

HORSHAM RURAL CITY COUNCIL

ANNUAL REPORT

2014 - 2015



Horsham Rural City
Council urban rural balance

the wimmera
Everything you need.

ANNUAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

Table of Contents

ABOUT THIS REPORT	3	OUR PERFORMANCE	42-53
INTRODUCTION	4-5	Goal 1 – Community and Cultural Development	42-45
Vision, Mission and Core Values	4	Goal 2 – Sustaining our Economy and Environment	46-48
Snapshot of our Council	5	Goal 3 – Maintaining our Assets	49-51
At a Glance	5	Goal 4 – Governance and Business Excellence	52-53
FAST FACTS	6-7	GOVERNANCE, MANAGEMENT AND OTHER INFORMATION	54-69
HIGHLIGHTS OF OUR YEAR	8-9	Governance	54
THE YEAR IN REVIEW	10-11	Meetings of Council	55
Mayor’s Message	10	Special Committees	56-57
Chief Executive’s Message	11	Code of Conduct	58
OUR COUNCIL	12-15	Conflict of Interest	58
Our Council	12	Councillor Allowances	58
Our Story	13	Councillor Expenses	59
Our Councillors	14-15	Management	59
OUR PEOPLE	16-23	Audit Committee	59-60
Senior Officers	16-17	Risk Management	60
Organisational Structure	18	Competitive Tendering	60
Our Staff	19-20	Organisational Plans, Policies and Strategies	61
Equal Employment Opportunity Program	21	Community Satisfaction Survey	62
Other Staff Matters	22-23	Charter of Human Rights and Responsibilities	63
SNAPSHOT OF OUR YEAR	24-27	Domestic Animal Management Plan	64
OUR COUNCIL PLAN	28-41	Freedom of Information	64
Goal 1 – Community and Cultural Development	28-32	Legislative Objectives of Council	65
Goal 2 – Sustaining our Economy and Environment	33-34	Protected Disclosures	65
Goal 3 – Maintaining our Assets	35-36	Governance and Management Checklist	66-67
Goal 4 – Governance and Business Excellence	37-41	Community Grants	68-69
		STATUTORY INFORMATION	70-72
		Documents Available for Public Inspection	70
		Victorian Local Government Indicators	71
		Where Our Money Comes From – Where Our Money Goes	72
		PERFORMANCE STATEMENT	73-85
		FINANCIAL STATEMENTS	87-145



ABOUT THIS REPORT

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

This Annual Report details the achievements and performance of Horsham Rural City Council over the past year. It is an important document that provides a transparent record of Council's activities in meeting its strategic goals and objectives as set out in the Council Plan to ensure that we deliver key outcomes for our community. Copies of this report are available from the Municipal Offices, Civic Centre, 18 Roberts Avenue, Horsham. It can also be downloaded from the Horsham Rural City Council website – www.hrcc.vic.gov.au.

If you would like to receive this publication in another format, please contact Reception on telephone (03) 5382 9777 or email us on council@hrcc.vic.gov.au.

If you require an interpreter service, please call the Translating and Interpreting Service (TIS National) on telephone 131 450 and ask them to contact Horsham Rural City Council on telephone (03) 5382 9777.

Our business hours are 8.30am to 5.00pm Monday to Friday.

Horsham Rural City Council was established by the order of the Governor in Council on 19 January 1995 and is a body corporate.

Designed By: Adelle Rohrsheim

Printed By: HCPro

Images Courtesy Of: Chris Johnson, Department of Premier and Cabinet, Horsham Historical Society, LGPro, Lynton Brown, Mark Radford, Melissa Powell, Thea Jane Photography and The Wimmera Mail-Times

Cover Image: The Wimmera River - view from Sawyer Park, courtesy of Mark Radford

INTRODUCTION

Welcome to the Annual Report 2014-2015.

Council is committed to transparent reporting and accountability to the community and the Annual Report 2014-2015 is the primary means of advising the Horsham Rural City Council community about Council's operations and performance during the financial year.

OUR VISION

Horsham Rural City is a great place to live – vibrant, inclusive and welcoming

OUR MISSION

Horsham Rural City Council, working with the community, will develop the municipality through strong leadership, vision, good governance, responsive services and quality infrastructure, whilst enhancing our liveability and natural environment

OUR CORE VALUES

In pursuing its strategic objectives, Horsham Rural City Council believes in, and is committed to, the following values:

- We are accountable to our community for our decisions and actions
- We will seek creative, innovative solutions for continuous improvement in line with our vision for the future
- We will work with our community, government and agencies to deliver quality outcomes
- We will work together to lead our community in a professional manner
- We will be transparent in our work

SNAPSHOT OF OUR COUNCIL

Horsham Rural City is a vibrant, diverse community situated approximately 300 kilometres north-west of Melbourne and north of the Grampians National Park, in the heart of the Wimmera region of Victoria. Horsham Rural City Council has a population of 19,691 and covers an area of 4,267 square kilometres. Almost three quarters of residents live in the urban area of Horsham.

Horsham is the major provider of retail, community and government services in the Wimmera, with dryland and broadacre agriculture being our major industry. The Grains Innovation Park, a nationally acclaimed agricultural research centre, is based in Horsham. There are a range of quality educational and health care facilities including secondary colleges, a university and an agricultural college. We also have a diverse array of natural assets including recreational lakes, wetlands, the Wimmera River, Mount Arapiles, the Wartook Valley, and the Grampians National Park is nearby.

Horsham Rural City Council includes the major centres of Horsham and Natimuk, and the localities of: Arapiles, Blackheath, Brimpaen, Bungalally, Clear Lake, Dadswells Bridge, Dooen, Douglas, Drung, Duchembegarra, Grass Flat, Green Lake, Greenland Dam, Haven, Jilpanger, Jung, Kalkee, Kanagulk, Kewell, Laharum, Longerenong, Lower Norton, McKenzie Creek, Mitre, Mockinya, Mount Talbot, Murra Warra, Noradjuha, Nurrabel, Pimpinio, Quantong, Riverside, St Helen's Plains, Telangatuk East, Tooan, Toolondo, Vectis, Wail, Wartook and Wonwondah.

AT A GLANCE

Population	19,691
Road Length	2,976 kilometres
Number of Council Employees	183 (FTE)
Number of Councillors	7
Rateable Properties	12,028
Rates and Charges Revenue	\$22,312,000
Total Revenue (including grants)	\$49,770,000
Municipal Charge	\$268
Garbage Charge	\$205/\$335
Major Employment Sector in Municipality	Agriculture, Retail, Health Care and Social Assistance



FAST FACTS

» **171** kilometres of footpaths maintained

» **132** kilometres of underground drainage pipes maintained

» **150** hours spent cleaning graffiti

» **12,028** rateable properties

» **11,851** rate notices issued

» **22** positions recruited, 8% workforce turnover

» **17** Workcover claims processed

» **2** Internal Audits Completed (Volunteer Management and a follow-up review)

» Customer Service Charter adopted

» Quarterly financial report to Council implemented

» Local Government Performance Reporting Framework implemented

» **13,969** visitors provided with assistance at the Horsham and Grampians Visitor Information

» **1,860** international visitors at the Horsham and Grampians Information Centre from Germany, the United Kingdom, Switzerland, France, The Netherlands and China

» **18** business development workshops conducted and 48 individual business mentoring sessions facilitated at the Wimmera Business Centre

» **7** incubator tenants (3 graduating this year) and 3 anchor tenants at the Wimmera Business Centre

» **17,516** hours of ageing and disability care support provided

» **106,039** library items borrowed from the Wimmera Regional Library Corporation

» **180,472** attendees at the Horsham Aquatic Centre

» **114** events held at the Wesley Performing Arts Centre with a total of 16,505 attendees

» **8,813** attendances at events and exhibitions staged by Horsham Regional Art Gallery including 31 public programs

» **11** exhibitions delivered by the Horsham Regional Art Gallery involving the work of 39 artists including 14 from our region

» **78** education programs delivered by the Horsham Regional Art Gallery to 1,363 students from our region

» **21,051** meals provided through Meals on Wheels

» **241** planning applications received

» **33** insurance claims processed

» **\$444** million infrastructure assets managed

» **57,218** cash receipts processed

» **10,114** creditor invoices processed

» **12,055** debtor invoices raised

» **\$15** million total annual wages

» **7,010** tonnes of waste collected

» **5,667** animals registered

» **115** building permits issued valued at over \$7.5 million

» **676** fire prevention notices issued

» **2,036** parking infringement notices issued

» **416** unregistered animals investigated

» **129** animal infringement notices issued

» **87** dogs and **173** cats rehomed

HIGHLIGHTS OF OUR YEAR



GOAL 1: COMMUNITY & CULTURAL DEVELOPMENT

We support our diverse community by developing an environment that aims to cater to the shifting needs of our residents. We support innovation and encourage artistic and cultural expression to develop our municipality as a great place to live (see Our Performance, pages 42 - 45).



Public Art in Jos' Lane in the Horsham CBD.

ACHIEVEMENTS:

- Completion of the Horsham Early Years Services and Social Infrastructure Plan
- Completion of the Children's Hub concept plans
- Adoption of Community Engagement Policy
- Funding attained for Art Gallery Education program for talented and gifted students
- Participation in 150th anniversary of Lost in the Bush celebrations (see page 31).



GOAL 2: SUSTAINING THE ECONOMY & ENVIRONMENT

As our community grows, so our region grows. We welcome new development and we aim to support enterprise, small and large, whilst advocating for the community to shop locally. We continue to promote and develop sustainable projects and encourage environmental practice within Council and the community (see Our Performance, pages 46 - 48).



Council's Planning and Economic Director Tony Bawden (centre) congratulates Southern Cross Parks Matt Williams and Mark Lindsay on taking over the long term lease for the Horsham Caravan Park.

ACHIEVEMENTS:

- Winner of State and National awards for excellence for our animal rehoming program in conjunction with Horsham PAWS, local businesses, and volunteers (see page 34)
- Horsham Caravan Park long term lease arrangements finalised - this 21 year lease will see \$1.14 million capital redevelopment works completed
- Completion of Horsham Enterprise Industrial Estate final land sales - this three stage development has seen the creation of 27 industrial lots which to date have attracted over \$13.1 million of capital investment and the creation or retention of 118 full time employment outcomes
- Assistance with building advice, support and permits provided to victims of the Brimpaen/Wartook fires



GOAL 3: ASSET MANAGEMENT

We strive to ensure infrastructure is in place to support our growing community as well as upgrading and maintaining our infrastructure to attract more visitors to the municipality (see Our Performance, pages 49 - 51).



Horsham businesses, Service groups and individuals contributed \$160,000 in cash and in-kind support towards a new aeromedical transfer station at the Horsham Aerodrome due for completion in late 2015.

ACHIEVEMENTS:

- Horsham Town Hall, Art Gallery and new Performing Arts Centre – near completion
- Aerodrome Upgrade and Aeromedical Transfer Station
- Pedestrian bridge – contract awarded – design review near completion – for construction early in 2015-16 financial year
- Norton Creek bridge – replacement of a bridge due to unexpected bridge failure
- Lighting the Regions – replacing street lights with high efficiency LEDs
- \$3.3 million general road construction program
- Mt William Flood Study
- Horsham CBD Public Place Litter Recycling



GOAL 4: GOVERNANCE & BUSINESS EXCELLENCE

Our goal is to excel in what we deliver and how we deliver it, both within Council and to our community. Our staff are our greatest asset, so their wellbeing is key to learning and high performance (see Our Performance, pages 52 - 53).



"The Pulse", Council's new intranet site.

ACHIEVEMENTS:

- Public Wi-Fi made available in areas of Horsham Central Business District (see page 38)
- Extensive review of non-rateable properties within the municipality undertaken
- New intranet developed for the management of information and documents for staff
- Cambron system to manage the monitoring of achievements against Council's plans and strategies, risk management, audit actions and for the management of staff performance reviews successfully implemented
- Major update and rework of Council's Business Continuity Plan completed
- "Easypark" mobile meter payment system introduced (see page 39)

THE YEAR IN REVIEW

MAYOR'S MESSAGE

Our municipality is represented by our seven Councillors, each bringing a unique skill set, employment background, expertise and experience, with a united desire to progress our community.

In November 2014, it was my privilege to be elected by the Councillors to be the Mayor of Horsham Rural City. This role has created the opportunity to experience and gain a greater understanding of the excellent work, particularly by volunteer groups, to improve our community. Whilst in this role, I have also observed Mr Peter Brown, Chief Executive, Council Officers and State and Federal Local Members, who have a genuine desire to work together for the common good in our region.

Over recent years, we have welcomed families from all around the world to make the Wimmera their home. Council has an active role in attracting new business and residents, and providing services for a growing regional community.

With our recently reviewed Rating Strategy, Council continues to work towards providing good value to our ratepayers in a variety of ways. The needs of a community are diverse, and we work hard to strike a balance to provide services and facilities that support existing residents and also attract newcomers to the municipality. This is particularly the case with the provision of sporting and cultural facilities.



Our Councillors and Executive Management Group - Cr Pam Clarke, John Martin, Tony Bawden, Cr David Grimble, Cr Heather Phillips, Cr Tony Phelan, Cr Mark Radford (Mayor), Cr Sue Exell, Graeme Harrison, Angela Murphy, Peter Brown and Cr Robin Barber

Currently, the refurbishment of the Horsham Town Hall is well underway. With over 50 tradespeople working on-site, our biggest infrastructure project to date is now nearing completion (see page 35).

At this year's Regional Victoria Living Expo in Melbourne, it was interesting to talk to potential residents about what they are looking for in a new place to call home. Quality medical facilities and services were a common theme (see page 33).

It was very exciting to welcome Australia's Prime Minister, Tony Abbott, to Horsham earlier this year. His practical commitment of \$1 million towards the Wimmera Cancer Centre was very encouraging.

Council is intent on improving the way we communicate with our community. We support and use our local media, and the importance of an accurate, up-to-date on-line presence should not be underestimated. The investment in community Wi-Fi is a practical example of this intent (see page 38). We are also committed to improving the listening ear of Council. With our new Community Engagement policy we will improve the opportunities for residents and ratepayers to be part of the solution.

This Year's Annual Report contains a detailed snapshot of both the financial and social position of our municipality over the last 12 months.

I commend this document to you and thank the staff that worked to put it together.

Read on to learn more about what is happening in our municipality ... it's a great place to live!

Cr Mark A Radford
Mayor

CHIEF EXECUTIVE'S MESSAGE

On behalf of the Horsham Rural City Council, I am proud to present the Annual Report for 2014-2015. The Chief Executive is responsible for:

- establishing and maintaining an appropriate organisational structure for the Council;
- ensuring that the decisions of the Council are implemented without undue delay;
- the day-to-day management of the Council's operations in accordance with the Council Plan;
- developing, adopting and disseminating a Code of Conduct for Council staff;
- providing timely advice to the Council; and
- carrying out the Council's responsibilities as a deemed employer with respect to Councillors, as deemed workers, which arise under or with respect to the *Accident Compensation Act 1985* or the *Accident Compensation (WorkCover Insurance) Act 1993*.

I encourage residents and people outside the municipality to read this year's Annual Report. It outlines the work of Council and provides an excellent overview of our municipality.



In December, Council launched the Horsham Free Wi-Fi project in Roberts Place.

Horsham Rural City Council finances remain in a very sound position and we continue to work to hold rates to moderate levels. Council is positioning itself to ensure that we are able to meet the obligations of the rate capping regime being introduced by the Victorian State Government, notwithstanding the pressures that have been brought to bear by the removal of indexation to financial assistance grants provided by the Commonwealth Government. I acknowledge the important part that the Commonwealth's Financial Assistance Grants and other grant funding play in contributing to the delivery of important services and infrastructure, and helping to ensure Council continues to be financially sustainable. Our sound financial position is reflected in this Annual Report and supported by the performance statement (see pages 73–85).

I would like to point to a number of highlights of the year which I'm particularly pleased about. The 150th anniversary of Lost in the Bush was commemorated in conjunction with the West Wimmera Shire (see page 31). Council undertook a number of technological improvements and initiatives including the Easy Park mobile parking meter system, free public Wi-Fi project in the central business district and May Park, and the new mobile app and service request system for iPhones and iPads (see page 38-39). Council also adopted a Customer Service Charter outlining Council's commitment to the delivery of high quality customer service to the community (see page 63).

In closing, I reiterate my appreciation to all Council staff and Councillors for the combined effort that has seen 2014-2015 be particularly productive for this municipality, and set the groundwork for the important delivery of future projects, programs and services to our community.

Peter F Brown
Chief Executive



Firebrace Street, Horsham - circa 1910.

OUR COUNCIL

Horsham Rural City Council provides more than 70 services to the community ranging from waste management, emergency and fleet management to community and human service programs. We deliver a comprehensive range of building, planning and regulatory services, along with providing and maintaining important infrastructure such as buildings, roads, drains and parks.

Horsham Rural City Council is committed to working with the community to develop the municipality through strong leadership, vision, good governance, responsive services and quality infrastructure, whilst enhancing our liveability and natural environment. The 2014-2018 Council Plan and the associated Strategic Resource Plan and 2014-2015 Budget set the strategic direction for Council over the next four years. These documents provide direction to management and include the key indicators that Council will use to deliver key outcomes (see Our Performance pages 42 - 53).



Firebrace Street, Horsham - circa 1940.



Firebrace Street, Horsham - current.

OUR STORY

Horsham, Victoria, Australia is the centre of the Wimmera wheat and wool growing district. The first inhabitants of the area were the Djura Balug indigenous Australian tribe who spoke the Jardwadjali language. The Wimmera district was previously known by the aboriginal word “bogambilor”, meaning place of flowers because the area was covered with a dense scrub of wattles at the time.

Major Thomas Mitchell was the first European to pass through the area, naming the Wimmera River in 1836. The town itself was named by James Monckton Darlot, the first squatter to take up land in 1842. He named it after his native town of Horsham in England.

The Horsham Post Office opened in 1848 with an elaborate building and clock tower erected in 1880.

In the 1870s, when squatting runs were divided up for smaller selection, a large German population settled in the area and many descendants still remain today.

The main railway from Melbourne reached Horsham in 1879 and was later extended to Adelaide, South Australia, while a branch line west to Carpolac began in 1887 and closed in 1988.

The Horsham Borough Council and the Wimmera Shire operated the McKenzie Creek Tramway from the town to a stone quarry, some eight kilometres to the south. The horse tramway opened in 1885 and ceased operating in 1927.

Major flooding affected the area in both 1894 and 1909 with the Wimmera River reaching 3.87 metres.

Green Lake was constructed in 1933 with a capacity of 5,350 ML and was originally planned as an agricultural irrigation reservoir. Horsham was officially declared a town in 1932 and a city in 1949.

The Black Saturday bushfires of 2009 were devastating, with 5,700 hectares burnt around the city’s fringe including the golf club and eight homes. Horsham experienced significant flooding in successive years in 2010 and 2011. During these events, the Wimmera River reached 3.32 metres and 4.71 metres, respectively. The 2011 event was particularly severe with the Wimmera River reaching a record peak level. Over 1,000 residents were evacuated as flood waters divided the city and damaged 600 houses, pushing up to a metre of water into parts of the central business district.

The municipality currently boasts a population of 19,691 and is aptly named The Capital of the Wimmera.

OUR COUNCILLORS

Horsham Rural City Council has seven Councillors, who are elected every four years by the residents of the municipality. Voting is conducted via postal vote, with the most recent election held on 27 October 2012.

The Mayor is elected for a one year period each November and is voted in by the Councillors.

The seven Councillors are the elected representatives of all residents and ratepayers across the municipality. They have responsibility for setting the strategic direction for the Horsham Rural City Council, policy development, identifying service standards and monitoring performance across the organisation.

The Councillors do not represent a particular area or "ward", they are elected to lead and represent the whole municipality. Each Councillor has a portfolio of local committees that they attend, providing a valuable link between the community and Council.

Council meetings are held on the first and third Monday of every month (excluding January) at the Civic Centre Municipal Offices in Horsham commencing at 5.30pm. Meetings are open to the general public and new employees are encouraged to attend to familiarise themselves with Council operations.

Reports surrounding Council policies and other information required by Council are written by Directors and Senior Managers and presented at Council meetings for deliberation and adoption.

Details about meeting dates are advertised in the press, on Facebook and on the Horsham Rural City Council website. Copies of the agenda for each meeting of Council can be obtained by contacting the Executive Assistant to the Chief Executive. Agendas and minutes are also published on the Horsham Rural City Council website - www.hrcc.vic.gov.au



CR MARK RADFORD MAYOR

First elected:

29 November 2008

Date re-elected:

27 October 2012

mark.radford@hrcc.vic.gov.au

P: (03) 5382 9726 BH
(03) 5384 0324 AH

M: (0428) 383 681
(0427) 840 324

Cr Mark Radford was first elected to Council in November 2008 and is currently in his first term as Mayor.

Cr Radford is a self-employed electrical contractor. He is committed to working for the community, with a passion for improving services for our young people.

Committees: Audit, Australia Day, Chief Executive Evaluation, Finance, Horsham Aquatic Centre Advisory, Horsham Town Hall Project Control Group, Internal Working Group and Fundraising Committee, Municipal Association of Victoria, North Western Municipalities Association, Regional Cities Victoria Delegate, Planning Committee, Tourism Advisory, Victorian Local Government Association and Wimmera River Improvement Committee.



CR ROBIN BARBER

Date elected:

27 October 2012

robin.barber@hrcc.vic.gov.au

P: (03) 5382 4417 BH
(03) 5389 1502 AH

M: (0417) 109 816

Cr Robin Barber was elected to Council in October 2012 and is currently serving his first term on Council.

Cr Barber lives at Wail and runs a building design business in Horsham. He is heavily involved in Business Horsham and is committed to developing a strong representative base for local business.

Committees: Chief Executive Evaluation, Finance, Haven Recreation Reserve, Parking Consultative and Advisory, Planning, Tidy Towns and Wimmera Development Association.



CR SUE EXELL

Date elected:

27 October 2012

sue.exell@hrcc.vic.gov.au

P: (03) 5382 6313

M: (0409) 257 256

Cr Sue Exell was elected to Council in October 2012 for a four year term. This is her first term on Council.

Cr Exell lives in Haven. She is a local business owner and has a long association with many community groups. Cr Exell wants to see Horsham and all of its outlying rural communities grow and develop into the future.

Committees: Australia Day, Basketball Stadium, Chief Executive Evaluation, Children's Hub, Green Lake, Horsham College Oval, Horsham North Neighbourhood Watch, Horsham Racecourse, Horsham Recreation Reserve, Planning, Sport and Recreation Advisory, Rail Corridor Master Plan and Sunnyside Recreation Reserve.



CR PAM CLARKE

First elected:

November 2003 – November 2008

Date re-elected:

27 October 2012

pam.clarke@hrcc.vic.gov.au

P: (03) 5381 0870

M: (0439) 810 870

Cr Pam Clarke was elected to Council in October 2012. She previously served as a Councillor for Horsham Rural City Council from 2003 to 2008, including one term as Mayor in 2007-2008.

Cr Clarke has a strong background in disability open employment and was the Chief Executive Officer of a local disability service provider for many years. She was also Chairperson of a local community welfare organisation for seven years. Cr Clarke has been a local business owner for over 40 years.

Committees: Business and Industry Liaison Group, Chief Executive Evaluation, Finance, Horsham Town Hall Fundraising Committee, Municipal Association of Victoria, Natimuk Community Centre, Planning, Public Art and Wimmera Disability Access Forum.



CR DAVID GRIMBLE

First elected:

29 November 2008

Date re-elected:

27 October 2012

david.grimble@hrcc.vic.gov.au

P: (03) 5383 6286

M: (0417) 528 636

Cr David Grimble has served as a Councillor since November 2008, including two terms as Mayor in 2012-2013 and 2013-2014.

Cr Grimble runs a family farm at Brimpaen. He understands the responsibility of civic leadership and is committed to representing the whole of the municipality.

Committees: Audit, Chief Executive Evaluation, Grampians Round Table, Horsham Town Hall Internal Working Group and Project Control Group, Horsham Regional Livestock Exchange (chair), Planning, Regional Recreation Water Users Group, Wartook Valley Strategic Working Group, Western Highway Action, Wimmera Intermodal Freight Terminal (chair) and Wimmera and Southern Mallee Regional Transport Group.



CR TONY PHELAN

Date elected:

27 October 2012

tony.phelan@hrcc.vic.gov.au

P: (03) 5388 1317

M: (0409) 945 720

Cr Tony Phelan is currently serving his first term on Council. He was elected to Council in October 2012.

Cr Phelan runs a family farm at Clear Lake and was previously a teacher for 22 years. He has a strong interest in contributing to a process of good governance that makes the municipality of Horsham Rural City Council an even better place to live for all.

Committees: Chief Executive Evaluation, Haven Recreation Reserve, Horsham Aerodrome Advisory, Horsham Regional Art Gallery, Local Advisory Fire Prevention, Municipal Fire Management Planning, Planning, Rail Freight Alliance, Wartook Valley Strategic Working Group, Wimmera Business Centre and Wimmera Regional Library Corporation.



CR HEATHER PHILLIPS

Date elected:

27 October 2012

heather.phillips@hrcc.vic.gov.au

M: (0448) 715 036

Cr Heather Phillips joined Council in October 2012 and is currently serving her first term. She has a strong interest in the financial sustainability of Council and endeavours to make decisions based on long term viability with community needs. This includes having transparent communication between residents and Council, responding to the needs of residents and being respectful of all opinions. Cr Phillips has a particular interest in waste, emergency and environmental management.

Committees: Chief Executive Evaluation, Domestic Animal Management Advisory Group, Grampians Central West Waste and Resource Recovery Group, Municipal Emergency Management, North Western Municipalities Association, Planning, Sport and Recreation Advisory, Victorian Local Government Association and Wimmera Mallee Sustainability Alliance.

OUR PEOPLE

ORGANISATIONAL STRUCTURE

Council is the governing body that appoints the Chief Executive. The Chief Executive has responsibility for the day-to-day management of operations in accordance with the strategic directions of the Council Plan. Four Directors and the Chief Executive form the Executive Management Group and lead the organisation. Details of the Chief Executive and senior officers reporting directly to the Chief Executive are provided below:



PETER BROWN
CHIEF EXECUTIVE

B Econ, Grad Dip Bus, Grad Dip LG, FCPA, FLGPRO

Areas of Responsibility:

- Management and performance of all Council operations including the \$46 million budget
- Ensuring that the day-to-day management of Council's operations are in accordance with the *Local Government Act* and align with the Council Plan
- Provision of advice and support to Council
- Direct responsibility for Council's four Directors and the Governance and Communications Unit

Senior Officers Reporting Directly to the Chief Executive



ANGELA MURPHY
DIRECTOR COMMUNITY SERVICES

B Bus (Acc), B Bus (Local Gov), ASA

Areas of Responsibility:

- Aged and Disability Services
- Community Development
- Cultural Development
- Emergency Recovery
- Environmental Health Officer
- Horsham Aquatic Centre
- Horsham Regional Art Gallery
- Immunisations
- Maternal and Child Health
- Multiple Birth Support Program
- Playgroups
- Rural Access
- Senior Citizens
- Theatre and Venue Management
- Wimmera Regional Library Service
- Youth Services

OUR PEOPLE

ORGANISATIONAL STRUCTURE



GRAEME HARRISON
DIRECTOR CORPORATE
SERVICES

B Econ, Dip GAICD, CPA

Areas of Responsibility:

- Customer Services
- Financial Services
- Human Resources
- Information and Communications Technology
- Organisational Performance
- Payroll
- Property Management
- Rate Collection
- Records Management
- Risk Management
- Treasury



TONY BAWDEN
DIRECTOR PLANNING
AND ECONOMIC

Dip LGA, Grad CLGM, FIMM, JP

Areas of Responsibility:

- Animal Management
- Building and Maintenance
- Caravan Park
- Economic Development
- Industrial Estate
- Local Laws
- Major Events and Marketing
- Planning Services
- Tourism
- Traffic Management
- Visitor Information Centre
- Wimmera Business Centre



JOHN MARTIN
DIRECTOR TECHNICAL
SERVICES

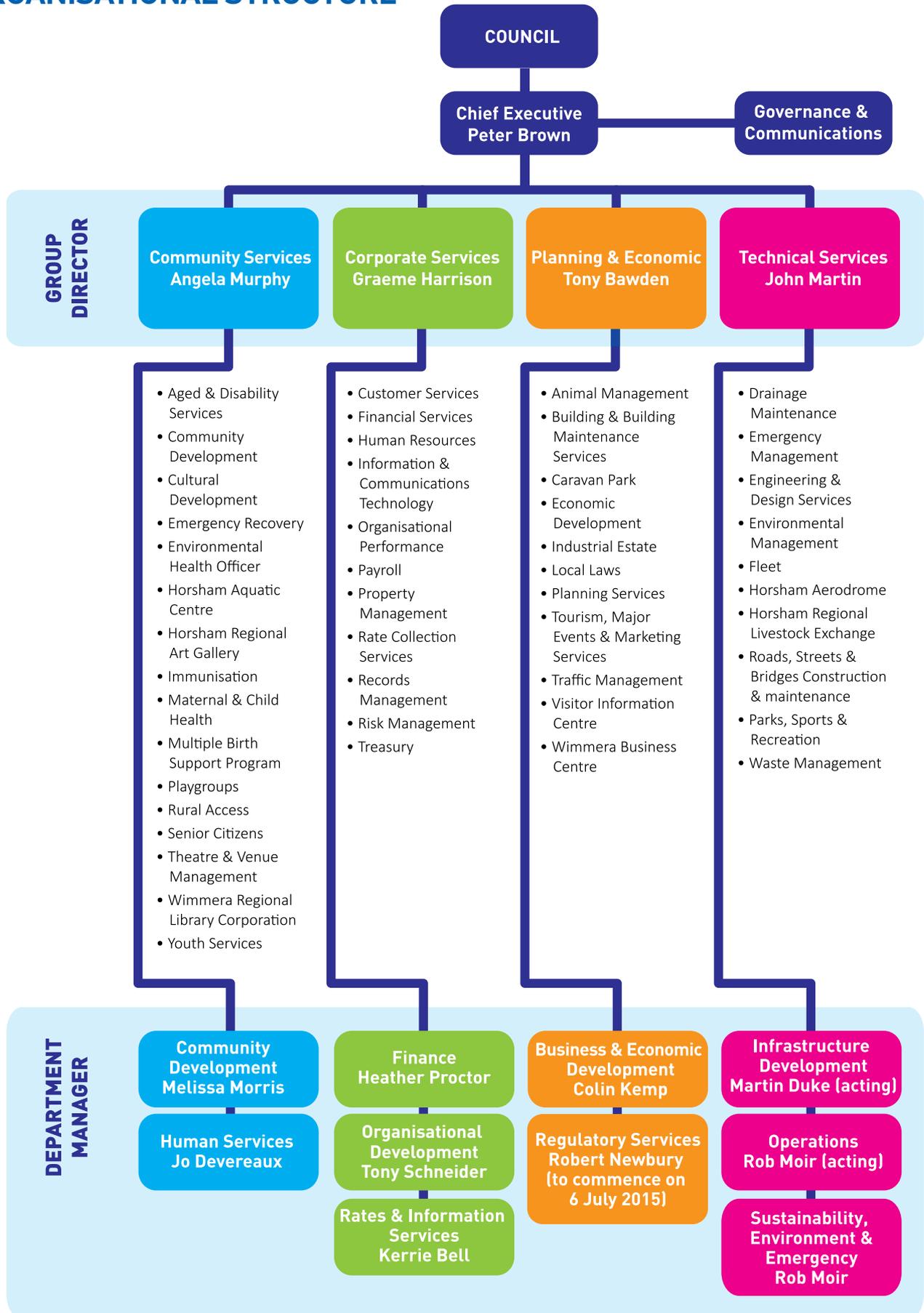
BE (Agric)

Areas of Responsibility:

- Drainage Maintenance
- Emergency Management
- Engineering and Design
- Environmental Management
- Fleet
- Horsham Aerodrome
- Horsham Regional Livestock Exchange
- Roads, Streets and Bridges Construction and Maintenance
- Sports and Recreation
- Waste Management

OUR PEOPLE

ORGANISATIONAL STRUCTURE



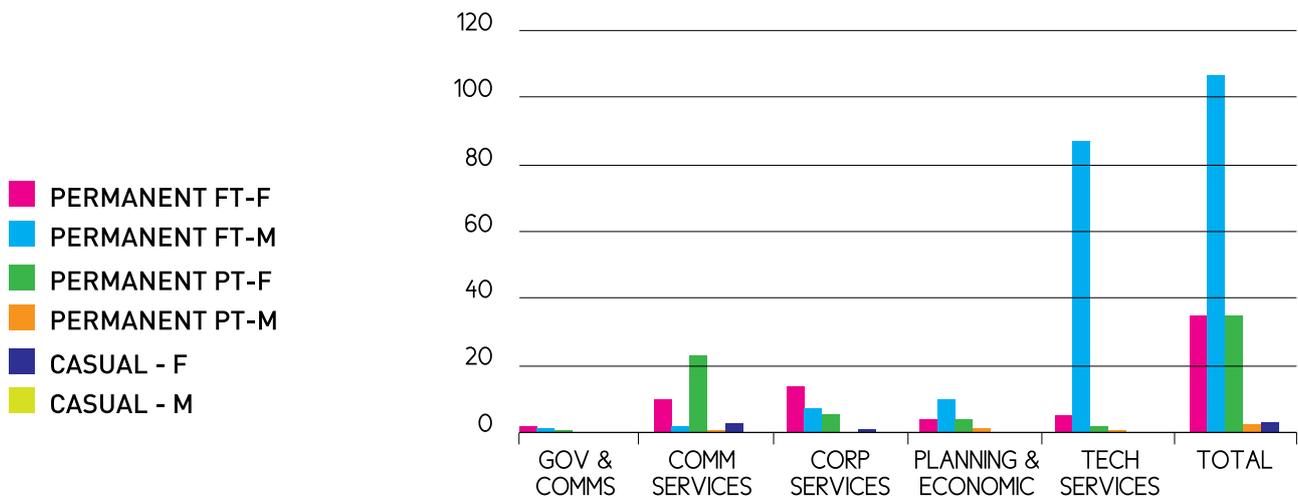
OUR STAFF

This section includes a summary of the number of full time equivalent (FTE) Council staff by organisational structure, employment type and gender is set out below.

NUMBER OF STAFF (FTE)

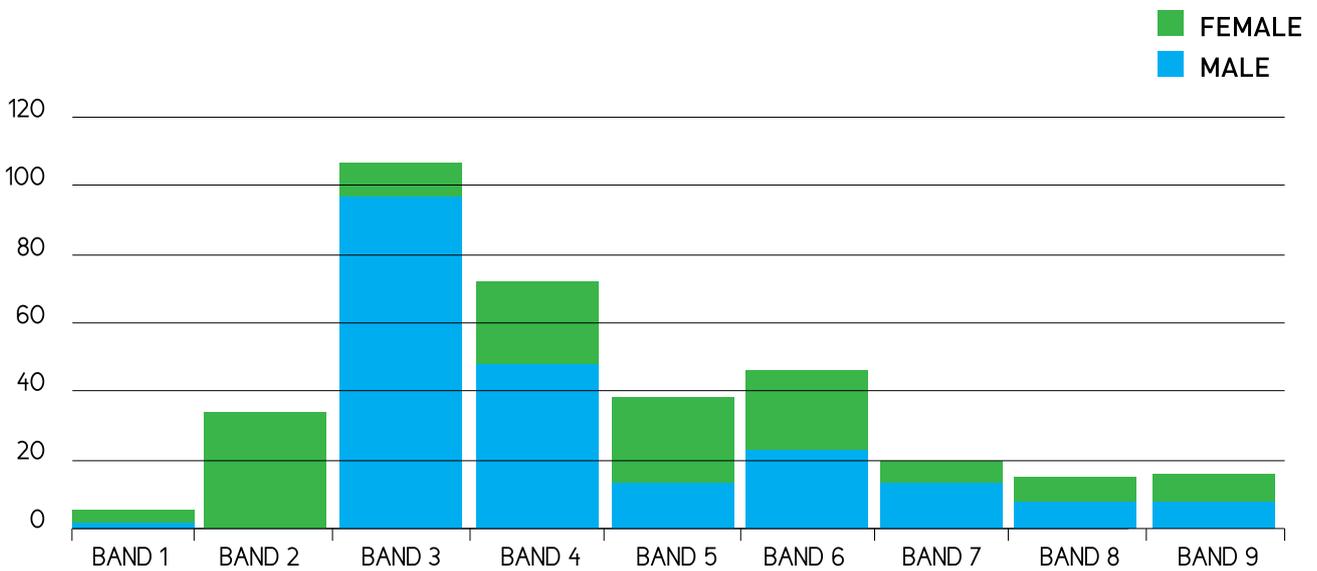
Employee type/gender	Governance & Communications FTE	Community Services FTE	Corporate Services FTE	Planning & Economic FTE	Technical Services FTE	Total FTE
Permanent FT – F	2	10	14	4	5	35
Permanent FT – M	1	2	7	10	87	107
Permanent PT – F	0.62	22.74	5.12	3.97	2.15	34.6
Permanent PT – M	0	0.8	0	1.3	0.8	2.9
Casual – F	0	2.86	0.33	0.12	0	3.31
Casual – M	0	0	0	0	0	0
Total	3.62	38.40	26.45	19.39	94.95	182.81

FT-Full time PT-Part time F-Female M-Male



NUMBER OF STAFF (FTE)

EMPLOYMENT CLASSIFICATION	FEMALE FTE	MALE FTE	TOTAL FTE
Band 1	1.83	0.76	2.59
Band 2	17.39	-	17.39
Band 3	4.89	50.45	55.34
Band 4	12.53	24.76	37.29
Band 5	12.84	7	19.84
Band 6	12.08	11.8	23.88
Band 7	3.22	7	10.22
Band 8	3.8	4	7.8
Band not applicable	4.46	4	8.46
Total	73.04	109.77	182.81



Council's Mario Malibiran, Ram Upadhyaya, Sachita Pudasaini and Marta Najfeld with Mayor David Grimble at a special morning tea to celebrate Australian Citizenship Day in September.



Parks and Gardens staff Grant Preece, David Gove, Robbie Robinson, Ryan Johnstone and Luke Spasic have been busy replanting nature strip trees throughout the municipality this year.



Horsham Rural City Council's Relay for Life team raised over \$4,000 for the Cancer Council this year.

EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

A Council with 40 or more members of staff must have developed and implemented an equal opportunity program. The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

Horsham Rural City Council commits itself in a variety of ways to the elimination of discrimination against, and the promotion of equal opportunity for, women and all other people in relation to employment matters. This commitment is supported by the activities of seven designated 'contact officers', which represents one contact officer for every 35 employees. Every two years an external provider is engaged to deliver equal opportunity refresher training and we have found that this reaches 80% of staff. On commencement, all staff are made aware of Council's commitment to equal opportunity and they are reminded of the expectations and obligations employees owe to themselves, their colleagues, Council and the community.

Council's commitment to equal opportunity is generally reviewed by the Staff Consultative Committee, which meets regularly to promote employee and management awareness, consider relevant issues, and contribute to resolution and advice. Overall, throughout the last year, it is generally agreed that there were no breaches of the *Equal Opportunity Act 2010*.

Over the past 12 months, in response to our Equal Employment Opportunity Program, biennial refresher training was made available to all managers and staff. The Victorian Employer's Chamber of Commerce and Industry was engaged to provide separate programs for managers and staff, focusing on the successful management of equal opportunity, bullying and diversity within the workplace. The training was very positive and well-received by all participants. In addition, a Human Rights policy was adopted by Council and revision of the Equal Opportunity Policy commenced. As a part of this process, an Equal Opportunity procedure was also developed and is awaiting finalisation and authorisation.

OTHER STAFF MATTERS

ENTERPRISE BARGAINING AGREEMENT

The current Horsham Rural City Council Enterprise Agreement has an operative period from 30 June 2013 to 30 June 2016. It is the seventh agreement in a series extending since 1996. The agreement provides for three wage increases of 3.5% (or a varying dollar amount) throughout the life of the agreement. The second increase of 3.5% (or \$38) was introduced on 7 July 2014. The third and final increase of 3.5% (or \$35) will be effective on 6 July 2015. The enterprise agreement will be renegotiated throughout 2015-2016, with the introduction and implementation of the eighth enterprise agreement anticipated in July 2016.



Organisational Development Manager Tony Schneider and Payroll Co-ordinator Julie Schmidt prepare for the third and final wage increase in the current agreement that will come into effect on 6 July 2015.

PROFESSIONAL DEVELOPMENT

Council supports and promotes further education and development, including undergraduate and postgraduate qualifications. One member of staff this year commenced a Masters of Infrastructure Engineering and Management. Other staff are currently completing a variety of higher-level studies, including Advanced Diploma of Engineering Design/Civil Engineering, Diploma of Risk Management and Business Continuity, Advanced Diploma of Management (Human Resources) and Certificate IV in Record Keeping. A revision of the organisation's Study Leave Policy and the Staff Training and Development Policy were undertaken and, together with a Staff Training and Development procedure, are awaiting finalisation and authorisation.

Council also provides a comprehensive corporate learning program that supports a broad range of staff development needs. This is developed in alignment with strategic priorities as well as in response to needs identified through performance and development plans. A variety of learning methodologies are used including e-learning, facilitated workshops, personal coaching, internal and external training providers.

PREVENTING VIOLENCE AGAINST WOMEN

Council is committed to the prevention of violence against women and a Statement of Commitment for the prevention of violence against women in the Horsham municipality was adopted by Council in October 2014 (see page 29).

In recent years, Council has actively supported and promoted the “White Ribbon” campaign against domestic violence (see page 30).

In the current Enterprise Agreement, Council has acknowledged the problems associated with family violence and introduced provisions to support staff who may be affected by this serious issue in the community. The Enterprise Agreement also commits to the provision of training to focus on the prevention and discouragement of family violence and it is anticipated that this education and awareness will be delivered in 2015-2016.

Through its values, policies and procedures, Council actively promotes gender equity and the establishment of trusting and safe relationships between all staff, which in turn helps to break down gender stereotypes and build respect for women and their contributions at all levels of the workforce.



Approximately 300 people (including a large number of Council staff) participated in the White Ribbon march this year.

OCCUPATIONAL HEALTH AND SAFETY

Compliance with the *Victorian Occupational Health & Safety Act 2004* is a continuing priority for Horsham Rural City Council, with an aim to have an incident and injury-free workplace for all employees. The last 12 months has seen the implementation of Council's OHS Management System (OHSMS) which has included the development and/or review of over 30 policies, procedures, forms and templates to support the OHSMS.

Achievements:

- Hazard Identification Profiles completed within each site and department
- Consultation with employees in developing policies and procedures
- Development of lead/lag indicators for OHS Reporting
- Further embedding a safety culture across the organisation
- OHS Strategic Plan developed

The focus for 2015-2016 is to continue strengthening our safety culture and enhance the full integration of our systems to ensure a safety culture is embedded in all functions across Council.



Council's Occupational Health and Safety Committee.
Back - Joy Cowie, Wendy Davies, Andy Van, Graeme Harrison, Martin Duke and Ryan Johnstone.
Front - Thelma Shaw, Simon Clark (Chair), Anthony Woodhead and Diana McDonald.

SNAPSHOT OF OUR YEAR

JULY 2014

- Council resolves to forward a letter of appreciation under seal to Mr Keith Lockwood for his contribution to the Wimmera community through his work as a Journalist at the Wimmera Mail-Times for 35 years and his long-term involvement as a volunteer.
- The Horsham RSL and Horsham Rural City Council host a visit from the Vignacourt Youth Assembly as part of a national tour to research some of the lost diggers of Vignacourt, including former Horsham resident and Mayor, Sergeant Robert Edward Charles. During their visit, the group planted a Lone Pine and unveiled a plaque near the cenotaph to commemorate their visit, honour Sergeant Charles and acknowledge the ongoing friendship with Vignacourt.
- The Wimmera Southern Mallee Regional Growth Plan is launched by former Minister for Planning, Matthew Guy. The plan, one of eight regional growth plans in Victoria, provides a regional scale view of the development issues and opportunities for each of the five Wimmera Councils and a way to work together to address them.

AUGUST 2014

- The 150th anniversary of “Lost in the Bush” is commemorated with a range of activities to highlight this incredible story of survival and collaboration (see page 31).
- Council resolves to trial an “EasyPark” mobile parking meter payment system in the Horsham central business district (see page 39).
- Consultants are appointed to conduct precinct planning projects at Haven and Laharum to ensure that any new or improved facilities will be sustainable and match community needs.
- A community consultation and briefing meeting is held in Quantong where a variety of issues such as community group insurance, the original Quantong hall, decommissioned channel maintenance, rates and roads are discussed with local residents.
- A community consultation and briefing meeting is held in Natimuk where a variety of issues such as the museum, property sales, flood monitoring, central business district speed limits, the Verj project, drainage, culverts, roads, excavation and sheep droving are discussed.

SEPTEMBER 2014

- A Customer Service Charter, outlining Council’s commitment to the delivery of high quality customer service to the community is adopted.
- Council’s Environmental Health Department introduces a new food sampling app to be used on mobile devices for food sampling activities (see page 39).
- The Wimmera Southern Mallee Regional Transport Strategy, which identifies priority transport projects of regional significance and ensures that the region’s transport directions align with State and regional policy, is endorsed by Council.
- Council receives a \$30,000 regional public place recycling grant to create twin bins with local artwork in the Horsham central business district and the Laharum Recreation Reserve.
- Council celebrates Australian Citizenship Day with a display in the Civic Centre foyer and a special morning tea with presentations by staff who have moved to Australia from other countries.
- The Wimmera and the Great War Exhibition opens at the Horsham Regional Art Gallery, providing an opportunity to commemorate the significance of the First World War and reflect on what it meant to Wimmera families.



Horsham RSL Sub-Branch President John Brondsema, Mayor David Grimble and Vignacourt Youth Embassy’s Lucile Werkin unveil a plaque near the Horsham cenotaph to acknowledge their ongoing friendship.

OCTOBER 2014

- The Flame of Hope passes through the Wimmera on its way to Melbourne for the Special Olympics National Games.
- A joint meeting of Councillors from Horsham Rural City Council and the Northern Grampians Shire Council is held in Laharum to discuss issues of mutual interest.
- Council adopts a Statement of Commitment for the prevention of violence against women in the Horsham municipality (see page 29).
- Horsham surgeon Ian Campbell is honoured at a civic reception hosted by Horsham Rural City Council, where he is presented with an award from the Royal Australasian College of Surgeons for outstanding community service over many years.
- Horsham Rural City Council hosts a civic reception to acknowledge the Horsham Cup and racing in the Wimmera.
- A community consultation and briefing meeting is held in Taylors Lake where a variety of issues such as the hall, mineral sands, Green Lake and seasonal conditions are discussed with local residents.
- Horsham Golf Club members and Horsham Rural City Council are presented with the Community Government Partnership Award at the Victorian Tidy Towns Sustainability Awards ceremony in Beechworth.

NOVEMBER 2014

- Council's Managers and Supervisors participate in drug and alcohol awareness training.
- More than 200 Wimmera residents participate in the city's annual White Ribbon Walk Against Violence (see page 30).
- Cr Mark Radford is formally elected as Mayor of Horsham Rural City Council for a 12-month term.

DECEMBER 2014

- The 2014 – 2017 Horsham and District Early Years Plan and Horsham Early Years Social Infrastructure Plan is endorsed by Council.
- Council launches its free Public Wi-Fi Project enabling users to access free internet at eight access points around the central business district (see page 38).
- A special morning tea for Council's valued volunteers is held at the Civic Centre to celebrate International Volunteer Day (see page 28).



Mayor David Grimble with local surgeon Ian Campbell and Jason Chuen, from the Royal Australasian College of Surgeons at a civic reception in honour of Mr Campbell.

JANUARY 2015

- Australia Day is celebrated throughout the municipality with special events in Horsham, Natimuk, Brimpaen and Dadswells Bridge (see page 31).
- A lightning strike ignites a fire in the Black Range State Park, burning through private property and impacting on a number of wildflower businesses to the north of the park.



Law Enforcement Officer, Garry Kennett, trials the new "Easy Park" app in Horsham.

SNAPSHOT OF OUR YEAR

FEBRUARY 2015

- Council adopts a Micro Business Drug and Alcohol Management Plan for activities relating to the Horsham aerodrome.
- Horsham Rural City Council launches a new mobile app and service request system for iPhones and iPads, enabling users to submit and keep track of service requests and keep up to date with Council news, public notices, events, roadworks, jobs and tenders (see page 39).
- A delegation of students and teachers from Nujiang National Middle School spend one week in Horsham as part of a cultural education exchange program with Horsham College (see page 37).
- Council's Animal Rehousing Program is announced winner of the LGPro Award for Excellence – Community Partnerships, at their annual conference in Melbourne (see page 34).
- A special morning tea is held to present Mr Donald Carter with a letter under seal from Council in acknowledgement of his enormous contribution to municipality, including 24 years' involvement with the Wimmera Development Association.



Donald Carter shows off the letter under seal he received from Council in February.

MARCH 2015

- A team of 20 Council staff enter the annual Relay for Life event in Horsham, raising over \$4,000 for the Cancer Council.
- Council hosts a very successful Digital Community Forum in Horsham bringing together key stakeholders from the health, community services, education and volunteer sectors to share information on the rapidly changing pace of digital technology.
- Horsham Rural City Council hosts a visit from representatives from the People's Government of Nujiang Prefecture (see page 37).
- A community consultation and briefing meeting is held in Telangatuk where a variety of issues such as tennis courts, the hall, Iluka, table drains, roads, VicRoads policy, rates and the budget are discussed with local residents.
- Council's civil engineer Sachita Pudasaini talks about her journey leaving a male dominated society in Nepal to settling in Australia at a special International Women's Day luncheon at the Wesley Performing Arts Centre.
- Australia's Prime Minister, Tony Abbott, announces a \$1 million pledge from the Federal Government towards the Wimmera Cancer Centre at a special fundraising breakfast at Wimmera Health Care Group.



Staff member Suchita Pudasaini (right) with Carly Werner, Jan Morris, Steph Meyer and Bronwen Clark at the International Women's Day luncheon in Horsham.

APRIL 2015

- In conjunction with Wimmera Development Association and the five Wimmera regional Councils, Horsham Rural City Council hosts an information display at the fourth annual Regional Victoria Living Expo in Melbourne (see page 33).
- Horsham Rural City Council is one of 12 regional centres in Australia to host Camp Gallipoli to commemorate the ANZAC Centenary (see page 32).

MAY 2015

- Council hosts a special morning tea for its many valued volunteers to celebrate National Volunteers Week (see page 28).
- An Australia's Biggest Morning Tea event at the Horsham and Grampians Visitor Information Centre raises \$272.25 for the Cancer Council (see page 28).
- Victorian Premier, Daniel Andrews opens stage one of the Grampians Peaks Trail project in Halls Gap. The State and Federal Governments have contributed \$19 and \$10 million, respectively, towards the trail which will cover 100 kilometres from Mt Zero to Dunkeld when completed. Horsham Rural City Council is the lead agency in a consortium comprising of the Victorian State Government, Grampians Councils and Grampians Tourism.
- The 20th annual Art is... festival opens in Horsham (see page 30).
- A community consultation and briefing meeting is held in Laharum where a variety of issues such as animal overlays, Wartook Strategy Plan, traffic calming along Northern Grampians Road, signage, Zumsteins, bike trail scoping, Laharum Precinct Plan, Wartook study, mobile black spot, Grampians Peaks Trail, Roses Gap Road and Fire Recovery funds are discussed with local residents.
- Horsham Rural City Council's Animal Rehousing Program is announced winner of the National Local Government Management Association Award for Community Partnerships and Collaboration (see page 34).



Mayor Mark Radford, Member for Lowan, Emma Kealy MP, Uncle Kevin Coombs, Aunty Nancy Harrison, Cr Leo Tellefson and Minister for Aboriginal Affairs, Natalie Hutchins, at the launch of the Victorian Aboriginal Honor Roll roadshow in Horsham.

JUNE 2015

- A Henty Highway Action Committee, comprising of representatives from the Horsham, Mildura, Yarriambiack, Southern Grampians and Glenelg Shires, VicRoads and the Department of Transport, Planning and Local Infrastructure is formed to advocate for improvements to the Henty Highway.
- Minister for Aboriginal Affairs, Natalie Hutchins, officially opens the Victorian Aboriginal Honour Roll roadshow exhibition at the Horsham Library. The honour roll plays a vital part in sharing the achievements of Aboriginal Victorians with communities across the Victoria.
- Council adopts a Human Rights policy to ensure that legislative obligations and corporate responsibilities in relation to all aspects of human rights are met.
- A Community Engagement policy is adopted by Council, providing key principles to ensure that Council effectively engages with the community.

OUR COUNCIL PLAN

The *Local Government Act 1989* requires all Victorian Councils to produce a four year Council Plan which must be reviewed annually.

The 2014-2018 Council Plan sets the strategic direction of Council over the next four years, linking the community's vision to long-term community goals, four year outcomes and four year priorities for Horsham Rural City Council. The Council Plan provides direction to management and includes the indicators that Council will use to deliver key outcomes.

The following pages provide stories against some of the outcomes and priorities contained in the Council Plan. Further information is provided in the 'Our Performance' section (see pages 42-53).

For a full copy of the Horsham Rural City Council Plan, please contact Council on telephone (03) 5382 9777 or call into the Municipal Offices, Civic Centre, 18 Roberts Avenue, Horsham.

The Council Plan is also available on the Horsham Rural City Council website – www.hrcc.vic.gov.au



GOAL 1 COMMUNITY AND CULTURAL DEVELOPMENT

DEVELOP HORSHAM AND THE MUNICIPALITY AS A DIVERSE, INCLUSIVE AND VIBRANT COMMUNITY

OUR VOLUNTEERS

Over six million Australians contribute their time, energy and expertise to volunteering every year, giving many hours of unpaid work, contributing approximately \$200 billion to Australian economy.



Mayor Mark Radford with Visitor Information Centre volunteers and friends Pauline, Carol, Maureen and Gwen at an Australia's Biggest Morning Tea event at the centre.

Volunteers play an important role in supporting and enhancing the services provided by Horsham Rural City Council. Some of the areas supported by volunteers at Horsham Rural City Council are:

- Advisory Committees and Committees of Management (eg, public facilities such as recreation reserves, halls, etc)
- Art is ... Festival
- Community Arts
- Emergency Management – Natural Disasters (eg, fire, flood, etc)
- Horsham and Grampians Visitor Information Centre
- Horsham Regional Art Gallery
- Meals on Wheels
- Multiple Birth Families Support Program
- Portsea Camp
- Supported Playgroups

This year Council hosted two special morning tea events, on International Volunteers Day in December and during National Volunteers Week in May, to say thank you to our many valued volunteers.



75.3 per cent of family violence victims in Victoria this year were women!

In **HORSHAM** there is
MORE THAN ONE reported
incidence of **FAMILY**
VIOLENCE EVERY DAY!

Monday
Tuesday
Wednesday
Thursday
Friday
Saturday
Sunday

www.crimestatistics.vic.gov.au

Horsham Rural City Council is concerned about these statistics and a Statement of Commitment for the prevention of violence against women in the Horsham municipality was adopted by Council in October 2014.

Council has a leadership role to influence culture and social norms through our interaction with individuals, families, organisations and the community to eliminate attitudes that support violence.

STATEMENT OF COMMITMENT

Horsham Rural City Council provides leadership and support for the prevention of violence against women in the Horsham municipality by making a commitment to:

Addressing the causes of violence

- Promote gender equity between women and men, girls and boys
- Challenge beliefs in rigid gender roles and stereotypes
- Challenge sexism

Being involved

- In the annual White Ribbon Day march
- In International Women's Day activities
- In networks with a focus on preventing family violence and violence against women

Building capacity

- Investigate training opportunities for staff and the community to ensure an understanding of violence against women and how it can be prevented
- Endorse the Victorian Women's Local Government Charter to increase women's participation in Local Government

Developing a culture of respect

- Include a Family Violence clause in the Enterprise Bargaining Agreement

Sustaining action

- Embed prevention of violence against women principles into the Council Plan and Municipal Public Health and Wellbeing Plan

WHITE RIBBON

White Ribbon is the world's largest male-led movement to end men's violence against women. The White Ribbon Campaign recognises the positive role that men play in preventing violence against women. It fosters and encourages male leadership in the prevention of violence against women, based on the understanding that most men are not violent.

The campaign works through primary prevention initiatives which include awareness raising and education programs with youth, schools, workplaces and the broader community.

There is a local Wimmera White Ribbon Committee comprising of representatives from local agencies and community members. The committee is responsible for raising awareness and co-ordinating local activities such as the annual White Ribbon Day march and White Ribbon round in the Wimmera Football League.

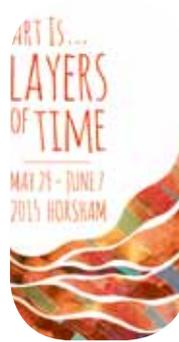
Approximately 300 people (including a large number of Council staff) participated in this year's White Ribbon march on 25 November, more than double the number involved last year. The group walked from the Horsham Aquatic Centre through Firebrace Street to May Park, where they gathered for speeches and a barbeque lunch. Some Year 9 students from Horsham College also spoke about a school project around family violence awareness.

For the first time this year, the committee supported Wimmera ambassadors to champion the White Ribbon message. They are Council's Chief Executive Peter Brown, Legal Aid Family Lawyer Slav Subbotin and Grampians Integrated Family Violence Committee Region Integration Co-ordinator Ross Anders (pictured below).



Our White Ribbon Ambassadors – Peter Brown, Slav Subbotin and Ross Anders.

ART IS... FESTIVAL



Belinda Eckermann presenting her puppet assisted by Jarrod Hill at the Art is... Debutante Ball.

Art is... celebrated its 20th successful festival from 29 May through to 7 June 2015. The nine day program included a total of 47 events.

The 2015 Art is... Festival is in the second year of a three year theme "Layers of Time". The program reflected our community's rituals, celebrations and ceremonies of the Wimmera region with a birthday for the Queen, debutante ball, bus and walking tours, visual art exhibitions and much more, ensuring there was something for all ages and interests.

An estimated 12,060 people attended this year's Art is... Festival. This figure includes every workshop, event and rehearsal in the lead up to and during the nine day period of the festival.



A number of art making workshops were held during this years Art is... Festival.

150TH ANNIVERSARY OF LOST IN THE BUSH

August 2014 marked the 150th anniversary of Lost in the Bush, an extraordinary true story of human survival and resilience.

On Friday, 12 August 1864, the three Cooper Duff children - Isaac, Jane and Frank - aged nine, seven and four, ventured into the Wimmera scrub to collect broom for their mother and became lost. Nine days later, on Saturday, 20 August 1864, after a search of massive proportions, involving a combined effort of the pioneering farmers and the skills of black trackers, the children were found, weak and barely alive.

Their story of incredible survival and collaboration between Aboriginal and pioneering Australians has gripped the public imagination and ensured an evolving legacy of decades of retelling.

A Lost in the Bush 150th Anniversary Committee was established in November 2013 to create and deliver a calendar of events and associated activities program from "Lost Day" to "Found Day", 12 to 20 August 2014.

Some of the initiatives included: a Lost in the Bush Education Pack distributed to 72 primary and secondary schools across the region, signage and shelter projects at the memorial site and new 150th anniversary plaque signage at the Jane Duff Memorial Park.

Activities included: a creative writing competition, facilitated discussion panel, film screening, school picnic program, Duffholme museum tour, Horsham Cemetery tour, historical displays, found day picnic and commemoration, ceremony readings, shadow and light exhibition and more.

In total, 2,350 people attended/participated in the official events and activities, with 1,450 of those being students.

The 150th anniversary celebrations were extremely successful due to the strong collaboration between Horsham Rural City Council, West Wimmera Shire Council, Barengi Gadjin Land Council, Wimmera Regional Library Corporation, Department of Education and Early Childhood Development, Duffholme Museum, the Arapiles, Edenhope and Horsham Historical Societies, local farmers and many other community organisations and individuals.



Students participated in environment art workshops as part of the 150th anniversary of Lost in the Bush.

AUSTRALIA DAY CELEBRATIONS

Australia Day was celebrated throughout the municipality in Horsham, Natimuk, Dadswells Bridge and Brimpaen.

Horsham Rural City Council hosted the Horsham celebrations on the banks of the Wimmera River at Sawyer Park. The event attracted approximately 400 community members, who enjoyed a free community barbecue, provided by the Combined Service Clubs, followed by the official ceremony.

The 2015 Australia Day Awards were presented to:

- Ronald Goudie – Citizen Award
- Greg McKinnon – Youth Citizen Award
- Operation 19:14 Children's Festival – Community Event of the year Award



Citizen of the Year Ronald Goudie, Young Citizen of the Year Greg McKinnon and Mayor Mark Radford at the Australia Day celebrations in Horsham.

Elder and member of the Barengi Gadjin Land Council, Jennifer Beer, presented a Welcome to Country and attendees were entertained by the Horsham Pipe Band, Horsham Brass Band, Sing Australia Choir and the Horsham Arts Council. The Australian national flag was raised by the Horsham Guides and Scouts and an Australian children's story "Possum Magic" was read by Mary Dagleish from the Wimmera Regional Library Corporation. The event also included an Australian Citizenship Ceremony (see page 32).

Sue Calwell, Australia Day Ambassador, addressed attendees at both the Horsham and Natimuk celebrations. Ms Calwell was formerly the Executive Director of Australia's Tourism Promotion Authority and her role was to implement policy planning and direction of programs and budgets.

Ms Calwell spoke about her work with the tourism and conventions industries to promote Melbourne by establishing co-operative advertising strategies. She also directly influenced international organisations to hold major conferences and conventions in Melbourne. Since leaving Melbourne Tourism, Ms Calwell has continued to dedicate herself to many tourism related organisations including a number of charities.

AUSTRALIAN CITIZENSHIP CEREMONIES

Australian citizenship is an important step for people from other countries who have made the choice to call Australia their home. In becoming an Australian citizen, they are making an ongoing commitment to Australia and all that our country stands for.

Horsham Rural City Council is proud and honoured to conduct citizenship ceremonies on behalf of the Department of Immigration and Border Protection. These ceremonies are performed by the Mayor, providing an important opportunity to officially welcome new Australian citizens to our community.

Citizenship ceremonies are held on a regular basis at the Civic Centre Municipal Offices immediately prior to Council meetings. The Australian National Anthem led by the Sing Australia Group at the conclusion of the formalities, is a highlight at these special events.



Mayor Mark Radford with nine new Australian citizens at the annual Australia Day celebrations at Sawyer Park in Horsham.

In addition, citizenship ceremonies are held as part of the annual Australia Day celebrations at Sawyer Park in Horsham, which this year saw nine community members become Australian citizens.

During the past year, Council has conducted eight citizenship ceremonies to naturalise 43 candidates from 15 countries – India, South Africa, Philippines, Egypt, Bulgaria, Poland, Turkey, Nepal, China, Thailand, United Kingdom, Iran, Botswana and Myanmar.

ANZAC CENTENARY



The Centenary of ANZAC was commemorated in a special way in Horsham this year.

In partnership with the Horsham RSL Sub-Branch, Horsham was one of 12 regional centres in Australia to host Camp Gallipoli.

ANZAC Day eve featured a unique presentation which included music, song, a battle scene re-enactment and a series of documentaries and guest speakers all explaining the events of 1915. Students from Horsham, Ararat and Hopetoun camped under the stars at the Horsham City Oval and were awoken by a bugle call before sunrise to attend the dawn service at the Horsham Cenotaph, on the banks of the Wimmera River. The service was attended by an estimated 2,000 people. The young people took part in the service by reading the names of the 48 local young men killed at Gallipoli, on the tolling of the HMAS Horsham Bell.

An impressive ANZAC Day Parade followed, marching down Firebrace Street to the applause of the crowd. In a poignant tribute, the Light Horse Brigade and a solitary Red Cross Nurse concluded the march. The ANZAC Day Service was also very well attended. A feature of the centenary events was the ANZAC Centenary Flame, personally collected by the Mayor and representatives from the Horsham RSL Sub-Branch at a special ceremony in Canberra in February. Another highlight was the locally hand-crafted red poppies and rosemary springs.



Private James Fiddler and returned digger Rex Dumesny with the ANZAC centenary Flame at the dawn service in Horsham.



GOAL 2 SUSTAINING OUR ECONOMY & ENVIRONMENT

LEAD IN SUSTAINABLE DEVELOPMENT AND ENHANCE THE ENVIRONMENT

HORSHAM REGIONAL LIVESTOCK EXCHANGE



The Horsham Regional Livestock Exchange had a throughput of 526,376 sheep and 1,510 cattle this year.

The Horsham Regional Livestock Exchange has been operating at the Burnt Creek Industrial Estate since November 1999 and in its 15 years at this location, has proven to be an important part of the local economy. The Exchange has surpassed all sheep and cattle sale expectations and is now one of regional Victoria's main livestock selling centres.

The Livestock Exchange, originally based in Horsham central, always achieved good trade at its fortnightly auctions with a throughput of between 250,000 to 300,000 sheep and lambs per year. Since its relocation approximately five kilometres out of Horsham central, and the change to a weekly auction, those numbers have doubled to over 600,000 per year. In the past financial year, the Livestock Exchange throughput was 526,376 sheep and 1,510 cattle.

The Exchange is Victoria's fourth largest sheep and lamb market and the major livestock selling centre in the Wimmera region, attracting vendors not only from the Western District and Mallee, but from as far afield as the South Australian border and southern New South Wales. The knock-on effect from visiting vendors not only boosts the livestock sale market, but brings financial gain to the local economy through accommodation and visitors shopping locally. The saleyards have also proven to be of great benefit to the wellbeing of farmers, giving them an outlet to socialise with others living in rural communities on a weekly basis.

The Horsham Regional Livestock Exchange is accredited as part of the National Livestock Quality Assurance (NSQA) program and is committed to a quality approach in the provision of service for the marketing of livestock. Sheep and lambs arrive on Tuesday afternoons and are sorted and categorised (size and weight) and any animal welfare issues checked. The livestock are housed in concrete or dirt pens until the following day, where they are placed in their allocated pens ready for the Wednesday morning auction. The Livestock Exchange has the capacity to comfortably house 17,500 head per week in the pens, however, in spring, the average sale is 20,000 per week. Along with sheep and lambs, there is also a cattle sale every second Wednesday, with cattle being sold by weight.

REGIONAL VICTORIA LIVING EXPO

The Regional Victorian Living Expo was held from 1 to 3 May at the Melbourne Convention Centre. Horsham Rural City Council participated in this event alongside the Wimmera Development Association and other Wimmera Councils. This year "The Wimmera" branding had a unique opportunity of being the first of the 48 regional displays inside the exhibition arena.

The 2015 expo achieved a record attendance of 10,156 people across the three days, with people looking at their options to relocate into Regional Victoria. The Wimmera Councils were able to display a combined listing of 50 employment and 43 business opportunities to discuss with interested attendees. From this initial interest, Wimmera Councils received 150 active enquiries which have been closely followed up since the expo. Horsham Rural City Council continues to liaise with interested parties looking at relocation options in the municipality.

The Regional Victoria Living Expo was introduced in 2011 by the former State Government as a core component of their Regional Victoria Marketing Campaign, designed to entice people to relocate from the city to regional Victoria. This is the fourth year Horsham Rural City Council has been represented at the expo with its regional partner Councils.

OUR AWARD WINNING ANIMAL REHOUSING PROGRAM

An extensive Animal Rehousing Program has been operating within the municipality since 2009. The aim of the program is to rehouse as many stray or surrendered animals as possible.

The Animal Rehousing Program is a partnership between Council and Horsham PAWS (People for Animal Welfare and Support), supported by local veterinary clinics and Petstock. Lost, abandoned and surrendered animals are assessed for rehousing suitability. If the animal meets the program's criteria, they are de-sexed, microchipped, vaccinated, wormed and registered, and foster care is provided until they are matched with their forever home.

The Animal Rehousing Program in Horsham is highly regarded throughout Australia. Since the program commenced, almost 1,000 dogs and cats have been rehoused.

This year, the program received two significant Local Government awards in recognition of the collaborative approach taken to save lives and make a difference to the lives of lost and abandoned pets. In February, the program won the Community Partnerships Initiative Award at the 2015 Annual LGPro (Local Government Professionals) State Conference held in Melbourne. The program then went on to win the inaugural 2015 LGMA (Local Government Managers Australia) Federation Award in Darwin.

These awards are a fitting tribute to the Council Officers, Horsham PAWS volunteers and businesses who have worked hard to ensure the ongoing success of this important animal welfare program.



In February, the Animal Rehousing Program won the Community Partnerships Initiative Award at the LGPro State Conference in Melbourne.



Ranger Wayne Lane with a kitten that was rehoused through the Animal Rehousing Program.



The newly constructed theatre will have a 10 metre stage and the capacity to seat 500 people.



GOAL 3 MAINTAINING OUR ASSETS

MEET COMMUNITY AND SERVICE NEEDS THROUGH PROVISION AND MAINTENANCE OF INFRASTRUCTURE

HORSHAM TOWN HALL AND REGIONAL ART GALLERY REDEVELOPMENT

Works are progressing well on the Horsham Town Hall and Regional Art Gallery redevelopment, with construction reaching 64 per cent. This is Council's largest community and economic development infrastructure project to date. The redevelopment is due for completion in October/ November, with the proposed official opening to be held in February 2016.

On-site activity has continued at a very high level. During June, more than 50 tradespeople were working on-site, peaking at 60 for several days. The economic benefits of the construction period cannot be underestimated, particularly in terms of the positive flow-on effect to local trade businesses, retail, hospitality and accommodation providers.

The building is almost at lock-up stage with key construction milestones being:

- Pynsent Street front section wall framing completed
- Fly tower walls and ceiling painted, with sprinkler rough in and mechanical exhaust baffles fitted
- New theatre ceiling plastering completed and painting commenced
- Glazing installed to the main row of windows on the east side of the building

Key features of the redevelopment will include:

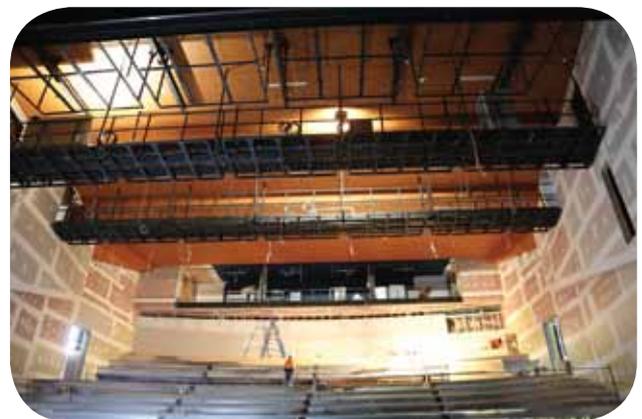
- Refurbishment of the heritage listed Town Hall and Regional Art Gallery
- Heritage features such as the façade, foyer, terrazzo seal, box office, stair case and the hall itself, will all be carefully retained
- The gallery, town hall, theatre, entries and backstage facilities will be fully accessible for people of all abilities
- Wilson and Pynsent Streets will be connected by a foyer running the length of the building
- Construction of a 500 seat theatre with the capacity to remove some seats to accommodate up to 24 wheelchairs
- A 10 metre stage with 5 metre backstage area either side
- The latest sound and lighting technology
- A 17 metre fly tower for scenery changes
- Five dressing rooms, accessible for people of all abilities
- A green room for performers to gather before performances
- A lift and stairs to the first floor
- Toilets and laundry facilities

Significant preparation for operating the facility is well under way, including programing, marketing, developing venue hire fees and policy, meeting with users and hirers and recruiting staff.

The Horsham Town Hall and Regional Art Gallery redevelopment will enhance liveability and attract visitors and new residents to the municipality by offering educational and skill development opportunities, hosting professional exhibitions, performances and major conferencing.



The Pynsent Street entrance to the Horsham Town Hall and Regional Art Gallery.



View from the new theatre stage.

ROAD WORKS

Horsham Rural City Council services 2,976 kilometres of roads. Of these roads, 948 kilometres are sealed roads and 947 kilometres are unsealed roads.

Below is a description of road works completed in 2014-2015.

WORK DESCRIPTION	LENGTH (KILOMETRES)	AREA (SQUARE METRES)
Road Construction New Urban	-	-
Road Construction New Rural	-	-
Road Reconstruction Urban	1.01	8,937
Road Reconstruction Rural	6.72	37,860
New Sealed Road Construction (subdivisions)	1.94	16,514.70
Rural Reseals	22.08	115,325
Urban Reseals	3.67	32,923
Sealed Road Shoulder Re-sheeting	17.84	71,360
Gravel Road Re-sheeting	32.22	128,880
Footpaths New	2.474	3463.32
Footpaths Renew	0.389	544
Kerb and Channels New	2.61	-
Kerbs and Channels Renew	1.872	-
Norton Creek Bridge reconstruction	0.04	388

MAJOR CAPITAL WORKS

This year, Horsham Rural City Council spent \$19,430,000 on capital works throughout the municipality. The table below provides details of some of the capital works projects that Council funded during 2014-2015.

ROAD INFRASTRUCTURE CONSTRUCTION	AMOUNT (\$)
Horsham	1,237,857
Rural	2,656,296
Country Roads and Bridges Program	1,103,655
Roads to Recovery Program	1,073,931
OTHER	
Aquatic Centre Indoor/Outdoor Pool Refurbishment	158,543
Wimmera River Foreshore Improvements	145,661
Enlarge Racecourse Stormwater Basin	210,774
Soccer Playing Field	96,486
Clubroom Purchase	201,872
Mibus Centre Air Conditioning Renewal and Lift	395,908
Wimmera Business Centre Building Refurbishment	78,049
Aerodrome Redevelopment	471,473
Dooen Landfill Completion Hardwaste Cell	338,806
Works in Progress	9,697,000
Other Works (including Plant Purchases)	1,563,689
TOTAL	19,430,000



GOAL 4 GOVERNANCE & BUSINESS EXCELLENCE

EXCEL IN COMMUNICATION, CONSULTATION, GOVERNANCE, LEADERSHIP AND RESPONSIBLE USE OF RESOURCES

NUJIANG – OUR CHINESE SISTER CITY

Our relationship with the People’s Government of Nujiang Lisu Autonomous Prefecture has continued to strengthen during the past year.

In September 2014, a group of Year 9 and 10 students from Horsham College visited Nujiang National Middle School as part of an education exchange program established between the two schools. The students stayed with host families where they experienced the Chinese way of life and participated in cultural and class activities at the school.

In February 2015, seven students from Nujiang National Middle School made a return visit to Horsham College, enabling them to cement the friendships they had formed in 2014 and learn about the Australian culture. The student education exchange program has been a very positive experience for the all the students involved.

In March 2015, Council welcomed a delegation of six representatives from the People’s Government of Nujiang Lisu Autonomous Prefecture to Horsham. Guests experienced an Australian Citizenship Ceremony and a formal welcome dinner. They also visited some of our local attractions including a vineyard, broadacre cropping property, dairy, the Grains Innovation Park, Longerenong College, Horsham College and the Wimmera River.

Horsham Rural City Council has had a sister city friendship agreement with Nujiang since 2008. Nujiang is situated in the Yunnan Province in south-west China and is known for its rivers, valleys, landscapes and mineral resources, along with its rich, colourful and diverse heritage culture.



The delegation from the People’s Government of Nujiang Lisu Autonomous Prefecture with Chief Executive Peter Brown, Mayor Mark Radford and Cr Pam Clarke.



Mayor Mark Radford presented students and leaders from Nujiang National Middle School with traditional Australian hats during their visit to Horsham in February.



Chinese students Steve, Noodle and Jan enjoy a barbeque at Horsham’s Weir Park during their visit to Horsham.

KEEPING PEOPLE INFORMED

Council proactively uses a number of social media channels to provide residents with information on events, services, initiatives, community engagement opportunities, community service announcements and disaster management.

Council's communication is strategically aligned with its organisational goals, objectives and priorities. Our approach delivers real impact and builds value and reputation for external and internal customers. We will continually use technology effectively to improve business functions and deliver benefits to the community. By increasing our engagement through these channels over the past year, the number of residents interacting with Council via social media has grown significantly:

- Facebook 1,092 Likes
- Twitter 80 Followers
- YouTube 4,423 Views
- Key Web Stats 67,201 Unique Visitors
300,572 Average Hits Per Month



FREE CITY WI-FI

Residents and visitors can surf the internet for free throughout Horsham's Central Business District. With the use of any Wi-Fi enabled device, users can access the internet at key access points across the city, including Firebrace Street, Roberts Place, the bus station on Roberts Avenue, the Visitor Information Centre, Sawyer Park and May Park.

This project is part of the city's Digital Community Strategy with the purpose of building a network that puts Horsham on the map. Internet access is now an essential part of our everyday working and private lives.

Council thanks the contractors involved in the project, including local company CHS Group and Geelong based DuxTel Communication Services.



NEW APPS

Council has launched a number of new applications (apps) this year. Details are provided below.



EasyPark

Council has introduced the EasyPark app as an option for paying parking meter fees in Horsham. EasyPark enables motorists to pay parking meter fees on their mobile phone instead of feeding their parking meter with coins. People can download the EasyPark app on their smartphone, enter their vehicle registration number and parking code, and set an initial parking time. The app will send an SMS reminder 15 minutes before the parking is due to expire and people can extend their time if they wish. When using EasyPark, fees are debited to a credit or debit card and parking can be ceased at any time, meaning that you only pay for the time you are parked at the meter.

Service Request

Council has launched a mobile app which includes a mobile and internet service request system. The new app makes it simpler and more efficient for customers to get in touch with Council. The app is currently available for iPhones and iPads and provides a mobile resource for residents and visitors to the municipality.

The main feature of the new mobile app is the service request option. Residents and visitors can easily submit a service request to Council using the GPS on the device, which populates the location details automatically and photos can be attached to the service request. Service requests can also be submitted through Council's website.



SERVICE REQUESTS



Food Sampling

The food sampling app has been designed to assist Council Officers in recording and submitting food samples to the lab for testing. The Department of Health and Human Services (DHHS) issue single use barcodes to identify these samples. The barcodes are scanned by a phone or tablet and the information is entered into an electronic form. The information is then submitted to the laboratory via a PDF document.

The app cuts down on time that was spent completing a standard paper form and allows for quick and easy submission of food samples for analysis. It was developed by DHHS in conjunction with the Municipal Association of Victoria, which they will support for five years. Council participated in the trial of the app prior to its release late 2014.



Food Sample

RECOGNISING EMPLOYEES

Council has a team of professional employees to support our regional city. Our staff strive to enhance the way we do things in Council by streamlining processes and doing things smarter and more efficiently. This enables customers to access information and interact with Council more effectively. Some you see in the community each day and some are behind the scenes, supporting the front line services. Our staff are essential to achieving our key priorities now and into the future.

THE FOLLOWING AWARDS WERE PRESENTED TO STAFF THIS YEAR:

Monthly Staff Awards

- The Bitumen Road Patching Team (Ron James, Rod Schumann, Andy Hogart, Jarrod Morrison) Fiona O'Brien, Kaylee Scott, Jillian Pearce, Charee Bolwell, Lyndon White, Rosemary Lehmann, Tracey Arbuckle, Martin Bride, Mary-Anne Duke, The Visitor Information Centre Team (Gloria McRae, Julie Anson, Tamara Hallam-Brook, Colin Kemp)

Annual Departmental Achievement Awards

- Gloria McRae - Planning & Economic
- Kathy Newton - Corporate Services
- Marta Najfeld & Rhonda McNeil - Technical Services
- Cindy Francis - Community Services

Special Awards

- Thelma Shaw - OH&S Committee Award for Encouragement
- Rod Lawson and Parks and Recreation Team - Overall OH&S Award
- Mibus Lift Project - Cross Functional Team Award
- Warren Kennedy - Ian Maria Customer Service Award
- Warren Kennedy - Rob Jory Award
- Mark Purtle - Bob Young Award
- 25 Years of Service - Michael Neal, Kelvin Howe, Jan Bahr, Irene Jones, Sandra McClure, Robyn Tomlins
- 40 Years of Service - John Klemm

INAUGURAL AWARD FOR EXCELLENCE IN RISK MANAGEMENT – DIANA MCDONALD



Council's Risk Management Co-ordinator Diana McDonald won the inaugural Municipal Association for Excellence in Risk Management award this year.

Diana McDonald has made significant contributions to the understanding and acceptance of risk management and associated concepts at the Horsham Rural City Council, and was the inaugural recipient of the Municipal Association Victoria (MAV) Award for Excellence in Risk Management. This State-wide award has been established by MAV Insurance to recognise outstanding practice in risk management across the local government sector, and support the professional development of risk managers.

Diana has employed a dedicated and innovative approach to Risk Management, and her willingness to participate in regional approaches and lead a State-wide Special Interest Group has benefited not only Horsham Rural City Council but Councils across Victoria.

As part of the award, Diana attended the RIMS'15 (Risk Management and Insurance Society's) annual conference held in New Orleans from 26-29 April 2015.

ADVOCACY

Advocacy on behalf of the Horsham and wider Wimmera community is an important role for Council. The Council Plan highlights the following key advocacy issues as priorities for Horsham Rural City Council:

- Improved weather forecasting including Bureau of Meteorology radar coverage
- The rebuilding of Horsham College – *Funding achieved*
- Improved education and health outcomes for our community
- Total mobile phone coverage across the municipality – *18 blackspots to be improved in the Wimmera, two in Horsham, disappointingly Wartook Valley not included at this stage*
- The retention of recreational lakes or other recreational water facilities with the purpose of securing water based recreational opportunities in the municipality – *Advocacy continues with Green Lake and Toolondo receiving water announcements*
- Improved facilities at Horsham Police Station
- Improved residential aged care facilities
- More flexibility and less onerous conditions in compliance with Environment Protection Authority requirements for landfill
- Support upgrade of student accommodation and new facilities at Longerenong College – *Funding announced for improvements*
- Investigate relocation of the railway line from the centre of Horsham as part of the Horsham Road Bypass
- Encourage the establishment of a passenger air service from Horsham to Melbourne and Adelaide
- Duplication of the Western Highway and improved safety through to Stawell – *Further stages to Ararat announced*
- Cherrypool roadside toilets – *Funding obtained, toilets constructed and functioning well*
- Passenger rail – *Continued advocacy to secure funding for a feasibility study*
- Horsham Road Bypass (alignment) and construction – *Now into planning amendment stage*

In addition, Council has successfully advocated for funding for the Grampians Peaks Trail.

Council has raised its concerns with the State Government in relation to the declaration of additional public holidays on Easter Sunday and the Friday prior to the grand final.



Victorian Premier Daniel Andrews and Minister for Regional Development Jaala Pulford at the opening of the Grampians Peaks Trail Project.

OUR PERFORMANCE

COUNCIL PLAN

The 2014-2018 Council Plan sets the strategic direction of Council over the next four years, linking the community's vision to long-term community goals, four-year outcomes and four-year priorities for Horsham Rural City Council. The Council Plan provides direction to management and includes the indicators that Council will use to deliver key outcomes.

	1. Community and Cultural Development	Develop Horsham and the municipality as a diverse, inclusive and vibrant community
	2. Sustaining the Economy and the Environment	Lead in sustainable development and enhance the environment
	3. Asset Management	Meet community and service needs through provision and maintenance of infrastructure
	4. Governance and Business Excellence	Excel in communication, consultation, governance, leadership and responsible use of resources

PERFORMANCE

Council's performance for the 2014-2015 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2014-2018 Council Plan. Performance has been measured as follows:

- Results achieved in relation to the Goals in the Council Plan
- Progress in relation to the major initiatives identified in the budget
- Services funded in the budget and the persons or sections of the community who are provided those services
- Results against the prescribed service performance indicators and measures



GOAL 1: COMMUNITY & CULTURAL DEVELOPMENT

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the Measures included in the Council Plan.

MEASURE	RESULT	COMMENTS
Substantially complete the Town Hall/Art Gallery construction project	64%	Construction anticipated to be completed in November 2015. Official opening of the venue in February 2016.
Complete demolition of Grampians fire affected properties and cancel associated 43 emergency orders	100%	34 emergency orders and 9 building orders have been cancelled.
Increase the number of cultural events held each year	100%	In 2014-2015 there were 114 Cultural events with 16,505 patrons, compared with 75 events with 14,122 patrons for 2013-2014.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

MAJOR INITIATIVES	PROGRESS
Refurbishment of the Horsham Town Hall and Art Gallery and construction of a new Performing Arts Centre.	Project was 64% complete at the end of June. Completion date was delayed due to an issue with soil contamination and is now tracking well against revised timeline.
Fitment of a lift and replacement of air-conditioning at the Mibus Centre, home to the Wimmera Regional Library, and the Makers Gallery.	Completed.

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION
Community Services	Provision of the following to support Council's direct service delivery areas:
	<ul style="list-style-type: none"> Community Housing – providing grounds maintenance for specific low rental housing.
	<ul style="list-style-type: none"> General Community Services – support surrounding education in preschools and schools, Senior Citizen Centres, Service Clubs and the State Emergency Service. Emergency management, community engagement and development, disability access services and Horsham Youth Centre (Nexus).
	<ul style="list-style-type: none"> Home and Community Care – provision of care to frail aged and disabled persons with home care, personal care, respite care along with property maintenance services, meals on wheels and disabled parking permits.
	<ul style="list-style-type: none"> Maternal and Child Health Services – support to families with parenting, health and development, promotion of health, wellbeing and safety, social supports, referrals and linking with local communities, and sponsoring of a Koori service.
	<ul style="list-style-type: none"> Preventative Services – provision of health administration, immunisation, health vending machines and other preventative measures under the health plan including needle exchange, <i>Tobacco Act</i> reforms and mosquito monitoring.
	<ul style="list-style-type: none"> Administration – administration and support to the Community Services group.
Recreation, Culture and Leisure	Provision of the following to support Council's direct service delivery areas:
	<ul style="list-style-type: none"> Art Gallery – visual art resource for the local community and visitors to Horsham.
	<ul style="list-style-type: none"> Cultural Centre Activities – community development and education to enhance the capacity and strength of communities in the municipality by developing community plans as a resource.
	<ul style="list-style-type: none"> Halls - running of public halls, the Hamilton Lamb Memorial Hall, Horsham Town Hall and new Performing Arts Centre plus assistance to rural halls.
	<ul style="list-style-type: none"> Other Recreation Groups and Clubs – providing maintenance, insurance and other ongoing costs for recreation groups and clubs including Guides/ Scouts, Cenotaph and War Memorials, Brass and Pipe Bands and Sawyer Park Soundshell

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

As this is the first year of this data, there is no prior year's data against which a variance can be measured.

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
Libraries Utilisation <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	2.57	No material variations
Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	50.67%	No material variations
Service cost <i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$392,134	No material variations
Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	18.42%	No material variations
Maternal and Child Health (MCH) Satisfaction <i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	97.93%	No material variations
Service standard <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	97.93%	No material variations
Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	81.43%	No material variations
<i>Participation in the MCH service by Aboriginal children</i> [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	79.46%	No material variations
Food Safety Timeliness <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.50	No material variations
Service standard <i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	80.49%	No material variations

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
Service cost <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$173,574	No material variations
Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100	100%	No material variations
Service standard <i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	72.22%	No material variations
Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	27.77%	No material variations
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	9.09%	No material variations
Aquatic Facilities Service standard <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0	No material variations
<i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	1	No material variations
Service cost <i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$499,369	No material variations
Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	9.17	No material variations



GOAL 2: SUSTAINING THE ECONOMY & THE ENVIRONMENT

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

MEASURES	RESULT	COMMENTS
90% of planning permits issued within the 60 day statutory period	80%	The average gross processing days to make a determination on planning permits was 69 days, with Council's median processing being 47 days. 199 of the 249 planning decisions were made within the statutory timeframe of 60 days.
Facilitate further development of private industrial land. Target 10 new lots by 2016	100%	New private subdivisions approved and infrastructure works underway for 17 new lots. Further subdivisions and works proposed.
WIFT Precinct – Establish framework and implementation plan for the first stage of infrastructure, land availability and planning regime by June 2015	100%	Stage 1 plan complete comprising 22 lots over 166 hectares. Land securement being finalised prior to lodgement of funding application with State Government.
Tender the leasing of Horsham Caravan Park by March 2015	100%	Lease negotiated and commenced with Horsham Riverside Caravan Park Pty Ltd.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

MAJOR INITIATIVES	PROGRESS
The Dooen Landfill site earmarked for significant works with \$600,000 allocated to rehabilitation works for the Ladlow's site, \$600,000 (capital) for a new hard waste cell at Ladlow's site and \$540,000 (capital) for the new putrescible cell No 2 at the John's site.	Rehabilitation works commenced late 2014. Unexpected shallow waste was discovered, leading to further site investigation and re-design. New hard waste cell – completed New putrescible cell 2 – due for construction commencing soon.
Further development of the Wimmera Intermodal Freight Terminal site to facilitate future development of the industrial precinct \$600,000 (capital). Funds to come 50% from reserves and 50% from grant funding to complete a storage basin, road works and related drainage works.	Negotiations with landholders are well advanced but need to be finalised prior to securing State Government support funding.

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION
Regulatory Services	Provision of the following to the municipal community as a whole:
	<ul style="list-style-type: none"> • Building Control – building approvals, inspection fees, easement approvals and State Government levies.
	<ul style="list-style-type: none"> • Health registrations – legislative services surrounding environmental health, inspection services, health registrations, food safety, complaint investigation and enforcement.
	<ul style="list-style-type: none"> • Local Laws and Animal Control – permits and licences, enforcements and fines and fire hazard enforcement. Animal management services for dogs and cats including rehoming, microchipping and investigation of complaints and registrations.
	<ul style="list-style-type: none"> • Parking Control – management of parking infringements, maintenance on parking meters, car parking fees, fines and associated costs.
	<ul style="list-style-type: none"> • School Crossing Supervision – supervision of school crossings and school crossing maintenance.

SERVICE	DESCRIPTION
	<ul style="list-style-type: none"> Town Planning – planning permits, notice of applications, information certificates, scheme appeals and subdivision costs, preparation of strategies, heritage studies and structure plans for the municipality.
Recreation, Culture and Leisure	Provision of the following to the municipal community as a whole:
	<ul style="list-style-type: none"> Lakes and Beaches – maintenance and beach cleaning for Green Lake and Lake Toolondo along with maintenance of boat ramps and buoyage systems.
Economic Development	Provision of the following to the municipal community as a whole:
	<ul style="list-style-type: none"> Economic Promotion – support to the Wimmera Development Association, maintenance and administration for the Wimmera Business Centre, general economic development and promotion for the municipality.
	<ul style="list-style-type: none"> Industrial Estates – land sales and acquisitions, tree plantation and land management costs for Burnt Creek, enterprise estates and the Wimmera Intermodal Freight Terminal.
	<ul style="list-style-type: none"> Visitor Information Centre – provides a comprehensive range of up to date information on tourism products, and support to visitors accessing the Visitor Information Centre.
	<ul style="list-style-type: none"> Administration – administration and support services for the Economic and Planning department
Environment	Provision of the following to the municipal community as a whole:
	<ul style="list-style-type: none"> Environmental Services – fire hazards, fire disaster clean up, grass removal, fire plugs, street sweeping, footpath cleaning in the CBD and weir operations.
	<ul style="list-style-type: none"> Waste Management Services – management of the Dooen Landfill sites, Kenny Road transfer station, rural transfer stations, waste collection and recyclables collection across the urban and rural areas of the municipality.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

As this is the first year of this data, there is no prior year's data against which a variance can be measured.

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
Waste Collection	78.74	No material variations
<i>Satisfaction</i>		
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000		
Service standard	0.00	No material variations
<i>Kerbside collection bins missed</i>		
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000		
Service cost	\$952,527	No material variations
<i>Cost of kerbside garbage collection service</i>		
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]		
<i>Cost of kerbside recyclables collection service</i>	\$415,568	No material variations
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]		

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
<p>Waste Diversion</p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	20.66%	No material variations
<p>Statutory Planning</p> <p><i>Timeliness</i></p> <p><i>Time taken to decide planning applications</i></p> <p>[The median number of days between receipt of a planning application and a decision on the application]</p>	47.00	No material variations
<p>Service standard</p> <p><i>Planning applications decided within 60 days</i></p> <p>[Number of planning application decisions made within 60 days / Number of planning application decisions made] x100</p>	79.92%	No material variations
<p>Service cost</p> <p><i>Cost of statutory planning service</i></p> <p>[Direct cost of statutory planning service / Number of planning applications received]</p>	\$351,685	No material variations
<p>Decision making</p> <p><i>Council planning decisions upheld at VCAT</i></p> <p>[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</p>	100%	No material variations
<p>Service standard</p> <p><i>Animals reclaimed</i></p> <p>[Number of animals reclaimed / Number of animals collected]</p>	39.07%	No material variations
<p>Service cost</p> <p><i>Cost of animal management service</i></p> <p>[Direct cost of the animal management service / Number of registered animals]</p>	\$301,418	No material variations
<p>Health and safety</p> <p><i>Animal management prosecutions</i></p> <p>[Number of successful animal management prosecutions]</p>	0.00	No material variations



GOAL 3: ASSET MANAGEMENT

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

MEASURES	RESULT	COMMENTS
Essential Safety measures – Complete annual reports of Council buildings with existing determinations – target 100%	15%	11 buildings issued with Occupancy Permits requiring annual essential safety measure reports. Essential safety measures have been partly completed in these buildings. Maintenance determinations completed on two of Council's highest risk buildings in June 2015.
Achieve building condition assessments for buildings valued at over \$20,000 – target 100%	100%	All buildings have condition assessments.
Budgeted commitment of expenditure on Renewal of Council assets above condition 8 – target 70%	100%	Achieved over target – 75%.
The proportion of capital works projects completed at the conclusion of the financial year – target 90%	64%	Completed 82 out of 129 projects.
The proportion of capital works projects completed within the allocated budget – target 90%	61%	Completed 82 projects overall, 52 were completed within their budget allocation. Of the 30 that were not within budget, five were over by less than 10%.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

MAJOR INITIATIVES	PROGRESS
The construction of a footbridge across the Wimmera River near the town centre to provide improved pedestrian access. \$1,250,000 with \$750,000 to be funded from grants and other external sources.	Design review nearing completion. On-ground works anticipated to start September 2015.
Lighting the regions – sustainability street light program replacing some street lights in Horsham with new LED lighting that will significantly reduce power consumption. This is a project with a number of other Councils within the region and the investment of \$362,082 for stage 1, will initially be funded from reserves.	All relevant lights in municipality have been replaced with LED lighting. Savings starting to be realised.
May Park renewal project will see the revitalisation of May Park reserve through construction of a BBQ shelter, inline dripper water system, a shelter for a new display and the establishment of a "Changing Places" toilet facility. \$140,000 of the \$215,000 works will be funded from a State Government grant.	Funding application information prepared – ready for suitable fund. Grant application anticipated to be lodged soon.
Planning to be undertaken for a new Community Indoor Sports, Recreation and Cultural Activities Centre. The \$65,000 cost includes investigation and feasibility of potential locations such as the showgrounds, and will be funded \$30,000 from a grant.	Underway 40% complete. Needs analysis information collated for planning study. The next phase will be the concept design development, to commence shortly.
Establishment of a Biomass Boiler to burn municipal plant chipping product that will assist with the heating of the Horsham Aquatic Centre pool. \$125,000 of the \$250,000 project to be funded from a State Government grant.	Application was submitted before State Government election last year, still awaiting feedback and next opportunity.

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION
Recreation, Culture and Leisure	Provision of the following to the municipal population as a whole:
	<ul style="list-style-type: none"> • Aquatic Centre – providing equitable and affordable access to a diverse range of services including indoor and outdoor pools, gymnasium, multi-purpose group fitness facility, child care and café.
	<ul style="list-style-type: none"> • Parks and Gardens – development and maintenance of gardens and major reserves including the Botanic Gardens, May Park and 23 neighbourhood parks.
	<ul style="list-style-type: none"> • Sports Complexes – maintenance and operations of indoor and outdoor sport complexes including Racecourse Reserve, City Oval, Dudley Cornell Park, Skate bowl facilities and basketball stadium.
Physical Services	Provision of the following to the municipal population as a whole:
	<ul style="list-style-type: none"> • Aerodrome – provides a regional airport for commercial and private aircraft.
	<ul style="list-style-type: none"> • Caravan Park – provides affordable holiday accommodation on the Wimmera River.
	<ul style="list-style-type: none"> • Livestock Exchange – provides weekly sheep sales and fortnightly cattle sales at the Burnt Creek Drive facility servicing primary industry across the Wimmera. Horsham Regional Livestock Exchange is the fourth largest sheep selling centre in Victoria.
	<ul style="list-style-type: none"> • Other Council Properties – maintenance and operations for all of Council’s commercial properties and residences.
	<ul style="list-style-type: none"> • Other Infrastructure Services – maintenance for bicycle tracks, drainage, footpaths and off street car parks.
	<ul style="list-style-type: none"> • Public Conveniences – operations and maintenance of the six public conveniences in Horsham, one in Natimuk and several rural facilities.
	<ul style="list-style-type: none"> • Road Construction and Maintenance – maintenance and construction of roads, streets, bridges and related assets to the required standards.
	<ul style="list-style-type: none"> • Street Beautification, Signage and Lighting – provides street tree maintenance, tree planting and removal, city centre maintenance of lighting, signage and street furniture.
	<ul style="list-style-type: none"> • Administration – administration and support services for the Technical Services department.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

As this is the first year of this data, there is no prior year's data against which a variance can be measured.

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
Roads Satisfaction of use Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	0.00	No material variations
Condition Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	99.04%	No material variations
Service cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$46.67	No material variations
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.92	No material variations
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	48.00	No material variations



GOAL 4: GOVERNANCE & BUSINESS EXCELLENCE

The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

MEASURES	RESULT	COMMENTS
Increase overall score in the Community Satisfaction Survey	-5%	Council's overall score for the 2015 survey decreased from 65 to 62 in 2015. Generally, Council's results were consistent with previous years on 4 of the 7 measures but showed decline in 3 measures; overall performance, advocacy and condition of sealed roads. Council's overall result was above the State average of 60 and well above the Large Rural Group average of 56.
Maintain staff turnover rates at under 10%	100%	Staff turnover rate was well below the 10% target at 8% for 2014-2015 (9.2% in 2013/14).
Review all policies and procedures and update into the new framework	65%	From 1 July 2014 to 30 June 2015, 37 Policies and 18 procedures were adopted. By the end of 2015 a further 76 (currently in draft) should be finalised.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-2015 budget for the year.

MAJOR INITIATIVES	PROGRESS
\$50,000 to establish a public Wi-Fi system, at Roberts Place in Horsham. To be funded from the CBD development reserve.	Completed - Wi-Fi established Roberts Avenue, Sawyer Park, Firebrace Street and May Park. Is being well utilised.

The following statement provides information in relation to the services funded in the 2014-2015 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION
Management and Administration	Provision of the following to support Council's direct service delivery areas:
	<ul style="list-style-type: none"> Corporate Services – variety of organisational services provided internally and to ratepayers. Covers information technology, rates, financial management, customer service, general administration support to Director and the Civic centre building maintenance costs. Finance – records the operational costs associated with Council's financing arrangements. Governance and Leadership – facilitates Council's governance services, implementation of Council decisions and policies of compliance with legislative requirements. Organisational Development – responsible for human resources, payroll, OH&S, risk management and organisational performance.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

As this is the first year of this data, there is no prior year's data against which a variance can be measured.

SERVICE/INDICATOR/MEASURE	RESULT	MATERIAL VARIATIONS
<p>Governance</p> <p>Transparency</p> <p><i>Council resolutions at meetings closed to the public</i></p> <p>[Number of Council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</p>	15.91%	No material variations
<p>Consultation and engagement</p> <p><i>Satisfaction with community consultation and engagement</i></p> <p>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p>	61.00	No material variations
<p>Attendance</p> <p><i>Council attendance at Council meetings</i></p> <p>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last council general election)] x100</p>	95.65%	No material variations
<p>Service cost</p> <p><i>Cost of governance</i></p> <p>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p>	\$271,428	No material variations
<p>Satisfaction</p> <p><i>Satisfaction with Council decisions</i></p> <p>[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]</p>	58.00	No material variations

GOVERNANCE, MANAGEMENT & OTHER INFORMATION

GOVERNANCE

Horsham Rural City Council is constituted under the *Local Government Act 1989* to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life



Cr Heather Phillips shows off a twin bin funded by the public place recycling program, with photographic competition winner Jarrod Risson and Council's Kelvin Howe.

IN THE PAST 12 MONTHS COUNCIL HAS SUCCESSFULLY:

- » Introduced **Procurement Cards** across a range of Council departments to more efficiently manage the procurement of a range of minor purchases
- » Introduced a new policy for the rating of **Cultural and Recreational** groups within the community and reviewed all Cultural and Recreational groups against that policy
- » Developed a **business case** for investigating changes to the *Local Government Act* in order to commence rating of the mining industry
- » Participated in a review of **Council's electoral representation** by the Victorian Electoral Commission
- » Conducted a review of ratepayers' eligibility to receive the **farm differential**
- » Entered into new arrangements for the Valuer General to become our agent for the management of **Council's revaluations** into the future
- » Continued a review of **Policies and Procedures** – implementing 37 Policies and 18 Procedures
- » Conducted a new approach to **community engagement** with the budget attending 10 separate community groups and speaking with over 220 people about Council's plans for the 2015–2016 budget
- » Completed submission to the Local Government Grants Commission in relation to the **Financial Assistance Grants** methodology and the Essential Services Commission in relation to **Rate Capping**
- » Progressed implementation of comprehensive **OH&S Management** system to ensure legislative and regulatory compliance
- » Conducted an expression of interest process for the former **Rosebrook Restaurant** to be relocated for use as a community facility
- » Purchased the former **Horsham United Clubrooms** and negotiated a lease for the facility with the AFL Wimmera Mallee

Council is committed to effective forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. Although Council's formal decision-making processes are conducted through Council meetings and Special Committees of Council, Council delegates the majority of its decision-making to Council staff. The community has many opportunities to provide input into Council's decision-making processes including community consultation and making submissions to Special Committees of Council.

When engaging the community in a decision-making process, Council promises to:

- Provide a genuine opportunity for the community to have input and an influence on decisions that are the subject of the engagement
- Actively seek out and encourage contributions from people who may be affected by or interested in a decision
- Provide relevant, timely and balanced information so people can contribute in a meaningful way including clearly defining negotiable and non-negotiable elements of any subject of engagement
- Provide a variety of appropriate and accessible ways for people to have their say and to speak honestly
- Actively listen so that people's ideas and input assist in making the final decision
- Consider the needs and interests of all people in the decision-making process
- Tell the community about the final decision, and how their input was considered
- Effectively record engagement plans, methodologies, community responses, outcomes and evaluations

MEETINGS OF COUNCIL

Council conducts open public meetings on the first and third Monday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. For the 2014-2015 year, Council held:

- 22 ordinary Council meetings
- 1 special Council meeting

The following table provides a summary of Councillor attendance at Council meetings and Special Council meetings for the 2014-2015 financial year.

COUNCILLORS	COUNCIL MEETING	SPECIAL COUNCIL MEETING	TOTAL
Cr Mark Radford (Mayor)	21	1	22
Cr David Grimble	22	1	23
Cr Pam Clarke	21	1	22
Cr Heather Phillips	21	1	22
Cr Tony Phelan	22	1	23
Cr Sue Exell	20	1	21
Cr Robin Barber	20	1	21

GOVERNANCE, MANAGEMENT & OTHER INFORMATION *continued...*

SPECIAL COMMITTEES

The *Local Government Act 1989* allows Councils to establish one or more special committees consisting of:

- Councillors
- Council staff
- Other persons
- Any combination of the above

The following table contains a list of all special committees established by Council that is in operation and the purpose for which each committee was established.

SPECIAL COMMITTEE NAME	PURPOSE OF SPECIAL COMMITTEE	NO OF COUNCILLORS	NO OF COUNCIL STAFF	NO OF COMMUNITY MEMBERS
Art Craft Workshop	To promote the arts through the Art Craft Workshop located at the Mibus Memorial Cultural Centre.			11
Horsham Rural City Pride (Tidy Towns)	To develop, maintain, promote and beautify the area of the Horsham township and to educate the public.	1	1	6
Kanamaroo Festival	To arrange and stage the annual Kanamaroo Festival in Horsham.		1	3
Natimuk Community Centre (NC ²)	To co-ordinate, manage and develop the Natimuk Community Precinct (NC2).	1	1	6
Horsham Regional Art Gallery	To promote the arts through the Horsham Regional Art Gallery for the benefit of the community and provide advice to Council on the maintenance and upkeep of the Art Gallery.	1	2	5
Horsham Regional Livestock Exchange	To co-ordinate, manage, develop, maintain and promote the Horsham Regional Livestock Exchange.	1	1	11
Wimmera Business Centre	To co-ordinate, manage, develop, maintain and promote the Wimmera Business Centre.	1	2	8
Wimmera Intermodal Freight Terminal (WIFT)	To make recommendations to the Landlord regarding WIFT management and operation, further development or redevelopment, capital works and the renewal and replacement of major assets.	1	1	5
Dadswells Bridge Hall	To co-ordinate, manage and develop the Dadswells Bridge Hall and surrounds for the promotion and benefit of the community.			12
Hamilton Lamb Hall	To co-ordinate, manage and develop Hamilton Lamb Hall for the promotion and benefit of the community.			
Jung Hall	To co-ordinate, manage and develop the Jung Hall and surrounds for the promotion and benefit of the community.			12
Laharum Hall	To co-ordinate, manage and develop the Laharum Hall and surrounds for the promotion and benefit of the community.			12
Mitre Public Hall	To co-ordinate, manage and develop Mitre Public Hall for the benefit of the community.			

SPECIAL COMMITTEE NAME	PURPOSE OF SPECIAL COMMITTEE	NO OF COUNCILLORS	NO OF COUNCIL STAFF	NO OF COMMUNITY MEMBERS
Natimuk & District Soldiers Memorial Hall	To co-ordinate, manage and develop the Natimuk & District Soldiers Memorial Hall and surrounds for the promotion and benefit of the community.			12
Quantong Hall	To co-ordinate, manage and develop the Quantong Hall and surrounds for the promotion and benefit of the community.			12
Sailors Home Hall	To co-ordinate, manage and develop the Sailors Home Hall and surrounds for the promotion and benefit of the community.			12
Taylor's Lake Hall	To co-ordinate, manage and develop the Taylor's Lake Hall and surrounds for the promotion and benefit of the community.			20
Telangatuk East Hall	To co-ordinate, manage and develop the Telangatuk East Hall and surrounds and Telangatuk East Recreation Reserve for the promotion and benefit of the community.			6
Horsham Basketball Stadium	To co-ordinate, develop, maintain and promote the Horsham Basketball Stadium and surrounds.	1	1	5
Finance Committee	To monitor the operations and performance of Council against budget and actual expenditure, debtors, creditors, capital works, performance reporting framework and review accounts for payment.	3	3	
HRCC Tourism Advisory Committee	To develop out of region tourism marketing, tourism development and visitor servicing with the primary aim of increasing visitation and length of visitor stay in the municipality.	1	3	11
Camerons Oval	To co-ordinate, manage, and develop Camerons Oval, Laharum for promotion and benefit of sports and other activities for the benefit of the community.			
Dudley Cornell Park	To co-ordinate, manage, and develop Dudley Cornell Park for the promotion and benefit of sports and other activities for the benefit of the community.		1	16
Green Lake	To advise and support Council and GWMWater on the management, development, maintenance, promotion and beautification of the area.	1	2	9
Haven Recreation Reserve	To co-ordinate, manage, and develop the Haven Recreation Reserve and Haven Hall for the benefit of the community.	1	2	12
Horsham Racecourse Reserve	To co-ordinate and promote the use of the Horsham Racecourse and Recreation Reserve.	1	1	9
Horsham Recreation Reserve	To co-ordinate, manage, and develop Horsham Recreation Reserve for the promotion and benefit of sports and other activities for the benefit of the community.	1	1	9
Quantong Recreation Reserve	To co-ordinate, manage, and develop Quantong Recreation Reserve for the promotion and benefit of sports and other activities for the benefit of the community.			
Sunnyside Park Rec Reserve	To co-ordinate, manage and develop Sunnyside Park for the promotion and benefit of sports and other activities for the benefit of the community.	1	1	17

CODE OF CONDUCT

The *Local Government Act 1989* requires Councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. The Horsham Rural City Code of Conduct for Councillors was adopted on 18 March 2013.

Under the *Local Government Act 1989*, Councillors must:

- Act with integrity
- Act impartially in the interests of the local community
- Not improperly give anyone an advantage or disadvantage
- Avoid conflicts between their public duties and personal interests
- Act honestly and avoid statements or actions that may mislead or deceive someone
- Treat everyone’s opinions, beliefs, rights and responsibilities with respect
- Take reasonable care and diligence
- Make sure public resources are used carefully and in the public interest
- Act lawfully and not breach the public’s trust
- Protect confidential and privileged information

The Code of Conduct sets out how Councillors will display these attributes. It also provides guidelines on ethical decision making, conflict of interest, prohibited conduct, other statutory obligations and expectations of Councillors and officers. The full Code of Conduct for Councillors is available on our website - www.hrcc.vic.gov.au

CONFLICT OF INTEREST

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or committee, they also need to act in the public interest.

A conflict of interest exists when a personal or private interest may compromise the ability to act in the interest of the public. A conflict of interest exists even if no improper act results from it. The Horsham Rural City Council Code of Conduct for Councillors and Code of Conduct for Staff provide guidelines for the disclosure of a conflict of interest.

Declaration of a conflict of interest is a standard agenda item for all Council and Special Committee meetings.

During 2014–2015, 21 conflicts of interest were declared at Council and Special Committee meetings.

COUNCILLOR ALLOWANCES

In accordance with Section 74 of the *Local Government Act 1989*, Councillors are entitled to receive an allowance whilst performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The *Local Government Act 1989* currently provides for Councillors to be paid an expense allowance but does not define the term “allowance”. It is, however, generally accepted that remuneration for Councillors is based on the recognition of services which Councillors render whilst participating in the responsibilities involved with the management and future development of a municipality.

The Act provides for Councillor allowances to be fixed by Order in Council, within upper and lower limits specified in the Order, for the specific Category of Council. The Council by resolution then sets an allowance appropriate to the municipality. Horsham Rural City Council is currently a Category 1 Council for the purposes of Councillor and Mayoral Allowances.

The following table contains a summary of the allowances paid to each Councillor during the year.

COUNCILLORS	ALLOWANCE \$
Cr Mark Radford (Mayor from 13/11/14)	46,434.20
Cr David Grimble (Mayor to 13/11/14)	35,160.13
Cr Pam Clarke	20,462.06
Cr Heather Phillips	20,462.06
Cr Tony Phelan	20,462.06
Cr Sue Exell	20,462.06
Cr Robin Barber	20,462.06



Prime Minister Tony Abbott with Mayor Mark Radford and Mayoress Anne Radford during a visit to Horsham to announce the Federal Government’s funding pledge of \$1 million towards the new Wimmera Cancer Centre.

MANAGEMENT

COUNCILLOR EXPENSES

In accordance with Section 75 of the *Local Government Act 1989*, Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of allowances, expense reimbursements and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council's policy provides for reimbursement of travel costs to a Councillor for travel outside of urban areas only. Details of these expenses for the 2014-2015 year are set out in the following table.

COUNCILLORS	TRAVEL \$
Cr Mark Radford (Mayor from 13/11/14)	631.63
Cr David Grimble (Mayor to 13/11/14)	5,786.65
Cr Pam Clarke	-
Cr Tony Phelan	10,714.73
Cr Heather Phillips	11,243.83
Cr Sue Exell	-
Cr Robin Barber	-

Note: No expenses other than travel reimbursements were paid by Council during the year



Horsham Salvation Army's Major Carolyn Wright and Councillor Pam Clarke cut a ribbon at the opening of their new thrift shop in Horsham in March.

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks lead to better decision making by Council. The Act requires Council to undertake an assessment against the prescribed Governance and Management Checklist and include this in its Report of Operations. Council's Governance and Management Checklist results are set out on pages 66-67. The following items have been highlighted as important components of the management framework.

AUDIT COMMITTEE

Role

The Audit Committee is an advisory committee whose role is determined by the *Local Government Act 1989* under Section 139 and Council. It monitors Council's audit processes, including internal control activities. The key objective of the Audit Committee is to provide independent assurance and assistance to the Chief Executive and the Council on Council's risk, control and compliance framework, and its external accountability and legislative compliance responsibilities.

Responsibilities

The responsibilities and terms of reference of the Audit Committee are clearly defined in the Audit Committee Charter, which is renewed annually and has been formally endorsed by Council.

The key responsibilities of the Audit Committee include a range of functional areas:

- External reporting review
- Financial statement audit review
- Internal audit
- Legislative compliance
- Internal control and risk management
- Fraud prevention and awareness
- Good governance

MANAGEMENT *continued...*

Composition

The Audit Committee comprises of two appointed Councillors and three independent members with technical expertise and industry experience.

The current Audit Committee members are:

- Chair/independent member – Geoff Price
- Independent members – Roy Henwood and Pina Wallis
- Councillor representatives – Cr Mark Radford and Cr David Grimble

Ex-officio members:

Horsham Rural City Council – Peter Brown, Graeme Harrison, Heather Proctor and Diana McDonald

Internal auditor:

Crowe Horwath (Contractor)

The Auditor General's agent also attends meetings to report matters of significance in relation to the Financial Statements.

INTERNAL AUDIT

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the operations of Council.

During the past 12 months, the following internal audits were conducted by Crowe Horwath, Council's internal auditors:

- Follow-Up of High Risk Matters Raised in Prior Internal Audit Reports Review
- Volunteer Management Review

Following each of these scheduled audits, recommendations are provided with implementation actions assigned to key staff members. The Audit Committee also receives update reports in relation to any previous matters raised by the internal auditors to ensure that these are adequately addressed.

EXTERNAL AUDIT

Council's external auditor is the Victorian Auditor General Office (VAGO) who has appointed Richmond Sinnott and Delahunty (RSD) Chartered Accountants to conduct the annual statutory financial statement audit. The Audit Committee also reviews recommendations from matters raised by other VAGO audit reports such as the performance audits.

RISK MANAGEMENT

Horsham Rural City Council recognises that Risk Management is an integral part of good management practice and through an Enterprise Risk Management (ERM) approach is committed to establishing an organisational culture that ensures effective risk management.

Managing risk is an increasingly important aspect of Local Government, and one that requires commitment across the whole organisation. Council manages its risks to maximise opportunities and minimise losses. Council's risk management supports informed decision-making and encourages the identification of opportunities for continuous improvement through good governance and best practice.

Horsham Rural City Council has a risk management framework in place, including Council's Risk Management Strategy which aligns directly with the International Standards AS/NZS ISO 31000:2009.

Achievements:

- Four Risk Management Committee Meetings Conducted – 25 August 2014, 24 November 2014, 16 March 2015 and 1 June 2015
- Focused on developing and maturing Business Continuity Management
- Implementation of new Risk Management Software system Cambron
- Further development of Horsham Rural City Council Risk Management Culture and Branding
- Business Continuity Plan Reviewed – February 2015
- Risk Management Strategy Reviewed – May 2015
- Definition of Risk Appetite Statement Reviewed – May 2015
- Council's Risk Management Co-ordinator, Diana McDonald awarded MAV Excellence in Risk Management Award for State of Victoria (see page 40)

COMPETITIVE TENDERING

In 2014-2015, Council submitted 34 projects to a competitive tender process for a total value of \$7,204,055. Twenty six (26) annual supply tenders were maintained equating to an annual spend for these contracts of \$3,840,985.

An additional 24 quotations were sought and awarded for procurement of works, goods or services in compliance with Council's Procurement Policy and obligations under Section 186 of the *Local Government Act*, totalling \$485,679.

Combined competitive procurement for 2014–2015 is \$11,530,719.

ORGANISATIONAL PLANS, POLICIES & STRATEGIES

THIS YEAR, THE FOLLOWING PLANS, POLICIES AND STRATEGIES HAVE BEEN DEVELOPED AND/OR REVIEWED:

- » Acceptable use of Communication and Mobile Devices Policy
- » Acceptable Use of ICT Equipment and Services Policy
- » Access Control Policy
- » Anti Virus Policy
- » Asset Management Policy
- » Backup and Recovery Procedure
- » Business Continuity Policy
- » Cloud Computing Policy
- » Community Engagement Policy
- » Complaints Resolution Policy
- » Computer Systems and Equipment Use Policy
- » Confined Space Entry Procedure
- » Culture and Recreational Rates Concessions Policy
- » Cyber Crime and Security Incident Policy
- » Dog Attack Policy
- » Dog Attack Procedure
- » Drug and Alcohol Management Policy
- » Drug and Alcohol Management Procedure
- » Electrical Safety Procedure
- » Encryption Policy
- » Firewall Management Policy
- » First Aid Procedure
- » Hardware Management Policy
- » Health Wellbeing Monitoring Noise Procedure
- » Human Rights Policy
- » ICT Disaster Recovery Plan
- » ICT Security Incident Procedure
- » Information Management Policy
- » Information Privacy Policy
- » Internet use Policy
- » Laptop and Tablet Security Policy
- » Legal Compliance Policy
- » Managing Bullying, Aggression and Occupational Violence Policy
- » Managing Bullying, Aggression and Occupational Violence Procedure
- » Manual Tasks Procedure
- » Network Management Policy
- » OHS Issue Resolution Procedure
- » Online Services Policy
- » Password and Authentication Policy
- » Performance Reporting Procedure
- » Personnel Management Policy
- » Physical Access Policy
- » Police Check Policy
- » Prevention of Fall From Heights Procedure
- » Records Management Policy
- » Remote Access Policy
- » Responsibility and Authority Procedure
- » Software Management Policy
- » Special Access Policy
- » Staff Standards and Procedures for Managing Customers
- » Work Health and Safety Procedure
- » Workplace Environment and Amenities Policy
- » Workplace Health and Safety Consultation and Communication Procedure
- » Workplace Health and Safety Policy
- » Workplace Inspection and Housekeeping Procedure

COMMUNITY SATISFACTION SURVEY

Although the mandatory requirement for Councils to participate in the Community Satisfaction Survey was discontinued in 2012, Horsham Rural City Council has continued participating optionally in the base level survey. The main objectives of the Community Satisfaction Survey are to assess Council's performance across a range of measures and to seek insight into ways to provide improved or more effective service delivery. Two of the results from the survey now also appear in the mandatory Local Government Performance Reporting Framework.

Horsham Rural City Council's performance in 2015 has been generally consistent with the results from 2014 on four of the seven core measures, however, three of the core areas – overall performance, advocacy and condition of sealed local roads – have seen a decline in this period.

Council's overall performance index of 62 is a three point decline from the previous year, but is still significantly higher than the Large Rural Group average of 56 and on a par with the State-wide average of 60.

There are areas of performance that remain unchanged, such as customer service with a result of 72, and decisions made in the interest of the community at an index score of 58.

Overall Council direction is slightly lower than 2014 at 53, but in all, Horsham scored significantly above the Large Rural Group average performance on all core measures except Overall Council Direction. Council also scored above the State-wide average on the service areas of consultation and engagement, advocacy and making decisions in the interest of the community.

The table below highlights Horsham Rural City Council's score on the core performance measures and how they compare with the State-wide average and the Rural Cities and Regional Centres Group average.

CORE PERFORMANCE MEASURE	SCORE		
	Horsham	State	Rural
Advocacy	58	55	53
Customer Service	72	70	67
Community Consultation and Engagement	61	56	54
Overall Council Direction	53	53	51
Overall Performance	62	60	56



Council received a score of 61 for Community Consultation and Engagement this year, significantly higher than the State and Rural Group averages of 56 and 54, respectively.

CHARTER OF HUMAN RIGHTS AND RESPONSIBILITIES

The Victorian Charter of Human Rights and Responsibilities outlines the basic human rights of all people in Victoria. The Charter was introduced to Victoria through an Act of Parliament and came into full effect on 1 January 2008.

The Charter requires public authorities, such as Victorian State and Local Government departments and agencies, and people delivering services on behalf of government, to act consistently with the human rights in the Charter when developing policies, making laws, delivering services and making decisions. It aims to build a fairer, more inclusive community, by giving specific legal protection to the following 20 fundamental human rights:

1. Your right to recognition and equality before the law
2. Your right to life
3. Your right to protection from torture and cruel, inhuman or degrading treatment
4. Your right to freedom from forced work
5. Your right to freedom of movement
6. Your right to privacy and reputation
7. Your right to freedom of thought, conscience, religion and belief
8. Your right to freedom of expression
9. Your right to peaceful assembly and freedom of association
10. Your right to protection of families and children
11. Your right to taking part in public life
12. Cultural rights
13. Property rights
14. Your right to liberty and security of person
15. Your right to humane treatment when deprived of liberty
16. Rights of children in the criminal process
17. Your right to a fair hearing
18. Rights in criminal proceedings
19. Right not to be tried or punished more than once
20. Retrospective criminal laws

Council has numerous moral and legal obligations in respect to human rights issues. These include specific human rights requirements under the Victorian Charter of Human Rights and Responsibilities, equal opportunity legislation, bullying and harassment requirements, the *Local Government Act 1989* and federal legislation.

Protecting and promoting human rights is identified as a Guiding Principle in the 2014-2018 Council Plan. Council's newly adopted Human Rights policy also embeds the Council's corporate responsibility to respect human rights in all operations. The following are some examples of where Council has played a role in building understanding and respect for human rights.

LOCAL LAWS

Local Laws are developed to deal with important community safety and peace and order issues. They often apply to noise, fire hazards, abandoned vehicles, parking permits, street stalls, disabled parking, furniture on footpaths, graffiti, burning off, animals in public spaces and nuisance pests.

Horsham Rural City Council has the following Local Laws:

- Meeting Procedures Local Law Number 1
- Community Local Law Number 3
- Community (Amendment) Local Law Number 4

Local Laws are available on the Horsham Rural City Council website - www.hrcc.vic.gov.au or by contacting the Municipal Offices on telephone (03) 5382 9777.

CUSTOMER SERVICE CHARTER

Horsham Rural City Council has adopted a new Customer Service Charter along with a major review of the Staff Standards procedure. Both the Charter and the Procedure set out the standards to ensure that customer service is provided in a way that respects human rights. Horsham Rural City Council is committed to providing professional, quality services to both external and internal customers.

DISABILITY ACCESS AND ACTION PLAN

In accordance with section 38 of the *Disability Act 2006*, Council adopted the 2013-2016 Disability Access and Action Plan on 15 July 2013.

The plan identifies goals and actions to reduce barriers created by attitudes, practices and structures, to ensure that all people can participate equally in the life of our community.

The following four actions have been fully implemented during the last financial year:

- Ensure that disability parking permit holders are aware of their parking meter entitlements (ie, double time limit)
- Deliver access audit training for building and outdoor staff
- Support scooter safety and education initiatives
- Continue to support Art is..., Awakenings and other festivals/events that provide opportunities for social connection.

DOMESTIC ANIMAL MANAGEMENT PLAN



4,025 dogs and 1,642 cats were registered this year.

In accordance with the *Domestic Animals Act 1994*, Council adopted the Domestic Animal Management Plan 2013–2016 on 1 July 2013. The plan was developed through consultation with the Domestic Animal Management Advisory Group, consisting of a veterinarian, community representatives, and representatives from Horsham PAWS (People for Animal Welfare and Support).

During the 2014–2015 year, the following actions were completed:

- OH&S training – dealing with aggressive customers refresher course
- Bureau of Animal Welfare training and information days attended
- Firearms training undertaken
- Internal computer systems training
- South West Authorised Officer’s Group meetings bi annually
- Media campaign highlighting requirement and benefits of pet registration increased the registration of dogs from 3,815 in 2013 to 4,025 in 2014, and 1,628 cats in 2013 to 1,642 in 2014
- Increase in registrations due to an action to increase phone calls and door knocks
- Council funded discounted microchipping days held annually
- Introduction of four off-leash areas
- Rehousing figures for dogs and cats has steadily increased through Facebook pages and other social media

FREEDOM OF INFORMATION

The *Freedom of Information Act 1982* (the Act) provides an opportunity for the public to access Council documents. The Act establishes a legally enforceable right for the community to access information in document form held by Council.

Requests for access to documents under the Act should be made in writing specifying the information required. Freedom of Information request forms can be obtained from the Municipal Offices, Civic Centre, 18 Roberts Avenue, Horsham. The application fee during the 2014-2015 financial year was \$25.70 along with any access charges that may be levied in accordance with the Freedom of Information Regulations.

How many requests did Horsham Rural City Council receive?

Personal Requests	0
Non-Personal Requests	12

What happened?

Full access given	1
Part access given	2
Denied in full	0
Released outside the Act	9

- *No internal reviews were conducted.*
- *No appeals to VCAT or to the FOI commissioner were received.*

Applications

Section 51 (1) review of a decision	0
Section 50 (2) applications to the Victorian Civil and Administrative Tribunal	0
Section 12 (1) notices served upon the Principal officer	0

The officer with authority to make a decision in relation to a request under the *Freedom of Information Act 1982* is Peter Brown, Chief Executive, telephone (03) 5382 9725 or email peter.brown@hrcc.vic.gov.au.

LEGISLATIVE OBJECTIVES OF COUNCIL

The purpose and objectives of the Horsham Rural City Council are defined in the *Local Government Act 1989*. The Local Government Charter section of the Act states that the purpose of Local Government is to provide a system under which Councils perform the functions and exercise the powers conferred by or under this Act and any other Act for the peace, order and good government of their municipal districts (Section 3A).

A Council consists of its Councillors who are democratically elected in accordance with this Act. The Act sets out the objectives of the Council, which is to achieve the best outcomes for the local community, having regard for the long term and cumulative effects of decisions. In seeking to achieve its primary objective, a Council must have regard to the following facilitating objectives (Section 3C):

- (a) to promote the social, economic and environmental viability and sustainability of the municipal district;
- (b) to ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
- (c) to improve the overall quality of life of people in the local community;
- (d) to promote appropriate business and employment opportunities;
- (e) to ensure that services and facilities provided by the Council are accessible and equitable;
- (f) to ensure the equitable imposition of rates and charges; and
- (g) to ensure transparency and accountability in Council decision making.

PROTECTED DISCLOSURES

The *Protected Disclosures Act 2012* (PD Act) aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. The PD Act provides protection from detrimental action to any person affected by a protected disclosure and establishes a system for the matters disclosed to be investigated and rectifying action to be taken. Under the PD Act, any person can be one who makes a disclosure, is a witness, or a person who is the subject of an investigation.

Horsham Rural City Council is committed to the aims and objectives of the PD Act. It does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The role of Protected Disclosures Officer is held by the Chief Executive, the Protected Disclosures Co-ordinator by the Director Corporate Services, and Welfare Manager by the Organisational Development Manager.

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

For the purposes of Section 69 (6) of the *Protected Disclosures Act 2012*, in the period to 30 June 2015, no disclosures were notified to Council officers appointed to receive disclosures, or to IBAC.

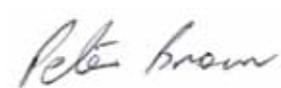
A copy of the Management of Protected Disclosures Procedures can be found on Council's website - www.hrcc.vic.gov.au, obtained from the Municipal Offices, Civic Centre, 18 Roberts Avenue, Horsham, or by contacting us on telephone (03) 5382 9777.

GOVERNANCE & MANAGEMENT CHECKLIST

GOVERNANCE AND MANAGEMENT ITEMS	ASSESSMENT
1. Community Engagement Policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 15 June 2015
2. Community Engagement Guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines 15 February 2010
3. Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act Date of adoption: 1 June 2015
4. Annual Budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act Date of adoption: 1 June 2015
5. Asset Management Plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Asset Management Policy: 1 September 2014 Asset Management Improvement Strategy: 20 April 2015 Plans: Date of operation of current plans: Road Management Plan 6 December 2004
6. Rating Strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 1 June 2015
7. Risk Policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 8 July 2013
8. Fraud Policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 9 December 2013
9. Municipal Emergency Management Plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 6 October 2014
10. Procurement Policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> Date of approval: 1 June 2015
11. Business Continuity Plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of operation of current plan: 16 June 2014
12. Disaster Recovery Plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan Date of operation of current plan: 29 June 2015
13. Risk Management Framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 8 July 2013

14. Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act Date of establishment: 15 December 2014
15. Internal Audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged Date of engagement of current provider: 21 July 2014
16. Performance Reporting Framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework Date of operation of current framework: 18 May 2015
17. Council Plan Reporting (report reviewing the performance of the council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Report Date of Report: 2 February 2015
18. Financial Reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act Date statements presented: 17 November 2014, 2 March 2015 and 20 April 2015
19. Risk Reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date of reports: 12 September 2014, 5 December 2014, 20 March 2015 and 9 June 2015
20. Performance Reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports Date of reports: 24 November 2014
21. Annual Report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements)	Considered at a meeting of Council in accordance with section 134 of the Act Date statements presented: 20 October 2014
22. Councillor Code of Conduct (code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act Date reviewed: 18 March 2013
23. Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act Date of review: 2 February 2015
24. Meeting Procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law made: 7 March 2006

I certify that this information presents fairly the status of Council's governance and management arrangements.



Peter Brown
Chief Executive

Dated: 23 August 2015



Cr Mark Radford
Mayor

Dated: 23 August 2015

COMMUNITY GRANTS

SPORTING CLUBS / RECREATION RESERVES – RURAL RECREATION RESERVES TURF MAINTENANCE	\$
Dock Lake	5,200
Dooen	850
Haven	850
Kalkee	5,200
Laharum	5,200
Natimuk Showgrounds	9,400
Noradjuha	2,600
Pimpinio	5,200
Quantong	5,200
Riverside	850
Toolondo	2,600
Total	43,150

SPORT AND RECREATION GRANTS	\$
Rosebrook Relocation	10,000
Total	10,000

ANNUAL ALLOCATION TO ASSIST MAJOR FUNDING APPLICATIONS	\$
Central Park Tennis Club	5,000
Horsham Pistol Club	5,000
Total	10,000

SPORTING CLUBS / RECREATION RESERVES – OTHER GRANTS	\$
Central Park Tennis Club	10,000
Central Wimmera Clay Target Club	6,000
Coughlin Park Labour	8,400
Horsham Golf Bowls	4,600
Horsham City Bowling Club – Lighting (Sport and Recreation Advisory Committee)	1,000
Horsham Lawn Croquet/Tennis Club	2,010
Horsham Little Athletics (Sport and Recreation Advisory Committee)	1,000
Horsham Motorcycle Club	9,978
Horsham Motorcycle Club – Junior World Championships (Sport and Recreation Advisory Committee)	3,000
Horsham Motor Sports Club	8,000
Horsham Swimming Club	400
Kalimna Park Croquet Club	500

SPORTING CLUBS / RECREATION RESERVES – OTHER GRANTS	\$
Laharum Sports Inc	3,850
Pimpinio Sports and Community Centre	4,500
Riding for the Disabled	4,856
Taylor's Lake Football/Netball Club	5,000
Wimmera Bushwalking Club	250
Wimmera Regional Sports Assembly	1,500
Total	74,844

WELFARE AND HEALTH	\$
Bennett Road Kindergarten	3,000
Horsham and District Kindergarten Association	12,000
Horsham North Kindergarten	5,000
Natimuk Pre School Centre	1,000
Roberts Avenue Kindergarten	3,000
Maintenance Grants - \$760 each for Council's six kindergartens	4,560
Total	28,560

HALLS	\$
Capital Expenditure – Hamilton Lamb Memorial Hall	2,000
Capital Expenditure – Natimuk Community Centre	2,544
Capital Expenditure – Telangatuk East Hall	2,000
Insurance and Fire Services Levy for all Council Public Halls	17,098
Total	23,642

GENERAL WELFARE	\$
Horsham College Chaplaincy Committee	5,000
Wimmera Toy Library	1,000
Total	6,000

COMMUNITY SERVICES	\$
Horsham Christian Emergency Food Centre	2,000
Wimmera River Improvement Committee	7,600
Wimmera River Improvement Committee – Completion of Weir Park Pergolas	10,000
Wimmera River Improvement Committee – Police Paddock	2,200
Total	21,800

ORGANISATIONS	\$
Charitable Organisations – Rate Refunds (Red Cross, St Vincent de Paul, Salvation Army, Wool Factory, Jacobs Well)	5,264
Service Clubs – Rate Refunds (Lions Club of Horsham, Lions Club of City of Horsham Inc, Apex Club, Horsham Rotary Club, Horsham East Rotary Club)	2,450
Arapiles Historical Society – Update and Replace Historical Markers	4,000
Business Horsham	10,000
Clear Lake Recreation Reserve – Public Toilet Cleaning	500
Federation University Horsham Campus – Nursing Achievement Award	300
Healthy Minds Horsham	300
Horsham A&P Society	10,000
Horsham City Brass Band Inc	1,550
Horsham City Pipe Band Inc	1,550
Horsham College – Senior Achievement Award	200
Horsham Combined Pensioners and Superannuants – Bus Trip	700
Horsham and District Harness Racing Club	700
Horsham and District Orchid Society	600
Horsham District Racing Club	1,000
Horsham Dog Obedience Club – Purchase/Install Shipping Container	3,000
Horsham Girl Guides – Upgrade Switchboard and Replacement Power Points	1,000
Horsham Mens Shed – Equipment Purchases	4,500
Horsham Pop Up Café – Equipment Purchases	1,794
Horsham RSL Sub-Branch – Camp Gallipoli	2,000
Longerenong College – Citizenship Prize	300
Makers Gallery	500
Natimuk Brass Band	1,550
Natimuk and District Progress Press Association	1,100
North West Grampians Newsletter	1,343
Old Riverside School Recreation Reserve COM – Toilet Extension Plans	3,247
St Brigids College – Senior Achievement Award	200
Wimmera Association for Genealogy Inc	300
Wonondah North Hall Volunteer Group – Newsletter	200

ORGANISATIONS	\$
Wimmera and southern Mallee Careers Association – Expo 2015	1,100
Wimmera Mobility Group – Bus Trips	850
Total	62,098

PROMOTIONS, FESTIVAL AND CULTURE	\$
Art Is ... Festival	6,000
Business Horsham – Community Seminars	3,000
Carols by Candlelight	2,500
Horsham Country Music Inc	1,800
Horsham Fishing Competition	5,000
Horsham Mothers Day Classic – Family Fun Run	700
Horsham Regional Arts Association Inc – Calendar of Events	3,000
Horsham Rockers – Rockin at the Races	2,000
Kannamaroo Festival Committee	4,000
OASIS Wimmera – Dance with Diversity	5,000
Operation 19:14 Family Fun Day	2,500
Wimmera Eisteddfod – Prizes	700
Wimmera Rockers Danceworld – Dance Extravaganza	2,000
Total	38,200
TOTAL – COMMUNITY GRANT FUNDED PROJECTS	\$318,294



A new pergola and barbeque area at Green Lake was constructed this year thanks to the Horsham Sports and Community Club who provided a \$40,000 grant towards the project.

STATUTORY INFORMATION

The following information is provided in accordance with legislative and other requirements applying to Council.

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with Part 5 of the *Local Government (General) Regulations 2004* the following is a list of the prescribed documents that are available for inspection or copies of the documents which can be obtained for the purposes of section 222 of the *Local Government Act 1989* at the Civic Centre, 18 Roberts Avenue, Horsham:

- Details of current allowances fixed for the Mayor and Councillors
- Details of senior officers' total salary packages for the current financial year and the previous year
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months
- Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted
- Names of Councillors who submitted returns of interest during the financial year and the dates the returns were submitted
- Agendas for, and minutes of, ordinary and special meetings held in the previous 12 months (except if the minutes relate to parts of meetings which have been closed to members of the public)
- A list of all special committees established by Council and the purpose for which each committee was established
- A list of all special committees established by the Council which were abolished or ceased to function during the financial year
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months (except if the minutes relate to parts of meetings which have been closed to members of the public)
- A register of delegations
- Submissions received in accordance with Section 223 of the Act during the previous 12 months
- Agreements to establish regional libraries
- Details of all property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council as lessor or lessee, including the name of the other party to the lease and the terms and the value of the lease
- A register of authorised officers
- A list of donations and grants made by the Council during the financial year
- A list of the names of the organisations of which the Council was a member during the financial year and details of all membership fees and other amounts and services provided during that year to each organisation by the Council
- A list of contracts valued at \$150,000 or more which the Council entered into during the financial year without first engaging in a competitive process

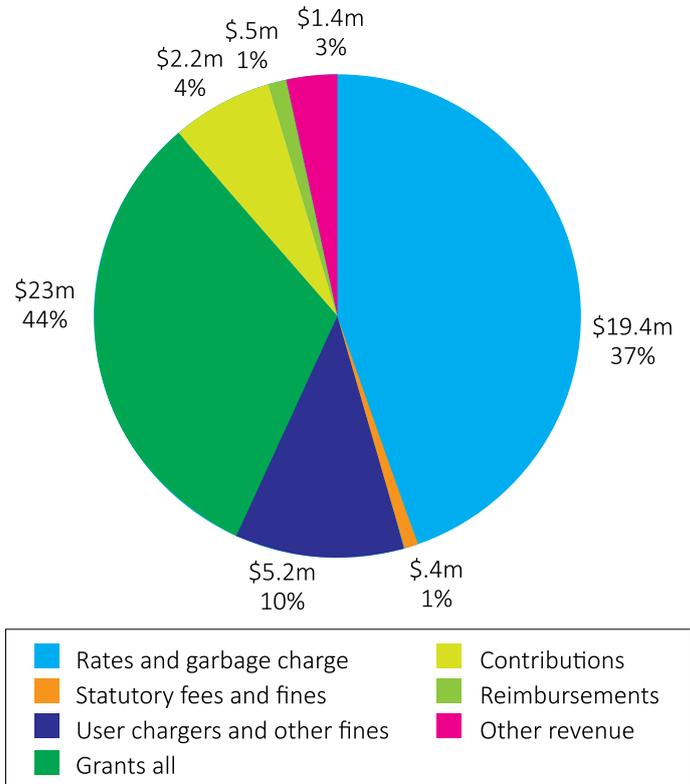
VICTORIAN LOCAL GOVERNMENT INDICATORS

The Victorian Government requires all Victorian Councils to measure and annually report against 11 Victorian Local Government Indicators (VLGIs). These indicators provide information regarding expenditure, cost of services and infrastructure provision, customer satisfaction and governance. The following table presents the results of the VLGIs for the 2014-2015 year.

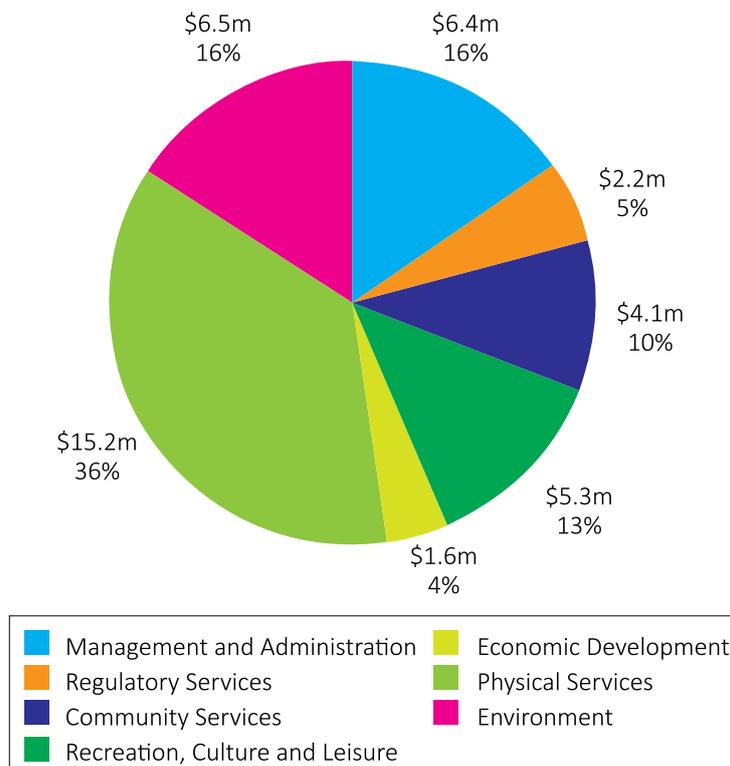
INDICATOR		CALCULATION	2014-2015
1.	Average rates and charges per assessment	Total rates and charges receivable at beginning of year/Number of assessments in the adopted budget	\$1,855.86
2.	Average residential rates and charges per assessment	Rates and charges declared for residential assessments receivable at beginning of year/ Number of residential assessments in the adopted budget	\$1,626.13
3.	Average liabilities per assessment	Total liabilities/Number of assessments in the adopted budget	\$1,309.63
4.	Operating result per assessment	Net surplus/Number of assessments in the adopted budget	\$714.24
5.	Average operating expenditure per assessment	Operating expenditure/Number of assessments in adopted budget	\$3,461.73
6.	Community satisfaction rating for overall performance generally of Council	Result from the Annual Local Government Community Satisfaction Survey	62
7.	Average capital expenditure per assessment	Capital expenditure/ Number of assessments in the adopted budget	\$1,780.57
8.	Renewal gap	Capital renewal/Average annual asset consumption	82.8%
9.	Renewal and maintenance gap	Capital renewal and maintenance/Average annual asset consumption plus planned maintenance	79.7%
10.	Community satisfaction rating for Council's advocacy and community representation on key local issues	Result from the Annual Local Government Community Satisfaction Survey	58
11.	Community satisfaction rating for Council's engagement in decision making on key local issues	Result from the Annual Local Government Community Satisfaction Survey	58

WHERE OUR MONEY COMES FROM – WHERE OUR MONEY GOES

INCOME



EXPENDITURE



HORSHAM RURAL CITY COUNCIL

PERFORMANCE STATEMENT

For the year ended 30 June 2015

PERFORMANCE STATEMENT

For the year ended 30 June 2015

DESCRIPTION OF MUNICIPALITY

Horsham Rural City Council is a vibrant, diverse community situated approximately 300 kilometres north-west of Melbourne and north of the Grampians National Park, in the heart of the Wimmera region of Victoria. Horsham Rural City Council has a population of 19,691 and covers an area of 4,267 square kilometres. Almost three quarters of residents live in the urban area of Horsham.

Horsham is the major provider of retail, community and government services in the Wimmera, with dryland and broadacre agriculture being our major industry. The Grains Innovation Park, a nationally acclaimed agricultural research centre, is based in Horsham. There are a range of quality educational and health care facilities including secondary colleges, a university and an agricultural college. We also have a diverse array of natural assets including recreational lakes, wetlands, the Wimmera River, Mount Arapiles, the Wartook Valley, and the Grampians National Park is nearby.

Horsham Rural City Council includes the major centres of Horsham and Natimuk, and the localities of: Arapiles, Blackheath, Brimpaen, Bungalally, Clear Lake, Dadswells Bridge, Dooen, Douglas, Drung, Duchembegarra, Grass Flat, Green Lake, Greenland Dam, Haven, Jilpanger, Jung, Kalkee, Kanagulk, Kewell, Laharum, Longerenong, Lower Norton, McKenzie Creek, Mitre, Mockinya, Mount Talbot, Murra Warra, Noradjuha, Nurrabel, Pimpinio, Quantong, Riverside, St Helen's Plains, Telangatuk East, Tooan, Toolondo, Vectis, Wail, Wartook and Wonwondah.

SUSTAINABLE CAPACITY INDICATORS

FOR THE YEAR ENDED 30 JUNE 2015

	RESULTS	
<i>Indicator/measure</i>	2015	Comments
Own-source revenue		
<i>Own-source revenue per head of municipal population</i>	\$1,551	The result is towards the upper level expected for this measure which indicates that Council has a reasonably high capacity to service the community from its own revenue.
[Own-source revenue / Municipal population]		
Recurrent grants		
<i>Recurrent grants per head of municipal population</i>	\$599	The result is in the mid-range of the expected result for this measure which indicates that Council has an average capacity to raise revenues from recurrent grants.
[Recurrent grants / Municipal population]		
Population		
<i>Expenses per head of municipal population</i>	\$2,094	The result is in the mid-range of the expected result for this measure which indicates that Council has an average capacity to deliver services to the community.
[Total expenses / Municipal population]		
<i>Infrastructure per head of municipal population</i>	\$20,614	The result is above the mid-range of the expected result for this measure which indicates that Council has a higher than average capacity to provide infrastructure for the community.
[Value of infrastructure / Municipal population]		
<i>Population density per length of road</i>	7	The result shows that Council has a very large road network compared to its overall population.
[Municipal population / Kilometres of local roads]		
Disadvantage		
<i>Relative socio-economic disadvantage</i>	6	Council's result is mid-range of the expected results, indicating a near average level of socio-economic disadvantage.
[Index of Relative Socio-economic Disadvantage by decile]		

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

SUSTAINABLE CAPACITY INDICATORS *continued...*

	RESULTS	
<i>Indicator/measure</i>	2015	Comments
Governance		
Satisfaction		
<i>Satisfaction with Council decisions</i>	58	Result was within the expected range and equal to the 2014 result. It was five points higher than other large rural Councils and three points higher than the State average.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]		
Statutory Planning		
Decision making		
Council planning decisions upheld at VCAT	100%	Only one matter went to VCAT and the decision was upheld.
[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100		
Roads		
Satisfaction		
<i>Satisfaction with sealed local roads</i>	48	The result is just below the expected range, but is three points higher than other large rural Councils and seven points lower than the State average.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]		
Libraries		
Participation		
<i>Active library members</i>	18.42%	The result is near the middle of the anticipated range of this indicator which implies a near average use of the library services.
[Number of active library members / Municipal population] x100		
Waste Collection		
Waste diversion		
<i>Kerbside collection waste diverted from landfill</i>	20.66%	Result is at the bottom end of the expected range, but reflects the fact that due to a sparse population, kerbside recycling is not provided in all areas of the municipality and there are no green waste services provided.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100		

SUSTAINABLE CAPACITY INDICATORS *continued...*

	RESULTS	
<i>Indicator/measure</i>	2015	Comments
Aquatic facilities		
Utilisation		
<i>Utilisation of aquatic facilities</i>	9.17	Visits are at the upper end of the expected range showing a high degree of utilisation within the community. There are no planned developments that could potentially lead to any significant change in this result for the future.
[Number of visits to aquatic facilities / Municipal population]		
Animal management		
Health and safety		
<i>Animal management prosecutions</i>	0	Council has had no prosecutions for the year
[Number of successful animal management prosecutions]		
Food safety		
Health and safety		
<i>Critical and major non-compliance notifications</i>	100%	Council has had seven notifications which were all followed up during the year.
[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100		
Home and community care		
Participation		
<i>Participation in HACC service</i>	27.72%	Result was within the middle of the expected range, showing a good participation in this service within the community.
[Number of people that received a HACC service / Municipal target population for HACC services] x100		
Participation		
<i>Participation in HACC service by CALD people</i>	9.09%	Result is slightly below the expected range which indicates a lower level of demand for HACC services from CALD people within the municipality.
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100		

SUSTAINABLE CAPACITY INDICATORS *continued...*

	RESULTS	
<i>Indicator/measure</i>	2015	Comments
Maternal and child health		
Participation		
<i>Participation in the MCH service</i>	81.43%	Result is at the lower end of expected levels indicating that not all children enrolled utilise the MCH service. Future planned developments of a new Children's Hub in the municipality could see improvements in this measure.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100		
Participation		
<i>Participation in the MCH service by Aboriginal children</i>	79.46%	Participation rates for aboriginal children are similar to those of the general population. Future planned developments of a new Children's Hub in the municipality could see improvements in this measure.
[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100		

Definitions

"Aboriginal child" means a child who is an Aboriginal person

"Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006

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

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

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

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

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

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

"food premises" has the same meaning as in the Food Act 1984

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

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

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

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

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

"population" means the resident population estimated by council

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

"WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR ENDED 30 JUNE 2015

	RESULTS		FORECASTS			
Dimension/ <i>indicator</i> /measure	2015	2016	2017	2018	2019	Material Variations
Operating position						The adjusted underlying surplus/deficit will return to positive by 2019, due to a combination of slowly increasing recurrent operating grants, user fees, and rates and charges whilst containing operating expenditure.
Adjusted underlying result						
<i>Adjusted underlying surplus (or deficit)</i>	6%	-3%	-4%	-2%	0%	
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100						
Liquidity						The result for this measure is expected to decrease by 29 percentage points by 2019, which reflects the impact of large scheduled repayments of debt in 2019.
Working capital						
<i>Current assets compared to current liabilities</i>	229%	219%	225%	220%	200%	
[Current assets / Current liabilities] x100						
Unrestricted cash						By 2019 Council will have a high cash balance due to funds being accumulated to meet 2020's high loan repayment required.
<i>Unrestricted cash compared to current liabilities</i>	105%	161%	164%	164%	150%	
[Unrestricted cash / Current liabilities] x100						
Obligations						The result for this measure is expected to increase by 26 percentage points over the 4 year period to 2019. The increasing forecast trend reflects the scheduled increased borrowings over the four year period, in-line with forecast capital works program.
Loans and borrowings						
<i>Loans and borrowings compared to rates</i>	17%	31%	37%	38%	43%	
[Interest bearing loans and borrowings / Rate revenue] x100						
<i>Loans and borrowings repayments compared to rates</i>	3%	3%	3%	3%	3%	Not material
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100						
Indebtedness						The result for this measure is expected to increase by 27 percentage points over the 4 year period to 2019. The increasing forecast trend reflects the scheduled increased borrowings over the four year period, in-line with forecast capital works program.
<i>Non-current liabilities compared to own source revenue</i>	15%	35%	40%	40%	42%	
[Non-current liabilities / Own source revenue] x100						

FINANCIAL PERFORMANCE INDICATORS *continued...*

Dimension/ <i>indicator</i> /measure	RESULTS		FORECASTS			Material Variations
	2015	2016	2017	2018	2019	
Asset renewal						The result for this measure is expected to decrease by 22 percentage points in 2017. Whilst the expenditure level remains constant for capital expenditure, there is a reduction on renewal works whilst funds are redirected to new assets.
<i>Asset renewal compared to depreciation</i>	92%	102%	70%	79%	100%	
[Asset renewal expenses / Asset depreciation] x100						
Stability						Not material
Rates concentration						
<i>Rates compared to adjusted underlying revenue</i>	51%	53%	57%	58%	58%	
[Rate revenue / Adjusted underlying revenue] x100						
Rates effort						Not material
<i>Rates compared to property values</i>	0.6%	0.6%	0.6%	0.7%	0.7%	
[Rate revenue / Capital improved value of rateable properties in the municipality] x100						
Efficiency						Not material
Expenditure level						
<i>Expenses per property assessment</i>	\$3,437	\$3,811	\$3,772	\$3,844	\$3,611	
[Total expenses / Number of property assessments]						
Revenue level						The result for this measure is expected to increase by \$165 per assessment by 2019. The increasing trend reflects measures taken by council since 2009 to address asset renewal gap and new assets required through rate increases above CPI.
<i>Average residential rate per residential property assessment</i>	\$1,594	\$1,684	\$1,770	\$1,860	\$1,759	
[Residential rate revenue / Number of residential property assessments]						
Workforce turnover						Forecast figures for 2016-2018 are based on an average 9.5% turnover rate which has been our turnover rate for the period 2012-2015.
<i>Resignations and terminations compared to average staff</i>	11%	10%	9%	9%	9%	
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100						

Definitions

“adjusted underlying revenue” means total income other than—

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

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

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

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

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

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

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

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

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

“population” means the resident population estimated by council

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

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

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

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

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

OTHER INFORMATION

FOR THE YEAR ENDED 30 JUNE 2015

1. Basis of Preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the Council's Strategic Resource Plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. For 2014/15 there are no comparative indicators on which variations could be measured except the Financial Performance Indicators which have forecast data.

The forecast figures included in the performance statement are those adopted by Council in its Strategic Resource Plan on 1 June 2015 and which forms part of the Council Plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting Council or via Council's website www.hrcc.vic.gov.au incorporated within the Council Plan.

CERTIFICATION OF THE PERFORMANCE STATEMENT

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



Graeme Harrison B. Econ, CPA, GAICD
Principal Accounting Officer

Dated: 22 September 2015

In our opinion, the accompanying performance statement of the Horsham Rural City Council for the year ended 30 June 2015 presents fairly the results of council's performance in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

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

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

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



Mark Radford
Councillor

Dated: 22 September 2015



David Grimble
Councillor

Dated: 22 September 2015



Graeme Harrison B. Econ, CPA, GAICD
Acting Chief Executive

Dated: 22 September 2015

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Horsham Rural City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2015 of the Horsham Rural City Council which comprises the statement, the related notes and the certification of performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Horsham Rural City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)

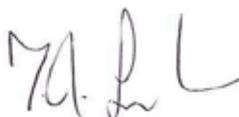
Independence

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

Auditor's Opinion

In my opinion, the performance statement of the Horsham Rural City Council in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
23 September 2015


Dr Peter Frost
Acting Auditor-General

HORSHAM RURAL CITY COUNCIL
FINANCIAL STATEMENT
For the year ended 30 June 2015

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Horsham Rural City Council

The Financial Report

The accompanying financial report for the year ended 30 June 2015 of the Horsham Rural City Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements has been audited.

The Councillors' Responsibility for the Financial Report

The Councillors of the Horsham Rural City Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

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

Auditor's Responsibility

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

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

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

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

Independent Auditor's Report (continued)

Independence

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

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Horsham Rural City Council as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE
23 September 2015


for Dr Peter Frost
Acting Auditor-General

**HORSHAM RURAL CITY COUNCIL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30th JUNE, 2015**

CONTENTS

	Page No.
Certification of the Financial Report	2
Table of Contents	3
Comprehensive Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Capital Works	8
Notes to the Financial Report	9

**CERTIFICATION OF FINANCIAL STATEMENT
FOR THE YEAR ENDED 30th JUNE, 2015**

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



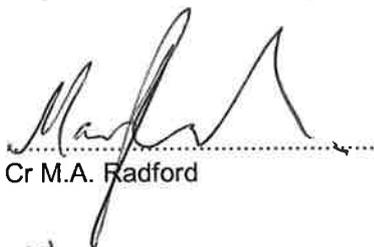
Mr G.A. Harrison, B Econ, CPA, GAICD
Principal Accounting Officer
22nd September 2015

Horsham

In our opinion, the accompanying financial statements present fairly the financial transactions of the Horsham Rural City Council for the year ended 30th June 2015, and the financial position of the Council as at that date.

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

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



Cr M.A. Radford

22nd September 2015

Horsham



Cr D.A. Grimble

22nd September 2015

Horsham



Mr G.A. Harrison, B Econ, CPA, GAICD
Acting Chief Executive

22nd September 2015

Horsham

**FINANCIAL REPORT
TABLE OF CONTENTS**

	Page
FINANCIAL REPORT	
Financial Statements	
Comprehensive Income Statement	4
Balance Sheet	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Statement of Capital Works	8
Notes to Financial Report	
Note 1 Significant accounting policies	9
2 Budget comparison	18
3 Rates and charges	21
4 Statutory fees and fines	22
5 User fees	22
6 Grants	23
7 Contributions	26
8 Reimbursements	26
9 Other income	26
10 Net gain/(loss) on disposal of property, infrastructure, plant and equipment	27
11 Employee costs	28
12 Materials and services	29
13 Bad and doubtful debts	30
14 Depreciation and amortisation	30
15 Other expenses	30
16 Borrowing costs	30
17 Investments in associates	31
18 Cash and cash equivalents	33
19 Trade and other receivables	33
20 Other financial assets	35
21 Other assets	35
22 Inventories	35
23 Assets held for sale	35
24 Property, infrastructure, plant and equipment	36
25 Investment property	43
26 Trade and other payables	44
27 Trust funds and deposits	44
28 Provisions	44
29 Interest-bearing loans and borrowings	46
30 Equity - asset replacement reserves	47
31 Equity - asset revaluation reserves	48
32 Reconciliation of cash flows from operating activities to surplus/(deficit)	49
33 Reconciliation of cash and cash equivalents	49
34 Financing arrangements	49
35 Commitments	50
36 Operating lease commitments	51
37 Contingent liabilities and contingent assets	51
38 Financial instruments	53
39 Related parties transactions	55
40 Events occurring after balance date	56

**COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 30th JUNE, 2015**

	Notes	2015 \$'000	2014 \$'000
INCOME			
Rates and charges	3	22,312	20,875
Statutory fees and fines	4	417	429
User fees	5	5,614	5,491
Grants - operating	6	11,906	6,320
Grants - capital	6	3,905	7,219
Contributions - cash	7 (a)	1,589	886
Contributions - non-monetary assets	7 (b)	1,828	601
Reimbursements	8	548	618
Other income	9	1,676	1,495
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	10	(91)	(48)
Share of net profits of associates accounted for by the equity method	17	66	82
Fair value adjustments for investment property	25	0	77
		-----	-----
Total Income		49,770	44,045
		=====	=====
EXPENSES			
Employee costs	11	(14,974)	(14,896)
Materials and services	12	(14,736)	(14,500)
Bad and doubtful debts	13	(76)	(72)
Depreciation and amortisation	14	(10,111)	(9,724)
Other expenses	15	(320)	(347)
Written down value of assets disposed	10	(813)	(1,543)
Borrowing costs	16	(212)	(255)
		-----	-----
Total Expenses		(41,242)	(41,337)
		=====	=====
Surplus/(deficit) for the year		-----	-----
		8,528	2,708
		=====	=====
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	48	19,493	8,475
		-----	-----
Total comprehensive result		28,021	11,183
		=====	=====

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

**BALANCE SHEET
AS AT 30th JUNE, 2015**

	Notes	2015 \$'000	2014 \$'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	18	16,486	19,195
Trade and other receivables	19	1,996	2,885
Other financial assets	20	7,050	3,000
Other assets	21	681	1,405
Inventories	22	702	618
Non current assets classified as held for sale	23	314	0
Total current assets		27,229	27,103
NON-CURRENT ASSETS			
Trade and other receivables	19	174	213
Investments in associates	17	1,161	1,095
Property, infrastructure, plant & equipment	24	444,292	415,015
Investment property	25	2,300	2,490
Total non-current assets		447,927	418,813
Total Assets		475,156	445,916
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	26	4,497	3,914
Trust funds and deposits	27	718	654
Provisions	28	5,354	4,793
Interest-bearing loans and borrowings	29	1,305	561
Total current liabilities		11,874	9,922
NON-CURRENT LIABILITIES			
Provisions	28	2,026	2,283
Interest-bearing loans and borrowings	29	2,455	2,931
Total non-current liabilities		4,481	5,214
Total Liabilities		16,355	15,136
NET ASSETS		458,801	430,780
EQUITY			
Accumulated surplus		226,681	217,619
Reserves - asset replacement	30	14,018	14,552
Reserves - asset revaluation	31	218,102	198,609
TOTAL EQUITY		458,801	430,780

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

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30th JUNE, 2015**

2015	Notes	Accumulated Surplus \$'000	Asset Replacement Reserves \$'000	Asset Revaluation Reserves \$'000	TOTAL \$'000
Balance at the beginning of the financial year		217,619	14,552	198,609	430,780
Surplus for the year		8,528	-	-	8,528
Net asset revaluation increment		-	-	19,493	19,493
Transfers to reserve	30	(5,212)	5,212	-	-
Transfers from reserve	30	5,746	(5,746)	-	-
Balance at the end of the financial year		226,681	14,018	218,102	458,801

2014	Notes	Accumulated Surplus \$'000	Asset Replacement Reserves \$'000	Asset Revaluation Reserves \$'000	TOTAL \$'000
Balance at the beginning of the financial year		217,607	11,856	190,134	419,597
Surplus for the year		2,708	-	-	2,708
Net asset revaluation increment		-	-	8,475	8,475
Transfers to reserve	30	(4,376)	4,376	-	-
Transfers from reserve	30	1,680	(1,680)	-	-
Balance at the end of the financial year		217,619	14,552	198,609	430,780

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30th JUNE, 2015**

	Notes	2015 Inflows (Outflows) \$'000	2014 Inflows (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		22,336	20,818
Statutory fees and fines		393	404
User charges		5,315	5,191
Grants - operating		6,952	6,952
Grants - capital		9,935	8,219
Contributions - monetary		1,589	886
Reimbursements		603	680
Interest received		650	552
Rent		249	240
Other receipts		1,614	118
Net GST refund		2,214	1,590
Employees costs		(14,761)	(14,501)
Material and services		(14,370)	(15,443)
Other payments		(2,339)	(1,546)
		-----	-----
Net cash provided by (used in) operating activities	32	20,380	14,160
		-----	-----
Cash flows from investing activities			
Payments for investments		(4,050)	(3,000)
Payments for property, infrastructure, plant and equipment		(19,432)	(11,103)
Proceeds from sale of property, infrastructure, plant and equipment		335	209
Payments for investment properties		-	(23)
		-----	-----
Net cash provided by (used in) investing activities		(23,147)	(13,917)
		-----	-----
Cash flows from financing activities			
Finance costs		(212)	(255)
Repayment of borrowings		(549)	(766)
Repayment of finance lease		(11)	(11)
Proceeds from borrowings		830	-
		-----	-----
Net cash provided by (used in) financing activities		58	(1,032)
		-----	-----
Net increase/(decrease) in cash and cash equivalents		(2,709)	(789)
Cash and cash equivalents at the beginning of the financial year		19,195	19,984
		-----	-----
Cash and cash equivalents at the end of the financial year	18	16,486	19,195
		=====	=====
Financing Arrangements	34		
Restrictions on cash assets	18		

The above statement of cashflows should be read with the accompanying notes

**STATEMENT OF CAPITAL WORKS
FOR THE YEAR ENDED 30th JUNE, 2015**

	2015 \$'000	2014 \$'000
Property		
Land	70	29
Land improvements	-	59
Total land	70	88
Buildings	1,059	461
Works in Progress	8,468	2,450
Total buildings	9,527	2,911
Total property	9,597	2,999
Plant and equipment		
Plant, machinery and equipment	1,578	1,285
Office furniture and equipment	107	41
Art purchases	15	29
Total plant and equipment	1,700	1,355
Infrastructure		
Roads	4,825	4,741
Bridges	11	646
Footpaths and cycleways	479	419
Drainage	211	-
Recreation, leisure and community facilities	134	117
Waste management	414	61
Parks, open space and streetscapes	166	-
Aerodromes	471	8
Off street car parks	16	-
Other infrastructure	177	-
Works in Progress	1,229	758
Total Infrastructure	8,133	6,750
Total capital works expenditure	19,430	11,104
Represented by:		
Asset renewal expenditure	9,253	7,100
Asset upgrade expenditure	5,397	2,111
New asset expenditure	4,780	1,893
Total capital works expenditure	19,430	11,104

The above statement of capital works should be read with the accompanying notes

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

Introduction

The Horsham Rural City Council was established by an Order of the Governor in Council on 20th January 1995 and is a body corporate.

The Council's main office is located at 18 Roberts Avenue Horsham.

Statement of compliance

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

1 SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1(m))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (n))
- the determination of employee provisions (refer to note 1 (t))

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

(b) Change in accounting policies

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

(c) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2015, and their income and expenses for that part of the reporting period in which control existed, if material.

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(c) Principles of consolidation (cont.)

The entity that is controlled by Council and could be consolidated into Council financial statements is Horsham Performing Arts. This company is a cultural charitable organisation set up for the promotion of the performing arts and for other cultural purposes of the benefit of the community.

Horsham Performing Arts Company is controlled by 6 directors, of which 3 are Horsham Rural City Councillors and one officer, therefore Council has control of this entity, however due to the small turnover value, the Horsham Performing Arts accounts have not been consolidated, but are included below for information.

**HORSHAM PERFORMING ARTS
STATEMENT OF PROFIT AND LOSS
FOR YEAR ENDED 30TH JUNE 2015**

	2015 \$'000
Revenue - fundraising	136
Expenses - fund raising	(2)

Surplus for Year	134
	=====

**HORSHAM PERFORMING ARTS
STATEMENT OF FINANCIAL POSITION
FOR YEAR ENDED 30TH JUNE 2015**

CURRENT ASSETS	
Cash	92
Receivables	42

Total Current Assets	134
	=====
EQUITY	
Retained Profits	134
	=====

**HORSHAM PERFORMING ARTS
STATEMENT OF CHANGES IN EQUITY
FOR YEAR ENDED 30TH JUNE 2015**

Balance at the beginning of the financial year	-
Surplus for the year	134

Balance at the end of the financial year	134
	=====

**HORSHAM PERFORMING ARTS
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30TH JUNE 2015**

Receipts from fundraising	94
Payments to suppliers	(2)

Net cash provided by operating activities	92
Cash at beginning of the financial year	-

Cash at end of the financial year	92
	=====

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(d) Committee of Management

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

(e) Accounting for investments in associates and joint arrangements

Associates

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

(f) Revenue Recognition

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

Rates and charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Other Income

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Fair value measurement

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets and liabilities.

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

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

(h) Cash and cash equivalents

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

(i) Trade and other receivables

Receivables are carried at amortised cost using the effective interest rate method. A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred.

(j) Other financial assets

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

(k) Inventories

Inventories held for distribution are measured at cost adjusted when applicable for any loss of service potential. Other inventories including land held for sale are measured at the lower of cost and net realisable value.

(l) Non-current assets held for sale

A non-current asset classified as held for sale (including disposal groups), is measured at the lower of its carrying amount and fair value less costs to sell, and are not subject to depreciation. Non current assets, disposal groups and related liabilities are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(m) Recognition and measurement of assets

Acquisition

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 24, Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 4 years. The valuation is performed either by experienced council officers or independent experts.

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

Land under Roads

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

(n) Depreciation and amortisation of property, infrastructure, plant and equipment

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

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(n) Depreciation and amortisation of property, infrastructure, plant and equipment (cont.)

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

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

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

	Depreciation Period	Threshold Limit
Property		
Land		1,000
Land improvements	10 - 100 years	5,000
Buildings	20 - 143 years	5,000
Plant, machinery and equipment		
Plant, machinery and equipment	1 - 30 years	5,000
Office furniture and equipment	3 - 20 years	1,000
Art purchases		50
Infrastructure		
Road pavements and seals	13 - 60 years	5,000
Road formation and earthworks	100 years	5,000
Road kerb, channel and minor culverts	50 - 55 years	5,000
Bridges substructure	110 years	5,000
Footpaths and cycleways	40 - 50 years	5,000
Drainage	100 years	5,000
Recreation, leisure and community facilities	10 -100 years	5,000
Waste management	3 - 50 years	5,000
Parks, open space and streetscapes	10 - 75 years	5,000
Aerodromes	10 -100 years	5,000
Off street car parks	45 - 90 years	5,000

(o) Repairs and maintenance

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

(p) Investment property

Investment property, comprising freehold rental properties, is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefits in excess of originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed in the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

(r) Trust funds and deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned, transferred in accordance with the purpose of the receipt or forfeited (refer to note 27).

(s) Borrowings

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

Borrowing costs

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

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

(t) Employee costs and benefits

The calculation of employee benefits includes all relevant on-costs and are calculated as follows at reporting date.

Wages and salaries, and annual leave

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

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

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. Current Liability - unconditional LSL representing 7 years is disclosed as a current liability even when the council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(t) Employee costs and benefits (cont.)

The components of this current liability are measured at:

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

Classification of employee costs

Non-current - conditional LSL representing less than 7 years that has been accrued, where an employee is yet to reach a qualifying term of employment is disclosed as a non-current liability.

There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

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

(u) Landfill rehabilitation provision

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

(v) Leases

Finance Leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets are currently being amortised over a 4 year period.

Operating Leases

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

(w) Goods and Service Tax (GST)

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

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

(x) Financial guarantees

Financial guarantee contracts are not recognised in the balance sheet, unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 37 Contingent Liabilities and Contingent Assets.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

1 SIGNIFICANT ACCOUNTING POLICIES (continued)

(y) Contingent assets and contingent liabilities and commitments

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

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

(z) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2015 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

(aa) Rounding

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

(ab) Trust funds and other deposits

Horsham Rural City Council has received monies as agent for the following: Art Gallery Trust Fund, Mack Jost Trust Fund, Con Kroker Trust Fund, Wimmera Regional Library Corporation, Wimmera Development Association, Horsham Cemetery Trust, Grampians Regional Waste Management Group and Desert Fringe Regional Waste Management Group. As Horsham Rural City Council performs only a custodial role in respect of these monies, and the monies cannot be used for council purposes, they are not brought to account in the financial statements.

On 31st July 2014, the Grampians Regional Waste Management Group and Desert Fringe Regional Waste Management Group wound up as individual entities with these two groups forming part of the Grampians Central Waste and Resource Recovery Group. As at that date Council transferred monies and administration to the new entity.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

2 BUDGET COMPARISON

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$400,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 30th June 2014. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

(a) Income and expenditure

	Ref	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	%
INCOME					
Rates and charges		22,221	22,312	91	0.4
Statutory fees and fines		405	417	12	3.0
User fees		5,404	5,614	210	3.9
Grants - operating	1	8,006	11,906	3,900	48.7
Grants - capital	2	6,200	3,905	(2,295)	(37.0)
Contributions - cash		1,430	1,589	159	11.1
Contributions - non-monetary asset	3	300	1,828	1,528	509.3
Reimbursements		500	548	48	9.6
Other income		1,648	1,676	28	1.7
Net gain/(loss) on disposal of property, infrastructure, plant and equipment		(111)	(91)	20	(18.0)
Share of net profits of associates accounted for by the equity method		-	66	66	-
Total Income		46,003	49,770	3,767	8.2
EXPENSES					
Employee costs	4	(15,927)	(14,974)	953	(6.0)
Materials and services	5	(15,886)	(14,736)	1,150	(7.2)
Bad and doubtful debts		(48)	(76)	(28)	58.3
Depreciation and amortisation	6	(9,695)	(10,111)	(416)	4.3
Other expenses		(340)	(320)	20	(5.9)
Written down value of assets disposed	7	(300)	(813)	(513)	171.0
Borrowing costs		(230)	(212)	18	(7.8)
Total Expenses		(42,426)	(41,242)	1,184	(2.8)
Surplus/(deficit) for the year		3,577	8,528	4,951	138.4

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015****2 BUDGET COMPARISON (Cont.)**

(i) Explanation of material variations

1. Grants - operating

Actual income reflects an increase of the Grants Commission payment, an early 50% payment of the 15/16 allocation was received 30th June 2015. The amount was \$2.8m.

Additional grants were also received for planning studies \$100k, community services \$240k, emergency services \$280k and community facilities \$470k.

2. Grants - capital

\$2.5m was due on completion of Town Hall Refurbishment project, since the project was still a works in progress at 30th June 2015, the final grant instalment of \$1m will not be payable until the project is complete.

\$1m for Country Roads and Bridges was received prior to 1st July 2014.

3. Contributions - non-monetary assets

Increased urban development saw road and land infrastructure assets valued at \$1.78m provided to Council, exceeding the \$300,000 budget.

4. Employee costs

Several staff left Council during the year with a number of vacancies still within Council at 30th June 2015.

Some of these staff were replaced with contracted hired staff.

5. Materials and services

Several operating grants including grants for community services, disability services and outdoor recreation had not been expended at 30th June 2015. Also delays in commencing landfill rehabilitation \$500,000 and Performing Arts commencement costs of \$185,000 have added to the reduced expenditure in this area.

6. Depreciation and amortisation

Road infrastructure assets were revalued as at 1st July 2014, the higher replacement value of assets has increased the depreciation expense.

7. Written down value of assets disposed

Gravel road formations valuations reflect the changeability and variability of the road condition which this year has reflected in increased write offs of value.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

2 BUDGET COMPARISON (cont.)

(b) Capital Works	Ref	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	%
Property					
Land		70	70	-	-
Total land		70	70	-	-
Buildings	8	13,214	1,059	(12,155)	(92.0)
Works in Progress		-	8,468	8,468	-
Total buildings		13,214	9,527	(3,687)	(27.9)
Total property		13,284	9,597	(3,687)	(27.9)
Plant and equipment					
Plant, machinery and equipment	9	2,239	1,578	(661)	(29.5)
Office furniture and equipment		239	107	(132)	(55.2)
Art purchases		15	15	-	-
Total plant and equipment		2,493	1,700	(793)	(31.8)
Infrastructure					
Roads		4,959	4,825	(134)	(2.7)
Bridges	10	500	11	(489)	(97.8)
Footpaths and cycleways		375	479	104	27.7
Drainage		200	211	11	5.5
Recreation, leisure and community facilities		495	134	(361)	(72.9)
Waste Management	11	1,150	414	(736)	(64.0)
Parks, open space and streetscapes		48	166	118	245.8
Aerodromes		88	471	383	435.2
Off street car parks		72	16	(56)	(77.8)
Other infrastructure	12	2,080	177	(1,903)	(91.5)
Works in Progress		-	1,229	1,229	-
Total Infrastructure		9,967	8,133	(1,834)	(18.4)
Total capital works expenditure		25,744	19,430	(6,314)	(24.5)
Represented by:					
Asset renewal expenditure		11,350	9,253	(2,097)	(18.5)
Asset upgrade expenditure		7,097	5,397	(1,700)	(24.0)
New asset expenditure		7,297	4,780	(2,517)	(34.5)
Total capital works expenditure		25,744	19,430	(6,314)	(24.5)

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

2 BUDGET COMPARISON (cont.)

(i) Explanation of material variations

8. Buildings

The budget included the capitalisation of the Town Hall Refurbishment, this project is a works in progress at 30 June 2015.

9. Plant, machinery and equipment

A contract was signed on 1st December 2014 for the purchase of a landfill compactor at a price of \$608k, delivery and payment will occur in September 2015.

10. Bridges

Major renewal works have been occurring on Norton Creek Bridge and will be completed by December 2015, this project is a works in progress at 30 June 2015.

11. Waste Management

The 14/15 budget included the construction of a new hardwaste cell and a new putrescible cell. The hardwaste cell was completed in October 2014. The planning and design of the putrescible cell has been delayed as staff were reassigned to redesigning the rehabilitation of another putrescible cell. The new putrescible cell will commence in the second half of 15/16 financial year.

12. Other infrastructure

The delay in receiving grant funding for the Wimmera River Pedestrian Bridge has delayed the project. This project will be completed by December 2015 and is currently a works in progress. Two other projects in this area were grant dependent with one application being unsuccessful, whilst the funding opportunity for the other project was not forthcoming.

3 RATES AND GARBAGE CHARGES

	2015 \$'000	2014 \$'000
Residential	9,954	9,143
Commercial	1,374	1,305
Industrial	703	706
Farm/rural	4,716	4,457
Cultural	53	45
Municipal charge	2,894	2,872
Garbage charges	2,618	2,347
Total rates and charges	22,312	20,875

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is its total market value including all improvements. It includes the site value, which is the value of the land without improvements.

The valuation base used to calculate general, cultural and farm rates for 2014/15 was \$3,532,247,000 (2013/14 \$ 3,108,657,000).

The 2014/15 General rate in the CIV dollar was .5070 cents. (2013/14 .5196 cents).

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014 and the valuation first applied in the rating year commencing 1 July 2014.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

4 STATUTORY FEES AND FINES

	2015 \$'000	2014 \$'000
Infringements and costs	156	155
Perin court recoveries	30	34
Issue of certificates	15	16
Local laws - permits & licences	34	38
Town planning	87	93
Health registrations	95	93
	-----	-----
Total statutory fees and fines	417	429
	=====	=====

5 USER FEES

Administration charges	163	278
Animal control	347	320
Building fees & other charges	159	110
Fees - parking meters	432	430
Immunisations	8	5
Home based welfare services	846	908
Lord Mayors Camp	7	4
Other swimming income	1	1
Halls income	1	1
Performance ticket sales	136	75
Sporting and recreation facilities	63	73
Sports marketing	10	-
Freight Hub user charge	101	64
Supervision of private subdivisions	58	22
Private streets administration	-	16
Plan checking fees	17	7
Aerodrome	37	32
Saleyards	518	521
Caravan park	350	402
Wimmera business centre income	156	140
Rural revegetation scheme	7	9
Garbage charges	8	5
Garbage disposal	731	661
Transfer station	281	264
Waste management fees	1,174	1,142
Fire hazards grass removal	3	1
	-----	-----
Total user fees	5,614	5,491
	=====	=====

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

6 GOVERNMENT GRANT REVENUES

	2015 \$'000	2014 \$'000

Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	2,130	2,009
State funded grants	13,681	11,530

Total	15,811	13,539
=====		
Operating Grants		
Recurrent - Commonwealth Government		
Commonwealth Government family and children	37	36
Victorian Grants Commission - general purpose	5,475	1,744
Victorian Grants Commission - local roads	3,053	999
Recurrent State Government		
School crossing supervisors	24	23
Community services	253	13
Maternal and child health	313	315
Senior citizens centres	15	14
Food services	49	53
Home and community care	909	864
Disability services	126	121
Library	163	162
Arts and art gallery	229	117
Environmental and landcare grants	50	50

Total recurrent operating grants	10,696	4,511
=====		
Non-recurrent State Government		
Regulatory services	100	-
Community services	111	72
Family and children	95	21
Public and community health	22	8
Home and community care	70	-
Community facilities	-	3
Youth services	-	3
Outdoor recreation	382	93
Indoor recreation	97	-
Arts and art gallery	7	63
Emergency management planning	26	221
Economic development	13	123
Local roads & ancillary assets	-	193
Environmental and landcare grants	64	210
Recycling and waste grants	-	45
Tourism promotion	47	10
Flood recovery grants	11	32
Fire recovery grants	165	712

Total non-recurrent operating grants	1,210	1,809
=====		

Total Operating Grants	11,906	6,320
=====		

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

6 GOVERNMENT GRANT REVENUES (cont.)	2015 \$'000	2014 \$'000
Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery funding	1,093	973
Country roads and bridges	-	1,000
Total Recurrent Capital Grants	1,093	1,973
Capital non-recurrent		
Non-recurrent - Commonwealth Government		
Buildings	1,500	1,000
Recurrent State Government		
Community services	2	23
Family and children	-	311
Home and community care	28	13
Community facilities	284	-
Outdoor recreation	24	561
Indoor Recreation	10	-
Halls, historic buildings & monuments	-	2,043
Economic development	-	30
Local roads & ancillary assets	489	680
Aerodrome	394	-
Livestock Exchange	-	62
Caravan Park	-	21
Public convenience grants	-	60
Recycling grants	35	-
Flood recovery grants	46	112
Fire recovery grants	-	330
Total non-recurrent capital grants	2,812	5,246
Total capital grants	3,905	7,219
Total grants	15,811	13,539
Conditions on grants		
Grants recognised as revenue during the year that were obtained on the condition that they be expended in a specified manner that had not occurred at balance date were:		
Grants commission	2,835	-
Town planning studies	67	-
Family and children	15	321
Community services	219	63
Home and community care	70	-
Youth services	-	6
Rural disability access grant	128	114
Outdoor recreation	121	126
Halls, historic buildings & monuments	9	3,001
Arts and arts gallery	49	23
Economic growth	-	80
Environmental	39	116
Waste management	10	10
Road & streets infrastructure	130	65
Roads to recovery	20	-
Country roads and bridges	-	1,000
Pedestrian bridge	34	-
	3,746	4,925

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

6 GOVERNMENT GRANT REVENUES (cont.)	2015 \$'000	2014 \$'000

Conditions on grants		
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
Flood recovery grants	-	(102)
Town planning heritage study	-	(70)
Family and children	(182)	-
Community facilities	-	(16)
Community services	(63)	(51)
Kindergarten specific grants	-	(11)
Home and community care	-	(35)
Youth services	(6)	(24)
Rural disability access grant	(83)	(75)
Outdoor recreation	(69)	(66)
Halls, historic buildings & monuments	(3,001)	(3)
Arts and arts gallery	(23)	(30)
Economic growth	(80)	(73)
Environmental	(101)	(72)
Waste management	(10)	-
Road & streets infrastructure	(55)	(210)
Roads to recovery	-	(291)
Country roads and bridges	(1,000)	(1,000)
	-----	-----
	(4,673)	(2,129)
	=====	=====
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	(927)	2,796
	=====	=====

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

7 CONTRIBUTIONS	2015	2014
(a) Monetary	\$'000	\$'000
Road Assets	1,212	398
Recreational, leisure and community facilities	266	385
Recreational, leisure and community services	111	103
	-----	-----
	1,589	886
	=====	=====
(b) Non-Monetary		
Assets contributed by developers		
Land public open space	30	23
Land under roads	131	55
Road Assets	1,615	481
Assets contributed by others		
Artworks	52	42
	-----	-----
	1,828	601
	=====	=====
Total Contributions	-----	-----
	3,417	1,487
	=====	=====
8 REIMBURSEMENTS		
Road maintenance/works	4	6
Main roads maintenance Vicroads	544	612
	-----	-----
Total Reimbursements	548	618
	=====	=====
9 OTHER INCOME		
Interest	610	539
Interest on Rates	40	35
External works	477	379
Pre-school income	5	5
Other welfare receipts	3	13
Youth resource centre income	60	60
Community workshop income	4	2
Art gallery	21	32
Information office	41	35
Quarry restoration Income	17	35
Theatre rent	7	7
Mibus centre rent	9	9
Industrial estate rent	25	24
Commercial properties rent	185	179
Caravan park rent	12	-
Other	160	141
	-----	-----
	1,676	1,495
	=====	=====

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

10 NET GAIN/(LOSS) ON DISPOSAL OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT	2015 \$'000	2014 \$'000
Plant and Equipment		
Proceeds from sale of assets	334	200
Written down value of assets sold	(406)	(247)
(Loss) on sale of plant and equipment	(72)	(47)
Furniture and Equipment		
Proceeds from sale of assets	1	4
Written down value of assets sold	(20)	(6)
Profit/(loss) on sale of furniture and equipment	(19)	(2)
Sale of land and buildings		
Proceeds from sale of assets	-	5
Written down value of assets sold	-	(4)
Profit/(loss) on sale of land and buildings	-	1
Summary		
Total proceeds from sale of assets	335	209
Written down value of assets sold	(426)	(257)
Profit/(loss) on sale of assets	(91)	(48)
Disposal of council investment properties		
Written down value of assets written off	-	(175)
Disposal of council buildings		
Written down value of assets written off	(34)	(1,068)
Disposal of road infrastructure assets		
Written down value of assets written off	(774)	(299)
Disposal of other structures		
Written down value of assets disposed	(5)	(1)
Total Written down value of assets disposed	(813)	(1,543)

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

11 EMPLOYEE COSTS

	2015 \$'000	2014 \$'000
Wages and salaries	14,481	14,298
Workcover	152	219
Superannuation	1,257	1,204
Less: Amounts capitalised in non-current assets constructed by the Council	(916)	(825)
	14,974	14,896
	14,974	14,896

Note 11(b) Superannuation

Council made contributions to the following funds

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	185	186
Employer contributions payable to reporting date	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,038	986
Employer contributions - other funds	34	31
	1,072	1,017
Employer contributions payable to reporting date	80	77

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

Accumulation

The Fund's accumulation category, Vision My Super/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings, for the year ended 30 June 2015, this was 9.5% required under Superannuation Guarantee Legislation, (for 2013/14, this was 9.25%).

Defined Benefit

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

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

12 MATERIALS & SERVICES	2015 \$'000	2014 \$'000
Contract payments		
Valuation services	66	169
Provision of meals for meals on wheels	195	176
Management youth centre	135	134
Management aquatic centre	107	101
Waste management contracts	771	669
Contract cleaning	351	337
Building service contractors	171	133
Strategies	90	77
Contracts less than \$100,000	679	605
Materials and services		
Sporting group projects	320	176
Library	474	440
Caravan park management	-	229
Road maintenance contracts	397	339
Performing events expenses	129	67
General materials	489	607
Road maintenance materials	640	792
Waste management expenses	1,551	1,437
Other Materials & services less than \$100,000	3,541	3,023
Other		
Insurances	427	465
Plant operating costs	1,085	1,137
Computer expenditure	353	352
Power, light & heating	602	680
Advertising	136	124
Telephone	196	204
External salaries	502	371
External plant hire	102	165
Donations	364	261
Wimmera Development Association membership	191	186
Water rates	216	201
Community engagement projects	135	-
Sustainability projects	67	354
Flood and fire emergency response works and projects	254	489
Total materials and services	14,736	14,500

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

13 BAD AND DOUBTFUL DEBTS

	2015 \$'000	2014 \$'000
Other debtors	14	24
Parking fine debtors	42	33
Animal fine debtors	20	15
Total bad and doubtful debts	76	72

14 DEPRECIATION AND AMORTISATION

Furniture and fittings	123	158
Plant and equipment	850	908
Roads	5,983	5,290
Kerb and channel	428	471
Drainage	29	27
Footpaths and cycleways	478	523
Bridges	193	191
Other land improvements	42	398
Buildings	750	703
Other structures	1,235	1,055
	10,111	9,724

15 OTHER EXPENSES

Auditors' remuneration - VAGO audit of financial statement, performance statement and grant acquittals	41	44
Fees for other services provided by other auditors	21	38
Councillor & mayoral allowances	184	179
Operating lease rentals	74	86
Total other expenses	320	347

16 BORROWING COSTS

Interest - borrowings	212	255
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**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

17 INVESTMENTS IN ASSOCIATES

	2015 \$'000	2014 \$'000

Council's investment in the Wimmera Regional Library Corporation is based on the equity method of accounting. Refer note 1(e).		
Council's interest in equity	30.27%	30.50%
Equity in Wimmera Regional Library Corporation - at valuation	945	913
	-----	-----
	945	913
	=====	=====
Council's share of accumulated surplus		
Council's share of accumulated surplus at start of year	421	405
Change in equity share apportionment	(6)	(3)
Reported surplus for year	42	26
Transfers to/(from) reserves	(35)	(7)
	-----	-----
Council's share of accumulated surplus at end of year	422	421
	=====	=====
Council's share of reserves		
Council's share of reserves at start of year	492	416
Change in equity share apportionment	(4)	(3)
Transfers to/(from) reserves	35	7
Share of asset revaluation	-	72
	-----	-----
Council's share of reserves at end of year	523	492
	=====	=====
Movement in carrying value of specific investment		
Carrying value of investment at start of year	913	821
Change in equity share apportionment	(10)	(6)
Share of Asset Revaluation	-	72
Share of surplus for year	42	26
	-----	-----
Carrying value of investment at end of year	945	913
	=====	=====
Council's share of expenditure commitments	Nil	Nil
Council's share of contingent liabilities and contingent assets	Nil	Nil

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

17 INVESTMENTS IN ASSOCIATES (cont.)	2015 \$'000	2014 \$'000

Council's investment in the Wimmera Development Association is based on the equity method of accounting. Refer note 1(e).		
Council's interest in equity	48.14%	48.14%
Equity in Wimmera Development Association - at valuation	216	182
	-----	-----
	216	182
	=====	=====
Council's share of accumulated surplus		
Council's share of accumulated surplus at start of year	121	142
Reported surplus for year	34	(10)
Transfers to/(from) reserves	(3)	(11)
	-----	-----
Council's share of accumulated surplus at end of year	152	121
	=====	=====
Council's share of reserves		
Council's share of reserves at start of year	61	50
Transfers to/(from) reserves	3	11
	-----	-----
Council's share of reserves at end of year	64	61
	=====	=====
Movement in carrying value of specific investment		
Carrying value of investment at start of year	182	192
Share of surplus for year	34	(10)
	-----	-----
Carrying value of investment at end of year	216	182
	=====	=====
Council's share of expenditure commitments	Nil	
Council's share of contingent liabilities and contingent assets	Nil	

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

18 CASH AND CASH EQUIVALENTS	2015 \$'000	2014 \$'000
Cash on hand	3	3
Cash at bank	2,980	2,146
Overnight cash at 11am call	3,152	1,470
Short term deposits	10,351	15,576
	16,486	19,195
Council's cash and cash equivalents are subject to a number of internal and external restrictions that limit amounts available for discretionary or future use. These include:		
- Trust funds and deposits (Note 27)	718	654
- Unexpended grants (Note 6)	3,746	4,925
- Reserve funds allocated to specific future purposes	263	231
Restricted Funds	4,727	5,810
Total unrestricted cash and cash equivalents	11,759	13,385
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council		
- Cash held to fund carried forward capital works	6,314	6,440
Total funds subject to intended allocations	6,577	6,671
19 TRADE AND OTHER RECEIVABLES		
Current		
Rates debtors	337	361
Sundry debtors	1,108	1,987
Less doubtful debt provision - Sundry debtors	(14)	(22)
Parking infringement debtors	93	85
Less doubtful debt provision - Parking infringements	(36)	(28)
Other infringement debtors	117	93
Loans & advances to community organisations	32	47
Net GST receivable	359	362
	1,996	2,885
Non-current		
Sundry debtors	8	18
Loans & advances to community organisations	125	157
Deferred rates receivable	41	38
	174	213
Total Trade & Other Receivables	2,170	3,098

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

19 TRADE AND OTHER RECEIVABLES (Cont.)

(a) Aging of trade and other receivables

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

	2015 \$'000	2014 \$'000
Current (not yet overdue)	989	1,813
Past due by up to 30 days	110	93
Past due between 31 and 180 days	26	87
Past due between 181 and 365 days	1	12
Past due by more than 1 year	-	7
Total Receivables	1,126	2,012
Non Current (not yet overdue)	133	175

(b) Movement in Provision for Doubtful Debts

Balance at the beginning of the year	50	37
New Provisions recognised during the year	23	14
Amounts already provided for and written off as uncollectable	(22)	(1)
Balance at end of year	51	50

c) Aging of individually impaired trade and other receivables

At balance date, other debtors representing financial assets with a nominal value of \$51k, (2014 \$50k) were impaired. The amount of the provision raised against these debtors was \$50k, (2013 \$37k). The individually impaired debtors relate to general and sundry debtors, parking and animal infringement debtors and have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of Trade and Other Receivables that have been individually determined as impaired at reporting date was:

	2015 \$'000	2014 \$'000
Past due between 31 and 180 days	1	32
Past due between 181 and 365 days	13	-
Past due by more than 1 year	36	18
Total Receivables	50	50

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

20 OTHER FINANCIAL ASSETS	2015 \$'000	2014 \$'000
	-----	-----
Term deposits	7,050	3,000
	=====	=====
21 OTHER ASSETS		
Prepayments	228	241
Accrued income	453	1,164
	-----	-----
Total other assets	681	1,405
	=====	=====
22 INVENTORIES		
Inventories held for distribution	691	602
Inventories held for sale	11	16
	-----	-----
Total inventories	702	618
	=====	=====
23 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE		
Industrial land held for sale - at cost	314	-
	=====	=====

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2015	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Buildings specialised \$'000	Total Buildings \$'000	Works in Progress \$'000	Total Property \$'000
Land and buildings										
At fair value 1 July 2014	382	38,604	16,315	55,301	-	65,633	-	65,633	4,861	125,795
Accumulated depreciation at 1 July 2014	-	-	(4,437)	(4,437)	-	(29,196)	-	(29,196)	-	(33,633)
	382	38,604	11,878	50,864	-	36,437	-	36,437	4,861	92,162
Movements in fair value										
Acquisition of assets at fair value	-	70	-	70	-	1,059	-	1,059	8,468	9,597
Contributions by developers and others	131	30	-	161	-	-	-	-	-	161
Fair value of assets disposed	-	-	-	-	-	(70)	-	(70)	-	(70)
Transfers	-	-	-	-	-	145	-	145	(145)	-
Transfers (to)/from other asset classes	-	(258)	(15,323)	(15,581)	-	134	-	134	-	(15,447)
	131	(158)	(15,323)	(15,350)	-	1,268	-	1,268	8,323	(5,759)
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	(42)	(42)	-	(750)	-	(750)	-	(792)
Accumulated depreciation of disposals	-	-	-	-	-	36	-	36	-	36
Transfers to/from other asset classes	-	-	4,162	4,162	-	-	-	-	-	4,162
	-	-	4,120	4,120	-	(714)	-	(714)	-	3,406
At fair value 30 June 2015	513	38,446	992	39,951	-	66,901	-	66,901	13,184	120,036
Accumulated depreciation at 30 June 2015	-	-	(317)	(317)	-	(29,910)	-	(29,910)	-	(30,227)
	513	38,446	675	39,634	-	36,991	-	36,991	13,184	89,809

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2015	Plant machinery & equipment \$'000	Office furniture & equipment \$'000	Art Collection \$'000	Public Art \$'000	Total Plant & equipment \$'000	Works in Progress \$'000	Total Plant & equipment \$'000
Plant and equipment							
At fair value 1 July 2014	13,232	1,705	2,937	-	17,874	229	18,103
Accumulated depreciation at 1 July 2014	(4,864)	(1,305)	-	-	(6,169)	-	(6,169)
	8,368	400	2,937	-	11,705	229	11,934
Movements in fair value							
Acquisition of assets at fair value	1,578	107	15	8	1,708	-	1,708
Contributions by developers and others	-	-	52	-	52	-	52
Revaluation increments/decrements	-	-	567	-	567	-	567
Fair value of assets disposed	(1,186)	(161)	-	-	(1,347)	-	(1,347)
Transfers to/from other asset classes	-	-	-	174	174	-	174
	392	(54)	634	182	1,154	-	1,154
Movements in accumulated depreciation							
Depreciation and amortisation	(850)	(123)	-	-	(973)	-	(973)
Accumulated depreciation of disposals	780	141	-	-	921	-	921
	(70)	18	-	-	(52)	-	(52)
At fair value 30 June 2015	13,624	1,651	3,571	182	19,028	229	19,257
Accumulated depreciation at 30 June 2015	(4,934)	(1,287)	-	-	(6,221)	-	(6,221)
	8,690	364	3,571	182	12,807	229	13,036

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2015 Infrastructure	Roads \$'000	Bridges \$'000	Footpaths & cycleways \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Waste management \$'000	Parks open spaces and streetscapes \$'000	Aerodromes \$'000	Off street car parks \$'000	Other Infrastructure \$'000	Works in Progress \$'000	Total Infrastructure \$'000
At fair value 1 July 2014	372,798 (113,543)	18,326 (7,888)	25,348 (12,074)	-	3,643 (1,683)	4,981 (1,369)	1,225 (429)	2,818 (975)	-	23,446 (4,555)	850	453,435 (142,516)
Accumulated depreciation at 1 July 2014	259,255	10,438	13,274	-	1,960	3,612	796	1,843	-	18,891	850	310,919
Movements in fair value	4,825	11	479	211	134	414	166	471	16	169	1,230	8,126
Acquisition of assets at fair value	1,301	-	313	-	-	-	-	-	-	-	-	1,614
Contributions by developers and others	26,752	-	(2,523)	-	-	-	-	-	-	-	-	24,229
Revaluation increments/decrements	(1,849)	-	(59)	-	-	-	(18)	-	-	-	-	(1,926)
Fair value of assets disposed	300	-	-	-	-	-	-	-	-	-	-	300
Impairment adjustment recognised in revaluation reserve	520	-	24	-	-	169	-	-	-	-	(713)	-
Transfers	-	-	-	1,768	6,742	11	1,975	-	4,099	554	-	15,149
Transfers to/from other asset classes	31,849	11	(1,766)	1,979	6,876	594	2,123	471	4,115	723	517	47,492
Movements in accumulated depreciation	(6,413)	(193)	(478)	(29)	(255)	(182)	(139)	(91)	(75)	(490)	-	(8,345)
Depreciation and amortisation	1,094	-	41	-	-	-	12	-	-	-	-	1,147
Accumulated depreciation of disposals	(6,795)	-	1,191	-	-	-	-	-	-	-	-	(5,604)
Revaluation increments/decrements	-	-	-	(403)	(995)	(2)	(746)	-	(1,833)	(183)	-	(4,162)
Transfers to/from other asset classes	(12,114)	(193)	754	(432)	(1,250)	(184)	(873)	(91)	(1,908)	(673)	-	(16,964)
At fair value 30 June 2015	404,647 (125,657)	18,337 (8,081)	23,582 (11,320)	1,979 (432)	10,519 (2,933)	5,575 (1,553)	3,348 (1,302)	3,289 (1,066)	4,115 (1,908)	24,169 (5,228)	1,367	500,927 (159,480)
Accumulated depreciation at 30 June 2015	278,990	10,256	12,262	1,547	7,586	4,022	2,046	2,223	2,207	18,941	1,367	341,447

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2014 Land and buildings	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land \$'000	Buildings - non specialised \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Works in Progress \$'000	Total Property \$'000
At fair value 1 July 2013	327	32,886	15,196	48,409	63,931	-	63,931	2,814	115,154
Accumulated depreciation at 1 July 2013	-	-	(4,496)	(4,496)	(28,641)	-	(28,641)	-	(33,137)
	327	32,886	10,700	43,913	35,290	-	35,290	2,814	82,017
Movements in fair value									
Acquisition of assets at fair value	-	29	59	88	461	-	461	2,450	2,999
Contributions by developers and others	55	23	-	78	-	-	-	-	78
Revaluation increments/decrements	-	5,202	1,060	6,262	3,167	-	3,167	-	9,429
Fair value of assets disposed	-	(4)	-	(4)	(2,479)	-	(2,479)	-	(2,483)
Transfers	-	-	-	-	403	-	403	(403)	-
Transfers from other asset classes	-	468	-	468	150	-	150	-	618
	55	5,718	1,119	6,892	1,702	-	1,702	2,047	10,641
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	(398)	(398)	(703)	-	(703)	-	(1,101)
Accumulated depreciation of disposals	-	-	-	-	1,411	-	1,411	-	1,411
Revaluation increments/decrements	-	-	457	457	(1,213)	-	(1,213)	-	(756)
Transfers to/from other asset classes	-	-	-	-	(50)	-	(50)	-	(50)
	-	-	59	59	(555)	-	(555)	-	(496)
At fair value 30 June 2014	382	38,604	16,315	55,301	65,633	-	65,633	4,861	125,795
Accumulated depreciation at 30 June 2014	-	-	(4,437)	(4,437)	(29,196)	-	(29,196)	-	(33,633)
	382	38,604	11,878	50,864	36,437	-	36,437	4,861	92,162

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2014	Plant machinery & equipment \$'000	Office furniture & equipment \$'000	Art Collection \$'000	Public Art \$'000	Total Plant & equipment \$'000	Works in Progress \$'000	Total Plant & equipment \$'000
Plant and equipment							
At fair value 1 July 2013	12,819	1,716	2,866	-	17,401	229	17,630
Accumulated depreciation at 1 July 2013	(4,581)	(1,193)	-	-	(5,774)	-	(5,774)
	8,238	523	2,866	-	11,627	229	11,856
Movements in fair value							
Acquisition of assets at fair value	1,285	41	29	-	1,355	-	1,355
Contributions by developers and others	-	-	42	-	42	-	42
Fair value of assets disposed	(872)	(52)	-	-	(924)	-	(924)
	413	(11)	71	-	473	-	473
Movements in accumulated depreciation							
Depreciation and amortisation	(908)	(158)	-	-	(1,066)	-	(1,066)
Accumulated depreciation of disposals	625	46	-	-	671	-	671
	(283)	(112)	-	-	(395)	-	(395)
At fair value 30 June 2014	13,232	1,705	2,937	-	17,874	229	18,103
Accumulated depreciation at 30 June 2014	(4,864)	(1,305)	-	-	(6,169)	-	(6,169)
	8,368	400	2,937	-	11,705	229	11,934

HORSHAM RURAL CITY COUNCIL

NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

2014 Infrastructure	Roads \$'000	Bridges \$'000	Footpaths & cycleways \$'000	Drainage \$'000	Recreational, leisure and community \$'000	Waste management \$'000	Parks open spaces and streetscapes \$'000	Aerodromes \$'000	Off street car parks \$'000	Other Infrastructure \$'000	Works in Progress \$'000	Total Infrastructure \$'000
At fair value 1 July 2013	368,271	17,797	24,818	-	-	-	-	-	-	37,879	1,097	449,862
Accumulated depreciation at 1 July 2013	(109,270)	(7,757)	(11,551)	-	-	-	-	-	-	(9,541)	-	(138,119)
	259,001	10,040	13,267	-	-	-	-	-	-	28,338	1,097	311,743
Movements in fair value												
Acquisition of assets at fair value	4,741	646	419	-	-	-	-	-	-	186	758	6,750
Contributions by developers and others	378	-	103	-	-	-	-	-	-	-	-	481
Fair value of assets disposed	(3,281)	(117)	-	-	-	-	-	-	-	(62)	-	(3,460)
Impairment adjustment recognised in revaluation reserve	(198)	-	-	-	-	-	-	-	-	-	-	(198)
Transfers	823	-	8	-	-	-	-	-	-	174	(1,005)	-
Transfers to/from other asset classes	2,064	-	-	-	-	-	-	-	-	(2,064)	-	-
	4,527	529	530	-	-	-	-	-	-	(1,766)	(247)	3,573
Movements in accumulated depreciation												
Depreciation and amortisation	(5,761)	(191)	(523)	-	-	-	-	-	-	(1,082)	-	(7,557)
Accumulated depreciation of disposals	3,039	60	-	-	-	-	-	-	-	61	-	3,160
Transfers to/from other asset classes	(1,551)	-	-	-	-	-	-	-	-	1,551	-	-
	(4,273)	(131)	(523)	-	-	-	-	-	-	530	-	(4,397)
At fair value 30 June 2014	372,798	18,326	25,348	-	-	-	-	-	-	36,113	850	453,435
Accumulated depreciation at 30 June 2014	(113,543)	(7,888)	(12,074)	-	-	-	-	-	-	(9,011)	-	(142,516)
	259,255	10,438	13,274	-	-	-	-	-	-	27,102	850	310,919

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

Valuation of land and buildings

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

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000
Land	-	-	38,446
Specialised Land	-	-	513
Land Improvements	-	-	675
Buildings - non specialised	-	-	36,991
	-----	-----	-----
Total	-	-	76,625
	=====	=====	=====

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Mr Peter Moloney, Dip CE. CE. EWS. MIEAust, Moloney Asset Management Services.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000
Roads	-	-	278,990
Bridges	-	-	10,256
Footpaths and cycleways	-	-	12,262
Drainage	-	-	1,547
Recreation, leisure and community facilities	-	-	7,586
Waste management	-	-	4,022
Parks, open space and streetscapes	-	-	2,046
Aerodromes	-	-	2,223
Off street car parks	-	-	2,207
Other infrastructure	-	-	18,941
	-----	-----	-----
Total	-	-	29,439
	=====	=====	=====

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

24 PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT (Cont.)

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extend and impact of restriction of use and the market use of land per square meter. The extend and impact of restricts ion use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$815 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$200 to \$300 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 143 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure are determined on the basis of the current condition of the asset and vary from 3 years to 110 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2015 \$'000	2014 \$'000
Reconciliation of specialised land		
Land under roads	513	382
Total specialised land	513	382

25 INVESTMENT PROPERTY

Balance at beginning of financial year	2,490	2,995
Additions	-	23
Disposals	-	(175)
Transfer land value to land assets	(56)	(330)
Transfer building value to building assets	(134)	(100)
Fair value adjustments	-	77
Balance at end of financial year	2,300	2,490

The valuations for the investment property were performed by an independent valuer, Wigg & Partners. The valuation of buildings is at fair value based on the current market value for property.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

26 TRADE AND OTHER PAYABLES	2015 \$'000	2014 \$'000
Trade payables	4,384	3,801
Accrued expenditure	6	7
PAYG payable	107	106
Total trade and other payables	4,497	3,914

27 TRUST FUNDS AND DEPOSITS

Refundable building deposits	64	71
Refundable contract deposits	106	66
Refundable security deposits	422	366
Refundable retention amounts	19	13
Refundable miscellaneous trusts	107	138
	718	654

Refundable building deposits are held against incomplete building works. If footpaths and site are left in original condition the deposit is returned in full to developer/builder. If Council is required to rehabilitate the site the deposit is forfeited.

Refundable contract and retention deposits are held against incomplete contract works. If the works are not completed to Council's standard, the deposit can be redeemed by Council to complete the works. The security deposits are held as assurance against defects liability for 12 months from practical completion of works.

Refundable miscellaneous trusts are monies payable to community groups if certain criteria are met. If the criteria is not met, the trust amount is forfeited by the group.

28 PROVISIONS	Quarry Restoration \$'000	Landfill Restoration \$'000	Total \$'000
2015			
Balance at the beginning of the financial year	182	2,615	2,797
Additional provisions	8	75	83
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	190	2,690	2,880
2014			
Balance at the beginning of the financial year	190	2,569	2,759
Additional provisions	9	46	55
Amounts used	(17)	-	(17)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
Balance at the end of the financial year	182	2,615	2,797

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

28 PROVISIONS (cont.)	2015	2014
(a) Employee benefits	\$'000	\$'000
<hr style="border-top: 1px dashed black;"/>		
Current provisions expected to be settled wholly within 12 months		
Annual leave	1,121	1,021
Long service leave	140	109
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	1,261	1,130
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Current provisions expected to be settled wholly after 12 months		
Annual leave	295	424
Long service leave	2,438	2,246
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	2,733	2,670
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 Total Current Provisions	 3,994	 3,800
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Non-current		
Long service leave	506	479
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	2015	2014
	\$'000	\$'000
Aggregate carrying amount of employee provisions		
Current	3,994	3,800
Non-current	506	479
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Total aggregate carrying amount of employee provisions	4,500	4,279
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The following assumptions were adopted in measuring the present value of employee benefits.

Weighted average increase in employee costs	4.44%	4.44%
Weighted average discount rates	2.54 %	3.13 %
Weighted average settlement period	6 years	6 years

**(b) Restoration Provisions
Quarry restoration provision**

Current	42	34
Non-current	148	148
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	190	182
	<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>

The following assumptions were adopted in measuring the present value of quarry restoration provision.

Weighted average increase in costs	2.13%	3.57%
Weighted average discount rates	2.72 %	3.40 %
Weighted average settlement period	6 years	6 years

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

28 PROVISIONS (cont.)	2015	2014
Landfill restoration provision	\$'000	\$'000
Current	1,318	959
Non-current	1,372	1,656
	2,690	2,615
	2,690	2,615

The following assumptions were adopted in measuring the present value of landfill rehabilitation.

Weighted average increase in costs	2.13%	3.57%
Weighted average discount rates	2.72 %	3.40 %
Weighted average settlement period	4 years	3 years

29 INTEREST BEARING LOANS AND BORROWINGS	2015	2014
	\$'000	\$'000
Current		
Finance leases	8	12
Borrowings - secured	1,297	549
	1,305	561
	1,305	561
Non-current		
Finance leases	-	8
Borrowings - secured	2,455	2,923
	2,455	2,931
	2,455	2,931
The Maturity profile for Council's borrowings is:		
Not later than one year	1,297	549
Later than one year and not later than five years	1,851	1,837
Later than five years	604	1,086
	3,752	3,472
	3,752	3,472
The Maturity profile for Council's finance lease liabilities is:		
Not later than one year	8	12
Later than one year and not later than five years	-	8
	8	20
	8	20
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,305	561
Non-current	2,455	2,931
	3,760	3,492
	3,760	3,492

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

30 EQUITY - ASSET REPLACEMENT RESERVES

2015	Balance at beginning of reporting period \$'000	Transfer to \$'000	Transfer from \$'000	Balance at end of reporting period \$'000
Car park development	1,509	484	353	1,640
Office equipment replacement	254	210	72	392
Plant replacement	2,292	1,674	1,241	2,725
Recreation contribution	231	43	11	263
Waste management replacement	1,563	904	494	1,973
Contingency & redundancy	100	60	77	83
Firebrace St properties	423	54	5	472
Major capital projects	34	81	36	79
Aquatic centre replacement reserve	415	108	9	514
Aerodrome reseal	111	57	75	93
Industrial estate	4,060	-	-	4,060
Library asset replacement reserve	62	6	12	56
Livestock exchange	210	120	45	285
Loan funds	162	-	-	162
Quarry & road rehabilitation reserve	61	9	-	70
Road construction	32	-	-	32
Town Hall redevelopment reserve	2,494	985	3,316	163
Headworks drainage reserve	184	173	-	357
Unfunded superannuation reserve	200	100	-	300
Wimmera Business Centre reserve	65	48	-	113
Wimmera Freight Terminal	90	96	-	186
	14,552	5,212	5,746	14,018
2014				
Car park development	1,163	430	84	1,509
Office equipment replacement	147	123	16	254
Plant replacement	1,847	1,512	1,067	2,292
Recreation contribution	219	12	-	231
Waste management replacement	1,096	722	255	1,563
Contingency & redundancy	83	58	41	100
Firebrace St properties	392	54	23	423
Major capital projects	68	-	34	34
Aquatic centre replacement reserve	344	115	44	415
Aerodrome reseal	73	46	8	111
Industrial estate	4,062	3	5	4,060
Library asset replacement reserve	68	6	12	62
Livestock exchange	82	149	21	210
Loan funds	162	-	-	162
Quarry & road rehabilitation reserve	52	9	-	61
Road construction	32	-	-	32
Town Hall redevelopment reserve	1,606	893	5	2,494
Headworks drainage reserve	187	62	65	184
Unfunded superannuation reserve	100	100	-	200
Wimmera Business Centre reserve	40	25	-	65
Wimmera Freight Terminal	33	57	-	90
	11,856	4,376	1,680	14,552

The above transfers represent an appropriation of funds for the future replacement and expansion of assets.

The loan fund reserve is held to meet the future increased loan repayments required for planned capital renewal and expansion projects.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

31 EQUITY - ASSET REVALUATION RESERVES

2015	Balance at beginning of reporting period \$'000	Impairments \$'000	Revaluation increment \$'000	Balance at end of reporting period \$'000
Property				
Land	28,483	-	-	28,483
Other land improvements	2,975	-	-	2,975
Buildings	16,663	-	-	16,663
Total property	48,121	-	-	48,121
Plant and equipment				
Works of art	763	-	567	1,330
Total plant and equipment	763	-	567	1,330
Infrastructure				
Roads	104,635	300	18,626	123,561
Kerb and channel	9,383	-	-	9,383
Drainage	15,884	-	-	15,884
Footpaths and cycleways	8,330	-	-	8,330
Bridges	2,823	-	-	2,823
Other infrastructures	7,595	-	-	7,595
Total Infrastructure	148,650	300	18,626	167,576
Other				
Land held for sale	1,075	-	-	1,075
	198,609	300	19,193	218,102
2014				
Property				
Land	23,281	-	5,202	28,483
Other land improvements	1,458	-	1,517	2,975
Buildings	14,709	-	1,954	16,663
Total property	39,448	-	8,673	48,121
Plant and equipment				
Works of art	763	-	-	763
Total plant and equipment	763	-	-	763
Infrastructure				
Roads	104,833	(198)	-	104,635
Kerb and channel	9,383	-	-	9,383
Drainage	15,884	-	-	15,884
Footpaths and cycleways	8,330	-	-	8,330
Bridges	2,823	-	-	2,823
Other infrastructures	7,595	-	-	7,595
Total Infrastructure	148,848	(198)	-	148,650
Other				
Land held for sale	1,075	-	-	1,075
	190,134	(198)	8,673	198,609

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

32 RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS/(DEFICIT)

	2015 \$'000	2014 \$'000

Surplus for the year	8,528	2,708
Depreciation and amortisation	10,111	9,724
Loss on disposal of property, infrastructure, plant and equipment	904	1,591
Contributions - Non-monetary assets	(1,828)	(601)
Share of (profits) of associates	(66)	(82)
Fair value (increment) adjustments for Investment property	-	(77)
Financing Costs	212	255
Change in assets and liabilities:		
Increase in employee benefits	221	409
Increase/(Decrease) in quarry provision	8	(8)
Increase in landfill provision	75	46
Decrease in prepaid expenses	13	2
Increase/(Decrease) in accounts payable and trust funds	648	(356)
(Decrease) in accrued expenditure	(1)	(2)
(Increase) in inventories	(84)	(132)
Decrease in accounts receivable	928	325
Decrease in accrued income	711	358

Net cash provided by/(used in) operating activities	20,380	14,160
	=====	

33 RECONCILIATION OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents (see note 18)	16,486	19,195
Less bank overdraft	-	-

	16,486	19,195
	=====	

34 FINANCING ARRANGEMENTS

Financing

Unrestricted access was available at the reporting date to the following line of credit.

Total Facilities		
Bank overdraft	1,000	1,000
Used at reporting date	-	-

Unused at reporting date	1,000	1,000
	=====	

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

35 COMMITMENTS

The Council has entered into the following commitments

2015	Not Later Than 1 Year \$'000	Later Than 1 Year and Not Later Than 2 years \$'000	Later Than 2 Years and Not Later Than 5 years \$'000	TOTAL \$'000
Operating				
Waste Collection Recycling	258	-	-	258
Various Studies	157	-	-	157
Telephone Lease	26	-	-	26
Building Surveyor Services	349	-	-	349
Recreation Facilities	90	-	-	90
Waste Rehabilitation	984	-	-	984
Valuation Services	41	-	-	41
Capital				
Roadworks	260	-	-	260
Town Hall Refurbishment	4,858	-	-	4,858
Pedestrian Bridge	707	-	-	707
Other Buildings Refurbishment	235	-	-	235
Plant	779	-	-	779
Total	8,744	-	-	8,744

2014	Not Later Than 1 Year \$'000	Later Than 1 Year and Not Later Than 2 years \$'000	Later Than 2 Years and Not Later Than 5 years \$'000	TOTAL \$'000
Operating				
Waste Collection Recycling	263	258	-	521
Various Studies	112	-	-	112
Telephone Lease	26	26	-	52
Youth Services	120	-	-	120
Building Surveyor Services	157	161	-	318
				0
Capital				0
Roadworks	279	-	-	279
Town Hall Refurbishment	14,029	-	-	14,029
Waste Facilities	395	-	-	395
Other Buildings Refurbishment	156	-	-	156
Recreation Facilities	92	-	-	92
Plant	225	-	-	225
Total	15,854	445	-	16,299

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

36 OPERATING LEASE COMMITMENTS

(a) Operating lease commitments

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

	2015 \$'000	2014 \$'000
Not later than one year	73	74
Later than one year and not later than 5 years	12	85
	85	159
	85	159

(b) Operating lease receivables

At the reporting date, Horsham Rural City Council had entered into commercial property leases on its investment property, consisting of surplus freehold shop complexes. These properties held under operating leases have remaining cancellable lease terms of between 1 and 5 years. All leases include a CPI based revision of the rental charge annually.

Council has also entered into a long term lease of the Horsham Caravan Park. The 21 year lease includes an annual CPI increase on the rental charge.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

Not later than one year	165	127
Later than one year and not later than 5 years	367	182
Later than 5 years	1,433	-
	1,965	309
	1,965	309

37 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At balance date, the Council's exposure as a result of bank guarantees is:

	\$'000
Department of Natural Resources - Arnotts Quarry	32
Department of Natural Resources - Courtneys Quarry	12
Minister for Agriculture and Resources	12
Minister for Energy and Resources	5
Environment Protection Authority	625

Finance Assurance for Dooen Landfill

Council has a responsibility under the Environment and Protection Act 1970, for remedial action and site aftercare at the Dooen Landfill. Council progressively rehabilitates the John's site each year.

Class action re damages incurred to council assets.

A contingent asset exists in relation to class action re damages incurred to council assets, in February 2009 Horsham bushfire. A settlement agreement has been entered into with the defendant but has not yet been finalised through the courts. It is reasonable to expect that some compensatory payment would eventuate in 2015/16.

Defined benefit superannuation scheme obligations

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

37 CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Cont.)

Funding Arrangements

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 103.4%.

To determine the VBI, the fund Actuary used the following long-term assumptions:

Net Investment Return	7.5% p.a.
Salary Inflation	4.25% p.a.
Price Inflation (BPI)	2.75% p.a.

Vision Super has advised that the actual VBI at quarter ended 30 June 2015 was 105.8%.

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

Regular contributions

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 30 June 2014, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2015, this rate was 9.5% of members' salaries. This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding Calls

If the defined benefit category is in an unsatisfactory financial position at actuarial investigation or the defined benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the defined benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Horsham Rural City Council) are required to make an employer contribution to cover the shortfall.

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is likely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

37 CONTINGENT LIABILITIES AND CONTINGENT ASSETS (Cont.)

Latest actuarial investigation surplus amounts

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$77.1 million; and
- A total service liability surplus of \$236 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2014.

The total service liability surplus means that the current value of the assets in the Fund's defined benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Horsham Rural City Council was notified of the results of the actuarial investigation during January 2015.

Contingent liabilities

The Council is presently involved in a confidential legal matter (known as Jillpanger rd), which are being conducted through Council's solicitors.

As this matter is yet to be finalised, and the financial outcomes are unable to be reliably estimated, no allowance for this contingency has been made in the financial statements.

38 FINANCIAL INSTRUMENTS

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables, (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement of the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements.

Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

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

Investment of surplus funds is made with approved financial institutions under the Local Government Act 1989. We manage interest rate risk by ensuring:

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

38 FINANCIAL INSTRUMENTS (cont.)

(b) Market risk (cont.)

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

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

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

- we only invest surplus funds with financial institutions that conform with State and Federal regulations and standards.

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

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

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

(d) Liquidity risk

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

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

To help reduce these risks Council:

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

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade.

(e) Fair value

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

Fair value hierarchy

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

**NOTES TO THE FINANCIAL REPORT
FOR THE YEAR ENDED 30th JUNE, 2015**

38 FINANCIAL INSTRUMENTS (cont.)

(f) Sensitivity disclosure analysis

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

- A parallel shift of +1% and -2% in market interest rates (AUD) from year end rates of 4.4%.

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

39 RELATED PARTIES TRANSACTIONS

(i) Responsible persons

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

Cr M.A. Radford	Returned to office on 1/11/12.
Cr R.L. Barber	Duly elected to office on 1/11/12.
Cr P.N. Clarke	Duly elected to office on 1/11/12.
Cr S.J. Exell	Duly elected to office on 1/11/12.
Cr D.A. Grimble	Returned to office on 1/11/12.
Cr A.J. Phelan	Duly elected to office on 1/11/12.
Cr H.R. Phillips	Duly elected to office on 1/11/12.

Chief Executive Officer P.F. Brown Commenced 1/11/10

(ii) Remuneration of Responsible Persons

The number of responsible officers, whose total remuneration from council falls within the following bands:

	2015 No.	2014 No.
\$10,000 - \$19,999	-	3
\$20,000 - \$29,999	3	1
\$30,000 - \$39,999	2	2
\$40,000 - \$49,999	2	-
\$50,000 - \$59,999	-	1
\$240,000 - \$249,999	-	1
\$250,000 - \$259,999	1	-
	-----	-----
	8	8
	=====	=====
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above, amounted to	466	453

**NOTES TO THE FINANCIAL STATEMENT (Cont.)
FOR THE YEAR ENDED 30th JUNE, 2015**

39 RELATED PARTIES TRANSACTIONS (Cont.)

(vi) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council, who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$136,000.

The number of senior officers other than the Responsible Persons, are shown below in their relevant income bands.

	2015 No.	2014 No.
Income Range:		
\$160,000 - \$169,999	-	3
\$170,000 - \$179,999	3	-
\$190,000 - \$199,999	1	1
	-----	-----
	4	4
	=====	=====
 Total Remuneration for the reporting year for Senior Officers included above, amounted to	 \$'000 721	 \$'000 701

(iii) Responsible retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the Councillors responsible persons was nil (2013/14 nil).

(iv) Loans to responsible persons

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a responsible person of the council, or a related party of a responsible person is nil.

(v) Transactions with responsible persons

Cr Robin Barber is a joint owner of the firm Robin L. Barber Design Drafting Pty Ltd. Council entered into the provision of design services on normal commercial terms and conditions. The total value of design services provided by Robin L. Barber Design during the 2014/2015 financial year was \$7,582. (2013/2014, \$9,013).

Cr Pam Clarke is a part of the family owned firm, Kimpton Builders Pty Ltd. Council entered into the provision of building services on normal commercial terms and conditions. The total value of building services provided by Kimpton Builders Pty Ltd during the 2014/2015 financial year was nil. (2013/2014, \$700).

Cr Sue Exell is a joint owner of the firm Exell Plumbing Pty Ltd. Council entered into the provision of plumbing services on normal commercial terms and conditions. The total value of building services provided by Exell Plumbing Pty Ltd during the 2014/2015 financial year was nil. (2013/2014, \$5,396).

Cr Mark Radford is a joint owner of the firm Mark Radford Electrician. Council entered into the provision of electrical services on normal commercial terms and conditions. The total value of electrical services provided by Mark Radford Electrician during the 2014/2015 financial year was nil. (2013/2014, \$3,875).

The Council has entered into the above transactions with Responsible Persons and Responsible Person related parties within normal customer or employee relationships on terms and conditions no more favourable than those available in similar arm's length dealings.

40 EVENTS OCCURRING AFTER BALANCE DATE

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

NOTES

NOTES

COUNCIL OFFICES

HORSHAM:

Civic Centre

18 Roberts Avenue, Horsham 3400

P: (03) 5382 9777

F: (03) 5382 1111

E: council@hrcc.vic.gov.au

W: www.hrcc.vic.gov.au

Monday to Friday – 8.30am to 5.00pm

Postal Address:

PO Box 511, Horsham 3402

Community and Cultural Development Office

43 Firebrace Street, Horsham 3400

P: (03) 5382 9595

F: (03) 5381 0312

E: arts@hrcc.vic.gov.au

Monday to Friday – 8.30am to 5.00pm

DEPOT:

Selkirk Drive, Horsham 3400

P: (03) 5382 9600

F: (03) 5382 5358

Monday to Friday – 7.30am to 4.30pm

NATIMUK:

Natimuk Community Centre
62 Main Street, Natimuk 3402

P: (03) 5387 1304

Thursdays only

