30 June 2000

	Note	2000 \$'000	1999 \$'000
Roads			
At Valuation - 1 July 1997		-	81,424
At Council Valuation —1 January 2000		289,673	-
Roads transferred to Current Assets for sale		(80)	-
At Cost		1,896	3,234
Less: Accumulated Depreciation		(106,185)	(2,251)
		185,304	82,407
Drains			
At Valuation - 1 July 1997		-	47,377
At Council Valuation —1 January 2000		132,396	-
At Cost		511	1,954
Less: Accumulated Depreciation		(47,640)	(980)
		85,267	48,351
"At valuation" estimates for infrastructure were determined as at 1 January 2000 by: Council's Civil and Transport Planning unit. The valuation was done on the basis of written down replacement value.			
6.5. Realisable Infrastructure Assets			
Street Furniture			
Completed Assets At cost		-	251
At Valuation —1 January 2000		5,747	-
At Council Valuation - 1 July 1997		289	4,090
Less: Accumulated Depreciation		(2,746)	(859)
		3,290	3,482
Playgrounds			
Completed Assets At cost		-	1,402
At Valuation —1 January 2000		3,215	-
At Council Valuation - 1 July 1997		59	378
Less: Accumulated Depreciation		(1,861)	-
		1,413	1,780
"At valuation" estimates for infrastructure assets were determined as at 1 January 2000 by: Council's Civil and Transport Planning unit. The valuation was done on the basis of written down replacement value.			
6.6. Works in Progress			
		228	1,318
		228	1,318
6.7. Total Non-Current Assets movements			
At Valuation - 1 July 1997		-	492,770
At Valuation —1 January 2000		894,035	-
Assets transferred to Current Assets for sale		(7,892)	(1,248)
At Cost		6,423	18,965
Less: Accumulated Depreciation		(290,761)	(83,705)
Works in Progress		228	1,318
		602,033	428,100
TOTAL NON-CURRENT ASSETS			
7. CURRENT LIABILITIES			
7.1. Provisions			
Annual Leave		1,887	1,897
Long Service Leave		204	180
Defined Benefit Superannuation Liability	13	929	761
		3,020	2,838
7.2. Trust Monies			
Hostel Entrance Fees		331	345
Jenny Slade Scholarship		15	15
Crossing & Other deposits		237	131
		583	491

CITY OF GREATER DANDENONG

Notes to and forming part of the Financial Statements for the year ended 30 June 2000

	2000 \$'000	1999 \$'000
8. NON-CURRENT LIABILITIES— Provisions		
Long Service Leave	2,208	2,271
	2,208	2,271
9. RESERVES		
9.1. Restricted general reserves		
Public Resort and Recreation Land	589	639
Botanical Garden	54	54
Land Development	191	191
Central Car Parking	865	865
	1,699	1,749
9.2. Non- restricted general reserves		
Plant Replacement	654	654
Self Insurance	59	59
Meals on Wheels	56	56
	769	769
Total general reserves		
	2,468	2,518
9.3. Movements to and (from) general reserves		
Public Resort and Recreation Land	(50)	(356)
	(50)	(356)
9.4 Movement in asset revaluation reserve		
Plant and machinery	2,239	-
Minor plant, furniture and equipment	2,065	-
Land	5,227	-
Buildings	24,384	-
Non-realizable infrastructure assets:		
- Bike paths	992	-
- Footpaths	18,292	-
- Bridges	367	-
- Roads	114,738	-
- Drains	38,858	-
Realisable infrastructure assets:		
Street furniture	91	-
Playgrounds	55	-
	207,308	-

	Note	2000 \$'000	1999 \$'000
10. FINANCING ARRANGEMENTS			
Council has access to the following line of credit at balance date			
Bank Overdraft facilities available		2,500	2,500
11. COMMITMENTS AND CONTINGENCIES			
11.1. Operating Lease Commitments			
Not later than one year		215	201
Later than 1 year but less than 5 years		246	195
Over 5 years		-	-
	1.9	<u>461</u>	<u>396</u>
11.2. Capital Commitments			
Not later than one year		<u>2,311</u>	<u>519</u>
11.3. Works and Services Contracts			
Not later than one year		8,927	11,330
Later than 1 year but less than 5 years		14,440	5,417
Over 5 years		-	3,044
		<u>23,367</u>	<u>19,791</u>

12. FINANCIAL INSTRUMENTS

12.1. Terms, conditions and accounting policy

Recognised Financial Instruments	Note	Accounting Policy	Terms and Conditions
Financial Assets			
Cash on Call	5.1	Valued at cost. Interest recognised as it accrues.	On call deposits returned floating interest rates returns between 4.55% and 5.84% (1998/99 4.36% and 5.42%). The rate at balance date was 5.80% (1998/99 4.36%)
Bank Deposits on Call	5.2	Valued at cost. Interest is recognised as it accrues.	Withdrawals are on 24 hours notice. Bank Deposits returned floating interest rates returns between 4.24% and 5.59%. net of fees (1998/99 4.95% and 5.31%)
Rates Debtors	5.3	Rates are a charge attached to the rateable land and therefore no provision for doubtful debts is made. Interest rates are reviewed annually.	Rates are payable by four installments during the year or by lump sum in February. Arrears, including Deferred Rates, attract interest. The interest rate was 12.3% at balance date for general rates (1998/99 12.3%)
General Debtors	5.3	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debt is recognised when collection in full is no longer probable. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and interest free. Credit terms are usually up to 60 days.
Financial Liabilities			
General Creditors		Liabilities are recognised for amounts to be paid in the future for goods received 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.
Borrowings		The loan with the Commonwealth Bank was obtained to refinance borrowings in July 1997. \$8,487,727	The loan is for five years and principal & interest are repayable every six months. The loan is secured by a mortgage over Council's general rates. The interest rate is fixed at 6.61 %
Borrowings		The loan with the Commonwealth Bank was obtained to repay the amount owing to the LASB in respect of superannuation liability in April 1999. \$5,500,000	The loan is for ten years and principal & interest are repayable every three months. The loan is secured by a mortgage over Council's general rates. The interest rate is fixed at 5.8 %.
Borrowings		The loan with the Commonwealth Bank was obtained in April 1999 to repay the amount owing to the LASB in respect of the superannuation liability which is to be claimed against the City of Kingston, \$2,952,000	The loan was originally taken out for one year, with principal & interest being payable at maturity on 28 April 2000. The loan was rolled over for a further four years, to be repayable in April 2004. This loan too is secured by a mortgage over Council's general rates. The interest rate ruling on this loan is 7.58% and is fixed for the remainder of the term.

12.2. Interest Rate Risk

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

	Fixed Interest rate maturing in:						Total carrying amount as per the statement of financial position	Weighted average effective interest rate %	
	Floating Interest Rate	1yr or less		Over 1 to 5 years		More than 5 years			
		2000 \$ '000	1999 \$ '000	2000 \$ '000	1999 \$ '000	2000 \$ '000			1999 \$ '000
1) Financial Assets									
Rates	1,477	1,510				1,477	1,510	12.3	
Debtors						4,111	5,804		
Cash on Call	7,837	4,357				7,837	4,357	4.86	
Bank Deposits	1,827	1,735				1,827	1,735	4.73	
Total Financial Assets	11,141	7,602				15,252	13,406	4.80	
2) Financial Liabilities									
Creditors						7,172	5,147		
Borrowings			2,825	2,952	9,472	8,488	1,993	5,500	
Total Financial Liabilities			2,825	2,952	9,472	7,172	5,147	6.08	

12.3. Net Fair Value

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

	Total carrying amount as per the statement of financial position		Aggregate net fair value	
	2000 \$ '000	1999 \$ '000	2000 \$ '000	1999 \$ '000
On Balance Sheet Financial Assets				
Receivables - Rates	1,477	1,510	1,477	1,510
Receivables - Other	4,111	5,804	4,111	5,804
Cash on Call	7,837	4,357	7,837	4,357
Investments	1,827	1,735	1,827	1,735
Total Financial Assets	15,252	13,406	15,252	13,406
Financial Liabilities				
Creditors	7,172	5,147	7,172	5,147
Borrowings	14,290	16,940	12,150	14,463
Total Financial Liabilities	21,462	22,087	19,322	19,610

The following methods and assumptions are used to determine the net fair value of financial assets and financial liabilities:

Creditors, Cash Investments, and Debtors	The carrying amount equals the fair value because of the short term to maturity.
Borrowings	The fair value is based on the discounted cash flow method
Rates	The carrying amount approximated fair value because of the short-term maturity. Deferred rates do not materially impact on this assumption.

13. SUPERANNUATION

Local Authorities Superannuation Fund

In accordance with statutory requirements, Council makes employer superannuation contributions, in respect of its employees, to the Local Authorities Superannuation Fund (the Fund).

Accumulation Benefits Members

From 1 January 1994 new employees are classified by the Fund as members under an accumulation benefits scheme, known as LASPLAN. LASPLAN receives both employer and employee contributions on a progressive basis. Employer contributions are based on a fixed percentage of employee earnings in accordance with the Superannuation Guarantee Legislation (7% in 1999/00 and 1998/99). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

During 1999/00 superannuation contributions relating to LASPLAN for that year's accumulation benefits members' service was \$611,864 (\$567,255 in 1998/99).

Defined Benefits Members

Employees who commenced with Local Government before 1994 are classified by the Fund as Defined Benefits members. Council makes employer contributions to the defined benefits category of the Fund at rates determined by the Fund's Trustee. The rate is currently 9.25% (9.25% in 1998/99) of eligible remuneration. During 1999/00 Council's superannuation contributions relating to that year's defined benefits members' service was \$991,761 (\$976,411 in 1998/99). In addition, Council reimburses the Fund for the difference between resignation and retrenchment benefits paid to employees retrenched during the year. Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

In 1996/97 Council brought to account, as an abnormal expense, a liability of \$7.593 million, including \$1.139 million tax, for its share of the Fund's unfunded superannuation liability relating to benefits accrued for past service as at 30 June 1997. Interest is applied by the Fund on outstanding balances at the annual earning rate of the Fund. Commonwealth tax (currently equivalent to 17.65%) is applied to principal and interest and is included in the liability recorded by Council. An additional amount of \$383,394 including \$57,517 tax was brought to account in 1998/99.

A further amount of \$168,144, representing retrenchment increments and interest incurred by Council has been brought to account in 1999/00.

During 1998/99 Council paid the Fund \$9.417M, including \$1.349M tax, over and above its annual employer contributions to fund ongoing service, to reduce its superannuation liability for past service and retrenchment increments.

Council has an ongoing obligation to share in the future experience of the Fund. Favourable or unfavorable variations may arise should the experience of the Fund differ from the assumptions made by the Fund's actuary in estimating the Fund's accrued benefits liability.

The most recent full actuarial review of the Fund was undertaken by the Fund's actuary, Grant Harslett, FIA, FIAA, of Towers Perrin, as at 30 June 1998. The Fund's liability for accrued benefits was determined by reference to expected future salary levels and by application of a market-based risk-adjusted discount rate and relevant actuarial assumptions. It was determined that the net assets of the Fund, which includes amounts owed by Council to the Fund, were more than sufficient to meet the accrued benefits of the Fund's defined benefit category members. The actuary is currently undertaking a further full actuarial review as at 30 June 2000. The results of this review were not available as at the date of signing of the financial statements.

The Council's past service liability to the fund as at 30 June 2000, including retrenchment increments, accrued interest and tax is \$928,673 (\$760,529 as at 30 June 1999).

14. CONTINGENT LIABILITIES**BANK GUARANTEES**

Council has agreed to guarantee bank loans taken out by the Dandenong Basketball Association (DBA) to a maximum amount of \$2 million. At Balance Date the amount drawn by the DBA was \$1.35 million (\$1.41 million as at June 30 1999). Council has also agreed to guarantee a bank overdraft taken out by the Springvale City Soccer Club to a maximum amount of \$20,000.

LEGAL ACTIONS

Council is involved in a number of Legal Actions. Council's exposure in these claims may be up to \$80,000.

FUTURE LEGAL CLAIMS

Council may be exposed to future legal claims, as part of the former City of Dandenong sanitary depot site, which was sold without ensuring Environmental Protection Authority, requirements were met.

15. RELATED PARTY TRANSACTIONS

Names of persons holding the position of a Responsible Person at the Greater Dandenong City Council during the reporting year are:

Councillors

Naim Melhem (Mayor) 1/7/99 —18/3/00
 Angela Long (Mayor) 22/3/00
 Roz Blades
 John Kelly
 Dale Wilson
 Yvonne Herring
 Youhorn Chea
 Paul Donovan
 Maria Sampey 22/3/00
 Geraldine Gonsalvez 22/3/00
 Kevin Walsh 22/3/00

Phil Reed 1/7/99 - 18/3/00
 Sharon Harris 1/7/99 - 18/3/00
 Greg Harris 1/7/99 - 18/3/00

Chief Executive Officer

Warwick Heine

Remuneration of Responsible Persons in bands of \$10,000

Income Range	2000 No.	1999 No.
\$10,000 - \$19,999	10	10
\$20,000 - \$29,999	-	-
\$30,000 - \$39,999	1	1
\$160,000 - \$169,999	-	-
\$180,000 - \$189,999	1	1
Total	12	12
	==	==

	2000 \$'000	1999 \$'000
Total remuneration for the reporting year, for Responsible Persons included above, amounted to:	\$352	\$344

Senior Officers' Remuneration

The number of senior officers, other than Responsible Persons, whose total remuneration exceeded \$70,000 during the financial year, are shown below in their relevant income bands:

Income Range	2000 No.	1999 No.
\$70,000 - \$79,999	4	6
\$80,000 - \$89,999	5	3
\$90,000 - \$99,999	7	6
\$100,000 - \$109,999	3	4
\$110,000 - \$119,999	0	0
\$120,000 - \$129,999	2	3
\$130,000 - \$139,999	1	1
Total	22	23
	====	====

	2000 \$'000	1999 \$'000
Total remuneration for the Financial year of senior officers included above amounted to:	\$2,067	\$2,181

Retirement benefits paid by the Council in connection with the retirement of Responsible Persons of the Council amount to \$Nil (1998/99 \$Nil).

No loans have been made, guaranteed or secured by the Council to a Responsible Person of the Council during the financial year (1998/99 \$Nil).

A number of Responsible Persons have minority shareholdings in public companies, which have dealings with the Council from time to time. These and other transactions with Responsible Persons who also hold the office of Councillor are required to be declared under section 81 of the Local Government Act 1989 (as amended) and are held in a register in accordance with that Act. The Register is available for public inspection.

16. DISCLOSURES REQUIRED BY THE LOCAL GOVERNMENT ACT 1989

The Local Government Act 1989 requires that the following additional disclosures be incorporated into the Notes accompanying the Financial Statements.

16.1. Comparison of Budgeted and Actual Operating Results

	Actual 1999/00 \$'000	Budget 1999/00 \$'000
Revenues		
Rates	33,592	33,360
Government Grants	11,622	10,958
Fees, Charges and Fines	4,524	3,790
Contributions	641	-
Interest	911	467
Asset Sales	1,381	879
Other	4,056	3,199
Total Revenues	56,727	52,653
Expenses		
Employee Costs—including on costs	19,421	20,360
Materials and Services	14,504	13,310
Depreciation	12,573	7,433
Carrying Amount of Assets Sold.	987	-
Interest	1,140	1,025
Other	10,916	9,577
Total Expenses	59,541	51,705
Operating Surplus before Abnormal Items	(2,814)	948
Abnormal Expenses	(22,772)	-
Abnormal Income	1,180	-
Operating Surplus after Abnormal Items	(24,406)	948
16.2. Budget and Actual Cash flows Relevant to Determining Rates and Charges		
	Actual 1999/00 \$'000	Budget 1999/00 \$'000
Revenues		
Operating Revenue	56,727	52,653
Less Rates	33,592	33,360
	23,135	19,293
Plus Transfers From Reserves	400	-
Less Transfers to Reserves	(350)	-
Cash Available Excluding Rates and Charges (A)	23,185	19,293
Expenditures		
Operating Expenses	59,541	51,705
Plus Expenditure on Assets	8,421	11,039
Plus Loan Repayments	2,650	2,618
Less Depreciation	(12,573)	(7,433)
Less Carrying amount of Assets Sold	(987)	-
Cash Expenditure Requirement (B)	57,052	57,929
Net Cash Required from Rates (B-A)	33,867	38,636
Rates and Charges Raised	33,592	33,360
Cash Result	(275)	(5,276)

16.3. Reconciliation Between the Operating Result and Cash Result

	Note	Actual 1999/00 \$'000	Budget 1999/00 \$'000
Operating Surplus after abnormal items	16.1	(24,406)	948
Add Non-cash Items Included in the Operating Result			
Depreciation	16.1	12,573	7,433
Abnormal Items	16.1	21,592	-
Carrying amount of Assets Sold	16.1	987	-
Operating Result less Non-cash Items		10,746	8,381
Cash Items not included in the Operating Statement			
Expenditure on Assets	16.2	(8,421)	(11,039)
Repayment of Borrowings	16.2	(2,650)	(2,618)
Transfers from Reserves	16.2	400	-
Transfers to Reserves	16.2	(350)	-
		(11,021)	(13,657)
Cash Result	16.2	(275)	(5,276)

17. NOTES TO THE STATEMENT OF CASH FLOWS

17 (a) Reconciliation of Net Cash Inflow / (Outflow) from Operating Activities to Increase / (Decrease) in Net Assets resulting from operations

	Note	Actual 1999/00 \$'000	Actual 1998/99 \$'000
Increase / (Decrease) in Net Assets resulting from operations after abnormal items		(24,406)	(743)
Add / (Less)			
Depreciation	4.3	12,573	7,984
(Increase)/ Decrease in other current assets	5.5	(65)	(15)
Profit on Sale of Assets	3.4	(394)	(397)
(Increase)/ Decrease in Receivables	5.3	1,726	(3,564)
(Decrease)/ Increase in Creditors		2,025	538
(Decrease)/ Increase in Employee Entitlements	7.1, 8	119	1,734
Abnormal Items	3.6, 4.5	21,592	-
Net Cash Inflow/ (Outflow) from Operating Activities		13,170	5,537

17 (b) Reconciliation of Cash

For purposes of the Statement of Cash Flows, cash (net of any outstanding bank overdraft) includes cash deposits and short term investments (less than 90 days to maturity) which are readily converted to cash at the Council's option and which are subject to insignificant risk of change in values. Cash at the end of the financial year as shown in the Statement of Cashflows is reconciled to the related items in the statement of financial position as follows: -

Current Asset —Cash	5.1	7,837	4,357
Current Asset —Investments	5.2	1,827	1,735
Cash at balance date as per Statement of Cash Flows		9,664	6,092

18. Financial Ratios	1999/00	1998/99
Debt Servicing Ratio To identify the capacity of Council to service outstanding debt. Interest as a percentage of Council's Total Revenue.	2.01%	2.38%
Debt Commitment Ratio To identify a Council's debt redemption strategy. Loan interest and loan redemption payments as a percentage of Rate revenue.	11.28%	11.04%
Revenue Ratio To identify a Council's dependence on non-rate income. Rate revenue as a percentage of Total Revenue.	59.22%	56.67%
Debt Exposure Ratio To identify a Council's exposure to debt. Realisable Assets available for every dollar of Total Liabilities less liabilities associated with Restricted Assets. (See note below)	23.38:1	15.99:1
Working Capital Ratio To assess a Council's ability to meet current commitments. Current Assets available to meet each dollar of Current Liabilities.	1.72:1	1.30:1

Value of Land in the Municipality

The value of land within the Municipality at Balance Date for rating purposes	\$6,839,799,649
Date of Valuation	June 30, 1994
Date on which the valuation first applied	October 1, 1996
Date of next Valuation	January 1, 2000
Date on which next valuation will be applicable	July 1, 2000

Note:

For the purpose of calculation of Financial Ratios, realisable assets are those which are not subject to any restriction or sale. Liabilities associated with restricted assets are excluded from total liabilities for the purpose of calculating the ratio.

Non realizable assets are listed in note 1.3(c)

CERTIFICATION OF FINANCIAL STATEMENTS

In my opinion the accompanying financial statements have been prepared in accordance with the Local Government Act 1989, the Local Government Regulations 1990, Australian Accounting Standards and other mandatory professional reporting requirements.

Jay Peries
Principal Accounting Officer

Dated:

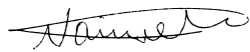
In our opinion the accompanying financial statements present fairly the financial transactions of the City of Greater Dandenong for the year ended 30 June 2000 and the financial position of the Council as at that date.

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



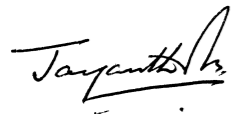
Angela Long
Councillor

Dated:



Naim Melhem
Councillor

Dated:



Jay Peries
Principal Accounting Officer

Dated:

Location: Springvale



AUDITOR GENERAL
VICTORIA

AUDITOR-GENERAL'S REPORT

To the responsible Ministers and the Councillors of Greater Dandenong City Council

Audit Scope

The accompanying financial report of Greater Dandenong City Council for the financial year ended 30 June 2000, comprising operating statement, statement of financial position, statement of changes in equity, statement of cash flows and notes to the financial statements, has been audited. The Councillors are responsible for the preparation and presentation of the financial report and the information it contains. An independent audit of the financial report has been carried out in order to express an opinion on it to the responsible Ministers and the Councillors as required by the *Audit Act 1994*.

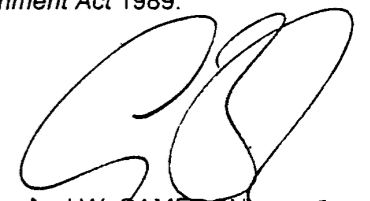
The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Local Government Act 1989*, so as to present a view which is consistent with my understanding of the Council's financial position, the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the financial report presents fairly the financial position of Greater Dandenong City Council as at 30 June 2000 and the results of its operations and its cash flows for the year ended on that date in accordance with Australian Accounting Standards and other mandatory professional reporting requirements and complies with the requirements of the *Local Government Act 1989*.

MELBOURNE
9 11/01 2000



J.W. CAMERON
Auditor-General

CITY OF GREATER DANDENONG: PERFORMANCE STATEMENT FOR THE YEAR ENDED JUNE 2000

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Introduction to the Performance Statement.

The Victorian Government is of the view that it is reasonable to expect all councils to collect and publish performance information. The Government amended the Local Government Act (Section 153 of the Local Government Act 1989) to ensure that local government develops new performance accountability mechanisms which allow for a consistent approach in the collection and reporting of information regarding financial performance, operating costs and community satisfaction. Without comparable figures, a great deal of benefit of measuring performance is lost.

The use of performance indicators by local government is a significant first step towards achieving:

- An improved capacity to objectively measure council performance leading to a better set of relationships between state and local government ; and
- Better informed local communities.

Since 1997/98, there has been a requirement for councils to adopt an annual business plan as part of its corporate planning cycle and as from 1998-1999 to include in its annual report a statement of performance against the targets set in the annual business plan.

Common Terms

The majority of the terms used in the performance statement are the same as those used in the financial statements, however some of the terms are different. A full and detailed explanation of each indicator, how it is calculated, its purpose and interpretation etc, can be found in the "Explanatory Guide" which is available from the Council.

Short explanations of the "different" terms used are listed below:

Assessments – or rate notices.

Budget – refers to the originally published budget of the council.

Capital Expenditure – is the amount capitalised to the Statement of Financial Position (ie the aggregate additions to non current assets for the year) and contributions by Council to major assets not owned by Council.

Capital Improved Value – is the total market value of the land plus buildings and other improvements.

Customer Satisfaction Ratings – Indexed mean of 350 respondents' answers in a survey, conducted by the independent strategic research consultants Newton Wayman Research, asking them to rate council's performance. The indexed mean is a weighted score across five performance ratings being 100 – for an excellent / outstanding performance, 80 a good / high standard, 60 – adequate / acceptable 40 – needs some improvement and 20 – needs a lot of improvement.

Internal Funding – is the sum of the operating surplus before abnormal items, depreciation of all assets and transfers from reserves, less profit / (loss) on asset sales.

Annual Plan: Progress Against Financial Targets, 1999-2000

Median residential property – is the “Mid Point” of the values for residential properties such that exactly half of the values of residential properties have greater values than that point or dollar figure and half have smaller values. It is NOT the average (or arithmetic mean).

Net recurrent expenditure – Recurrent expenditure less recurrent grants for specific purposes.

Population – Estimated total residential population of the municipality as at 30 June of the previous year, as published by the ABS in “Regional Population Growth” catalogue no. 3218.0 or “Population by Age and Sex” catalogue no. 3235.2.

Rates and Charges – declared – are those declared as being receivable, in the calculations for the adopted rates, at the beginning of the year.

Recurrent expenditure – is operating expenditure less non-recurrent items such as depreciation on infrastructure and heritage assets.

Recurrent revenue - is operating revenue less non-recurrent items such as specific non-recurrent (capital) grants; and profit/loss on sale of assets.

Recurrent surplus/deficit - Recurrent revenue less recurrent expenditure.

Outputs	Note	Measures	Actual: 1999/ 2000	Target: 1999/ 2000	Difference	Actual: 1998/ 1999
Rates Management		% change in total rates and charges declared from previous year	9.19%	7.95%	1.24%	6.87%
		Rates and Charges (per Assessment)	\$645.82	\$643.01	\$2.81	\$596
		Rates and Charges (per Capita)	\$253.41	\$247.84	\$5.57	\$230
		Rates and Charges (% of CIV)	0.49%	0.45%	0.04%	0.46%
		Rates and Charges (median property value)	\$450.00	\$425.00	\$25.00	\$425
	1	Average residential Assessment	\$351.00	\$452.81	\$-101.81	\$421
		Rates and Charges (% of CIV-farms)	0.31%	0.52%	-0.21%	0.49%
		Rates and Charges (% of CIV-comm/ind)	0.49%	0.52%	-0.03%	0.48%
Dependence on Rates and Grants		Rates and Charges (% of total recurrent revenue)	59.22%	61.84%	-2.62%	56.08%
		Financial Assistance Grants (per capita)	\$36.27	\$31.18	\$5.09	\$30.82
Achieve Financial Plans	2	% achievement of budgeted \$1,037 operating surplus/deficit (actual against original budget)	-297%	100%	-397%	582%
		% achievement of Capital exp. Program.	87%	90%	-3%	80%
Financial Health		Recurrent surplus/(deficit.) (% of total recurrent revenue)	-4.96%	13.01%	-17.97%	-1.35%
	3	% change in net assets from previous year	44.0%	-0.3%	44.3%	-0.18%
		Rates and Charges revenue and total debt servicing costs	10.60%	3.09%	7.51%	4.24%
		Working Capital Ratio (Current Assets/Current Liabs.)	1.72:1	1.71:1	0.01:1	1.3:1
Capital Expenditure	4	Ratio of Capital Expenditure to Total Depreciation	0.67:1	1.20:1	-0.53:1	0.81:1
		Capital Expenditure (per Assessment)	\$160.63	\$185.29	\$-24.66	\$125
	2	Recurrent surplus/(def.) (% of capital expenditure)	-33.62%	-1.67%	-31.95%	64%
		Ratio of internal funding to total Capital Expenditure	1.26:1	1:1	0.26:1	1.12:1
Debt Management		Rates, fees and charges outstanding (at 30 June 2000)	4.40%	4.32%	0.08%	4.29%
Operating Costs		% change in net recurrent expenditure (from 30 June 1999)	2.42%	-3.29%	5.71%	-1.24%
		% change in net recurrent expenditure per capita (from 30 June 1999)	2.36%	-3.29%	5.65%	-2.72%
	5	Net recurrent expenditure per assessment	\$882.4		\$-	\$794
		capita	2	.43	155.01	
			\$346.87	\$399.86	\$-52.99	\$306

Comments on Significant variances

1. Average residential assessment target for 1999-2000 has been calculated incorrectly, and should have been \$348.
2. The operating surplus for the year was impacted by increased depreciation of \$3.7M resulting from the revaluation of non-current assets.
3. The net assets of Council increased due to the revaluation increase of non-current assets of \$207M.
4. The actual result was below the target due to the combined effect of capital expenditure falling short of target by \$1.2M and depreciation increasing by \$3.7M from the revaluation of assets.
5. Has decreased due to the number of assessments having increased by 378 more than anticipated in the target.

**Annual Plan: Progress Against
Community Satisfaction Targets, 1999-2000**

Outputs	Measures (Satisfaction Index Rating)	Target 1999/2000	Annual 1999/2000	Difference	Annual 1998/99
Community Satisfaction	Performance of Council	66	66	0	64
	Performance in key service areas	66	64	-2	63
	Local roads and footpaths	61	58	-3	59
	Health and human services	70	69	-1	68
	Recreational facilities	69	70	1	67
	Appearance of public areas	65	63	-2	63
	Traffic management and parking facilities	63	60	-3	60
	Waste management	75	74	-1	73
	Enforcement of by-laws	66	63	-3	64
	Economic development	57	54	-3	54
	Town planning policy and approvals	60	65	5	59
	Interaction and responsiveness in dealing with the public	75	72	-3	72
	Advocacy and community representation on key local issues	66	65	-1	64

**Annual Plan:
Progress Against One-Year Targets 1999-2000**

OUTPUTS	MEASURES	TARGETS
1. Create a Safe, Clean and Livable City		
Legislative and Regulatory Responsibilities	Breach of relevant laws and regulations	Nil
Five-year Community Safety Program	Community Safety Program for 5 year period 2000/2005 published	By 30 June 2000 Target not achieved. Draft Community Safety Program endorsed by Community Safety Committee. Report to Council scheduled for July 2000.
	Community Safety Program activities under Council control for 1999/2000 completed	100% by 30 June 2000 Target not achieved.
	Community Safety Achievements Report published	By 31 December 1999 Target not achieved. Council report adopted February 2000. Report to be printed and released in July 2000.
	Community Safety Committee expanded to include senior representatives of government agencies	By 30 September 1999 Target not achieved. Council report tabled and noted in December 1999.
Fear of Crime and Crime Statistics Report	Annual report published	By 30 September 1999 Target not achieved. Findings of the 1999 Police Board crime, policing and personal safety survey published later than scheduled, in December 1999.
Community Perception of Safety	Improved perception of safety in public places and homes as measured through annual Police Board Survey	10% by March 2000 Target not achieved. The 1999 community survey showed a decline in levels of perceived safety during the evening in public places such as shops, local neighborhood, buses and trains.
Community Drugs Strategy	Noble Park Drug Action Committee Established	By 31 March 2000 Target not achieved. Noble Park Drug Action Committee is to be established by August 2000.
	Dandenong Drug Action Committee strategy published	By 31 March 2000 Target not achieved. Committee has been formed and has completed its draft action plan.

	Annual report for Springvale and Dandenong Local Drug Action Committees published	By 31 March 2000	Target not achieved. Work continuing by Springvale and Dandenong Drug Action Committees in implementing and monitoring strategies. The Springvale Drug Action Committee has developed terms of reference and a process for the committee to undertake projects.
Community programs	“Secure Seniors” pilot program reviewed and reported	By 31 July 1999	Target achieved. Review completed and accepted by Greater Dandenong Community Safety Committee. Recommendations from review acted upon. Secure Seniors Program Reference group formed to implement next stage.
	Pilot “Eyes on the Streets” program with selected Neighborhood Watch Committees evaluated and reported	By 31 March 2000	Target not achieved. Concept brief developed and accepted by Greater Dandenong Community Safety Committee. To be implemented in conjunction with Victoria Police following strategy development.
	“Safe Shop” program commenced in Springvale and Dandenong	By 31 March 2000	Target not achieved. Dandenong 'Safe Shop' program launched January 18, 2000. Springvale project launch delayed and will be rescheduled at a later date.
	“Self-audit Community Safety Kit” prepared and released	By 31 December 1999	Target not achieved. Release of the kit is scheduled for a later date through Neighborhood Watch groups in conjunction with 'Eyes on the Streets' program.
Appearance of public places	Community satisfaction with the appearance of public places improved as measured through Office of Local Government survey	Minimum 2% improvement	Target not achieved. At a level of 63% satisfaction, survey results for May 2000 showed no improvement from April 1999.
	Street lighting in key commercial areas upgraded	Lonsdale Street upgrade completed by 30 September 1999	Target not achieved.
Safe food premises	Community satisfaction with food safety improved as measured through Office of Local Government survey	3% by 30 June 2000	Target not achieved. Survey results for May 2000 showed a reduction in satisfaction with the enforcement of By-Laws of 1% compared with the previous year.

Footpath hazard reduction	AMS complaints/reports reduced from previous years	1% by 30 June 2000	Target not achieved. AMS requests relating to footpath hazards increased compared with the previous year.
Increased Police presence	Advocacy for more Police resources through preparation of a submission to the Minister for Police and Emergency Services	By 31 March 2000	Target not achieved. No formal submission prepared.
Public Health Plan	Plan reviewed and reported	By 30 September 1999	Target achieved. Review completed in July 1999.
	Public Health Plan targets for 1999/2000 achieved and reported	By 30 June 2000	Target not achieved. Resources committed to issues associated with drug and alcohol use, injecting facilities and syringe disposal. Conducted a consultation report on the outcomes of the eight consultation workshops and a public forum on the State Government's proposal to trial an injecting facility in Greater Dandenong.
	Public Health Achievements report published	By 30 June 2000	Target not achieved. Report scheduled for publication in July 1999.
	Expanded syringe disposal contract initiated	By 31 August 1999	Target not achieved. Tender awarded to Collex Waste Management in October 1999.
Traffic management	Local Area Traffic Management study completed	One new study by 30 June 2000	Target not achieved.
	McFees Road Local Area Traffic Management Study, commenced in 1998/9, completed.	By 30 December 1999	Target not achieved. Report to be prepared for Council in July 2000.
Road network planning	Network strategy completed	By 30 June 2000	Target achieved. Municipal Transport Strategy Report adopted by Council in December 1999.
Pedestrian safety	AMS footpath and crossover hazards reported inspected and actioned in compliance with published service standard.	No service failure	Target not achieved.

Road infrastructure	Council knowledge of progress with Westall Road construction and Greens Road widening by VicRoads	Quarterly report to Council meeting	Target achieved.
Safer roads	Number of blackspots, as measured by VicRoads' annual report, reduced	10% annually	Target not achieved. A system for defining and monitoring blackspot casualty rates, based on the road casualty data from VicRoads, has not been developed by Council.
Public transport	Public transport plan prepared and adopted by Council	By 30 June 2000	Target not achieved. Public Transport Plan report scheduled for completion in July 2000.
Physical infrastructure management and renewal program	25 year forward management and renewal program developed	By 30 June 2000	Target achieved. Life Cycle Management Plan for Assets by Gutteridge Haskins and Davey/ Worley joint venture has been completed. Recommended program adopted by Council in June 2000.

2. Support a Caring City

Aged Accommodation Needs Study	Stage 1 of Aged Accommodation Needs Study for elderly residents completed and reported to Council	By 30 June 2000.	Target achieved. The first stage of the Aged Accommodation Project completed with the preparation of a report on the findings of the Ethnic Aged Accommodation Needs Study in April 2000 and a description of its proposals in the local media in February 2000.
Expanded services to the aged, young people and families, prepared	Submission to Commonwealth Government and State Government on future needs of our aged, young people and families, prepared	By 30 June 2000	Target not achieved. Submissions to Aged Care & Community Services Ministers, from community forums, scheduled for July 2000.
Information provision – Faiths	A story published each month in 2nd City News or 2nd City News In Brief, explaining an aspect of a culture or faith	One per month	Target achieved. A story concerning cultures or faiths was printed in each edition of 2nd City News in 1999-2000.
Information provision – Cultural Festivals	A story published each month in 2nd City News or 2nd City News In Brief or other Council publication on a community cultural festival	One per month	Target achieved. A story related to cultural festivals was printed in each edition of 2nd City News in 1999-2000.
Gaming Strategy	Gaming Strategy adopted by Council	By 30 September 2000	Target not achieved. Strategy adopted by Council in December 1999.
	Gaming Strategy reviewed by Council	By 31 October 1999	Target not achieved. Strategy to be reviewed in December 2000.
Multilingual Telephone Lines	Increase usage of multilingual telephone lines through Council Contact, from previous year	10% by 30 June 2000	Target not achieved. In the year to June 2000, 2,648 calls were received via the Multilingual Telephone Service as tabulated by the Victorian Translating and Interpreting Service, representing a 10% reduction compared with the 2,936 calls received in the year to June 1999.

Community information provided	Information provided to the community in a timely manner to enable them to understand current practices	No complaints of failure to provide information requested. Target achieved. No complaints were recorded in the year to June 2000.
	Information provided to the community in a timely manner to enable them to participate in decision making for the city	No complaints of failure to access Councillors and Executive staff registered. Target achieved. No complaints were recorded in the year to June 2000.

3. Promote Local Employment and Economic Growth

Investment	\$100 million building approvals for residential, commercial and industrial properties	By 30 June 2000 Target achieved. The total value of building approvals within Greater Dandenong for the year to June 2000, as measured by the Australian Bureau of Statistics, reached \$230 million, compared with \$117 million during the previous year. This represents a 96% increase in the level of investment in local construction.
	\$20 million new Commonwealth and State Government investment in infrastructure	By 30 June 2000 Available data does not precisely distinguish between private and public sector investment. \$27 million was invested in the construction of buildings for health, educational and religious purposes within the City of Greater Dandenong during the year to June 2000, exceeding the target of \$20 million.
City infrastructure	\$9.57 million new investment	By 30 June, 2000 Target not achieved. A total of \$7.2 million was spent during 1999-2000 - slightly less than the target of \$9.57 million.
Employment	250 new job opportunities created as a result of Council action	By 30 June 2000 No accurate measurement of jobs created has been developed.
	250 new traineeship and apprenticeship opportunities created as a result of Council action	By 30 June 2000 No accurate measure of apprenticeship opportunities has been found.
Print media	Promotional reports on special features in daily print media published	Two by 30 June 2000 Target achieved. At least two major issues have received substantial statewide media coverage throughout 1999/2000, including Injecting Facilities/drugs debate and Save Waverley Park campaign.
	Press releases issued	Twenty-four per month Target achieved. An average of 24 press releases per month submitted.
Electronic media	Radio timeslots presented	One per month Target not achieved since March 2000. Business decision made not to continue with radio show due to poor listener response.

Brochures	City promotional brochure published	By 30 September 1999	Target not achieved. Text being prepared with focus on city pride and city life. Target audience of brochure is CGD residents. Format of brochure to be decided.
	New Investment brochure published	By 30 September 1999	Target not achieved. No action taken to date.
Business Video	New business video produced and released	By 30 September 1999	Target not achieved. Consolidated video produced for visit by Minister for Small Business in June 2000.
Internet	Web-site expanded	By 30 September 1999	Target not achieved. New web site has been developed and its content and technical requirements are being finalized. It is scheduled to go 'live' in July, 2000.
	Web site updated	Monthly	Target achieved. Council meeting dates and other information has been updated on the existing web site each month.
Industrial and Commercial Business Databases and Directories	Data bases maintained	Updated monthly	Target achieved. Industrial data up-to-date and retail data collection has commenced.
	Directories ready for publication	By 30 June 2000	Target achieved. The Industrial Business Directory was published in March 2000.
Business confidence	Business confidence and job prospects survey completed	By 30 September 1999	Target not achieved. Project will proceed in 2000/2001.
Regional infrastructure	Advocacy for the development of the following regional infrastructure: South-east airport, Port of Hastings, Very Fast Train Project - undertaken and community awareness maintained.	Submissions as required.	Target not achieved as no submissions required in 1999/2000. Council has been updated monthly on any new information.
		Status report to the community by 30 June 2000	Target not achieved. Status report will be presented in July, 2000.
Greater Dandenong Planning Scheme	Municipal Strategic Statement reviewed and adopted by Council	By 31 December 1999	Target not achieved. Original target based on earlier forecast of approval date for new planning scheme .

Education and information sessions held with development professionals and general community	Two sessions with development professionals by 31 October 1999	Target achieved. Three combined sessions for development professionals were conducted in August and September, 1999.
	Two sessions with general community by 31 October 1999	Target not achieved. Deferred until draft of first review of new Planning Scheme completed.
Planning Scheme Policy reviewed and adopted by Council	By 31 December 1999.	Target not achieved. Original target based on earlier forecast of approval date for new planning scheme .
Turnaround times for delegated planning approvals reduced	Average of 10 working days by 30 June 2000	Target not achieved. This target has been deferred to 2000/2001 following organizational restructure.

4. Develop Arts and Culture

Library Services	Hours of operation increased from previous year	10% by 30 June 2000 Target not achieved. Opening hours extended by 8% from 5 February 2000.
	Internet access increased from previous year	20% by 30 June 2000 Target achieved. Number of internet workstations has increased from 12 to 23 with the development of the WebZone at Springvale Library and kiosks at both Dandenong and Springvale Libraries.
	Materials collection expanded from previous year	10% by 30 June 2000 Target not achieved. Council has approved a strategy for the Library Service achieving a collection equivalent to 1.5 items per capita, by 30 June, 2005.
Performance Venue Feasibility	Council decision to proceed	By 30 June 2000 Target not achieved. Project manager and architects appointed. Project proceeding.
Heritage Protection and Preservation	Stage 2 of Heritage Study completed	By 31 March 2000 Target not achieved. Contract commenced in May 1999. Draft of Final Report was received in June 2000. Final report is to be submitted in August 2000.
	Policy directions from Stage 2 of Heritage Study adopted by Council	By 30 September 2000 Target yet to be achieved. Consultations with the community will commence after receipt of the report in August 2000, resulting in a delay in preparation of policy directions and their adoption by Council.
Street Art Works	One new piece of street art installed annually	By 30 June 2000 Target not achieved. Nine concrete book sculptures are scheduled for completion in July 2000 as part of the Springvale Road streetscape redevelopment.
Year 2000 Celebrations	Celebrations agreed by Council	By 30 September 1999 Target not achieved. Decision made by Council in December 1999 to fund a number of key projects known as the "Year 2000 Celebrations" and scheduled throughout the year.
Facility development (Dandenong Town Hall)	Future development plan completed and submitted to Council	By 31 December 1999 Target not achieved. Preliminary plans, including costings, presented to Council in May 2000.

5. Promote Participation in Sport and Recreation

Open Space Plan	Open Space Strategy review completed and adopted by Council	By 31 October 1999 Target not achieved. Strategy reviewed and presented to the Executive in November 1999. Item deferred by the Executive to June 2000, to permit a more detailed review to be conducted. Report to Council will be made in July 2000.
Recreation participation	Participation rates measured through annual survey	By 30 September 1999 Target not achieved. Instead, national data have been used to estimate rates of participation in sport and physical recreation by age and gender, within the City of Greater Dandenong. A report based on these findings is scheduled for release in August 2000.
	Strategy to increase participation in non-traditional sports adopted by Council	By 30 June 2000 Target not achieved. Report on the progress of the strategy was presented to Council in June 2000. Strategy scheduled for finalization in October 2000.
	Increased recreation participation rates from ABS base data from last census period	2.5% by 30 June 2000 Target not achieved. The survey, referred to above, which formed the basis of the estimation of sports participation rates is conducted only every few years.
Investment in sporting facilities	\$1 million in 1999/2000 City Improvement Program	By 30 June 2000 Target not achieved. Thirty-six projects, valued at more than \$1.27 million, have been approved by Council. \$982,330 was spent on sporting facilities.
Oasis Development	Oasis Development Plan completed	By 30 June 2000 Target not achieved. A review of the 1998 Oasis Development Study commenced in June 2000, and will include investigation of potential for recreational uses of the new Dandenong Creek Wetlands area. The Oasis Development Plan review is subject to the outcomes of the Municipal Aquatic Study.
Dandenong Basketball Stadium	Dandenong Indoor Sports Stadium Development Plan completed	By 30 June 2000 Target not achieved. The development plan was not completed in 1999/2000. Council did not accept the stadium management's concept development proposals made in 1999/2000. A further review of the strategic direction of the Stadium will be conducted in 2000/2001.

Bicycle Path Network	Network extended	1km by 30 June 2000	Target achieved. 1 kilometer of bike path constructed in 1999/2000, comprising sections in Cheltenham Road between Springers Leisure Center and Springvale Road; Springvale Road between Haileybury College and Hutton Road, and an additional link within Tirhatuan Park.
Tatterson Park Development Plan	Tatterson Park Development Plan completed	By 31 December 1999	Target not achieved. Poor response to call for tenders. Project to be re-tendered in 2000-2001.
	Council decision to proceed	By 31 March 2000	Target not achieved. Council adopted the concept plan and policy framework in December 1999 but the project did not proceed.

6. Enhance Natural and Urban Environments

Environmental Management System (EMS)	1999/2000 targets met	By 30 June 2000	Target not achieved. Report to Council scheduled for July 2000.
	1999/2000 targets published	By 31 December 1999	Target not achieved. Proposed program of target setting and implementation by business units reported to Council in June 2000.
State of the Environment Report	Published	By 31st December 1999	Target not achieved. Report to Council completed in January 2000.
Residential Development	Policy development completed and implemented	By 30 June 2000	Target not achieved. Study on development guidelines in the Residential 2 zones completed in June 2000. Council report scheduled for July 2000.
Domestic waste	Domestic waste to landfill reduced from previous year	2% reduction by 30 June 2000	Target not achieved. During 1999/2000, there was an increase in the mass of garbage to landfill over the previous year.
Built environment	Policy to encourage diversity in the built environment, particularly housing, adopted by Council	By 31 December 1999	Target not achieved. Required policy to be developed in conjunction with the Central Dandenong Residential 2 Zone study and with the scheduled review of the Planning Scheme and Municipal Strategic Statement. Completion is scheduled by December 2000.
	Policy to encourage diversity in the built environment, particularly housing, implemented.	By 30 June 2000	Target not achieved. Required policy to be developed in conjunction with the Central Dandenong Residential 2 Zone study and with the scheduled review of the Planning Scheme and Municipal Strategic Statement. Completion is scheduled by December 2000.
	Policy to encourage improved environmental sustainability of built environment, particularly housing and industrial developments, adopted by Council	By 31 December 1999	Target not achieved. Original target based on earlier forecast of approval date for new planning scheme (approval forecast for August 1998; actual approval March 1999). Preliminary report submitted in January 2000, with completion scheduled for December 2000.

Policy to encourage improved environmental sustainability of built environment, particularly housing and industrial development, implemented.	By 30 June 2000	Target not achieved. Original target based on earlier forecast of approval date for new planning scheme (approval forecast for August 1998; actual approval March 1999).
Policy to encourage the aerial bundling or undergrounding of cables adopted by Council	By 31 March 2000	Target not achieved. Policy being developed by Civil and Transport Planning Unit in collaboration with Strategic Planning Unit . To be completed in 2000/2001.
Drainage capacity Strategy completed	By 31 December 1999	Target not achieved. The first stage of the study, that is the identification of the catchment and sub-catchments, was completed in October 1999. The next stage involves the identification of section of the network that need upgrading. Video survey of selected sites completed. Strategy under preparation and due for completion by July 2000.
Capacity increased from previous year	10% by 30 June 2000	Target not achieved. Difficult to measure. The inadequate sections of the network were identified by March 2000, and incorporated into the 5-year Drainage Upgrade Program for funding consideration by Council.

7. Promote the Unique Strengths of Our Retail Centers

"StreetLIFE" program activity	"StreetLIFE" program activities in Springvale completed	By 30 June 2000	Target achieved. Activities for the year completed. Acquisition of further funding will permit the project to continue in 2000-01.
Streetscape Improvement	CIP streetscape improvements in Dandenong, Noble Park and Springvale completed	By 30 June 2000	Target not achieved. Works not completed in Dandenong, Springvale or Noble Park.
"Clean Up" Campaign	1999 "Clean Up" campaign initiated and completed in Springvale, Noble Park and Dandenong	By 31 December 1999.	Target not achieved.
	Outcomes of 1999 "Clean Up" campaign reported	By 31 January 2000	Target not achieved. Council briefed in February 2000, regarding successful outcomes of the most recent Springvale campaign.
Retail Directory and Hospitality and Recreation Guide	Ready for publication	By 30 June 2000	Target not achieved. Publication to be via Website.

8. Promote Dynamic Council/Community Partnerships

Council meetings accessible	Community advised of Council meetings	Advertised 14 days prior to each meeting Target achieved. Advertisements placed in 2nd City News in Brief and bi-monthly newsletter 2nd City News and advise provided through the telephone on-hold message.
	Council meetings held outside of Chamber	Four by 30 June 2000 Target achieved. Meetings held externally: * 9 August at Wooranna Park Primary School, Dandenong North * 8 November at Chandler Community Center, Keysborough * 7 February at Springvale Heights Primary School, Springvale * 22 May at Carwatha Community Center, Noble Park.
Community Consultation	"Major" policy initiatives subject to community consultation	No major policy initiatives adopted without community consultation. (Council to determine "Major" initiatives.) Target achieved. Consultation with public occurred on major policy decisions, concerning safe injecting facilities, the formation of the Children's Services Association and the Community Safety Strategy.
Major Council Decisions Communicated	"Major" Council decisions communicated by separate media release and published in 2nd City News or 2nd City News in Brief	Published within 7 days of Council decision. Target not achieved.
Consumer Research Reports	Consumer research reports published	Within 90 days of completion. Target not achieved. Results of the general survey were delayed until they could be published in the April edition of 2nd City News delivered to all households in the municipality. Since July 1999, 28 (96%) of the findings from 29 individual business unit research activities were published within 90 days.
Council Representation	Requests for participation of Councillors on community organizations actioned	100% of requests responded to Requests processed annually at Special Council Meeting in March, 2000. Other requests considered monthly as required.
Corporate Plan – Progress against targets	Progress reported to the community	Half-yearly reports by 31 January 2000 and 31 July 2000 Target achieved. Half year report presented to Council in January 2000. Report for the period January to June 2000 to be presented to Council in July.

Annual Plan – Progress against targets	Progress reported to the community	Second Council meeting of each month. Target achieved. All 12 monthly reports for the year 1999/2000 presented to the Council as scheduled.
Single Administrative Center	Plans for consolidation of administrative activities prepared	By 30 June 2000 Target not achieved. Report on possible adoption to be discussed with Councillors in August 2000.
Improve community leadership capacity	Community leadership programs conducted	Two annually Target achieved. Victorian Local Government Association (VLGA) training program for people considering nomination for election to Council in March 2000 completed in November 1999. Greater Dandenong candidate information session completed in November 1999. Municipal Association of Victoria (MAV) candidate information sessions held in February 2000 and attended by a number of Greater Dandenong residents. New Councillor program jointly developed with the VLGA to commence in July 2000.
Access to Council information	Access points for information expanded	One additional access point by 30 June 2000 Target not achieved. The website, www.greaterdandenong.com is scheduled for launch in July 2000 to act as the fourth Customer Service Center.
Consumer research	General survey completed	By 30 June 2000 Target achieved. A general survey of 1,011 residents conducted between 6 December and 12 December, 1999.

9. Effectively Manage the City

Operational Budget	Surplus achieved	\$0.5 million by 30 June 2000 Target not achieved. Financial results reflect an operating deficit of \$2.8 million, against budget surplus of \$0.9 million.
	Draft budget prepared and presented to Council	By 15 May 2000 Target achieved. Council workshop held at 13 May 2000.
	Adopted	By 30 June 2000 Target not achieved. Budget adopted on 3 July, 2000.
City Improvement Program (capital budget): 1999-00	Achievement of program	100% by 30 June 2000 Target not achieved. As at 30 June 2000, expenditure totaled \$7.2 million, representing 76% of total CIP budget.
	Accuracy of project estimates to completed cost	98% accuracy Target not achieved. Project delivery is conducted according to agreed timelines and is closely monitored against performance standards. However, though the majority of projects are delivered to budget, tender prices were generally elevated this year due to the level of building activity.
City Improvement Program 2000/05 Forward Plan (Capital Budget)	Five year forward plan reviewed and adopted by Council	By 30 September 1999 Target not achieved.
	Five Year Forward Plan Published	By 31 December 1999 Target not achieved. The 1999/00 5 Year CIP Plan was not published. The draft 2000/01 5-Year CIP Plan is completed and list of recommended projects was considered by Councillors in May 2000.
City Improvement Program (capital budget): 2000-2001	Draft 2000/01 plan submitted to Council	By 15 May 2000 Target achieved. Advertising for submissions commenced in November, 1999 and closed in January, 2000. All new applications have been recorded and the CIP database updated and collated. Draft plan was considered by Council at a briefing meeting in May 2000.
	2000/01 plan adopted by Council	By 30 June 2000 Target achieved. The 2000/2001 CIP adopted by Council in June 2000.

Operational costs	Recurrent operational costs reduced	\$0.5 million by 30 June 2000. Target not achieved. Recurrent expenditure (excluding asset sales and depreciation) is \$1.7 million over budget. The costs include funding for increased Workcover costs, roads and drains maintenance, and graffiti removal.
Asset sales – property	Annual sales program completed	100% by 30 June 2000. Target not achieved.
Dandenong Produce Market	Five-year development plan to improve financial return completed	By 30 November 2000 Target not yet achieved. Consultants appointed June 2000. Project to continue in 2000/2001.
Financial reporting	Monthly financial reports submitted to Council	Second meeting of every month Target achieved.
Performance reporting	Performance reports submitted monthly	Second meeting of every month. Target achieved. Performance reports for all 12 months of the year 1999/2000 were submitted to Council as scheduled.
Service Charters	Service Charter standards review for first and second release completed	By 30 June 2000 Target partially achieved. Service Charter reviews for the 22 Charters released in December 1998, were conducted during December 1999 and January 2000. All 22 Charters approved by the Executive for publication. Review for a further 19 Charters, released in May 1999, were conducted during May 2000. These Charters are to be approved by the Executive before mid-July.
	Service standard failures reported monthly	By 10th day of each month Target achieved. All service standard failures during the year 1999/2000 were reported within 10 days.
Complaints resolution	Complaints acknowledged within published service standard	100% within 10 working days Target not achieved.
	Complaints resolved within published service standard	100% within 15 working days Target not achieved.

Operational costs	Recurrent operational costs reduced	\$0.5 million by 30 June 2000. Target not achieved. Recurrent expenditure (excluding asset sales and depreciation) is \$1.7 million over budget. The costs include funding for increased Workcover costs, roads and drains maintenance, and graffiti removal.
Asset sales – property	Annual sales program completed	100% by 30 June 2000. Target not achieved.
Dandenong Produce Market	Five-year development plan to improve financial return completed	By 30 November 2000 Target not yet achieved. Consultants appointed June 2000. Project to continue in 2000/2001.
Financial reporting	Monthly financial reports submitted to Council	Second meeting of every month Target achieved.
Performance reporting	Performance reports submitted monthly	Second meeting of every month. Target achieved. Performance reports for all 12 months of the year 1999/2000 were submitted to Council as scheduled.
Service Charters	Service Charter standards review for first and second release completed	By 30 June 2000 Target partially achieved. Service Charter reviews for the 22 Charters released in December 1998, were conducted during December 1999 and January 2000. All 22 Charters approved by the Executive for publication. Review for a further 19 Charters, released in May 1999, were conducted during May 2000. These Charters are to be approved by the Executive before mid-July.
	Service standard failures reported monthly	By 10th day of each month Target achieved. All service standard failures during the year 1999/2000 were reported within 10 days.
Complaints resolution	Complaints acknowledged within published service standard	100% within 10 working days Target not achieved.
	Complaints resolved within published service standard	100% within 15 working days Target not achieved.

	Complaints reported to Council monthly	At second meeting of every month Target achieved. All complaints received during the year 1999/2000 were reported within 15 days of receipt.
	Complaints received reduced	5% by 30 June 2000 Target not achieved.
Call center operations	Calls answered within published standard	97% within 15 seconds Target not achieved. In the year to June 2000, 93% of inbound calls - as tabulated by computer - were answered within 15 seconds.
	Drop out rate reduced	3% by 30 June 2000 Target achieved. The average call drop-out rate - as monitored and tabulated by computer - for the year to June 2000, was 1.5%.
Service centers	Options to pay rates and accounts extended	One new option by 30 September 2000 Target not yet achieved. Internet payments are to become available in July 2000.
Marketing	Submitted marketing plans for individual business units audited	100% by 30 June 2000 Target not achieved. Forty business unit marketing plans are currently being implemented by each Unit, and are being audited by Public Affairs.
Revenue collection	Increased revenue collection on due date	5% increase by 30 June 2000 Target achieved. The rates debt-to-revenue ratio at 30 June 1999, was 4.9%. The ratio at 30 June 2000 was 4.4% - an improvement of 10.2% in collection.
	Information on payment options for rates, fines, charges, etc. available	One brochure on payment options for rates by 30 September 1999 Target achieved. A rates brochure with payment options was issued in July 1999. A further payment option via the internet has been developed and is scheduled to be operative from 2000/2001.
		One brochure on payment options for fees, fines and charges by 30 September 1999 Target achieved. Distributed in August 1999.
Electronic service delivery	Services available extended from previous year	Four services on-line by 30 June 2000 Target not achieved. By July 2000, five on-line services will include e-payments, AMS via e-mail, a 'contact-us' option, response to most commonly asked questions, and a search database.

Year 2000 Compliance	All IT-based systems Year 2000 compliant	100% by 31 December 1999	Target achieved. Transition to the year 2000 passed without incident.
Awareness by local Parliamentary representatives	Programmed meetings with local Members of Parliament	Two briefing meetings by 30 June 2000	Target achieved. Briefing meetings held on 12 November 1999 and on 31 March 2000.
	Local members of Parliament advised of all grant submissions and other requests for assistance to Government by Council	Within 14 days of submission	Target achieved. Forwarded as required.
	Local members of Parliament receive copies of Council publications excluding general brochures	Within 7 days of production.	Released publications as needed, to local parliamentarians.
Gain advantage from new Government policies	Briefing papers provided to Council on all new policies and directions advised by Commonwealth and State Governments	Within 30 days of receiving advice.	Unable to be determined. However briefing papers were provided to Councillors at monthly briefing meetings.
	Policy advice provided to Council on new Government initiatives	Within 30 days of receipt of advice	Unable to be determined, however policy advice was provided to Councillors at monthly briefing meetings.
Involvement with peak Local Government organizations	Council representation or involvement on sector working parties as requested by Council	Councilor or officer nominated as required	Target achieved. Representatives appointed as required in accordance with requests received and Council Policy.
Compulsory Competitive Tendering	Compliance with statutory target of 50% of eligible operating expenditure	By 30 June 2000	Target no longer relevant. Statutory targets for CCT have been abolished under amendments to the Local Government Act replacing CCT requirements with Best Value Principles.

	Compliance with annual competitive testing program	100% by 30 June 2000	Target no longer relevant. The Competitive Testing Program has been terminated following the abolition of CCT.
	Preparation of service specifications required to meet competitive testing program	100% by 30 June 2000	Target no longer relevant.
	Business units subject to tender able to respond within required time frame	100% by 30 June 2000	Target no longer relevant. Statutory targets for CCT have been abolished under amendments to the Local Government Act replacing CCT requirements with Best Value Principles.
National Competition Policy compliance	Breach of compliance requirements	Nil	Target achieved. No trade practices complaints or competitive neutrality complaints have been received in the year to June 2000.
Contract requirements met	Breach of specification requirements	Nil	Target not achieved.
Corporate Plan	Publication of 2000/05 Corporate Plan	By 31 December 1999	Target not achieved. Corporate Plan 2000-2005 adopted by Council in June 2000. To be published in August 2000.
Annual Plan 1999/2000	1999/2000 Annual Plan published	By 30 September 1999	Target achieved. 1999/2000 Annual Plan was published in August 1999.
Annual Plan 2000/2001	Draft plan submitted to Council	By 30 April 2000	Target not achieved. The draft 2000-2001 plan is to be submitted to Council in July 2000.
	Adopted by Council and submitted to the Minister for Local Government	By 31 May 2000	Target not achieved. Plan is scheduled to be adopted in July 2000.

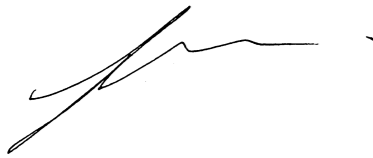
Annual Report	Adopted by Council and submitted to the Minister for Local Government	By 30 September 1999	
			Target not achieved. Annual Report submitted in October 1999.
Team effectiveness	Team effectiveness survey completed	By 30 November 1999	
			Target not achieved. Quotes are currently being sought for design of a new survey instrument.
	Training program developed	By 31 December 1999	
			Target not achieved. Development of training program will commence after the completion of the Team Effectiveness survey.
Diversity audit	1998/1999 Diversity audit outcomes actioned	By 31 December 1999	
			Target not achieved. An estimated 80% of outputs completed by due date. Progress against remaining targets are being monitored regularly.
Disability Discrimination Act Action Plan	Action Plan for 1999/2000 implemented	By 30 June 2000	
			Target not achieved. A mechanism for precisely measuring progress across the full range of targets contained in this document has yet to be developed. This will be achieved in 2000/2001.
Business Plans	Internal audit of all business unit business plans completed	By 30 September 1999	
			Target achieved. Audit completed July 1999.
	External audit of all business plans	By 30 November 1999	
			Target not achieved. Audit completed in December 1999.
	Achievement of business plan targets reported	By 10th day of each month	
			Target not achieved. Throughout the year 1999/2000 many monthly reports were submitted after the scheduled date.
Risk Management	Insurance premiums reduced	5% by 30 June 2000	
			Target not achieved. 2000/2001 premium was \$272,327, against \$244,824 in 1999/2000.
	Insurance payments below excess levels reduced	10% by 30 June 2000	
			Target not achieved. Higher number of claims settled this year. Increase in public liability claims as the result of an increased tendency toward litigation. Settlements were within budget.

	Insurance claims reduced	5% by 30 June 2000	
			Target not achieved. Insurance claims increased during the year 1999-2000, compared with the previous year.
Strategic Asset Management Program (SAMP)	Adopted by Council	By 30 September 1999	
			Target not achieved. Awaiting advice and finalization from LOGOV.
	Implemented	By 31 October 1999	
			Target not achieved. Delay in SAMP Program finalization.
Safe Work practices	Level One SafetyMap accreditation achieved	By 30 September 1999	
			Target not achieved. Occupational Health & Safety Management System has been assessed and, in January 2000, was registered as complying with the initial requirements of SafetyMap.
Performance Benchmarks	Selected service activities and work process in two business units benchmarked	By 30 June 2000	
			Target not achieved. Library benchmarking project continuing.
GST Compliance	GST Implementation plan developed and implemented	By 30 June 2000	
			Target achieved. Council has completed its implementation program to be GST ready by 30 June, 2000.

STATEMENT OF CHIEF EXECUTIVE OFFICER ON PERFORMANCE STATEMENT

I Warwick Heine

Being the Chief Executive Officer certify that in my opinion, the information contained in the Performance Statement is presented fairly in accordance with the Local Government Act 1989. At the time of writing, I am not aware of any circumstance, which would render any particulars in the statement to be misleading or inaccurate.



Warwick Heine
Chief Executive Officer

Dated

Location: Springvale

STATEMENT OF COUNCILLORS ON PERFORMANCE STATEMENT

I Angela Long

I Naim Melhem

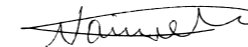
Being a Councillor authorized by Council to sign the accompanying Performance Statement of the City of Greater Dandenong in respect of 1999/2000 financial year, certify that in the opinion of Council, the information contained in the Performance Statement is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the Annual Business Plan in respect of that year described in Council's Plan and describes the extent to which the business plan was met in that year having regard to those targets and measures. At the time of signing, I am not aware of any circumstance, which would render any particulars in the statement to be misleading or inaccurate.



Angela Long
Councillor

Dated:



Naim Melhem
Councillor

Dated:

Location: Springvale

AUDITOR-GENERAL'S REPORT ON PERFORMANCE STATEMENT

To the responsible Ministers and the Councillors of Greater Dandenong City Council

Audit Scope

The accompanying performance statement of Greater Dandenong City Council in respect of the 1999/2000 financial year has been audited. The Councillors are responsible for the preparation and presentation of the statement and the information it contains. An independent audit of the statement has been carried out in order to express an opinion on the statement to the responsible Ministers and the Councillors as required by the *Local Government Act 1989*.


The *Local Government Act 1989* requires the performance statement to outline the performance targets and measures set out in relation to the achievement of the business plan as described in the council's corporate plan submitted to the responsible Minister and to describe the extent to which the business plan was met having regard to those targets and measures.

The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the performance statement is free of material misstatement. The audit procedures included an examination, on a test basis, of evidence supporting the amounts and other disclosures in the statement. These procedures, which did not extend to an assessment of the relevance or appropriateness of the performance measures contained within the statement, have been undertaken to form an opinion as to whether, in all material respects, the performance statement is presented fairly in accordance with the *Local Government Act 1989*.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion

In my opinion, the performance statement of Greater Dandenong City Council in respect of the 1999/2000 financial year is presented fairly in accordance with the *Local Government Act 1989*.





J.W. CAMERON
Auditor-General

MELBOURNE
9 110 12000

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Italiano	9679 9865
Español	9679 9866
Türkçe	9679 9867
Việt ngữ	9679 9868
	English 9679 9870

All other languages 9679 9869

Including:

Soomaali	Hrvatski	Shqip
Tetum	Malti	فارسی
Српски	Македонски	Русский