

# The 21st Golden Plains Shire Annual Report 2014-15

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- Anakie • Bamganie • Bannockburn • Barunah Park • Batesford • Berringa
- Berrybank • Cambrian Hill • Cape Clear • Corindhap • Cressy • Dereel
- Durdidwarrah • Durham Lead • Enfield • Garibaldi • Gheringhap • Grenville
- Haddon • Happy Valley • Hesse • Illabarook • Inverleigh • Lethbridge
- Linton • Mannibadar • Maude • Meredith • Morrisons • Mount Mercer
- Murgheboluc • Napoleons • Newtown • Nintingbool • Piggoreet • Pitfield
- Pittong • Rokewood • Rokewood Junction • Ross Creek • Russells Bridge
- Scarsdale • She Oaks • Shelford • Smythes Creek • Smythesdale
- Springdallah • Staffordshire Reef • Steiglitz • Stonehaven
- Sutherlands Creek • Teesdale • Wallinduc • Werneth • Willowvale • Wingeel

# Report of Operations

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## Performance Statement

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# Introduction

## Welcome to the Report of Operations 2014-15

This Annual Report covers Council's review of the past financial year, the challenges Council faces and Council's vision for the future of Golden Plains Shire. Now populated by 20,544 (ERP 2014) residents, with 6,998 new residents over the past 20 years, Golden Plains Shire has grown into a prominent region of business and industry, supporting intensive farming, cropping, manufacturing, education and retail. It has a bright future, underpinned by Council's financial discipline and strong, sound management.



## Snapshot of Council

### Fast facts:

- 37 community grants were allocated totalling over \$100,000.
- 22 communities participated in the Community Planning Program.
- 122 Community Coordinators - leading projects.
- 10 new Community Plans were developed.
- 80 projects were delivered by community groups that improved local wellbeing and liveability.
- 99 artists participated in the Golden Plains Arts Trail; 39 more than the year before.
- 109,000 books were borrowed from Golden Plains Shire library services.
- 99 community members benefited from Council-facilitated training sessions.
- 644 clients used Aged and Disability Services.
- 185 clients received regular home care.
- 85 clients attended Planned Activity Groups; 30 clients were aged under 18 years of age and 19 clients were aged over 90.



Golden Plains Shire is a fast growing, predominately agricultural, region close to Melbourne, Ballarat and Geelong.

<b>Area:</b>	2,705 square kilometres	<b>Rates and Charges:</b>	\$18.1 million
<b>Estimated population:</b>	20,544 (ERP 2014)	<b>Length of sealed local roads:</b>	1,027kms
<b>Growth rate:</b>	2.0% for 2013-14	<b>Length of unsealed local roads:</b>	731kms
<b>Number of employees:</b>	189 Equivalent Full Time (EFT)	<b>Climate:</b>	Cool winters and moderate summers
<b>Number of Councillors:</b>	7	<b>Annual average rainfall:</b>	500-750 mm
<b>Electoral structure:</b>	Unsubdivided municipality from December 2008	<b>Average winter temp:</b>	10 degrees Celsius
<b>Rateable properties:</b>	10,616	<b>Average summer temp:</b>	25 degrees Celsius
<b>Operating revenue:</b>	\$46.9 million		

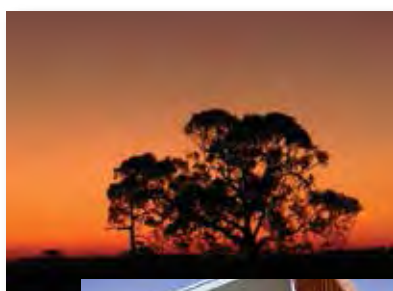


## Our Vision - Our Mission - Our Values

### Our Vision

Golden Plains Shire offers a lifestyle with opportunities that foster social, economic and environmental wellbeing.

In partnership with the community we will provide strong leadership, encourage sustainable development and ensure quality services, to continue to improve the quality of life of residents.



### Our Mission

- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- We aim for citizens to have fair access to recreation facilities, education, employment and human services, particularly youth and the aged.
- We accept individual diversity and we welcome and encourage participation in civic and community affairs.
- We market our municipality through open and effective communication.
- We respect the environment, our cultural significance and our heritage.
- We support and pursue the orderly and proper planning of land use and development based on strategic considerations as identified in the Municipal Strategic Statement.
- We support agricultural industry, sustainable practices and the right to farm.
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful relationships with other levels of government, agencies, non government organisations and the private sector.

### Our Values

- **Integrity in Leadership**  
We will strive to lead the community with integrity, reason and accountability whilst acknowledging Council's statutory obligations.
- **Equity and Access**  
We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensure that we are approachable by the community.
- **Commitment**  
We are committed to excellence in management and teamwork, comprising the community, Council and staff.
- **Community**  
We recognise the uniqueness of our individual communities and will seek to work in partnership with them to enhance their sense of community spirit. We recognise the efforts and value the contributions of our volunteers.
- **Innovation**  
We are open to new ideas and will grasp opportunities with a vision to succeed.

## Highlights of the Year

The major highlights achieved, fulfilling the objectives as set out in the Council Plan for 2014-15



### Citizen and Customer Service

- Fulfilled Council's commitment to the At Your Service Customer Service Strategy including frontline staff training and improvements to the customer request system.
- Expanded the volunteer training calendar to cover a broader range of sessions held across the Shire to support local Committees of Management and local clubs.
- Developed systems, policies and procedures in line with best practice to support volunteers working with Council.
- Commenced development of the new Events, Marketing and Communications Strategy for 2015 – 2018 delivery. Research included 400 community survey responses, four community group workshops and stakeholder meetings with over 50 people.



### Civic Leadership

- Regularly lobbied members of Parliament and senior bureaucrats on key local and strategic issues; including the development of targeted Priority Projects Booklets for lobbying, which contributed to successful applications for project funding.
  - Secured representation on national, state and regional bodies and participated in relevant regional and State planning to enhance Council's decision making and strengthen its advocacy influence.
  - Promoted opportunities for Councillor professional development via monthly emails, a Councillor Bulletin publication and also through in-house opportunities such as media training and planning sessions.
  - Facilitated and supported community celebration of important national events and days such as Australia Day and also Mayoral events such as Mayoral Volunteers Celebration, Citizen Recognition, Citizenship Ceremonies, Community Grant Ceremony and Youth Leadership.
  - Worked in the interests of a cohesive Council fostering good working relationships between Councillors, officers and the community.
  - Endorsed the Municipal Fire Management Plan November 2014 which includes social, economic and environmental actions for the 2014-17 period.
- Delivered 2009 Victorian Bushfire's Royal Commission obligations.
  - Completed works on the Dereel Neighbourhood Safer Place – Place of Last Resort in readiness for the fire season.
  - Maintained the five existing neighbourhood safer places in a state of readiness for the 2014-15 fire season.
  - Communicated through social media, Council's website and printed Gazette, alerting residents to fire restrictions, danger period and preparedness required for the fire season.
  - Issued 790 Fire Prevention Notices and 280 permits to burn.
  - Slashed and graded strategic breaks across the Shire (approximately 412km and 165km of roadside respectively.)

## Highlights of the Year

The major highlights achieved, fulfilling the objectives as set out in the Council Plan for 2014-15



### Economic Development

- Worked with Barwon Water to deliver stage 1 of the \$11.78 million water infrastructure project for the Golden Plains Food Production Precinct.
- Partnered with Council's Community Development Unit to coordinate the 2015 Golden Plains Arts Trail.
- Distributed Council's Economic Development Quarterly online newsletter (EDQ).
- Showcased the Golden Plains Farmers' Market at the Melbourne Regional Victoria Living Expo.
- Worked with utility providers to prepare for the Bannockburn natural gas rollout.
- Investigated and demonstrated the demand for natural gas in Haddon and Smythes Creek.
- Coordinated the Golden Plains Farmers' Market Sumptuous Luncheon.
- Lobbied for funds for the Bannockburn Civic Heart Project.
- Worked with the Bannockburn Chamber of Commerce to help support small businesses.
- Successfully lobbied for improved mobile phone coverage, continued rollout of the NBN network across the Shire, and upgrades to Telstra Broadband infrastructure.

### Environment and Land Use Planning

- Implemented a significant number of actions from the 2011-2016 Environment Strategy.
- Secured funding for eight primary schools for Schools Tree Day. 1,600 trees were supplied.
- Managed a program of targeted weed and rabbit control on Council land with treatment of 1,200km of roadsides for Serrated Tussock and 1,000km of roadsides for Gorse. Rabbits were controlled and over 40 feral cats were removed from two properties.
- Implemented actions from the Domestic Animal Management Plan 2013-2017, encouraging residents to be responsible pet owners.
- Conducted five detailed Domestic Animal Business (DAB) audits. Audits ensure commercial animal boarding, breeding and training establishments are compliant with the Domestic Animals Act and relevant codes of practice.
- Reviewed the fire prevention process which resulted in the development of a new program integrating the use of tablet technology. The field collection of GIS data achieved significant efficiency gains.
- Mapped native vegetation and habitat on all roads (approximately 1,800km).

- Conducted the rollout of a new regulatory service model to create a safer built environment resulting in 42 enforcement actions for illegal building activity being issued.
- Conducted 168 inspections of registered food premises ensuring high levels of food safety and compliance.
- Processed 335 planning permit applications. 68% of these were issued within a 60 day statutory timeframe.
- Successfully delivered a new structure plan for the township of Napoleons. This document will provide a guide for future growth and development.

**Council successfully lobbied for improved mobile phone coverage, continued rollout of the NBN network across the Shire and upgrades to Telstra Broadband infrastructure.**



## Highlights of the Year

The major highlights achieved, fulfilling the objectives as set out in the Council Plan for 2014-15



### Financial Management

- Refinanced \$4.2m of borrowings at a rate of 4.24%, to minimise interest costs. Council utilised the Local Government Funding Vehicle established by the Municipal Association of Victoria to support Victorian local councils.
- Council faces a possible revenue reduction of \$810k due to the 2014-15 Federal Budget announcement that the Federal Government will place a three-year freeze on the indexation of Financial Assistance Grants (FAGs) for councils.
- Monitored the progress of the pending Rates Capping and Variation Framework. The Essential Services Commission (ESC) is preparing a report for Parliament on how such a framework could be implemented successfully.
- Invested significant resources into the State Government Local Government Performance Reporting Framework development process. The framework aims to standardise Victorian Councils' performance reporting.

### Human Support Services

- Implemented the Golden Plains Access and Inclusion Plan 2013-2016, including continued support, resourcing and training of the Committee and staff.
- Provided a coordinated and integrated range of home care, basic maintenance, social and personal support services for over 500 frail aged people, younger people with disabilities and their carers living throughout the Shire.
- Collaborated with the Geelong Regional Library Service to provide members of the Rokewood and Haddon Planned Activity Groups and their carers with magazines, books, audiobooks, DVDs and CDs.
- Delivered community transport services to support disadvantaged community members to access appointments and social opportunities.
- Distributed a disability infographic to raise awareness about disability within the community.
- Audited public toilet facilities to inform future works and to improve accessibility.
- Appointed a Maternal and Child Health Coordinator to provide leadership to a team of nurses.
- Delivered the Young Mothers Group Program and the Healthy Families Program.
- Participated in Out of Home Care networks to ensure opportunities for vulnerable families and children were identified.

- Upgraded children's services facilities at Meredith, Rokewood and Bannockburn ensuring improved access to childcare, MCH and community services.
- Developed resources to provide information to Council's Community Care workers, Planned Activity Group staff and assessment staff about how to support people in care relationships.



## Highlights of the Year

The major highlights achieved, fulfilling the objectives as set out in the Council Plan for 2014-15



Council successfully completed construction of community facilities including Meredith Streetscape (including the Meredith Couch).



### Recreation and Community Development

- Strengthened the Recreation Committees of Management through professional development and Instrument of Delegation training.
- Allocated 35 community grants to community organisations totalling \$104,414.
- Developed the Recreation Strategy 2015-2019 in consultation with the community, informing Council's strategic planning, development and delivery of recreation infrastructure and services over the next five years.
- Constructed paths in Batesford, Maude and Linton, providing important linkages between community facilities and residential developments.
- Completed construction of community facilities including Bannockburn Soccer Pitch and Lights, Haddon Recreation Pavilion, Bunjil's Lookout at Maude, Golden Plains Rural Community Facility Safety, Meredith Streetscapes (including the Meredith Couch), Haddon Streetscape including the Pavilion and Lethbridge Youth Unstructured Play Space.
- Delivered a wide range of activities and programs for young people across the Shire.
- Council's industry-leading Community Planning program continued to produce impressive results. More than 122 Community Coordinators lead the development of community plans. 22 communities participated in the program this year and 10 new Community Plans were developed.
- Delivered another successful Arts Trail event in March 2015. The event grew from 24 to 31 venues and from 60 artists to 99 exhibitors.
- Developed a web hub to provide community the opportunity to 'Have Their Say' online.
- Increased engagement with young people who attended education or training outside the Shire.
- Ensured community centres provided programs and services to meet the needs of the community.
- Developed an online community directory to increase community members' participation in community life.
- Exceeded 69,000 visits to Bannockburn Library with Golden Plains Mobile Library receiving over 7,000 visits.
- Worked to increase awareness and accessibility of library services.
- Planned to replace mobile library vehicle to provide more comprehensive library services and to make the service more accessible.



## Highlights of the Year

The major highlights achieved, fulfilling the objectives as set out in the Council Plan for 2014-15



### Roads and Street Infrastructure

- Completed the High Street/ Milton Street Roundabout at Bannockburn. This ensures safe and efficient vehicle and pedestrian movement through this busy intersection.
- Advocated to VicRoads for overtaking lanes on the Hamilton Highway, Midland Highway and Colac-Ballarat Road. Advocated for the duplication of the Midland Highway between Bannockburn and Geelong and the Glenelg Highway between Ballarat and Smythesdale.
- Conducted road construction and maintenance in accordance with Council's Road Strategy. Road upgrade projects were funded by Council, the Federal Government (Roads to Recovery Program) and the State Government (Country Roads and Bridges Initiative).
- Represented Council and its community on both the Central Highlands Region and G21 Geelong Region Alliance Transport Planning Committees to advocate for Council's priorities in these forums.
- Successfully applied for funding to upgrade the Sago Hill Road and Bells Road Intersection via the TAC's Blackspot Funding Program.

### Waste Management

- Implemented the new kerb side collection contract with Transpacific Cleanaway to begin in 2015-16.
- Represented Council on the City of Ballarat's Smythesdale Regional Landfill Monitoring Committee with local residents.
- Represented Council on the Grampians Central West Waste and Resource Recovery Group.
- Collected recyclable materials and delivered to SKM Recycling in Geelong which provided payment to Council for co-mingled product under a contract arrangement.
- Successfully applied for \$150,000 in funding to Sustainability Victoria under the Rural and Regional Landfill Support Program for the development of new transfer station/resource recovery facility at a site to be determined.
- Developed and delivered the Let's Get it Sorted education and engagement campaign to reduce waste and increase recycling.



Council secured representation on national, state and regional bodies and participated in relevant regional and State planning to enhance decision making and strengthen its advocacy influence.

## Sustainability



Golden Plains Shire Council is committed to ensuring the long-term economic, social and environmental sustainability of the Shire. This commitment is framed within Council's vision of offering a lifestyle and opportunities that foster economic, social and environmental wellbeing.

This sustainability report provides an overview of how Council is responding to the interwoven areas of economic, social and environmental sustainability. It outlines Council's major economic, environmental and social strategies, provides an overview of Council's own sustainable performance and highlights key initiatives that put sustainability into practice.

Annual Plan Key Result Areas	Sustainability Dimensions		
	Economic	Social	Environmental
Citizens and Customer Service		✓	
Civic Leadership	✓	✓	✓
Economic Development	✓	✓	✓
Environment and Land Use Planning	✓	✓	✓
Financial Management	✓		
Human Support Services		✓	
Recreation and Community Development		✓	
Roads and Streets Infrastructure	✓	✓	
Waste Management			✓

## Economic Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote economic sustainability including:

- The Strategic Resource Plan which outlines the financial and non-financial resources needed to achieve the strategic objectives of the Council Plan.
- The Ten Year Financial Plan, a high level plan which informs Council about the trends in financial sustainability over the longer term.
- Asset management strategies which provide direction for managing Council's asset portfolio. These include the Road Strategy and Asset Management Improvement Strategy.

Other important economic strategies and plans include:

- The Economic Development Strategy which guides Council's efforts to support local business, attract investment and grow the local economy.
- Regional growth plans (G21 Region Growth Plan and Central Highlands Regional Growth Plan) which provide regional approaches to sustainability planning and support coordinated responses across municipal borders.

## Sustainability



### Challenges

- Providing community access to infrastructure, including transport and telecommunications infrastructure.
- Providing business support programs across all the communities in the Shire.
- Coordinating responses to the growth issues which occur across municipal boundaries.

### Achievements

- Provided wireless NBN access in the central area of the Shire.
- Improved township streetscapes in Meredith, Rokewood, Haddon and Teesdale.
- Delivered Stage 1 of the Golden Plains Food Production Precinct Water Infrastructure Plan.

## Social Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote social sustainability including:

- The Community Development Strategy which encourages and assists groups to be actively involved in their community for the benefit of the community.
- The Recreation Strategy which aims to improve the overall health and wellbeing of residents by encouraging participation in recreation and strengthening communities through participation in recreation.

- Healthy People, Healthy Places; Health and Wellbeing Plan which commits Council to work with its communities to enhance health and wellbeing outcomes across the Shire.

### Challenges

- Providing communities and residents with equitable access to social support services and community facilities.
- Developing opportunities for recreation across a geographic area with a dispersed population.
- Providing access to transport to enable residents to travel to medical, social and work related appointments.

### Achievements

- Provided more than 50 grants to support communities as they build infrastructure, activities and events that enhance social connection and cohesion.
- Offered an additional 45 childcare places due to the extension of the Bannockburn Family Service Centre.
- Delivered 13 training sessions which equipped 91 community members with skills to enable them to facilitate development in their own communities.

## Environmental Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote environmental sustainability including:

- The Environment Strategy which focuses on addressing local actions which will contribute to addressing environmental sustainability issues on a broader scale.
- The Waste Strategy which establishes a framework for the coordinated management of waste services to meet Council's present and future needs as identified by State Government policy, regional waste management groups and the community.

### Challenges

- Accessing seed funding which encourages community leadership when designing and developing facility upgrades and new facilities.
- Managing the expanse of registered municipal roadsides to ensure that biodiversity is maintained and improved.
- Increasing community understanding of best practice waste reduction and waste management.

### Achievements

- Installed 20kW solar array at The Well, Smythesdale which has the potential to reduce carbon dioxide greenhouse gas emissions by up to 35 tonnes.
- Mapped biodiversity assets on over 1,260km of roadside within the Shire.
- Developed the Listening to the Land, Looking to the Future partnership project, which investigated agricultural resilience against future climate projections.



## The year in review



Cr Des Phelan  
Mayor

### Mayor's Message

On behalf of my fellow Councillors, I am very pleased to present the 2014-15 Golden Plains Shire Council Annual Report, which highlights the significant work undertaken by Council on behalf of the community it serves.

#### The ANZAC Spirit

This year marked the 100th anniversary of our troops landing at Gallipoli in World War I. The many ANZAC events and commemorations held across our Shire were a humble testament to the selfless sacrifice of our brave servicemen and women. Lest We Forget.

#### Improving our region

Golden Plains Shire sits within a peri urban area – a zone with both rural and urban land – and will see a population growth of 50% by 2031 as an extra 10,000 residents are forecast to move into the Shire. Council is actively seeking State and Federal support and will continue to lobby for the provision of facilities and services to meet the needs of both present and future residents.

There are many projects and developments in progress the Shire,

promising an exciting and expansive future for residents and businesses. The Golden Plains Food Production Precinct, connection to natural gas, the NBN rollout, Gheringhap Employment Precinct, increased residential housing, reticulated sewerage and the Bannockburn Civic Heart Project will create more jobs and more opportunities.

#### Tourism

Our region is an emerging tourist destination, a key economic focus for Council. The Shire's award winning wines, vineyards, restaurants, cafes, farmers' market, artists and other small businesses, festivals and events attract many visitors keen for the Shire experience.

#### Communication and promotion

Council has invested in smart phone apps to promote the Shire and one of its greatest assets, the Ballarat-Skipton Rail Trail, and installed 'Welcome Hubs' and informative signage in many smaller towns.

Our social media presence on Facebook and Twitter is growing and is a fantastic, immediate way of keeping residents and tourists alike in touch with things happening in and around the Shire.

#### Infrastructure and special projects completed

The High Street/Milton Street Roundabout at Bannockburn is now completed, ensuring safe and efficient vehicle and pedestrian movement through a busy intersection.

Bunjil's Lookout at Maude was officially opened in April, the result of \$125,000 of funding from Regional Development Victoria and a contribution of \$45,000 from Council.

Lethbridge Airport was officially opened on 31 August 2014. Golden Plains Shire facilitated a partnership between the State Government and owner Gary Baum with \$1.085m contributed from the Regional Aviation Fund and \$427,703 from the Lethbridge Airport.

#### Council's Generous Volunteers

Volunteers contribute \$290 billion to the Australian economy each year. Golden Plains Shire Council is assisted by 600 people volunteering 2,751 hours each week. This staggering generosity of time and spirit saves the Council the equivalent of \$5m in wages every year. I thank them on behalf of Council for their contribution to community groups, sports clubs, working parties, businesses and committees across the Shire.

*"There are many projects and developments in progress in the Shire, promising an exciting and expansive future for residents and businesses."*

I would like to thank my Councillor colleagues for their support this year. I look forward to working positively together on all the challenges and opportunities we face to help improve the lifestyles of the residential and business communities of Golden Plains Shire.

Finally, I would like to thank Rod Nicholls, Chief Executive Officer, and his staff for their professionalism and hard work over the last year.

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## CEO's Message

As the Mayor has reported, the 2014-15 year has proved to be a time of great change, many challenges and progress in the region for residents and businesses.

Council must respond to community needs for services and infrastructure that meet contemporary standards and expectations. This year our expenditure of \$44M has delivered a broad range of services, infrastructure projects and programs to benefit the community.

Golden Plains is ranked in the top three fastest growing areas in Victoria. The challenges facing Council include meeting the demand for services, it's relatively low rating revenue base and an extensive road network (1,800km) to be maintained and improved.

Council's strong financial performance during this challenging year has been achieved by financial discipline and strong, sound management.

### External Grants

The change to the State Government in November 2014 meant Council became actively engaged in working with the new Government on Golden Plains Shire's priorities, projects and issues. A large portion of Council's revenue is sourced from external grants and it is important to keep advocating and lobbying for infrastructure and service grants to enable Council to keep up with the demands of a growing population.

### Community Grants

Council recognises the importance of community-led projects in Golden Plains and in 2014-15 committed \$104,413 to help fund 35 projects to cover a wide spectrum of community needs. Our successful Community Grants Program is a testament to all that a partnership between Council and local communities can achieve.

### Waste Management

In the 2014-15 year, the average Golden Plains Shire household discarded 13.4kg of rubbish per week, as opposed to those of our neighbouring councils' households of 8kg per week.

In the Shire approximately 17% of the waste deposited to landfill is recyclable. Council resolved to move to a weekly recycling bin collection which will not only reduce waste and costs but will also reduce waste to landfill by as much as 900 tonnes per year.

### Going forward

Planning approval has been granted to expand the Bannockburn Plaza, increasing retail opportunities and creating jobs. The Golden Plains Food Production Precinct now offers significant opportunities for investment with Stage 1 of an \$11.78m water pipeline completed by Barwon Water. The NBN rollout is continuing with Bannockburn set to receive the new technology in 2016, the first town in Golden Plains to be connected to this flexible, multi-technology network.



**Rod Nicholls**  
Chief Executive Officer

### White Ribbon Ambassador

I am proud to be a White Ribbon Ambassador. Golden Plains Shire Council is a strong advocate to challenging sexism, discrimination and violence against women and aims to create and raise awareness around prevention of violence against women. Council encourages individuals, groups and organisations to stand up and take action.

The past year has been one of positive progress and I am proud of the achievements of Council. I would like to take this opportunity to express my appreciation to our community, the Mayor, Councillors and staff for the dedication to improving the liveability, sustainability and productivity of Golden Plains Shire.

*"Our successful Community Grants Program is a testament to all that a partnership between Council and local communities can achieve."*

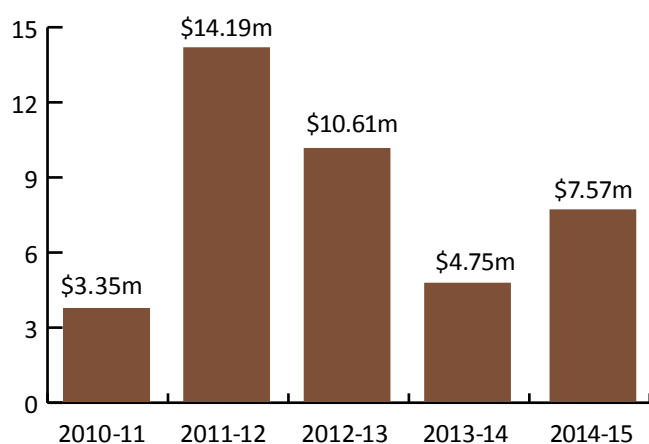
## Financial Summary

The purpose of the Annual Report is to convey the performance of Council for the 2014-15 financial year. It is important to consider this Annual Report in conjunction with the Council Plan, incorporating Council's Strategic Resource Plan, which focuses on the longer term objectives of Council. This document can be found on Council's website at:

[www.goldenplains.vic.gov.au](http://www.goldenplains.vic.gov.au).

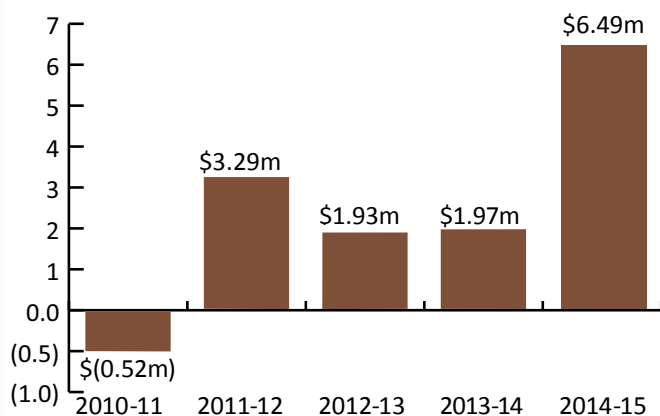
The following key indicators provide a brief overview of Council's financial performance for the year, including graphs which visually demonstrate the recent trend of each. These key indicators are common tools used to measure financial performance and are consistently applied by Council.

For more detailed information on Council's 2014-15 financial performance please refer to the Financial Report beginning on page 57 and Performance Statement beginning on page 105.



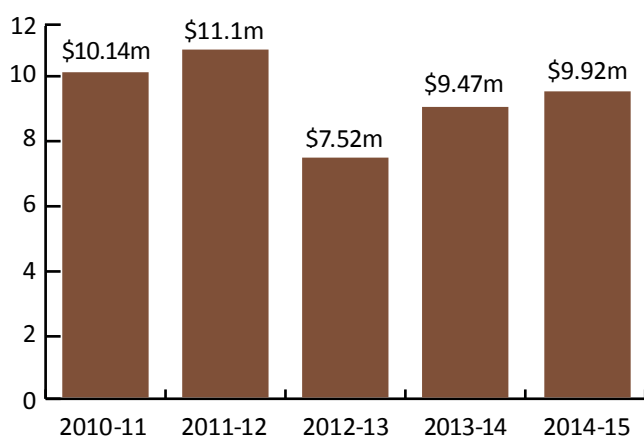
### Operating Result

The operating result shows Council's overall performance for the year. The surplus for 2014-15 totalled \$7.6m, which is \$5m more than budget. However, this 'headline' figure can be misleading. The 'Adjusted Underlying Result', which removes any non-recurrent grants used to fund capital expenditure, non-monetary asset contributions and other contributions to fund capital expenditure from the result, is actually a surplus of \$4.9m. Both the operating and adjusted underlying result for 2014-15 were positively impacted by the Federal Government's decision to re-implement the practice of making 50% of the Financial Assistance Grant available in the June prior (increasing income by \$2.6m) and other asset adjustments of \$4.4m.



### Discretionary Retained Earnings

Discretionary Retained Earnings are the surplus funds that Council has available to take advantage of unexpected opportunities. These are primarily utilised to match grants offered by third party funding. After a challenging period Council has been able to restore a positive balance. However, it should be noted that the balance of \$6.49m includes \$2.6m of 2015-16 Federal Assistance Grants that were received early and \$1.5m in profits held from the sale of Bakers Lane. It is planned that the profits from Bakers Lane will be utilised to fund the capital investment required for the fourth, and final, stage of the same development.



### Capital Expenditure

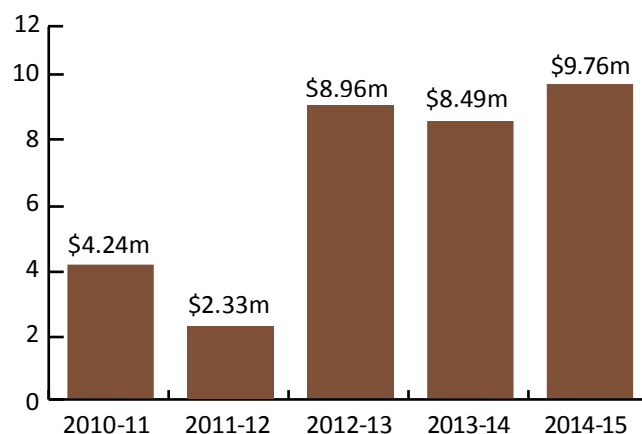
The capital program for 2014-15 of \$9.92m, takes Councils total capital expenditure over the last three years to \$26.91m. These programs have been consistent with Council's Strategic Resource Plan and have been funded by a combination of government grants, borrowings and discretionary retained earnings (as outlined above).



## Financial Summary

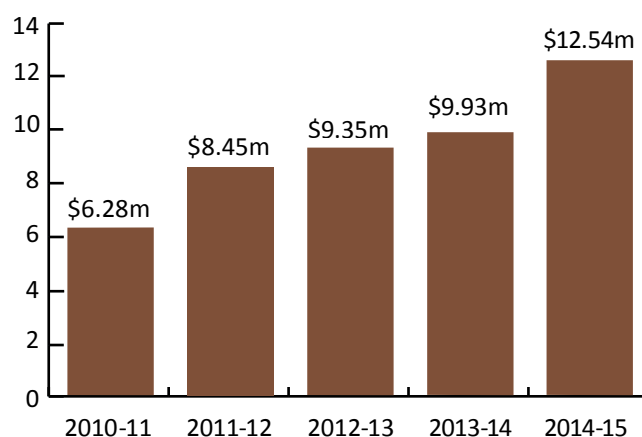
### Working Capital

Working Capital is the amount by which current assets exceed current liabilities. This is a measure of Council's ability to meet its short term obligations. At 30 June 2015 the surplus is \$9.76m compared to a budget of \$4.27m. This large working capital surplus is primarily a result of a higher than anticipated cash balance, which is explained below.



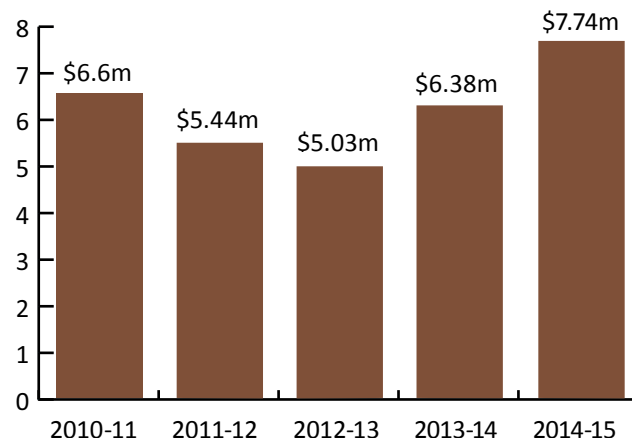
### Cash and Investments

Council's cash balance at 30 June 2015 totalled \$12.54m, which is \$6.4m favourable to budget and an increase of \$2.6m from the previous year. The balance is greater than anticipated primarily due to receiving \$2.6m of the 2015-16 Federal Assistance Grants early and the balance includes \$2.7m being held to complete funded and capital works projects from prior years.



### Borrowings

Borrowings have increased by \$1.36m from the previous year to a total of \$7.74m. New borrowings of \$1.8m were undertaken to fund Council's contribution to the Golden Plains Food Production Precinct (\$1.23m) and to assist in delivering Council's capital program. These amounts are in accordance with Council's Strategic Resource Plan. Council has structured these borrowings to ensure costs are spread fairly over current and future generations. Council has also availed itself of the benefits from the Municipal Association of Victoria's Local Government Funding Vehicle which has seen the cost of borrowing reduce for Victorian Councils.



The above indicators demonstrate that Council remains in a healthy financial position, however, the programs Council has delivered in recent years and the increase in capital expenditure has required Council to utilise discretionary retained earnings and increase its level of borrowings.

The overall financial position remains strong and continues to be consistent with that depicted in Council's Strategic Resource Plan.

With the pending introduction of the State Government's Rate Capping and Variation Framework, Council will need to review the strategies contained within its

adopted Council Plan and Strategic Resource Plan to ensure it continues to deliver the services required by a growing municipality.

## Description of Operations



Golden Plains Shire Council is responsible for many services, from family and children's services, traffic regulation, open space, youth facilities, waste management and community building; to matters concerning business development, planning for appropriate development and ensuring accountability for Council's budget. This broad range of community services and infrastructure for residents support the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan 2013-2017 and the associated Budget 2014-15 and reported upon in this document. Refer to the section on Our Performance for more information about Council services.

The delivery of services, facilities, support and advocacy to achieve the strategic objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under the Victorian and Australian legislations.

### Economic Factors

Included in the 2014-15 Federal Budget announcement was a policy that the Federal Government will place a three year freeze on the indexation of Financial Assistance Grants (FAGs) for councils. The impact of this decision on Golden Plains is unable to be definitively quantified as the State, via the

Victorian Grants Commission (VGC), will still apply their formula, with some modifications, to determine the split of the 'pool' among Victorian Councils.

### Major Capital Works

During 2014-15 the major capital works program included the following projects:

#### Bannockburn Early Learning Facility Upgrade

This project has provided for the expansion of the existing Bannockburn Family Services Centre to incorporate two new rooms and associated outdoor play spaces along with other related facilities.

The additional rooms have provided for an additional 45 full time places, taking the total capacity to 142. The extension has provided an increase to the building's overall floor area from 939 square metres to 1,151 square metres.

Specifically, new facilities provided are as follows:

- New Long Day Care room with associated outdoor play space
- New Long Day Care / Kindergarten room with associated outdoor play space
- Perimeter safety fence with gate
- Storage shed
- Storm water harvesting
- General landscaping

Building construction commenced in October 2014



and was completed in April 2015. Construction of the landscaping and outdoor play space component commenced in August 2015 and will be completed late October 2015.

#### Infrastructure Upgrade - High Street, Bannockburn

As a consequence of a number of conditions placed (under the direction of VicRoads) on the planning permit issued in June 2011 for the Bannockburn Plaza development, Council agreed to facilitate the construction (under contract) of high priority traffic infrastructure works in High Street, Bannockburn at the Milton Street and McPhillips Road intersections.

The construction works included:

- A roundabout at the intersection of High Street and Milton Street;
- Traffic islands and kerb returns at the intersection of High Street and McPhillips Road; and
- Associated street lighting.

High Street, Bannockburn is a VicRoads managed and controlled arterial road. As such, the traffic management infrastructure was designed and constructed in consultation and with VicRoads approval.

## Description of Operations



### Meredith Integrated Community Hub

The Meredith Integrated Community Hub will provide for a range of family support services, community and vocational learning programs and early childhood services, located adjacent to the Meredith Primary School.

It will enable new services to operate on an outreach basis in Meredith such as counselling, allied health and mental health services. The facility will also integrate with the existing Meredith Community House and provide additional program space and occasional child care facilities.

The facility is located on land owned by the State Government (Department of Education and Training) and will be managed by Golden Plains Shire Council through a long term lease.

The project has delivered:

- Relocation of the existing Meredith Kindergarten to a modern purpose built facility providing additional places.
- Two new early years education program rooms of approximately 50 square metres and 100 square metres.
- Two outdoor play areas with storage capacity.
- Maternal and Child Health consulting room and second consulting room.
- Waiting room and foyer.



- Office space for early years and community house staff.
- Occasional childcare facilities.
- A physical link between the new infrastructure and refurbished community house.
- Refurbished community house amenities.
- Associated ground works and landscaping.

Building construction commenced in October 2014 and was completed in June 2015. Construction of the landscaping and outdoor play space component commenced in July 2015 and was completed in September 2015.

### Golden Plains Food Production Precinct

Council continues to facilitate the development of the Golden Plains Food Production Precinct west of Lethbridge. The Precinct will be supplied with an \$11.78m water supply that will cater for the future growth and development of the intensive agriculture industry. Barwon Water has completed the first stage of the project including the completion of the Medina Road pumping station and the installation of 11.3km of water pipeline. The initial stages of the project will install a total of around 18km of water pipeline. The next stage of the project is due for completion by the end of December 2015.

This project will enable \$160m in investment and expansion in intensive agriculture and create



775 jobs over a 10 year period. Council's total contribution of \$1.2m to this project was made during 2014-15.

### Major Changes

With the completion of the upgrade to the Bannockburn Early Learning Facility, it has been necessary to restructure the coordination of this facility.

In order to provide appropriate levels of care and to meet regulatory compliance, this has resulted in the appointment of a Centre Director and increased staff levels for early year educators and child care workers. These increased staff costs are matched by increased revenue from the additional enrolments, which is included in Council's User Fees and Charges.

There were no other major changes to Council's operations during 2014-15.

### Major Achievements

Council prepared a Long Term Financial Strategy for the 10-year period 2014-15 to 2024-25 as part of Council's ongoing financial planning to assist in adopting a budget within a longer term framework.



## Our Council

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Golden Plains Shire has grown into a prominent region of business and industry, supporting intensive farming, cropping, manufacturing, education and retail.



### Shire Profile

Golden Plains is the place to enjoy life as it should be.

In recent years, the region has experienced significant population growth as people discover the benefits of living in a semi-rural setting with plenty of space to breathe.

With 20,544 residents across 56 communities and 16 townships, Golden Plains Shire has been one of the fastest growing municipalities in Victoria, with population growth now around 2.3% per annum.

New residents, including many young families, continue to enjoy a diverse range of lifestyle choices available in the Shire's welcoming communities.

Golden Plains Shire comprises 2,705 square kilometres between Victoria's two largest regional cities, Geelong and Ballarat. The Shire's close proximity to services available in neighbouring cities and convenient commuting distance to Melbourne and the Surfcoast adds to its appeal as a place to call home.

Business growth continues to create attractive investment opportunities and new jobs. While the Shire has a strong tradition of wool and grain production, intensive animal farming, particularly poultry and pigs, is increasing.

Golden Plains Shire is conveniently located close to export markets and welcomes investment and sustainable development. Strong population and economic growth render the region an attractive place to invest.

As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains Shire also has it all for the perfect day trip experience.

This thriving municipality has become renowned across Australia, and internationally, for the produce on offer at local eateries, cellar doors and the monthly Golden Plains Farmers' Market in Bannockburn.

The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporating skills from around the world and nurturing their vineyards to produce some of Australia's finest cool climate wines.

Despite strong growth in the north west and south east, the Shire's rural base and natural environment dominate the landscape. The natural beauty of the region still remains visible and accessible as does remnant townships and structures from the area's rich gold mining history.

The region has a vibrant arts and culture scene including iconic music festivals which are all helping to make Golden Plains an emerging tourism destination.

### Council Offices

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#### Bannockburn Customer Service Centre

2 Pope Street, Bannockburn, Victoria, 3331. Local call 1300 36 30 36. Phone 03 5220 7111. Fax 03 5220 7100

#### Linton Customer Service Centre

68 Sussex Street, Linton, Victoria, 3360. Local call 1300 36 30 36. Phone 03 5220 7111. Fax 03 5220 7100

#### Postal Address

Golden Plains Shire Council, PO Box 111, Bannockburn, Victoria 3331

#### Contacting Council After Hours

Residents wishing to contact Council outside normal business hours can phone 03 5220 7111

## Councillors

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*Back row left to right:* Cr Greg Vaughan, Cr Bill McArthur, Cr Helena Kirby and Cr Andrew Cameron.  
*Front row left to right:* Cr Nathan Hansford, Cr Jenny Blake and Cr Des Phelan.

### **Cr Greg Vaughan**

Re-elected: November 2012

Greg has previous experience as a Councillor with Golden Plains Shire and also having also served on Corio Council as Shire President.

### **Cr Bill McArthur**

First elected: March 1996

Bill relocated to the country hamlet of Haddon in 1981 to open a small business with his wife Lyn and two children. Bill has 22 years' experience as a Councillor (1991 to 1994 with Grenville) including two terms as Mayor. He is a long serving President of Municipal Association of Victoria (MAV), elected earlier this year for a 4th two year term. Bill has also been a Director of the Australian Local Government Association (ALGA) since 2009 and Vice President since November 2014.

### **Cr Helena Kirby**

First elected: December 2008

Helena is a resident and business owner in Rokewood. She is keen to represent the interests of the residents of Rokewood and district and to see that the communities within Golden Plains Shire are maintained and have access to future opportunities.

### **Cr Andrew Cameron**

First elected: November 2012

Andrew lives in Lethbridge on a property that has been in his family for 80 years. He operates a farming business in Lethbridge, Teesdale and Shelford. He also part owns and operates a small business in Golden Plains Shire.

### **Cr Nathan Hansford**

First elected: November 2012

Nathan has a young family that ensures his involvement within the community. His focus is on working together to achieve the best outcome possible for this Shire.

### **Cr Jenny Blake, (Mayor 1/7/14 - 2/11/14)**

First elected: March 1996

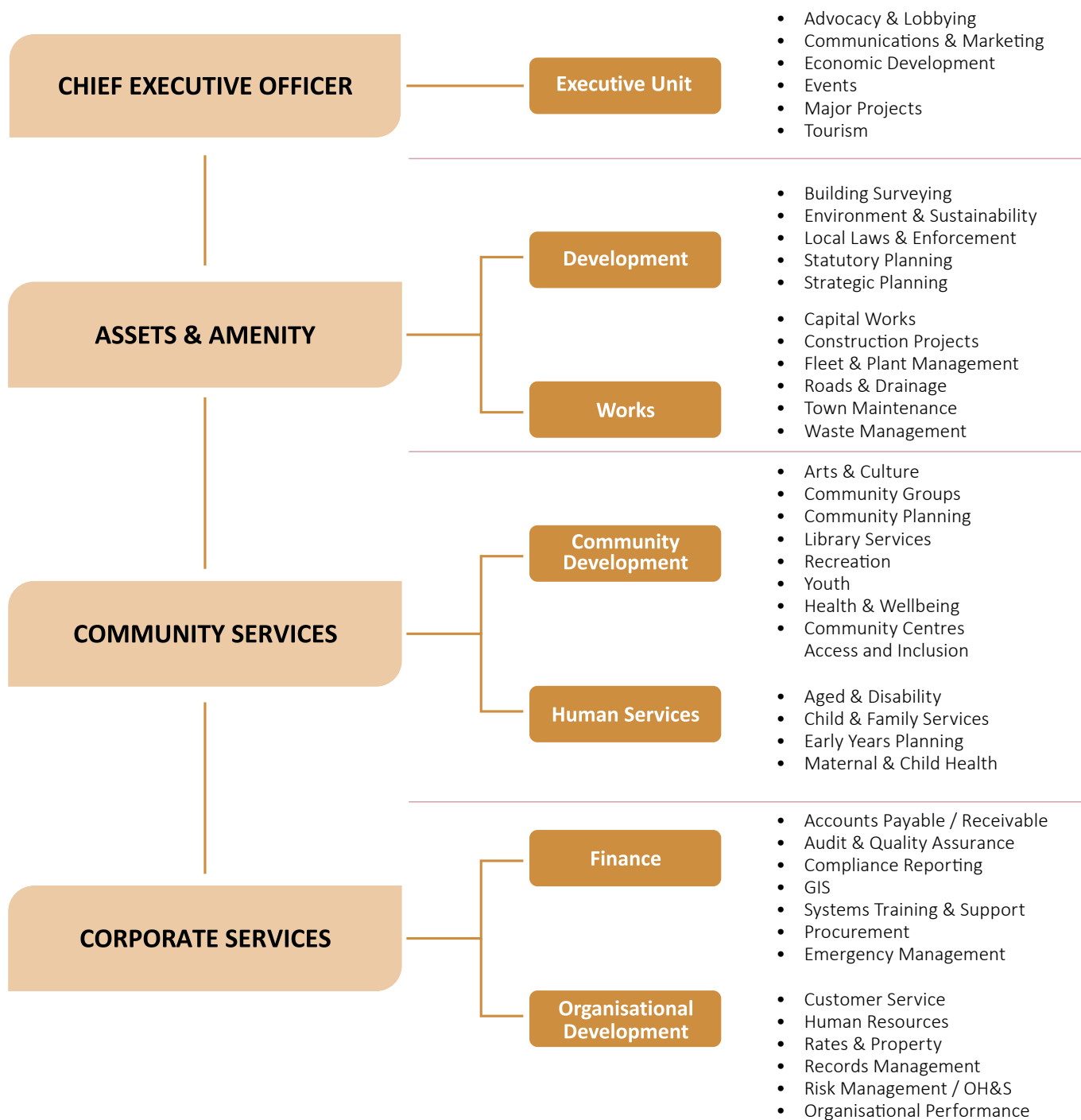
Jenny is a disability advocate and a farmer who understands the financial challenges of primary production. She previously served as Mayor at Golden Plains Shire during 2008-10 and 2012-14.

### **Cr Des Phelan, (Mayor 3/11/14 - 30/6/15)**

Re-elected: November 2012

Des has lived and worked in Golden Plains Shire all his life. He previously served on the Grenville and Golden Plains Shire Council for 23 years, including five terms as Mayor.

## Organisational Structure





## Our People

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Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Four Directors and the CEO form the Senior Management Team (SMT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



*Back row left to right:* Jillian Evans and Richard Trigg.

*Front row left to right:* Greg Anders, Rod Nicholls and Mike Barrow.

**Rod Nicholls PSM**  
Chief Executive Officer.

**Jillian Evans**  
Director Community Services.

**Richard Trigg**  
Director Corporate Services.

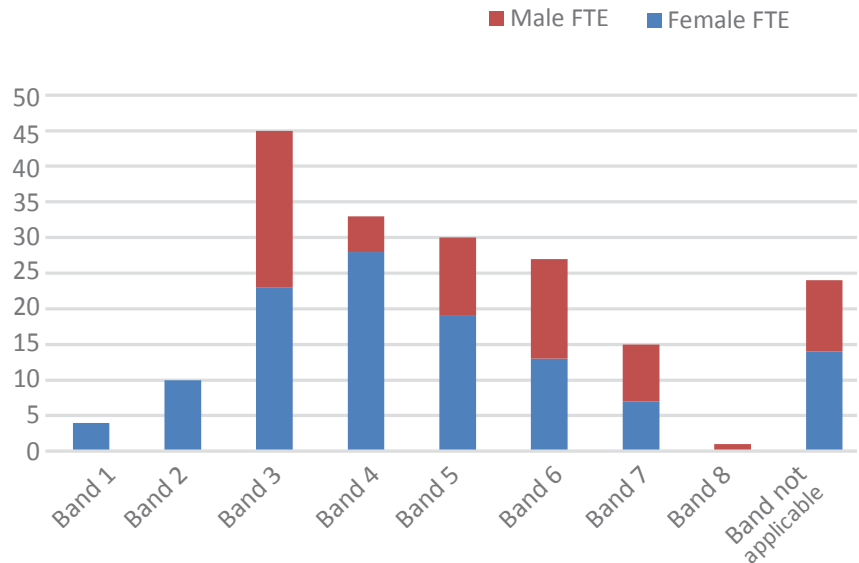
**Greg Anders**  
Director Assets & Amenity.

**Mike Barrow**  
Manager Executive Unit.

## Council Staff

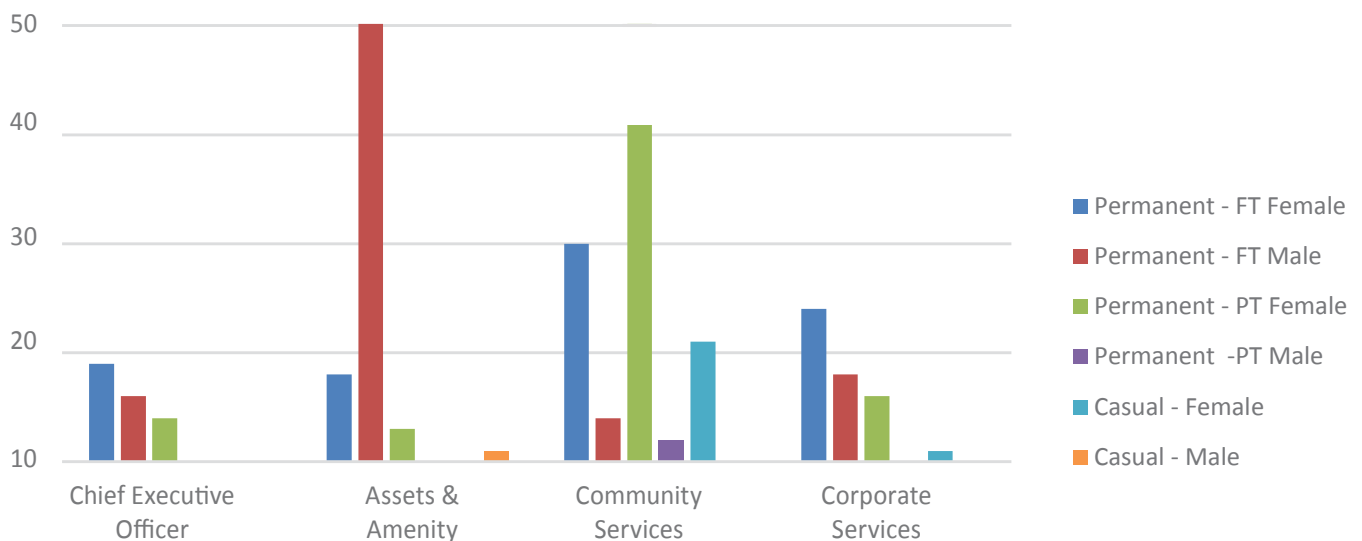
A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total
Band 1	4	0	4
Band 2	10	0	10
Band 3	23	22	45
Band 4	28	5	33
Band 5	19	11	30
Band 6	13	14	27
Band 7	7	8	15
Band 8	0	1	1
Band not applicable	14	10	24
<b>Total</b>	<b>118</b>	<b>71</b>	<b>189</b>



A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

Employment Type - Gender	Chief Executive Officer	Assets & Amenity	Community Services	Corporate Services	Total
Permanent - FT Female	9	8	20	14	51
Permanent - FT Male	6	50	4	8	68
Permanent - PT Female	4	3	42	6	55
Permanent - PT Male	0	0	2	0	2
Casual - Female	0	0	11	1	12
Casual - Male	0	1	0	0	1
<b>TOTAL</b>	<b>19</b>	<b>62</b>	<b>79</b>	<b>29</b>	<b>189</b>



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## Equal Employment Opportunity Program



A council with 40 or more staff must develop and implement an equal employment opportunity (EEO) program. Golden Plains Shire Council has implemented an EEO program which is designed to eliminate discrimination and promote equal opportunity in employment for designated groups including women.

The objective of Council's EEO program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* including race, colour, sex, marital status, carer responsibilities, physical or mental impairment, age,

religion, political affiliation, gender identity and sexual orientation.

Council has appointed and trained an EEO contact officer.

Implementation of the program over the past twelve months included provision of EEO awareness training. Three training sessions focusing on EEO and the prevention of harassment and bullying were provided during the year; a total of 70 staff attended. These sessions made staff aware of their responsibilities.

Council's assessment is that there were no breaches of the *Equal Opportunity Act 2010*.

**Staff who remain with Council longer term retain valuable local knowledge and bring experience to their specific jobs and to Council operations generally.**

## Other Staff Matters

### Leadership development

During the year, six staff participated in the Golden Plains Shire Council leadership development program. This program provides an opportunity for staff to complete a Graduate Diploma of Management through Swinburne University in association with the Municipal Association of Victoria. The qualification draws together staff and councillors from across Victoria, bringing them together to complete intensive workshops focused on topical local government issues.

In addition, Council continues to support staff who wish to participate in regional leadership programs. In the 2014-15 year, one employee enrolled in the Leadership for Geelong program.

### Professional development

Staff are encouraged to continue their professional development by attending conferences, undertaking skill development courses and completing formal qualifications. Study leave is available where an employee wishes to undertake a TAFE or university qualification which is relevant to their current position or their future career in

local government. In the 2014-15 year 12 staff were approved for study leave.

### Service recognition

Staff who remain with Council longer term retain valuable local knowledge and bring experience to their specific jobs and to Council operations generally. In December 2014 the Chief Executive Officer formally recognised the contribution made by long term staff.

- Seven staff completed 10 years of service.
- Two staff completed 20 years of service.





In November 2014 Golden Plains Shire joined the regional Month of Action as part of the national White Ribbon campaign to create awareness around prevention of violence against women and children.



### White Ribbon Group (within Golden Plains Shire Council) - taking action on prevention of violence against women and children

In November 2014 Golden Plains Shire joined the regional Month of Action as part of the national White Ribbon campaign to create awareness around violence against women and children and to encourage individuals, groups and organisations to stand up and take action to prevent it.

Integral to this commitment has been the formation of the Golden Plains Shire White Ribbon Group which aims to, raise awareness internally and to have a positive influence on attitudes to violence against women in the wider Golden Plains community.

The White Ribbon Action Plan has included:

- Month of Action activities.
- Campaign launch and CEO commitment statement.
- White Ribbons and printed material for staff and visiting customers.
- Township event signs featuring the message: 'We aim for a community free of violence'.

- An all-staff event with White Ribbon Ambassadors Luke Ablett (former AFL player) and Superintendent Graham Kent, (Victoria Police Chair, YMCA Victoria Board.)
- White Ribbon Group training and development with Kath Deakin from Women's Health Grampians.
- Staff attendance at the Violence Against Women and Bystander Action awareness training.
- Gender equity and Prevention of Violence Against Women information is now included in the staff induction process.
- Family Violence Leave is now included in the Enterprise Bargaining Agreement.

## Our Performance

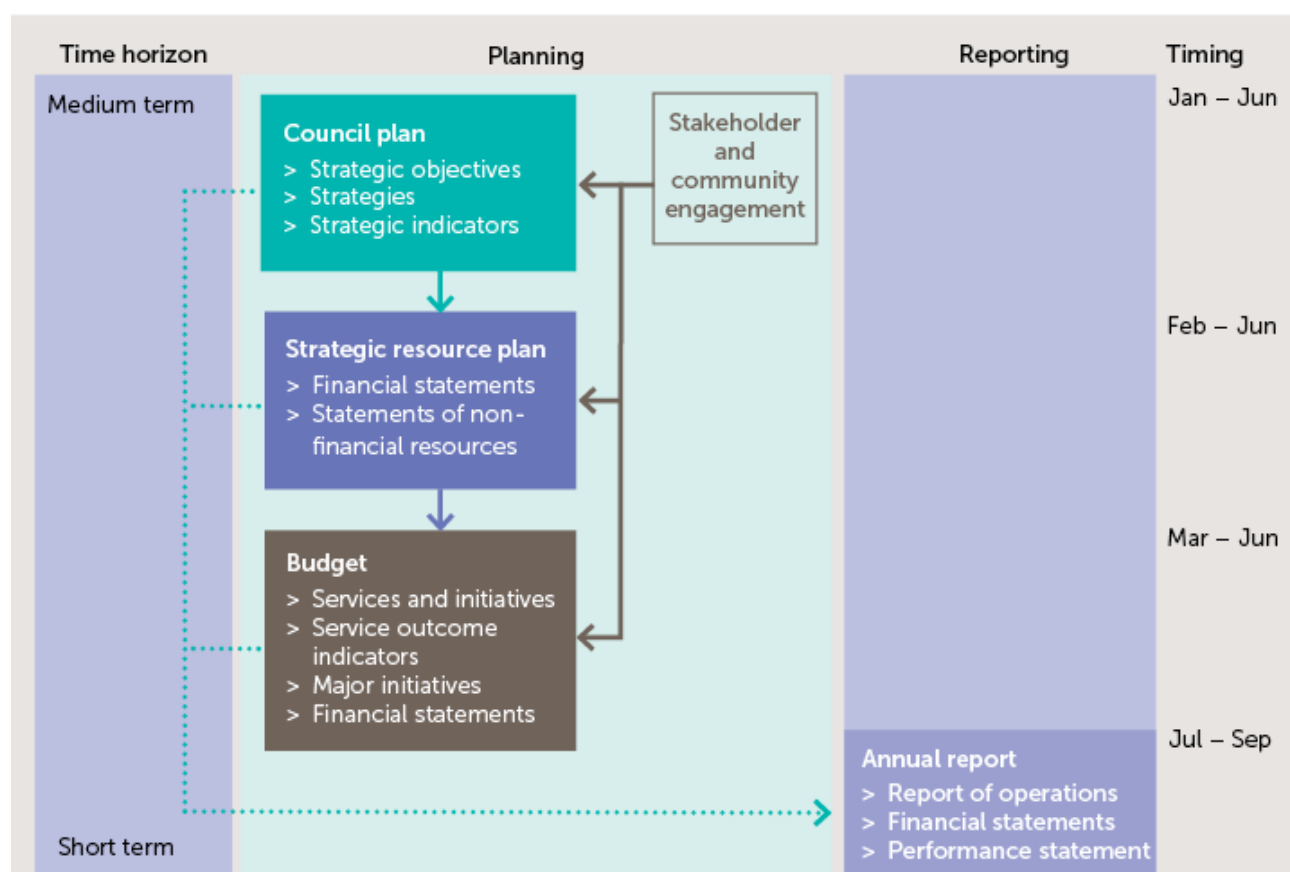


### Planning and Accountability Framework

The planning and accountability framework is found in part 6 of the Act and in the regulations. The legislation requires councils to prepare the following documents:










- a council plan within the period of six months after each general election or by 30 June, whichever is later
- a strategic resource plan for a period of at least four years and include this in the council plan
- a budget for each financial year
- an annual report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle. This is important to ensure accountability to residents and ratepayers.



## Council Plan

The Council Plan 2013-17 includes key result areas, strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a strategic resource plan. The nine key result areas and their strategic objectives are detailed in the Council Plan.

Key Result Area		Strategic Objective
1. Citizen and Customer Service		To foster a culture across the organisation which addresses the needs of the community through communication and the provision of excellent customer service.
2. Civic Leadership		To enhance Council's decision making capacity by strengthening the governance and advocacy of Council.
3. Economic Development		To facilitate the growth of the local economy particularly in township development and rural based industries.
4. Environment and Land Use Planning		Encourage and facilitate sustainable land use and development and protect and enhance the natural environment.
5. Financial Management		To ensure the efficient and effective allocation of resources through sound financial planning and management, that secures the long-term financial viability of the municipality.
6. Human Support Services		To provide a range of sustainable human support services that maintain or enhance the wellbeing and quality of life of Golden Plains Shire residents.
7. Recreation and Community Development		To facilitate the provision of a range of recreation facilities across the Shire and assist the community committees to best service their communities and to continue to enhance townships through Town Place Plans. To identify and respond to community needs and provide opportunities to enable people in the community to be supported and involved.
8. Roads and Street Infrastructure		To maintain and enhance the road network at a level that adequately satisfies transportation needs.
9. Waste Management		Continue to provide the current satisfactory garbage bin and recycling bin collection disposal service.

## Performance

Council's performance for the 2014-15 year has been reported against each strategic objective to demonstrate how council is performing in achieving the 2013-17 Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators 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.



## Citizen and Customer Service

### Key result area 1

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.



Strategic Indicator/ <i>measure</i>	Result	Comments
<b>Customer Service</b> Improve the Community Satisfaction Survey rating for customer service above 73	68	This indicator has decreased from 71 in 2013-14. Council plans to address this minor variation through the delivery of the new Engagement Strategy and the new Events, Marketing and Communications Strategy.
<b>Customer Service</b> Improve the percentage of Customer Service requests completed within timelines	81%	This has improved from 77.2% in 2013-14. Council has engaged in a commitment to excellence in the delivery of the At Your Service Customer Service Strategy.
<b>Occupational Health &amp; Safety</b> Decrease the number of lost time days per annum	130	This indicator has increased from 108 in 2013-14. This is a direct result of two ongoing major claims.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Communication and marketing	A focused and concerted effort to link people, information and service offerings in a way that is clear, concise, consistent and tailored to the needs of Council's audiences and communities. This includes the planning and delivery of Council's customer service model, external communications and public relations, consultation, corporate marketing, internal communications, e-communications and corporate identity to all residents.	526 <u>576</u> 50
Customer Service Centres	Operation of customer service centres to provide bases from which Council can deliver services to all residents.	434 <u>379</u> (55)

## Civic Leadership

### Key result area 2



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.

Strategic Indicator/measure	Result	Comments
<b>Community Satisfaction Survey</b> Improve the Community Satisfaction Survey rating for advocacy above 60.	47	This indicator has decreased from 55 in 2013-14. It is believed the main reason for the decrease relates to the negative publicity during the time of the survey surrounding Council's decision to drastically change its kerbside waste collection service.
<b>Consultation and Engagement</b> Improve the Community Satisfaction Survey rating for community consultation above 62	44	This indicator has decreased from 59 in 2013-14. It is understood that the community has higher expectations of engagement with Council than is currently undertaken. Council has developed a new Engagement Strategy to improve engagement with residents and involve the community better in decision-making. Communications too are expected to have a faster response rates and the new Events, Marketing and Communications Strategy will guide further improvements in timely, relevant and purposeful information distribution.
<b>Risk</b> Improve the Risk Insurance Audit score	n/a	This information is no longer available.

The following statement provides information in relation to the services funded in the 2014/15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
<b>Governance</b>	Governance is the process of decision making and the process by which decisions are implemented. This program aims to strengthen Council's decision making capacity and identifies key areas of advocacy that Council will focus on in the 2015-16 financial year.	782 <u>855</u> 73
<b>Elections</b>	Maintenance of voters' rolls in readiness for 2016 election.	14 <u>17</u> 3
<b>Meetings</b>	Conduct Council meetings, committee meetings, workshops, retreats and other meetings of Council with management.	97 <u>99</u> 2
<b>Strategic and Service Planning</b>	Maintenance of an integrated approach to strategic planning, financial planning, budgeting and resource allocation and the maintenance and measurement of organisational performance and promotion of cultural change to meet customer service needs for all residents.	814 <u>866</u> 52
<b>Emergency Management Plan / SES</b>	Maintenance of the Shire's Municipal Emergency Plan in accordance with State legislation, training of emergency management staff and maintenance assistance for the Bannockburn State Emergency Services Unit.	(67) <u>227</u> 295
<b>Risk Management and OH&amp;S</b>	Identify, monitor and manage Council's risks in relation to employee relations, occupational health and safety, workforce requirements, infrastructure, property and business operations for all staff.	269 <u>276</u> 7

## Civic Leadership

### Key result area 2

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

Service/Indicator/measure	Result	Material Variations
<b>Governance</b> <b>Transparency</b> <i>Council resolutions at meetings closed to the public</i> [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] x10	3.40%	No material variations
<b>Consultation and engagement</b> <i>Satisfaction with community consultation and engagement</i> [Community satisfaction rating out of 100 with how council has performed on community consultation and engagement]	44	This indicator has decreased from 59 in 2013-14. It is believed the main reason for the decrease relates to the negative publicity during the time of the survey surrounding Council's decision to drastically change its kerbside waste collection service.
<b>Attendance</b> <i>Council attendance at Council meetings</i> [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	98.2%	No material variations
<b>Service cost</b> <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last council general election]	\$32,595	No material variations
<b>Satisfaction</b> <i>Satisfaction with Council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	45	It is believed the result was impacted by the negative publicity during the time of the survey surrounding Council's decision to drastically change its kerbside waste collection service.



## Economic Development

### Key result area 3



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.

Strategic Indicator/measure	Result	Comments
<b>Business, Community Development and Tourism</b> Improve the Community Satisfaction Survey rating for business, community development and tourism above 64.	55	This result reflects the general downward trend of community satisfaction with local government across Victoria.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-15 budget for the year.

Major Initiatives	Progress
Council is facilitating the development of the Golden Plains Food Production Precinct west of Lethbridge, for the expansion of intensive agriculture. Potable water was identified as the enabling infrastructure for the precinct development, therefore Barwon Water is to commence construction of an 8km pipeline and upgrade to the Medina Road pumping station at a total cost of \$11.78m in 2014-15. Council will contribute \$1.2m to this stage of the project, which enables the pursuit of attracting approximately \$160m of industry investment and the creation of more than 700 jobs.	<p>Barwon Water has completed the first stage of the project including the completion of the Medina Road pumping station and the installation of 11.3km of water pipeline.</p> <p>Due to favourable market conditions, the initial stages of the project was able to be extended to approximately 18km of water pipeline. This stage of the project is due for completion about December 2015.</p>

The following statements provide information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Economic Development	Job creation, industry development and investment attraction initiatives to promote economic development and activity within the Shire for improved quality of life of residents.	430 <u>498</u> 68

## Environment and Land Use Planning

### Key result area 4



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.

Strategic Indicator/measure	Result	Comments
<b>Town Planning</b> Improve Community Satisfaction Survey rating for town planning policy and approvals above 62. Complete 90% of all Planning Permit applications within 60 business days.	53  68%	This indicator has decreased from 55 in 2013-14. Council continue to implement the adopted strategies and plans.  During 2014-15 the formula for calculating this indicator was adjusted from a 5 day week to a 7 day week. Hence, the target of 90% was very difficult to achieve.
<b>Immunisation Rate</b> Ensure immunisation rate for all age groups is above the State average.	Achieved	Golden Plains Shire rate of immunisation for the three groups (12<15 mth, 24<27 mth and 60<63 mth) totalled 95% compared to the state average of 91%.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Land Use Planning	To provide for fair, orderly, economic and sustainable use and development of land within the Shire and to undertake all strategic and statutory land use planning functions for property owners.	675 <u>875</u> 200
Building Control	To undertake a range of regulatory compliance actions to ensure a safe build environment for all Golden Plains Shire residents. To provide complementary statutory and non-statutory building services to facilitate compliant building activity throughout the Golden Plains Shire.	285 <u>359</u> 74
Fire Protection	To identify potential fire hazards and to minimise the risks in the event of bushfire for all residents.	220 <u>241</u> 21
Environmental Management	To protect and enhance the natural environment for all residents.	423 <u>419</u> (3)
Community Protection	Educate the community about local laws and animal control and enforce Council's local laws.	209 <u>295</u> 86
Public Health	To protect and enhance the health of the public and the environment via education and enforcement of Food Safety and Environmental Health.	293 <u>295</u> 2

## Environment and Land Use Planning

### Key result area 4

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

Service/Indicator/measure	Result	Material Variations
<b><u>Statutory Planning</u></b>		
<b>Timeliness</b> <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	43	No material variations
<b>Service standard</b> <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	67.76%	No material variations
<b>Service cost</b> <i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$915.14	No material variations
<b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [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	100%	No material variations
<b><u>Animal Management</u></b>		
<b>Service standard</b> <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]	22.20%	No material variations
<b>Service cost</b> <i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$56.53	No material variations
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	26	No material variations
<b><u>Food Safety</u></b>		
<b>Service standard</b> <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	65.31%	No material variations



## Environment and Land Use Planning

### Key result area 4

Service/Indicator/measure	Result	Material Variations
<b>Service cost</b> <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]	\$823.67	No material variations
<b>Health and safety</b> <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	76%	No material variations

## Financial Management

### Key result area 5



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.

Strategic Indicator/measure	Result	Comments
<b>Financial Health</b> Improve the financial health of the organisation in accordance with the long term financial strategy and annual budget targets.	Achieved	Council has achieved the budgeted net surplus and adjusted underlying result set for 2014-15 while maintaining a strong cash balance and healthy levels of debt.
Achieve the budgeted underlying result.	Achieved	Adjusted underlying surplus of \$949k compared to a budget of \$66k.
Achieve a working capital ratio in excess of 120%	278%	\$2.6m of 2015-16 Victoria Grants Commission funding was received in advance, inflating Council's cash balance.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
General Revenue	Levying of rates and charges, managing and collecting interest on rates, receipt of Victoria Grants Commission general purpose grant, managing investments to maximise interest and accounting for subdivisions handed to Council.	(25,633) <u>(22,441)</u> 3,192
Property and Rating	Management of Council's rating system, including levying rates and charges, outstanding interest and valuing all rateable properties.	372 <u>407</u> 35
Statutory Reporting and Budgeting	Preparation of Council's annual budget, annual financial statements, Strategic Resource Plan, and other statutory returns in accordance with statutory requirements for all residents.	361 <u>392</u> 31
Procurement and Contract Management	Develop and maintain documented standards for procurement governance and procurement process which result in value for money outcomes and minimal procurement risk. Also, develop the contract management capacity of Council.	267 <u>313</u> 46
Records Management	Effective and efficient recording, maintenance, archival and disposal of Council documents.	247 <u>260</u> 13
Borrowings	Effective management of Council borrowings	357 <u>448</u> 91
Plant Replacement	Management and replacement of Council's plant and equipment in accordance with the plant replacement schedule.	13 <u>40</u> 27

## Human Support Services

### Key result area 6



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.

Strategic Indicator/ <i>measure</i>	Result	Comments
<b>Support Services</b>		
Improve the Community Satisfaction Survey rating for family support services above 67	66	Council continue to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
Improve the Community Satisfaction Survey rating for elderly support services above 67	63	Council continue to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
<b>Long Day Care</b>		
Achieve 80% occupancy rate for the Long Day Care Centre	90%	Achieved
<b>HACC Funding</b>		
Achieve 80% of the HACC Funding and Service Agreement targets	89.6%	Achieved

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-15 budget for the year.

Major Initiatives	Progress
To meet the demands of the community, Council is budgeting for an \$852k extension to 'The Well' in Smythesdale. This extension will provide for additional professional rooms, multi-purpose room and indoor accessible amenities including kitchen facilities. Construction is expected to begin before 30 June 2015, with the opening to occur in the 2015-16 financial year.	<p>Extensive stakeholder engagement has been completed. Detailed drawings are expected to be finalised early in the 2015-16 financial year, with construction expected to begin in early 2016.</p> <p>The original completion date of July 2016 is still expected to be achieved.</p>

## Human Support Services

### Key result area 6

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Maternal and Child Health	Enhance the health and development of children and families by providing high quality Maternal and Child Health Services across the Shire.	351 <u>373</u> 22
Children Services	Improve the health and wellbeing of families by increasing access to a range of quality universal and specialist children and family services including kindergarten and child care.	542 473 <u>(69)</u>
Aged and Disability	Improving the health and wellbeing of older people and people with disabilities by providing access to a range of services that enable older people to live independently in the community and facilitating the development of inclusive and accessible communities.  Manage the planning and delivery of Council's Home and Community Care Services across the Shire including Home Care, Personal Care, Respite Care, Home Maintenance, Delivered Meals and Planned Activity Groups	309 <u>578</u> 269
Community Transport	Providing access to a range of services by providing a flexible, responsive community transport service.	176 <u>185</u> 9
Community Centres	Improving the health and wellbeing of Golden Plains Shire residents and facilitating the development of healthy vibrant communities.	812 <u>870</u> 58
Health Promotion	Creating healthy, vibrant and connected communities and improving the health and wellbeing of people living in Golden Plains Shire.	15 <u>50</u> 35
Kindergartens	Cluster management of five local kindergarten services for children in Golden Plains Shire. This relieves pressure felt by parents in running a kindergarten program and provides a stable employment model for staff.	9 <u>1</u> <u>(10)</u>

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

Service/Indicator/measure	Result	Material Variations
<b><u>Maternal and Child Health (MCH)</u></b>		
<b><i>Satisfaction</i></b>		
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	100%	No material variations
<b><i>Service standard</i></b>		
<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	100%	No material variations



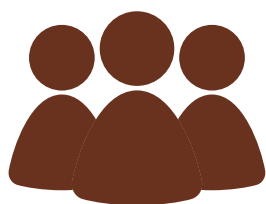
## Human Support Services

### Key result area 6

Service/Indicator/measure	Result	Material Variations
<b>Participation</b>		
<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	79.26%	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	77.78%	No material variations
<b><u>Home and Community Care</u></b>		
<b>Service standard</b>		
<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	77.78%	No material variations
<b>Participation</b>		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	41.84%	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	30.48%	No material variations

## Recreation and Community Development

### Key result area 7



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.

Strategic Indicator/ <i>measure</i>	Result	Comments
<b>Recreational Facilities</b> Improve the Community Satisfaction Survey rating for recreational facilities above 70	62	Council continue to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
<b>Community</b> Increase the number of people living in the Shire who feel a strong sense of being part of their community (CIV rating)	n/a	This data is no longer collected or reported.
<b>Youth</b> Increase in the number of young people engaged in community activities	613	Achieved. Increased from 412 in 2013-14.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Community Development	Supporting and strengthening local communities through the development of Community Plans and Council's community grants program.	552 <u>662</u> 110
Libraries	Providing a library service to residents of Golden Plains Shire.	463 <u>399</u> (64)
Arts and Culture	Facilitating the development of community arts and cultural development projects in collaboration with local artists and communities	236 <u>207</u> (29)
Youth Development	Working with young people, local communities and service providers to improve the health and wellbeing of young people living in Golden Plains Shire.	331 <u>424</u> 93
Recreation Planning	Working with local communities and committees of management to develop a range of recreation facilities and activities.	597 <u>666</u> 69

## Recreation and Community Development

### Key result area 7

Service	Description	Net Cost Actual Budget Variance \$000
Recreation Construction	Construction of community facilities, including halls, paths and trails, recreation reserves and pavilions, sporting facilities and playgrounds for all residents (note: Projects identified on this page are located on land that is not owned or controlled by Council. Construction of assets on Council owned or controlled land is included in the capital works program).	122 (129) (250)
Recreation Infrastructure Maintenance	Undertaking general maintenance of all Council owned and controlled land, buildings and facilities and supporting communities that undertake these activities on behalf of Council.	2,221 2,061 (160)
Major Projects	Planning and development of major projects, including halls, recreation reserves and pavilions and sporting facilities for all residents (Capital type projects identified on this page are located on land that is not owned or controlled by Council. Construction of non-current assets on Council owned or controlled land is included in the capital works program). Major land development projects undertaken by Council are also included in this program.	978 (127) (1,105)

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

Service/Indicator/measure	Result	Material Variations
<b><u>Libraries</u></b>		
<b>Utilisation</b>		
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	4.84	No material variations
<b>Resource standard</b>		
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	87.71%	No material variations
<b>Service cost</b>		
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$5.33	No material variations
<b>Participation</b>		
<i>Active library members</i> [Number of active library members / Municipal population] x100	12.76%	No material variations

## Roads and Streets Infrastructure

### Key result area 8



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.

Strategic Indicator/measure	Result	Comments
<b>Local Roads and Streets</b>		
Maintain the Moloney Asset Management System Rating for our local roads	Achieved	Moloney Asset Management System remains a vital system to enable Council to manage its infrastructure assets.
Improve the Community Satisfaction rating for local streets (Council controlled roads) and footpaths above 54	48	This indicator has increased from 46 in 2013-14.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2014-15 budget for the year.

Major Initiatives	Progress
Council has budgeted to construct a roundabout at the intersection of High Street and Milton Street, Bannockburn. This roundabout will significantly improve the safety of this intersection and alleviate the growing congestion being experienced. It will also accommodate future commercial and residential growth in Bannockburn	Completed
Council's latest Road Strategy includes provision for safety improvements on dangerous crests and curves on Council's road network. To implement this initiative Council is embarking on a program to widen some of its higher risk roads in the Shire with a 1.25 km section of the Meredith – Mount Mercer Road being the first road on the program (\$249k). This road experiences high traffic volumes associated with the two Meredith Music festivals that occur each year and the road widening project will markedly improve safety for these events in particular.	Completed

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Sealed Roads Routine Maintenance	Routine maintenance of the sealed local <u>road</u> network for public usage.	1,074 <u>1,202</u> 128
Local Roads Resealing	Bituminous resealing of Council's local sealed road network for public usage.	1,686 <u>1,448</u> (238)
Local Roads Rehabilitation	Local Roads Rehabilitation for all residents.	1,619 <u>1,004</u> (615)



## Roads and Streets Infrastructure

### Key result area 8

Service	Description	Net Cost Actual Budget Variance \$000
Local Roads Improvements	Creating improvements to Council's local road network for general public.	(779) <u>(1923)</u> (1,144)
Gravel Roads Routine Maintenance	Routine maintenance of Council's local gravel road network for public usage.	562 <u>610</u> 48
Gravel Re-sheeting	Gravel re-sheeting works on Council's local gravel road network for public usage.	1085 <u>365</u> (720)
Bridge Maintenance	Maintenance of Council's bridges and major culverts for community usage.	505 <u>391</u> (113)
Tree Clearing	Tree clearing works on Council's local road network, to ensure community safety.	349 <u>345</u> (4)
Gravel Pits	Operation and rehabilitation of Council operated gravel pits for community usage.	593 <u>54</u> (539)
Asset Management	Management of Council's road and bridge assets for community usage.	7 <u>84</u> 77
Drainage Maintenance	Maintenance of Council's township and rural drainage assets.	330 <u>332</u> 2
Private Works	Provision of private works services for residents, other Councils and developers.	(13) <u>(15)</u> (2)
Line Marking, Guideposts and Signs	Maintenance of line-marking, and delineation in the form of guideposts and signage across Council's local road network for community safety.	215 <u>206</u> (9)
Street Lighting	Provision of street lighting across Council's local road network for community safety.	130 <u>117</u> (13)
Township Maintenance	Provision of street beautification works including grass cutting in townships in accordance with Council policy for all residents.	627 <u>632</u> 5
Bus Shelters	Provision and maintenance of bus shelters across the Shire for all residents.	7 <u>8</u> 1
Paths and Trails	Maintenance of Council's network of footpaths for all residents.	109 <u>194</u> 85

## Roads and Streets Infrastructure

### Key result area 8

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

Service/Indicator/measure	Result	Material Variations
<b>Roads</b>		
<b>Satisfaction of use</b> <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	18.70	No material variations
<b>Condition</b> <i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	98.54%	No material variations
<b>Service cost</b> <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$21.06	No material variations
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.21	No material variations
<b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	45	No material variations

## Waste Management

### Key result area 9



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.

Strategic Indicator/ <i>measure</i>	Result	Comments
<b>Waste Management</b> Improve the Waste Management Community Satisfaction Survey rating above 76	55	This indicator has decreased from 73 in 2013-14. It is believed the main reason for the decrease relates to the negative publicity during the time of the survey surrounding Council's decision to drastically change its kerbside waste collection service.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Garbage Collections	Collection of domestic garbage and recyclables and disposal of garbage across the Shire for all residents.	(141) <u>(153)</u> (12)
Municipal Landfills	Management and operation of Council's landfill sites.	86 <u>75</u> (11)
Litter Control	Controlling litter across the Shire.	67 <u>53</u> (14)

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

Service/ <i>Indicator/measure</i>	Result	Material Variations
<b>Waste Collection</b> <b>Satisfaction</b> <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	92.66	No material variations
<b>Service standard</b> <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	3.85	No material variations

## Waste Management

### Key result area 9

Service/Indicator/measure	Result	Material Variations
<b>Service cost</b> <i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$134.76	No material variations
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$50.88	No material variations
<b>Waste Diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	22.83%	No material variations



## Governance, management and other information

### Governance

Golden Plains Shire Council is constituted under the Local Government Act 1989 to provide leadership for the good governance of the municipal district and the local community.

The role of Council includes:

- a) Acting as a representative government by taking into account the diverse needs of the local community in decision-making;
- b) Providing leadership by establishing strategic objectives and monitoring their achievement;
- c) Maintaining the viability of Council by ensuring that resources are managed in a responsible and accountable manner;
- d) Advocating the interests of the local community to other communities and governments;
- e) Acting as a responsible partner between in government by taking into account the needs of other communities; and
- f) Fostering community cohesion and encouraging active participation in civic life.

Council's formal decision-making processes are conducted through Council meetings and Special Committees of Council. Council delegates the majority of its decision-making power to its staff. These delegations are exercised in accordance with adopted Council policies.

Council conducts open public meetings on the fourth Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to make a submission to speak to an item. For the 2014-15 year, Council held 12 ordinary meetings and 4 special meetings.

### Meetings of Council

Council conducts the following open public meetings:

- Ordinary meetings of council on the fourth Tuesday of each month
- Special planning committee meetings on the second Tuesday of each month as required
- Special meetings of council as required

Community members are welcome to attend these meetings and observe proceedings from the gallery. On matters presented to Council for decision, Council meetings also provide an opportunity for community members to address the Council in support of their submissions. For the 2014-15 year, Council held the following meetings:

- 12 ordinary meetings of council
- 7 special planning committee meetings (special committee established in November 2014)
- 4 special meetings of council

The following table provides a summary of councillor attendance at ordinary meetings of council, special planning committee meetings and special meetings of council for the 2014-15 year.

Councillor	Ordinary meetings (12 meetings)	Special planning committee meetings (7 meetings)	Special meetings (4 meetings)	Total open meetings (23 meetings)
Jenny Blake	12	5	4	21
Andrew Cameron	11	6	4	21
Nathan Hansford	12	7	4	23
Helena Kirby	12	7	4	23
Bill McArthur	12	7	4	23
Des Phelan	12	7	4	23
Greg Vaughan	11	6	4	21

## Special Committees

The Local Government Act 1989 allows councils to establish one or more special committees consisting of Councillors, Council staff, Other persons and 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.

	Purpose
Planning Committee	To make decisions on land use planning matters
Bannockburn Victoria Park Recreation Reserve COM	To manage the Bannockburn Victoria Park Recreation Reserve
Haddon Recreation Reserve COM	To manage the Haddon Recreation Reserve
Harrison Reserve COM	To manage the Harrison Reserve
Inverleigh Golf Club COM	To manage the Inverleigh Golf Club Reserve
Inverleigh Leigh River Public Open Space COM	To manage the Inverleigh Leigh River Public Open Space Reserve
Inverleigh Sporting Complex COM	To manage the Inverleigh Sporting Complex
Leighdale Equestrian Facility COM	To manage the Leighdale Equestrian Facility
Lethbridge Recreation Reserve COM	To manage the Lethbridge Recreation Reserve
Linton Recreation Reserve COM	To manage the Linton Recreation Reserve
Mannibadar Memorial Hall COM	To manage the Mannibadar Memorial Hall
Rokewood Common & Botanical Gardens COM	To manage the Rokewood Common & Botanical Gardens Reserve
Ross Creek Recreation Reserve COM	To manage the Ross Creek Recreation Reserve
Scarsdale Public Hall COM	To manage the Scarsdale Public Hall
Smythesdale Historic Precinct COM	To manage the Smythesdale Historic Precinct
Smythesdale Public Gardens COM	To manage the Smythesdale Public Gardens Reserve
Teesdale Grassy Woodlands COM	To manage the Teesdale Grassy Woodlands Reserve
Teesdale Recreation (Don Wallace) Reserve COM	To manage the Teesdale Recreation Reserve
Turtle Bend COM	To manage the Turtle Bend Reserve
Woody Yaloak Equestrian Centre COM	To manage the Woody Yaloak Equestrian Centre
Woody Yaloak Recreation Facility COM	To manage the Woody Yaloak Recreation Facility

## Code of Conduct

Section 76(c) of the Local Government Act 1989 requires councils to develop and approve a Councillor Code of Conduct within 12 months after each general election. On 26 March 2013, Golden Plains Shire Council adopted a revised Councillor Code of Conduct which is designed to:

- assist councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter;
- attract the highest level of confidence from its stakeholders; and
- assist the mayor and councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the code also outlines:

- other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest; and
- roles and relationships; and dispute resolution procedures.

## 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 a committee, the committee or officer also need to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a procedure in place to accommodate the disclosure of a conflict of interest. Declarations of interest is a standard agenda item for all council and committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision making process or from exercising a public duty. The minutes of council and special committee meetings record disclosed conflicts of interest. During 2014-15, 8 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 while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each Council. In this instance Golden Plains Shire Council is recognised as a category one council.

For the period 1 July 2014 to 30 November 2014, the councillor annual allowance for a category one Council (as defined by the Local Government Act 1989) was fixed at \$18,418 per annum and the allowance for the Mayor was \$55,026 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect as from 1 December 2014. The annual allowances were adjusted for the period 1 December 2014 to 30 June 2015 at \$18,878 per annum for the councillor allowance and \$56,402 per annum for the Mayoral allowance.

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

Councillor	Allowance
Cr D Phelan (Mayor 3/11/14 - 30/6/15)	\$47,433
Cr J Blake (Mayor 1/7/14 - 2/11/14)	\$33,950
Cr A Cameron	\$20,369
Cr N Hansford	\$20,369
Cr H Kirby	\$20,369
Cr B McArthur	\$20,369
Cr G Vaughan	\$20,369

## Audit & Risk Committee Independent Members Sitting Fee

Independent Member	Sitting Fee
Peter Bollen (Chairman)	\$3,203
John McDonald	\$1,538

## 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 his or her 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 reimbursements of expenses and the provision of resources, facilities and other support to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the council. The details of the expenses for the 2014-15 year are set out in the following table.

Councillor	TR \$	CM \$	IC \$	CT \$	Total \$
Cr Des Phelan (Mayor)	-	-	1,694	-	1,694
Cr Jenny Blake	94	-	2,092	13	2,199
Cr Andrew Cameron	-	-	942	-	942
Cr Nathan Hansford	400	3,581	983	267	5,231
Cr Helena Kirby	-	-	2,123	-	2,123
Cr Bill McArthur	-	-	2,845	-	2,845
Cr Greg Vaughan	47	-	1,828	-	1,875

The following expenses were paid to Independent Members of the Audit & Risk Committee:

Independent Member	TR \$	CM \$	IC \$	CT \$	Total \$
Peter Bollen	-	117	-	-	117
John McDonald	-	251	-	-	251

Legend: TR-Travel CM-Car Mileage IC-Information and Communication expenses CT-Conferences and Training expenses.

## Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads 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 in the section below. The following items have been highlighted as important components of the management framework.

### Audit and Risk Committee

The Audit and Risk Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit and Risk Committee consists of two independent members, Mr Peter Bollen (Chair) and Mr John McDonald, and three Councillors. Independent members are appointed for a maximum four-year term, with a maximum of two terms.

The Audit and Risk Committee meets four times a year. The Chief Executive Officer, Director Corporate Services, Director Assets and Amenity, Director Community Services, Manager Executive Unit, Finance Manager and Organisational Development Manager attend all Audit and Risk Committee meetings. Council's Internal Auditors attend as required to present reports. The external auditors generally attend in February, May and September each year to present the audit plan, interim management letter and independent audit report respectfully.

Recommendations from each Audit and Risk Committee meeting are subsequently reported to, and considered by Council.



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## Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. The function is provided by an external provider. A risk based three-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment; prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit and Risk Committee.

The Internal Auditor generally attends all Audit and Risk Committee meetings to report on the status of the SIAP, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible Manager and tracked accordingly. Managers provide quarterly status updates that are reviewed by the Internal Auditor and reported to the Audit and Risk Committee. Quality assurance is measured through annual client satisfaction surveys, the annual Audit and Risk Committee self assessment, completion of the internal audit plan and benchmarking against other internal audit functions.

The SIAP for 2014–15 was completed with the following reviews conducted:

- Procurement cards
- Follow up review of prior audit recommendations

## External Audit

Council is externally audited by the Victorian Auditor-General. For the 2014–15 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by Accounting and Audit Solutions Bendigo, an Audit Service Provider appointed by the Victorian Auditor-General. The external auditors generally attend the February, May and September Audit and Risk Committee meetings to present the annual audit plan, interim management letter and Independent Audit Report respectfully. The final external audit management letter and responses are also provided to the Audit and Risk Committee.

## Risk management

Risk management is critical to achievement of the Council Plan's strategic objectives. Prudent decision-making regarding the use of Council's human, financial and physical resources is vital to attaining Council's vision of offering a lifestyle and opportunities that foster social and economic wellbeing. By fostering a risk management ethos, Council seeks to minimise resource waste by applying robust risk management practices.

Council reviews the Risk Management Strategy and Action Plan in December of each year. The Strategy focuses on the following strategic objectives:

- Occupational health and safety;
- Emergency control;
- Business continuity;
- Public liability;
- Asset security;
- Professional indemnity;
- Fraud prevention; and
- Risk management at facilities controlled by Section 86 Committees of Council.

The Action Plan provides a program of activities which address known issues arising in these eight strategic objective areas.

## Governance and Management Checklist

Golden Plains Shire Council is constituted under the Local Government Act 1989 to provide leadership for the good governance of the municipal district and the local community.

Governance and Management Items	Assessment
1. <b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy Date of operation of current policy: 9 April 2014 <input checked="" type="checkbox"/>
2. <b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: December 2010 <input checked="" type="checkbox"/>
3. <b>Strategic Resource Plan</b> (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: 23 June 2015 <input checked="" type="checkbox"/>
4. <b>Annual budget</b> (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: 23 June 2015 <input checked="" type="checkbox"/>
5. <b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Date of operation of current plans: Roads 14 July 2008 Buildings 22 April 2010 Bridges 6 May 2013 <input checked="" type="checkbox"/>
6. <b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 27 February 2013 <input checked="" type="checkbox"/>
7. <b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: 19 November 2014 <input checked="" type="checkbox"/>
8. <b>Fraud policy</b> (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 19 November 2014 <input checked="" type="checkbox"/>
9. <b>Municipal emergency management plan</b> (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: 26 May 2015 <input checked="" type="checkbox"/>
10. <b>Procurement policy</b> (policy under section 186A of the Local Government Act 1989 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: 26 May 2015 <input checked="" type="checkbox"/>
11. <b>Business continuity plan</b> (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 approval: 31 March 2014 <input checked="" type="checkbox"/>

Governance and Management Items	Assessment
12. <b>Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan <input checked="" type="checkbox"/> Date of preparation: 31 March 2014
13. <b>Risk management framework</b> (framework outlining council's approach to managing risks to the Council's operations)	Framework <input checked="" type="checkbox"/> Date of operation of current framework: 17 July 2014
14. <b>Audit Committee</b> (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 <input checked="" type="checkbox"/> Date of establishment: 27 February 1997
15. <b>Internal audit</b> (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)	Engaged <input checked="" type="checkbox"/> Date of engagement of current provider: 1 July 2012
16. <b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework <input checked="" type="checkbox"/> Date of operation of current framework: 1 July 2014
17. <b>Council Plan reporting</b> (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)	A report is prepare for Council on a quarterly basis <input checked="" type="checkbox"/>
18. <b>Financial reporting</b> (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 <input checked="" type="checkbox"/> Date statements presented: 21 October 2014, 25 November 2014, 24 February 2015 and 26 May 2015
19. <b>Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	No Reports <input type="checkbox"/> Council's Risk Register contains this information and is reviewed annually. Six monthly reports will be prepared from 1 July 2015
20. <b>Performance reporting</b> (six monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Reports <input checked="" type="checkbox"/> Date of Reports - 10 October 2014 and 20 April 2015
21. <b>Annual report</b> (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 <input checked="" type="checkbox"/> Date statements presented: 28 October 2014

Governance and Management Items	Assessment	
22. <b>Councillor Code of Conduct</b> (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: 26 March 2013	<input checked="" type="checkbox"/>
23. <b>Delegations</b> (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: 28 February 2012	<input checked="" type="checkbox"/>
24. <b>Meeting procedures</b> (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: 23 August 2011	<input checked="" type="checkbox"/>

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



Rod Nicholls  
Chief Executive Officer  
Dated: 22 September 2015



Cr Des Phelan  
Mayor  
Dated: 22 September 2015

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## Statutory Information

### 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 can be obtained for the purposes of section 222 of the Local Government Act 1989 at Bannockburn Customer Service Centre, 2 Pope Street, Bannockburn:

- 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 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.



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## Best Value

In accordance with section 208B(f) of the Local Government Act 1989, at least once every year a Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation.. To further reflect Council's commitment to Best Value, Council has commenced the design and planning of a Service Planning Program which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure that Council's services achieve best practice standards in regards to service performance.

The following Best Value initiatives were undertaken during 2014–15:

- maternal and child health service – A service review was conducted to ensure that the support activities provided by the service are aligned with the objectives of the service. As part of the review a number of opportunities for continuous improvement were identified and endorsed.
- waste management – Council's review in this area incorporated the re-tendering of the waste service to an external service provider. Council also reviewed the Waste Management Policy document. The policy review endorsed Council's commitment to promote waste management and resource recovery options that are cost effective, enhance prosperity and financial sustainability. Council continues to work to minimise both the environmental and financial costs of waste by promoting innovation, efficiency and competition.
- risk management – The review included the update of Council's risk service improvement plan. This plan monitors the progress Council's level of maturity for risk. The plan provides an avenue to monitor and audit continuous improvement and to ensure Council is keeping on track with its objectives. This process is reported regularly to the Executive Management Team and the Audit Committee.
- customer service – A comprehensive review of our Customer Service Strategy was completed during 2014-15. The updated service improvement plan incorporates the establishment of Council's Facebook page. Council is also now monitoring social media and customers are assisted to make contact with Council where this is required.

## Carers Recognition

- The Carer's Recognition Act 2012 formally acknowledges the important contribution that people in care relationships make to our community, and recognises, promotes and values the role of people in care relationships.
- As a care support organisation, Golden Plains Shire Council considers the care relationship principles when developing and implementing policies, programs and services that affect people in care relationships.
- Golden Plains Shire Council has developed a number of resources over the past 12 months to provide information to Council Community Care workers, Planned Activity Group staff and assessment staff about how to support people in care relationships. Carers are invited to participate in assessment, care planning and review sessions, with the permission of the person in their care and to participate in special functions such as Christmas celebrations. Council also encourages carers to participate or drop in to regular Planned Activity Group programs at any time and have an 'open door' approach to including carers in these sessions.

## Contracts

During the year council did not enter into any contracts valued at \$150,000 or more without first engaging in a competitive process.

## Disability Action Plan

The Golden Plains Access and Inclusion Plan 2013-2016 expresses Council's strategic direction to improving access and inclusion needs of people with a disability. Over the past twelve months Council has continued to successfully implement the plan with some key activities including:

- The continued support and resourcing of the Golden Plains Shire Access and Inclusion Committee.
- Training staff from a range of departments in access and inclusion principles.
- The development and distribution of a disability infographic to raise awareness within the community which was displayed at businesses, community centres and shared through social media.
- An audit of a number of public toilet facilities across the shire to inform any future works and improve accessibility at those sites.

- The development of the Let's Go Lego program in partnership with the Geelong Regional Library, which will utilise community volunteers in the delivery of a fun inclusive program for kids aged five to ten with the design of the program suited to meeting the diverse needs of children. In particular the programs have been an effective way to engage children with autism.

In the coming year Council will be developing a new Access and Inclusion Plan with the current plan due to conclude in 2016. The new plan will include existing and emerging issues of importance that emerge from consultation with the community, service providers, stakeholders, Councillors and Council staff and will provide the priority areas and strategies in response to addressing identified issues and themes.

### Domestic Animal Management Plan (2013-2017)

In accordance with Golden Plains Shire Council's statutory requirements under the Domestic Animals Act (1994) Council developed and adopted a Domestic Animal Management Plan in 2013 for the 2013-2017 period.

The Plan provides Council with a clear direction as to how it will encourage more residents within Golden Plains Shire to be responsible pet owners through implementation of several objectives:

- To increase the enjoyment people receive from their pets.
- To reduce the incidence of problems within the community related to pets being a nuisance or causing problems or injury to people or other animals.
- To contribute to improving the health and wellbeing of pets.

The objectives will be achieved through a wide range of educational and promotional activities, in addition to general enforcement and compliance. The Plan's key actions will provide the community with an understanding of Council's expectations while reinforcing Council's commitment to improving standards of pet ownership.

### Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No such Ministerial Directions were received by Council during the financial year.

### Freedom of Information

Under the Freedom of Information Act 1982, the community has the right to access documents held by Council.

During the 2014-15 financial year, a total of three valid requests were received by council.

- Granted in full = 1
- Granted in part (some parts exempt under S33(1)) = 1
- Denied (exempt under S33(1)) = 1

Further to this, seven requests were received by Council that did were either dealt with outside of the Act or did not proceed

- Documentation provided outside of the Act = 2
- Did not proceed/invalid = 5

A total of \$53.00 in application fees was collected. Council waived a total of \$26.50 in application fees on the grounds of hardship.

### Protected Disclosure Procedures

In accordance with Section 69 of the Protected Disclosure Act 2012, a Council must include in their Annual Report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosure complaints investigated during the financial year.

The Protected Disclosure Act 2012 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. Procedures on how to make a disclosure are publicly available on Council's website.

During the 2014-15 year no disclosures were notified to Council officers appointed to receive disclosures, or to IBAC.

### Road Management Act Ministerial direction

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the financial year.

### 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 2014-15 year.

Indicator	Calculation	2014-15	2013-14
1. Average rates and charges per assessment	Total rates and charges receivable at beginning of year/ Number of assessments in the adopted budget	\$1,741.60	\$1,614.10
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	\$1,646.65	\$1,503.36
3. Average liabilities per assessment	Total liabilities/Number of assessments in the adopted budget	\$1,348.31	\$1,103.17
4. Operating result per assessment	Net surplus/Number of assessments in the adopted budget	\$734.51	\$465.32
5. Average operating expenditure per assessment	Operating expenditure/Number of assessments in adopted budget	\$3,820.20	\$3,053.51
6. Community satisfaction rating for overall performance generally of Council	Result from the Annual Local Government Community Satisfaction Survey	54	62
7. Average capital expenditure per assessment	Capital expenditure/ Number of assessments in the adopted budget	\$1,095.26	\$967.27
8. Renewal gap	Capital renewal/Average annual asset consumption	64%	81%
9. Renewal and maintenance gap	Capital renewal and maintenance/Average annual asset consumption plus planned maintenance	77%	90%
10. Community satisfaction rating for Council's advocacy and community representation on key local issues	Result from the Annual Local Government Community Satisfaction Survey	47	55
11. Community satisfaction rating for Council's engagement in decision making on key local issues	Result from the Annual Local Government Community Satisfaction Survey	44	59

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# Financial Report 2014-15

For the year ended 30 June 2015

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- Anakie • Bamganie • Bannockburn • Barunah Park • Batesford • Berringa
- Berrybank • Cambrian Hill • Cape Clear • Corindhap • Cressy • Dereel • Durdidwarrah
- Durham Lead • Enfield • Garibaldi • Gheringhap • Grenville • Haddon • Happy Valley
- Hesse • Illabarook • Inverleigh • Lethbridge • Linton • Mannibadar • Maude
- Meredith • Morrisons • Mount Mercer • **Murghobulac** • Napoleons • Newtown
- Nintingbool • Piggoreet • Pitfield • **Pittong** • Rokewood • Rokewood Junction
- Ross Creek • Russells Bridge • Scarsdale • She Oaks • Shelford • Smythes Creek
- Smythesdale • **Springdallah** • Staffordshire Reef • Steiglitz • Stonehaven
- Sutherlands Creek • Teesdale • Wallinduc • Werneth • Willowvale • **Wingeel**

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## Comprehensive Income Statement For the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Income</b>			
Rates and charges	3	18,138	16,716
Statutory fees and fines	4	233	257
User fees	5	2,836	2,299
Grants - operating	6	15,893	7,338
Grants - capital	6	1,935	3,843
Contributions - monetary	7	1,453	1,767
Contributions - non monetary	7	1,189	2,732
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	(133)	215
Share of net profits/(losses) of associates and joint ventures	16	(7)	7
Other income	9	5,394	778
<b>Total income</b>		<b>46,931</b>	<b>35,952</b>
<b>Expenses</b>			
Employee costs	10	14,746	14,091
Materials and services	11	16,607	11,729
Bad and doubtful debts	12	3	5
Depreciation and amortisation	13	6,838	4,830
Borrowing costs	14	353	303
Other expenses	15	816	244
<b>Total expenses</b>		<b>39,363</b>	<b>31,202</b>
<b>Surplus/(deficit) for the year</b>		<b>7,568</b>	<b>4,750</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment/(decrement)	23(a)	1,988	197,545
<b>Total comprehensive result</b>		<b>9,556</b>	<b>202,295</b>

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

## Balance Sheet As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	12,543	3,934
Trade and other receivables	18	1,862	2,913
Other financial assets	19	-	6,000
Inventories	20	22	22
Non-current assets classified as held for sale	21	322	322
Other assets	22	334	241
<b>Total current assets</b>		<b>15,083</b>	<b>13,432</b>
<b>Non-current assets</b>			
Investments in associates and joint ventures	16	823	830
Property, infrastructure, plant and equipment	23	419,562	409,045
<b>Total non-current assets</b>		<b>420,385</b>	<b>409,875</b>
<b>Total assets</b>		<b>435,468</b>	<b>423,307</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	24	2,374	1,764
Trust funds and deposits	25	149	133
Provisions	26	2,487	2,609
Interest-bearing loans and borrowings	27	309	433
<b>Total current liabilities</b>		<b>5,319</b>	<b>4,939</b>
<b>Non-current liabilities</b>			
Provisions	26	1,293	556
Interest-bearing loans and borrowings	27	7,430	5,942
<b>Total non-current liabilities</b>		<b>8,723</b>	<b>6,498</b>
<b>Total liabilities</b>		<b>14,042</b>	<b>11,437</b>
<b>Net assets</b>		<b>421,426</b>	<b>411,870</b>
<b>Equity</b>			
Accumulated surplus		169,002	158,190
Reserves	28	252,424	253,680
<b>Total Equity</b>		<b>421,426</b>	<b>411,870</b>

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

### Statement of Changes in Equity For the Year Ended 30 June 2015

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2015</b>					
Balance at beginning of the financial year		411,870	158,190	247,159	6,521
Surplus/(deficit) for the year		7,568	7,568	-	-
Net asset revaluation increment/(decrement)	28(a)	1,988	-	1,988	-
Transfers to other reserves	28(b)	-	(9)	-	9
Transfers from other reserves	28(b)	-	3,253	-	(3,253)
<b>Balance at end of the financial year</b>		<b>421,426</b>	<b>169,002</b>	<b>249,147</b>	<b>3,277</b>

		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2014</b>					
Balance at beginning of the financial year		209,575	152,932	49,614	7,029
Surplus/(deficit) for the year		4,750	4,750	-	-
Net asset revaluation increment/(decrement)	28(a)	197,545	-	197,545	-
Transfers to other reserves	28(b)	-	508	-	(508)
Transfers from other reserves	28(b)	-	-	-	-
<b>Balance at end of the financial year</b>		<b>411,870</b>	<b>158,190</b>	<b>247,159</b>	<b>6,521</b>

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

### Statement of Cash Flows For the Year Ended 30 June 2015

	Note	2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		17,900	16,759
Statutory fees and fines		233	257
User fees		2,793	2,339
Grants - operating		15,990	8,013
Grants - capital		3,038	3,843
Contributions - monetary		1,697	1,784
Interest received		490	411
Trust funds and deposits taken		16	-
Net GST refund/(payment)		1,363	730
Employee costs		(15,002)	(13,542)
Materials and services		(17,815)	(12,874)
Trust funds and deposits repaid		-	(38)
<b>Net cash provided by/(used in) operating activities</b>	29	<b>10,703</b>	<b>7,682</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	23	(9,923)	(9,406)
Proceeds from sale of property, infrastructure, plant and equipment		818	1,238
Other financial assets		6,000	(6,000)
<b>Net cash provided by/(used in) investing activities</b>		<b>(3,105)</b>	<b>(14,168)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(353)	(275)
Proceeds from borrowings		1,797	1,749
Repayment of borrowings		(433)	(406)
<b>Net cash provided by/(used in) financing activities</b>		<b>1,011</b>	<b>1,068</b>
Net increase (decrease) in cash and cash equivalents		8,609	(5,418)
Cash and cash equivalents at the beginning of the financial year		3,934	9,352
<b>Cash and cash equivalents at the end of the financial year</b>	30	<b>12,543</b>	<b>3,934</b>
Restrictions on cash assets	17	267	133

The above statement of cash flow should be read with the accompanying notes.

### Statement of Capital Works For the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Property</b>			
Land		168	-
<b>Total land</b>		<u>168</u>	<u>-</u>
 Buildings - Specialised		2,019	564
Buildings - Non Specialised		115	-
<b>Total buildings</b>		<u>2,134</u>	<u>564</u>
<b>Total property</b>		<u>2,302</u>	<u>564</u>
 <b>Plant and equipment</b>			
Plant, machinery and equipment		1,284	1,509
Fixtures, fittings and furniture		220	283
<b>Total plant and equipment</b>		<u>1,504</u>	<u>1,792</u>
 <b>Infrastructure</b>			
Roads		3,977	4,139
Bridges		137	148
Footpaths and cycleways		394	202
Drainage		9	218
Recreational, leisure and community facilities		771	1,609
Parks, open space and streetscapes		781	789
Off street car parks		48	-
Other infrastructure		-	10
<b>Total infrastructure</b>		<u>6,117</u>	<u>7,115</u>
 <b>Total capital works expenditure</b>		<u>9,923</u>	<u>9,471</u>
 <b>Represented by:</b>			
New asset expenditure		3,537	2,773
Asset renewal expenditure		5,044	4,377
Asset expansion expenditure		576	27
Asset upgrade expenditure		766	2,294
<b>Total capital works expenditure</b>		<u>9,923</u>	<u>9,471</u>



## Notes to the Financial Report For the Year Ended 30 June 2015

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### Introduction

Golden Plains Shire Council was established by an Order of the Governor in Council on 6 May 1994 and is a body corporate. The Council's main office is located at 2 Pope Street, Bannockburn.

### 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*.

### Note 1 Significant accounting policies

#### (a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (k) )
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (l) )
- the determination of employee provisions (refer to note 1 (r) )

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

#### (b) Changes in accounting policies

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

#### (c) Accounting for investments in associates

##### 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.

#### (d) Revenue recognition

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

## Notes to the Financial Report For the Year Ended 30 June 2015

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### Note 1 Significant accounting policies (cont'd)

#### (d) Revenue recognition (cont'd)

##### *Rates and Charges*

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

##### *Statutory fees and fines*

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

##### *User fees*

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

##### *Grants*

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

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

##### *Contributions*

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

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

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

##### *Interest*

Interest is recognised as it is earned.

##### *Dividends*

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

##### *Other Income*

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

#### (e) Fair value measurement

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

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

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont'd)

#### (e) Fair value measurement (cont'd)

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

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

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

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

#### (f) 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.

#### (g) Trade and other receivables

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

#### (h) 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.

#### (i) Inventories

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

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

#### (j) Non-current assets classified as 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 and assets 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.

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

##### *Acquisition*

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the 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 (l) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont'd)

#### (k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles (cont'd)

Sealed pavements carry a residual value of 42%. These assets have an estimated commercial life to Council of 90 years, after which intervention is required for their renewal. Similarly, unsealed pavements have a residual value of 40% and intervention is required after 25 years.

##### *Revaluation*

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the amount for which the assets could be exchanged between 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 23, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 4 to 5 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 the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of assets, revaluation increments and decrements within the year are offset.

##### *Land under roads*

Council recognises land under roads it controls at fair value.

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

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

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

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

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

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont'd)

#### (l) Depreciation and amortisation of property, infrastructure plant and equipment and intangibles (cont'd)

<i>Asset recognition thresholds and depreciation periods</i>	<b>Depreciation Period</b>	<b>Threshold Limit \$'000</b>
Property		
land	-	-
Buildings		
heritage buildings	30 to 150	5
buildings	30 to 150	5
building improvements	30 to 150	5
Plant and Equipment		
heritage plant and equipment	3 to 20 years	1
plant, machinery and equipment	3 to 20 years	1
fixtures, fittings and furniture	3 to 20 years	1
computers and telecommunications	3 to 10 years	1
Infrastructure		
sealed pavements	90 years	5
unsealed pavements	25 years	5
sealed surfaces	19 years	5
road kerb, channel and minor culverts	90 years	5
bridges deck	90 years	5
bridges substructure	90 years	5
footpaths and cycleways	85 years	5
drainage	50 years	5
recreational, leisure and community facilities	30 to 60 years	5
parks, open space and streetscapes	40 years	5
off street car parks	50 years	5

#### (m) Repairs and maintenance

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

#### (n) Investment property

Investment property, comprising freehold office complexes, 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 benefit in excess of the 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 30 June 2015

### Note 1 Significant accounting policies (cont'd)

#### (o) 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 to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

#### (p) Trust funds and deposits

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

#### (q) Borrowings

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

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

##### *Borrowing costs*

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

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

#### (r) Employee costs and benefits

The calculation of employee costs and 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 employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

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

##### *Long service leave*

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

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

The components of this current liability are measured at :

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

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 1 Significant accounting policies (cont'd)

#### (r) Employee costs and benefits (cont'd)

##### *Classification of employee costs*

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

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

#### (s) Gravel Pit rehabilitation provision

Council is obligated to restore De Motts and Sago Hill to a particular standard. The forecast life of the sites are based on current estimates of remaining capacity and the forecast rate of rehabilitate. The provision for Gravel Pit Rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

#### (t) 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. At balance date Council did not have any finance leases.

##### *Operating leases*

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

##### *Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 21 year period.

#### (u) Goods and Services Tax (GST)

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

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

#### (v) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 32 Contingent Liabilities and Contingent Assets.

## Notes to the Financial Report For the Year Ended 30 June 2015

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### Note 1 Significant accounting policies (cont'd)

#### **(w) Contingent assets and contingent liabilities and commitments**

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

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

#### **(x) 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.

#### **(y) 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.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10% or \$20,000 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 24 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

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Variance 2015 %	Ref
<b>Income</b>					
Rates and charges	18,059	18,138	79	0.4	
Statutory fees and fines	222	233	11	5.0	
User fees	2,664	2,836	172	6.5	
Grants - operating	13,410	15,893	2,483	18.5	1
Grants - capital	3,489	1,935	(1,554)	(44.5)	2
Contributions - monetary	1,673	1,453	(220)	(13.2)	3
Contributions - non monetary	550	1,189	639	116.2	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2	(133)	(135)	(6,750.0)	5
Share of net profits/(losses) of associates and joint venture	-	(7)	(7)	-	
Other income	451	5,394	4,943	1,096.0	6
<b>Total income</b>	<b>40,520</b>	<b>46,931</b>	<b>6,411</b>	<b>15.8</b>	
<b>Expenses</b>					
Employee costs	15,427	14,746	681	4.4	
Materials and services	16,512	16,607	(95)	(0.6)	
Bad and doubtful debts	-	3	(3)	-	
Depreciation and amortisation	5,306	6,838	(1,532)	(28.9)	7
Borrowing costs	448	353	95	21.2	8
Other expenses	248	816	(568)	(229.0)	9
<b>Total expenses</b>	<b>37,941</b>	<b>39,363</b>	<b>(1,422)</b>	<b>(3.7)</b>	
<b>Surplus/(deficit) for the year</b>	<b>2,579</b>	<b>7,568</b>	<b>4,989</b>	<b>193.4</b>	

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 2 Budget comparison (cont'd)

#### Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Grants - operating General Purpose Grant	50% of 2015-16 grant received and recognised in 2014-15	2,596
2	Grants - capital Country Roads & Bridges Initiative The Well (RDV)	Funds received in previous years To be received in 2015-16, not received in 2014-15	(1,000) (500)
3	Contributions - monetary High Street Roundabout	Special Charge over 5 years to begin 2015-16	(300)
4	Contributions - non monetary Subdivisions Handed to Council	Increase in subdivisions handed to Council	639
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment De-recognition of Crown Land as per DELWP reconciliation		(174)
6	Other Income Recognition of Land Under Roads pertaining to rest of Shire Recognition of Drainage assets previously not recognised		3,630 806
7	Depreciation and amortisation	Revaluation of Infrastructure assets in 2013-14	(1,713)
8	Borrowing costs	Savings attained by financing via LGFV versus bank loan	95
9	Other Expenses	Sago Hill rehabilitation cost estimate adjustment	(573)



## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 2 Budget comparison (cont'd)

#### b) Capital Works

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Variance 2015 %	Ref
<b>Property</b>					
Land	-	168	(168)	(100.0)	1
<b>Total Land</b>	-	168	(168)		
Buildings - Specialised	1,957	2,019	(62)	(3.2)	
Buildings - Non Specialised	48	115	(67)	(139.6)	2
<b>Total Buildings</b>	2,005	2,134	(129)		
<b>Total Property</b>	2,005	2,302	(297)		
<b>Plant and Equipment</b>					
Plant, machinery and equipment	2,097	1,284	813	38.8	3
Fixtures, fittings and furniture	198	220	(22)	(11.1)	4
<b>Total Plant and Equipment</b>	2,295	1,504	791		
<b>Infrastructure</b>					
Roads	4,534	3,978	556	12.3	5
Bridges	150	137	13	8.7	
Footpaths and cycleways	185	394	(209)	(113.0)	6
Drainage	-	9	(9)	(100.0)	
Recreational, leisure and community facilities	450	770	(320)	(71.1)	7
Parks, open space and streetscapes	120	781	(661)	(550.8)	8
Off street car parks	95	48	47	49.5	9
Other infrastructure	2	-	2	100.0	
<b>Total Infrastructure</b>	5,536	6,117	(581)		
<b>Total Capital Works Expenditure</b>	9,836	9,923	(87)		
<b>Represented by:</b>					
New asset expenditure	2,874	3,537	(663)		
Asset renewal expenditure	5,476	5,044	432		
Asset expansion expenditure	-	576	(576)		
Asset upgrade expenditure	1,486	766	720		
<b>Total Capital Works Expenditure</b>	9,836	9,923	(87)		

#### Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Dereel NSP Land	Budgeted under Dereel NSP Construction project	(168)
2	Buildings - Non Specialised		
	Woody Yaloak Equestrian Storage Shed	Budget savings in Woody Yaloak Equestrian Centre Club Rooms utilised in this project	(40)

## Notes to the Financial Report For the Year Ended 30 June 2015

### Explanation of material variations (cont'd)

Variance Ref	Item	Explanation	\$'000
3	Plant, machinery and equipment		
	Matthews Roller	To be completed in 2015-16	170
	Vehicle Purchases	Savings on purchases.	191
	Caterpillar Grader	To be completed in 2015-16	360
4	Fixtures, fittings and furniture		
	Aged & Disability Minor Equipment	2013-14 project continued in 2014-15, project continue in 2015-16	(22)
5	Roads		
	Country Roads & Bridges Initiative	Reduced expenditure required	111
	Somerset Estate Road Infrastructure	To be completed in 2015-16, savings in the budget set off against additional cost required in High Street Roundabout project	285
6	Footpaths and cycleways		
	Open Space Implementation	Project completed, part of the project from 2013-14	(110)
	Dereel-Mt Mercer Road Reconstruction	Unbudgeted grant income received during the year and budget re-allocation from Local Road Improvement project	(119)
7	Recreational, leisure and community facilities		
	Maude Viewing Platform	2013-14 project completed in 2014-15	(164)
	Resurfacing of Tennis Courts	2013-14 project continued in 2014-15, to be completed in 2015-16	(123)
8	Parks, open space and streetscapes		
	Rokewood Streetscape (Stage 2)	2013-14 project completed in 2014-15	(113)
	Haddon Streetscape	2013-14 project completed in 2014-15	(197)
	Meredith Streetscape	2013-14 project continued in 2014-15, to be completed in 2015-16	(290)
9	Off street car parks		
	Woody Yaloak EC Car Park Expansion	To be completed in 2015-16	50

## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 3 Rates and charges</b>		
Council uses Capital Improved Valuation (CIV) as the basis of valuation and rating of all rateable properties within the municipal district. The CIV is the total market value including land and improvements.		
The valuation base used to calculate general rates for 2014-15 was \$3,786 million (2013-14 \$3,415 million). The 2014-15 rate revenue was \$18.1 million. (2013-14, \$16.7 million).		
General Rates	13,883	12,904
Municipal Charge	2,206	1,925
Waste Management Charge	1,975	1,805
Supplementary Rates and Rate Adjustments	74	82
<b>Total rates and charges</b>	<b>18,138</b>	<b>16,716</b>
The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014, and the valuation was first applied in the rating year commencing 1 July 2014.		
<b>Note 4 Statutory fees and fines</b>		
Planning and Building Fees	153	184
Infringements and Costs	26	22
Property Information Fees	22	21
Land Information Certificates	17	16
Drainage Information Fees	15	14
<b>Total statutory fees and fines</b>	<b>233</b>	<b>257</b>
<b>Note 5 User fees</b>		
Childcare/Children's Programs	1,512	1,196
Home and Community Care Fees	242	286
Animal Registration Charges	239	217
Early Childhood Education	186	-
Subdivision Supervision Fees	142	118
Gravel Cartage Levy	105	50
Septic Tank Fees	89	88
Food Premises Registration Fees	55	49
Bannockburn Family Services Centre Charges	51	59
Bannockburn Cultural Centre Charges	38	37
Farmers Market Fees	32	38
Other	145	161
<b>Total user fees</b>	<b>2,836</b>	<b>2,299</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	2015 \$'000	2014 \$'000
<b>Note 6 Grants</b>		
Grants were received in respect of the following :		
<b>Summary of grants</b>		
Commonwealth Funded Grants	11,297	3,545
State Funded Grants	6,531	7,636
<b>Total</b>	<b>17,828</b>	<b>11,181</b>
<b>Operating Grants</b>		
<i>Recurrent - Commonwealth Government</i>		
Victoria Grants Commission - General Purpose Grant	6,841	1,571
Victoria Grants Commission - Local Roads Grant	968	931
<i>Recurrent - State Government</i>		
Home Care	1,106	1,075
Kindergarten	523	604
Children's Services	503	159
Community Health	416	412
Maternal and child health	189	168
Libraries	155	157
Other	28	82
<b>Total recurrent operating grants</b>	<b>10,729</b>	<b>5,159</b>
<i>Non-recurrent - Commonwealth Government</i>		
Economic Development	2,234	-
Youth Projects	2	40
<i>Non-recurrent - State Government</i>		
Economic Development	2,522	1,011
Emergency Management	120	-
Youth projects	66	62
Community Health	48	51
Environment Projects	38	81
Childrens' Services	25	61
Community Facilities	13	578
Roads	7	-
Natural Disaster	-	207
Other	89	88
<b>Total non-recurrent operating grants</b>	<b>5,164</b>	<b>2,179</b>
<b>Total operating grants</b>	<b>15,893</b>	<b>7,338</b>
<b>Capital Grants</b>		
<i>Recurrent - Commonwealth Government</i>		
Roads to Recovery	760	989
<b>Total recurrent capital grants</b>	<b>760</b>	<b>989</b>

# Notes to the Financial Report For the Year Ended 30 June 2015

Note 6	Grants (cont'd)	2015	2014
		\$'000	\$'000
	<i>Non-recurrent - Commonwealth Government</i>		
	Buildings Specialised	432	1,202
	Bridges	-	1,000
	Parks Open Spaces & Streetscapes	-	64
	Fixture Fittings & Furniture	-	15
	<i>Non-recurrent - State Government</i>		
	Buildings Specialised	267	83
	Roads	158	767
	Recreational Leisure & Community	46	-
	Emergency Management	223	(277)
	Home Care	31	-
	Parks Open Spaces & Streetscapes	18	-
	<b>Total non-recurrent capital grants</b>	<b>1,175</b>	<b>2,854</b>
	<b>Total capital grants</b>	<b>1,935</b>	<b>3,843</b>
	<b>Conditions on grants</b>		
	Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:	340	3,798
	Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:	1,332	3,024
	Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	<b>(992)</b>	<b>774</b>
Note 7	<b>Contributions</b>		
	Monetary	1,453	1,767
	Non-monetary	1,189	2,732
	<b>Total contributions</b>	<b>2,642</b>	<b>4,499</b>
	<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
	Land	47	236
	Infrastructure	1,142	2,311
	Other	-	185
Note 8	<b>Net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>		
	Proceeds of sale	818	1,243
	Written down value of assets disposed	(776)	(1,028)
	De-recognition of Land	(175)	-
	<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(133)</b>	<b>215</b>
Note 9	<b>Other income</b>		
	Interest on Investment	294	345
	Interest on Rates	152	81
	<i>Other (Assets previously not recognised)*</i>		
	- Specialised land	3,630	-
	- Non - specialised land	512	352
	- Drainage	806	-
	<b>Total other income</b>	<b>5,394</b>	<b>778</b>
	<i>* During the reconciliation process Council has identified number of Land under Roads and Drainage assets not previously recognised. No further recognition of additional found assets is envisaged.</i>		



## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 10 (a) Employee costs</b>		
Wages and salaries	11,355	10,694
Casual Staff	643	538
Annual leave and long service leave	1,167	1,354
WorkCover	129	185
Superannuation	1,256	1,140
Fringe benefits tax	182	164
Other	14	16
<b>Total employee costs</b>	<b>14,746</b>	<b>14,091</b>

### Note 10 (b) Superannuation

Council made contributions to the following funds:

#### Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	113	114
	<u>113</u>	<u>114</u>

Employer contributions payable at reporting date.

- -

#### Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	700	580
Employer contributions - other funds	443	446
	<u>1,143</u>	<u>1,026</u>
Employer contributions payable at reporting date.	30	25

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund Vision Super. 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 Comprehensive Income Statement when they are made or due.

#### Accumulation

The Fund's accumulation categories, 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

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 Golden Plains Shire 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 30 June 2015

		2015 \$'000	2014 \$'000
<b>Note 11</b>	<b>Materials and services</b>		
	Delivery of projects and Services	3,270	2,012
	Food Production Precinct	4,611	-
	General maintenance	1,963	1,919
	Garbage Operations	1,837	1,645
	Contractors and Consultants	809	1,953
	Vehicle and Machinery Operations	517	682
	Building maintenance	389	523
	Information technology	347	350
	Telecommunication	312	239
	Utilities	297	292
	Debt Collection and Legal Fee	276	189
	Printing Stationery and Postage	236	231
	Cleaning	204	191
	Insurance	204	237
	Training	186	167
	Advertising	135	103
	Gravel Pit Operation	104	154
	Other Expenses	910	842
	<b>Total materials and services</b>	<b>16,607</b>	<b>11,729</b>
<b>Note 12</b>	<b>Bad and doubtful debts</b>		
	Risk management	2	-
	Long day Care	1	4
	Home Care	-	1
	<b>Total bad and doubtful debts</b>	<b>3</b>	<b>5</b>
<b>Note 13</b>	<b>Depreciation and amortisation</b>		
	Infrastructure	4,535	2,646
	Plant and Machinery	948	994
	Buildings	841	709
	Furniture and Equipment	240	258
	Other Structures	269	218
	Gravel Pit Rehabilitation	5	5
	<b>Total depreciation and amortisation</b>	<b>6,838</b>	<b>4,830</b>
	<i>Refer to note 23 for a more detailed breakdown of depreciation and amortisation charges</i>		
<b>Note 14</b>	<b>Borrowing costs</b>		
	Interest - Borrowings	353	303
	<b>Total borrowing costs</b>	<b>353</b>	<b>303</b>

## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 15 Other expenses</b>		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	35	41
Auditors' remuneration - Internal	24	25
Councillors' allowances	183	178
Impairment losses	574	-
<b>Total other expenses</b>	<b>816</b>	<b>244</b>
<b>Note 16 Investment in associates, joint arrangements and subsidiaries</b>		
<b>a) Investments in associates</b>		
Investments in associates accounted for by the equity method are:		
- Equity in Geelong Regional Library (GRL)	823	830
<b>Geelong Regional Library (GRL)</b>		
<i>Background</i>		
Council share of the net equity in GRL is 6.7% (7.8% 2014). The GRL Board is comprised of seven representatives from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.		
<b>Fair value of Council's investment in Geelong Regional Library</b>	<b>823</b>	<b>830</b>
<b>Movement in carrying value of specific investment</b>		
Carrying value of investment at start of year	830	887
Share of surplus(deficit) for year	(7)	7
Share of asset revaluation	-	-
Distributions received	-	(64)
Carrying value of investment at end of year	<b>823</b>	<b>830</b>
<b>Council's share of expenditure commitments</b>		
Operating commitments	567	499
Capital commitments	-	-
Council's share of expenditure commitments	<b>567</b>	<b>499</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

	2015 \$'000	2014 \$'000
<b>Note 17 Cash and cash equivalents</b>		
Cash on hand	4	3
Cash at bank	3,889	1,131
Short Term Deposit	5,811	500
At Call Deposit	2,839	2,300
	<u>12,543</u>	<u>3,934</u>
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Statutory Reserves (Note 28(b))	118	-
- Trust funds and deposits (Note 25)	149	133
Total restricted funds	<u>267</u>	<u>133</u>
Total unrestricted cash and cash equivalents	<u>12,276</u>	<u>3,801</u>
<b>Intended allocations</b>		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash held to fund carried forward capital works	1,966	3,798
- Unspent grant funding - operational	724	1,083
- Long Service Leave Investment Account	1,480	1,623
Total funds subject to intended allocations	<u>4,170</u>	<u>6,504</u>
<b>Note 18 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	1,470	1,244
Other debtors	392	1,669
<b>Total current trade and other receivables</b>	<u>1,862</u>	<u>2,913</u>
<b>a) Ageing of Receivables</b>		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	316	433
Past due by up to 30 days	34	115
Past due between 31 and 180 days	28	1,113
Past due between 181 and 365 days	13	1
Past due by more than 1 year	1	7
Total trade & other receivables	<u>392</u>	<u>1,669</u>

## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 19 Other financial assets</b>		
Term deposits	-	6,000
<b>Total other financial assets</b>	<u>-</u>	<u>6,000</u>
<b>Note 20 Inventories</b>		
Inventories held for distribution	22	22
<b>Total inventories</b>	<u>22</u>	<u>22</u>
<b>Note 21 Non current assets classified as held for sale</b>		
Cost of acquisition	322	322
<b>Total non current assets classified as held for resale</b>	<u>322</u>	<u>322</u>
Borrowing costs capitalised	<u>-</u>	<u>-</u>
<b>Note 22 Other assets</b>		
Prepayments	81	42
Accrued income	252	199
Other	1	-
<b>Total other assets</b>	<u>334</u>	<u>241</u>



# Notes to the Financial Report For the Year Ended 30 June 2015

## Note 23 Property, infrastructure plant and equipment

### Land and Buildings

	Land - specialised	Land - non specialised	Total Land	Heritage Buildings	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2014	588	23,195	23,783	2,930	35,919	3,157	42,006	1,891	67,680
Accumulated depreciation at 1 July 2014	-	-	-	(1,664)	(9,597)	(1,236)	(12,497)	-	(12,497)
	588	23,195	23,783	1,266	26,322	1,921	29,509	1,891	55,183
<b>Movements in fair value</b>									
Acquisition of assets at fair value	-	168	168	-	963	115	1,078	1,706	2,952
Revaluation increments/decrements	-	-	-	-	-	-	-	-	-
Assets rehabilitation re-measurement adjustment	-	-	-	-	-	-	-	-	-
Assets not previously recognised	3,630	512	4,142	-	-	-	-	-	4,142
Infrastructure handed to council with new Subdivisions	47	-	47	-	-	-	-	-	47
Fair value of assets disposed	-	(174)	(174)	-	-	-	-	-	(174)
Transfers	-	-	-	-	721	-	721	(2,549)	(1,828)
	3,677	506	4,183	-	1,684	115	1,799	(843)	5,139
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation	-	-	-	(58)	(711)	(72)	(841)	-	(841)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
	-	-	-	(58)	(711)	(72)	(841)	-	(841)
At fair value 30 June 2015	4,265	23,701	27,966	2,930	37,603	3,272	43,805	1,048	72,819
Accumulated depreciation at 30 June 2015	-	-	-	(1,722)	(10,308)	(1,308)	(13,338)	-	(13,338)
	4,265	23,701	27,966	1,208	27,295	1,964	30,467	1,048	59,481

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 23    Property, infrastructure plant and equipment (cont'd)**

<b>Plant and Equipment</b>	<b>Plant machinery and equipment</b>	<b>Fixtures fittings and furniture</b>	<b>Total plant and equipment</b>
At fair value 1 July 2014	6,546	2,178	<b>8,724</b>
Accumulated depreciation at 1 July 2014	(2,722)	(1,557)	<b>(4,279)</b>
	<b>3,824</b>	<b>621</b>	<b>4,445</b>
<b>Movements in fair value</b>			
Acquisition of assets at fair value	1,284	220	<b>1,504</b>
Revaluation increments/decrements	-	-	-
Assets rehabilitation re-measurement adjustment	-	-	-
Assets not previously recognised	-	-	-
Infrastructure handed to council with new Subdivisions	-	-	-
Fair value of assets disposed	(1,445)	(123)	<b>(1,568)</b>
Transfers	-	-	-
	<b>(161)</b>	<b>97</b>	<b>(64)</b>
<b>Movements in accumulated depreciation</b>			
Depreciation and amortisation	(948)	(240)	<b>(1,188)</b>
Accumulated depreciation of disposals	769	114	<b>883</b>
Impairment losses recognised in operating result	-	-	-
	<b>(179)</b>	<b>(126)</b>	<b>(305)</b>
At fair value 30 June 2015	6,385	2,275	<b>8,660</b>
Accumulated depreciation at 30 June 2015	(2,901)	(1,683)	<b>(4,584)</b>
	<b>3,484</b>	<b>592</b>	<b>4,076</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

<b>Note 23</b>	<b>Property, infrastructure, plant and equipment (cont'd)</b>	<b>Roads</b>	<b>Bridges</b>	<b>Footpaths and cycleways</b>	<b>Drainage</b>	<b>Recreational, leisure and Community</b>	<b>Parks open spaces and streetscapes</b>	<b>Gravel Pit</b>	<b>Off street car parks</b>	<b>Work In Progress</b>	<b>Total Infrastructure</b>
	<b>Infrastructure</b>										
	At fair value 1 July 2014	378,163	33,536	8,289	1,858	4,631	1,125	100	236	5,151	<b>433,089</b>
	Accumulated depreciation at 1 July 2014	(64,339)	(15,851)	(1,021)	(909)	(1,269)	(220)	(40)	(23)	-	<b>(83,672)</b>
		<b>313,824</b>	<b>17,685</b>	<b>7,268</b>	<b>949</b>	<b>3,362</b>	<b>905</b>	<b>60</b>	<b>213</b>	<b>5,151</b>	<b>349,417</b>
	<b>Movements in fair value</b>										
	Acquisition of assets at fair value	3,869	136	394	109	698	220	-	41	-	<b>5,467</b>
	Revaluation increments/decrements	-	-	-	1,988	-	-	-	-	-	<b>1,988</b>
	Assets rehabilitation re-measurement adjustment	-	-	-	-	-	-	831	-	-	<b>831</b>
	Assets not previously recognised	-	-	-	806	-	-	-	-	-	<b>806</b>
	Infrastructure handed to council with new Subdivisions	943	-	199	-	-	-	-	-	-	<b>1,142</b>
	Fair value of assets disposed	-	-	-	-	(111)	-	-	-	-	<b>(111)</b>
	Transfers	4,110	148	316	29	466	108	-	-	(3,349)	<b>1,828</b>
		<b>8,922</b>	<b>284</b>	<b>909</b>	<b>2,932</b>	<b>1,053</b>	<b>328</b>	<b>831</b>	<b>41</b>	<b>(3,349)</b>	<b>11,951</b>
	<b>Movements in accumulated depreciation</b>										
	Depreciation and amortisation	(4,016)	(375)	(105)	(39)	(220)	(44)	(5)	(5)	-	<b>(4,809)</b>
	Accumulated depreciation of disposals	-	-	-	-	20	-	-	-	-	<b>20</b>
	Impairment losses recognised in operating result	-	-	-	-	-	-	(574)	-	-	<b>(574)</b>
		<b>(4,016)</b>	<b>(375)</b>	<b>(105)</b>	<b>(39)</b>	<b>(200)</b>	<b>(44)</b>	<b>(579)</b>	<b>(5)</b>	<b>-</b>	<b>(5,363)</b>
	At fair value 30 June 2015	387,085	33,820	9,198	4,790	5,684	1,453	931	277	1,802	<b>445,040</b>
	Accumulated depreciation at 30 June 2015	(68,355)	(16,226)	(1,126)	(948)	(1,469)	(264)	(619)	(28)	-	<b>(89,035)</b>
		<b>318,730</b>	<b>17,594</b>	<b>8,072</b>	<b>3,842</b>	<b>4,215</b>	<b>1,189</b>	<b>312</b>	<b>249</b>	<b>1,802</b>	<b>356,005</b>

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 23 Property, infrastructure, plant and equipment (cont'd)

#### *Valuation of land and buildings*

Valuation of land and buildings were undertaken as at 30 June 2014 by Mr Stephen Davey AAPI registered Certified Practising Valuer. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

	Level 1	Level 2	Level 3
Specialised land	-	-	4,265
Non - specialised land	-	23,195	506
Heritage buildings	-	851	357
Non - specialised buildings	-	1,842	122
Specialised buildings	-	-	27,295
Total	-	25,888	32,545

#### *Valuation of infrastructure*

Valuation of infrastructure assets have been determined in accordance with an independent valuation undertaken by Mr Peter Moloney MIE (Aust) as at 30 June 2014.

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	Level 2	Level 3
Roads	-	-	318,730
Bridges	-	-	17,594
Footpaths and cycleways	-	-	8,072
Drainage	-	-	3,842
Recreational, leisure and community facilities	-	88	4,127
Gravel Pit	-	-	312
Parks, open space and streetscapes	-	38	1,151
Off street carpark	-	-	249
Total	-	126	354,077

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 23 Property, infrastructure, plant and equipment (cont'd)**

	2015 \$'000	2014 \$'000
<i>Description of significant unobservable inputs into level 3 valuations</i>		
<p><b>Specialised land and land under roads</b> is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.62 and \$120.88 per square metre.</p>	3,677	183
<p><b>Specialised buildings</b> are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 150 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.</p>	-	2,615
<p><b>Infrastructure assets</b> are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 19 year to 90 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.</p>	3,936	194,476
<b>Reconciliation of specialised land</b>		
Land under roads	3,677	183
<b>Total specialised land</b>	<u>3,677</u>	<u>183</u>



## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 24 Trade and other payables</b>		
Trade payables	1,939	1,162
Accrued Expenditure	435	602
<b>Total trade and other payables</b>	<b>2,374</b>	<b>1,764</b>
<b>Note 25 Trust funds and deposits</b>		
Refundable deposits	149	133
<b>Total trust funds and deposits</b>	<b>149</b>	<b>133</b>

### *Purpose and nature of items*

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

### **Note 26 Provisions**

	Gravel Pit restoration \$ '000	Other \$ '000	Total \$ '000
<b>2015</b>			
Balance at beginning of the financial year	107	3,058	3,165
Additional provisions	831	1,024	1,855
Amounts used	(2)	(1,238)	(1,240)
Balance at the end of the financial year	<b>936</b>	<b>2,844</b>	<b>3,780</b>
<b>2014</b>			
Balance at beginning of the financial year	107	2,600	2,707
Additional provisions	-	1,668	1,668
Amounts used	-	(1,210)	(1,210)
Balance at the end of the financial year	<b>107</b>	<b>3,058</b>	<b>3,165</b>
		<b>2015 \$'000</b>	<b>2014 \$'000</b>
<b>(a) Employee provisions</b>			
<b>Current provisions expected to be wholly settled within 12</b>			
Rostered days off		67	73
Annual leave		892	840
Long service leave		127	167
		<b>1,086</b>	<b>1,080</b>
<b>Current provisions expected to be wholly settled after 12</b>			
Annual leave		139	211
Long service leave		1,251	1,303
		<b>1,390</b>	<b>1,514</b>
Total current employee provisions		<b>2,476</b>	<b>2,594</b>
<b>Non-current</b>			
Long service leave		368	464
Total non-current employee provisions		<b>368</b>	<b>464</b>

**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 26 Provisions (cont'd)**

**(a) Employee provisions (cont'd)**

	<b>2015</b>	<b>2014</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Aggregate carrying amount of employee provisions:</b>		
Current	1,086	1,080
Non-current	368	464
Total aggregate carrying amount of employee provisions	<u>1,454</u>	<u>1,544</u>
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	2.55%	3.36%
Weighted average settlement period	11 mths	11 mths

**(b) Gravel Pit restoration**

Current	11	15
Non-current	925	92
	<u>936</u>	<u>107</u>
<b>Total current provisions</b>	<b>2,487</b>	<b>2,609</b>
<b>Total non-current provisions</b>	<b>1,293</b>	<b>556</b>
<b>Total Provisions</b>	<b><u>3,780</u></b>	<b><u>3,165</u></b>

The following assumptions were adopted in measuring the present value of Gravel Pit rehabilitation:

Weighted average increase in costs	2.50%	2.50%
Weighted average discount rates	2.00%	2.00%
Weighted average settlement period	10 yrs	11 yrs

**Note 27 Interest-bearing loans and borrowings**

**Current**

Borrowings - secured over Council's rate and charges	309	433
	<u>309</u>	<u>433</u>

**Non-current**

Borrowings - secured over Council's rate and charges	7,430	5,942
	<u>7,430</u>	<u>5,942</u>
<b>Total</b>	<b><u>7,739</u></b>	<b><u>6,375</u></b>

a) The maturity profile for Council's borrowings is:

Not later than one year	309	433
Later than one year and not later than five years	7,246	1,080
Later than five years	184	4,862
	<u>7,739</u>	<u>6,375</u>

b) Aggregate carrying amount of interest-bearing loans and borrowings:

Current	309	433
Non-current	7,430	5,942
	<u>7,739</u>	<u>6,375</u>

# Notes to the Financial Report

## For the Year Ended 30 June 2015

**Note 28 Reserves**

	Balance at beginning of reporting period	* Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
<b>2015</b>			
<b>Property</b>			
Land	9,942	-	9,942
Land Under Roads	112	-	112
Buildings	12,300	-	12,300
	<u>22,354</u>	<u>-</u>	<u>22,354</u>
<b>Infrastructure</b>			
Roads	214,118	-	214,118
Bridges	10,141	-	10,141
Footpaths and cycleways	546	-	546
Drainage	-	1,988	1,988
	<u>224,805</u>	<u>1,988</u>	<u>226,793</u>
<b>Total asset revaluation reserves</b>	<b><u>247,159</u></b>	<b><u>1,988</u></b>	<b><u>249,147</u></b>
<b>2014</b>			
<b>Property</b>			
Land	7,567	2,375	9,942
Land Under Roads	25	87	112
Buildings	9,382	2,918	12,300
	<u>16,974</u>	<u>5,380</u>	<u>22,354</u>
<b>Infrastructure</b>			
Roads	28,193	185,925	214,118
Bridges	4,355	5,786	10,141
Footpaths and cycleways	92	454	546
	<u>32,640</u>	<u>192,165</u>	<u>224,805</u>
<b>Total asset revaluation reserves</b>	<b><u>49,614</u></b>	<b><u>197,545</u></b>	<b><u>247,159</u></b>

\* The asset revaluation reserve is used to record the increased (net) value of Council's assets over time. Assets formally re-valued at year end.

## Notes to the Financial Report For the Year Ended 30 June 2015

**Note 28 Reserves (cont'd)**

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
<b>(b) Other reserves</b>				
<b>2015</b>				
Unexpended project reserve	5,838	-	(3,146)	2,692
Profit Equalisation Reserve	100	-	-	100
LSL Investment Reserve	463	-	(96)	367
Drainage Levy	7	-	(7)	-
Developer Contribution reserve	109	9	-	118
Quarry Levy	4	-	(4)	-
<b>Total Other reserves</b>	<b>6,521</b>	<b>9</b>	<b>(3,253)</b>	<b>3,277</b>
<b>2014</b>				
Unexpended project reserve	6,399	-	(561)	5,838
Profit Equalisation Reserve	100	-	-	100
LSL Investment Reserve	413	50	-	463
Drainage Levy	18	-	(11)	7
Developer Contribution reserve	99	10	-	109
Quarry Levy	-	4	-	4
<b>Total Other reserves</b>	<b>7,029</b>	<b>64</b>	<b>(572)</b>	<b>6,521</b>

**Purposes of Other Reserve**

Unexpended project reserve

These funds have been received or committed in prior year/s and are held to enable Council to deliver the corresponding projects.

Profit Equalisation Reserve

These funds relate to a 1/3 share of profit generated from private works and are held to offset the unlikely event of Private Works returning a deficit. This Reserve is limited to \$100k.

LSL Investment Reserve

These funds relate to the current portion of Council's Long Service Leave liability.

Drainage Levy

This levy is no longer collected. It was utilised to improve drainage in various areas of the Shire.

Developer Contribution reserve

These funds relate to Developer Contributions collected from property developers. The funds are utilised to develop new community infrastructure.

Quarry Levy

These funds are collected from Quarry operators and the funds are utilised to maintain the local road network utilised by these quarries.

## Notes to the Financial Report For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 29 Reconciliation of cash flows from operating activities to surplus/(deficit)</b>		
Surplus/(deficit) for the year	7,568	4,750
Depreciation/amortisation	6,838	4,830
(Profit)/loss on disposal of property, infrastructure, plant and equipment	133	(215)
Impairment losses	574	-
Contributions - Non-monetary assets	(1,189)	(2,732)
Assets not previously recognised	(4,948)	(352)
Finance cost	353	303
<b>Change in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	1,051	314
(Increase)/decrease in accrued income	(55)	(84)
Increase/(decrease) in prepayments	(39)	-
Increase/(decrease) in trade and other payables	777	210
Increase/(decrease) in accrued expenditure	(167)	290
(Increase)/decrease in other assets	7	-
(Increase)/decrease in inventories	-	(1)
Increase/(decrease) in trust fund	16	(38)
Increase/(decrease) in provisions	(216)	407
Net cash provided by/(used in) operating activities	<b>10,703</b>	<b>7,682</b>
<b>Note 30 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (see note 17)	12,543	3,934
Less bank overdraft	-	-
	<b>12,543</b>	<b>3,934</b>

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 31 Commitments

The Council has entered into the following commitments

<b>2015</b>	<b>Not later than 1 year</b>	<b>Later than 1 year and not later than 2 years</b>	<b>Later than 2 years and not later than 5 years</b>	<b>Later than 5 years</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Operating</b>					
Waste Management	1,050	1,076	3,393	-	5,519
Cleaning contracts for council buildings	118	-	-	-	118
<b>Total</b>	<b>1,168</b>	<b>1,076</b>	<b>3,393</b>	<b>-</b>	<b>5,637</b>
<b>Capital</b>					
Buildings	11	-	-	-	11
Roads	471	-	-	-	471
Parks open spaces and streetscapes	73	-	-	-	73
Recreational, leisure and Community	4	-	-	-	4
<b>Total</b>	<b>559</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>559</b>

<b>2014</b>	<b>Not later than 1 year</b>	<b>Later than 1 year and not later than 2 years</b>	<b>Later than 2 years and not later than 5 years</b>	<b>Later than 5 years</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Operating</b>					
Waste Management	1,735	-	-	-	1,735
Cleaning contracts for council buildings	38	-	-	-	38
<b>Total</b>	<b>1,773</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,773</b>
<b>Capital</b>					
Buildings	115	-	-	-	115
Roads	225	-	-	-	225
Recreational	431	-	-	-	431
<b>Total</b>	<b>771</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>771</b>



## Notes to the Financial Report For the Year Ended 30 June 2015

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### **Note 32 Contingent liabilities and contingent assets**

#### **Contingent liabilities**

##### **Defined benefit superannuation**

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 future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

##### **Funding arrangements**

Golden Plains Shire 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 Golden Plains Shire is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns	7.5% pa
Salary information	4.25% pa
Price inflation (CPI)	2.75% pa

Vision Super has advised that the estimated VBI at March 2015 was 108.5%.

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 benefit category's funding arrangements from prior years.

##### **Employer contributions**

##### ***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, Golden Plains Shire reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 32 Contingent liabilities and contingent assets (cont'd)

#### **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 Golden Plains Shire are required to make an employer contribution to cover the shortfall.

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

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

#### **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 Golden Plains Shire 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.

Golden Plains Shire was notified of the results of the actuarial investigation during January 2015.

Contributions by Golden Plains Shire (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2015 are detailed below:

<b>Scheme</b>	<b>Type of scheme</b>	<b>Rate</b>	<b>2015 \$'000</b>	<b>2014 \$'000</b>
Vision Super	Defined benefits	9.50%	113	114
Vision Super	Accumulation	9.50%	700	580
Superannuation Choice Funds	Accumulation	9.50%	443	446

There were \$30k in contributions outstanding and no loans issued from or to the above schemes as at 30 June 2015.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2016 is \$117k.

## Notes to the Financial Report For the Year Ended 30 June 2015

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### **Note 32 Contingent liabilities and contingent assets (cont'd)**

#### **Landfill Site**

Council operates a landfill at Rokewood; the Teesdale landfill was closed during the 2011-12 financial year. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

#### **Bank Guarantee – Minister for Energy & Resources**

Council has issued a Bank Guarantee for the amount of \$9,000 in favour of the Minister for Energy & Resources for rehabilitation of the De Motts/Jollys Gravel Pit. Council does not believe that the bank guarantee will be exercised.

#### **Bank Guarantee – Department of Sustainability & Environment**

Council has issued a Bank Guarantee for the amount of \$37,500 in favour of the Department of Natural Resources & Environment for rehabilitation of the Sago Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Council has issued a Bank Guarantee for the amount of \$17,000 in favour of the Department of Natural Resources & Environment for rehabilitation of the Black Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised.

#### **Guarantees for loans to other**

Nil.

#### **Contingent assets**

Nil.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 33 Financial Instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

##### **Interest rate risk**

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. 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 adopting an investment policy that ensures:

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

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

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

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

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

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 37.

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.

## Notes to the Financial Report For the Year Ended 30 June 2015

### Note 33 Financial Instruments (cont'd)

#### (d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 37, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 29.

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

#### e) Fair value

Unless otherwise stated, the carrying amount 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.

#### (f) Sensitivity disclosure analysis

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

- A parallel shift of +0.5% and -0.5% in market interest rates (AUD) from year-end rates of 2.5%.

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.

## Notes to the Financial Report For the Year Ended 30 June 2015

**Note 34 Related party transactions****(i) Responsible Persons**

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

<b>Councillors</b>	Des Phelan (Mayor)
	Jenny Blake
	Andrew Cameron
	Nathan Hansford
	Helena Kirby
	Bill McArthur
	Greg Vaughan

**Chief Executive Officer** Rod Nicholls

**(ii) Remuneration of Responsible Persons**

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

	2015	2014
Income Range:	No.	No.
\$10,000 - \$19,999	-	6
\$20,000 - \$29,999	5	-
\$30,000 - \$39,999	1	-
\$40,000 - \$49,999	1	-
\$60,000 - \$69,999	-	1
\$240,000 - \$249,999	-	1
\$260,000 - \$269,999	1	-
	<u>8</u>	<u>8</u>
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	\$448,972	\$429,765

**(iii) Senior Officers Remuneration**

A Senior Officer other than a Responsible Person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) 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	2014
Income Range:	No.	No.
<\$133,000	1	1
\$150,000 - \$159,999	1	1
\$160,000 - \$169,999	1	2
\$170,000 - \$179,999	1	-
	<u>4</u>	<u>4</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	\$630,229	\$575,960

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was \$ 0 (2014 - \$0)



**Notes to the Financial Report  
For the Year Ended 30 June 2015**

**Note 34 Related party transactions (cont'd)**

	2015 \$'000	2014 \$'000
<b>(v) Loans to responsible persons</b>		
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 are as follows:	-	-

**(vi) Transactions with responsible persons**

During the period Council entered into the following transactions with responsible persons or related parties of responsible persons.

	2015 \$	2014 \$
<i>Haddon Bottle Shop - Cr B McArthur</i>	Nil	286
<i>Bannockburn Hardware - Cr N Hansford</i>	Nil	205
<i>Rokewood Takeaway - Cr H Kirby</i>	Nil	116

**Note 35 Events occurring after balance date**

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

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## Certification of the Financial Statements

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



Jason Clissold B.Bus. FCPA  
**Principal Accounting Officer**

**Date :** 22nd day of September 2015  
Bannockburn

In our opinion the accompanying financial statements present fairly the financial transactions of Golden Plains Shire Council for the year ended 30 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.



Councillor Des Phelan  
**Mayor**

**Date :** 22nd day of September 2015  
Bannockburn



Councillor Andrew Cameron  
**Councillor**

**Date :** 22nd day of September 2015  
Bannockburn



Rod Nicholls  
**Chief Executive Officer**

**Date :** 22nd day of September 2015  
Bannockburn



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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Golden Plains Shire Council

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2015 of the Golden Plains Shire 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 Golden Plains Shire 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.

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## 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 Golden Plains Shire 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

  
Dr Peter Frost  
Acting Auditor-General



# Performance Statement

For the year ended 30 June 2015



- Anakie • Bamganie • Bannockburn • Barunah Park • Balesford • Berringa
- Berrybank • Cambrian Hill • Cape Clear • Corindhap • Cressy • Dereel • Durdidwarrah
- Durham Lead • Enfield • Garibaldi • Gheringhap • Grosville • Haddon • Happy Valley
- Hesse • Illabarook • Inverleigh • Lethbridge • Lillo • Mannibadar • Maude
- Meredith • Morrisons • Mount Mercer • Murghevoluc • Napoleons • Newtown
- Nintingbool • Piggoreet • Pitfield • Pittong • Rokewood • Rokewood Junction
- Ross Creek • Russells Bridge • Scarsdale • She Oaks • Shelford • Smythes Creek
- Smythesdale • Springdallah • Staffordshire Reef • Steiglitz • Stonehaven
- Sutherlands Creek • Teesdale • Wallinduc • Werneth • Willowvale • Wingeel



We encourage you to visit Golden Plains and taste, see and explore all it has to offer. Who knows? Perhaps you'll decide to stay.



### Description of municipality

Golden Plains is the place to enjoy life as it should be.

In recent years, the region has experienced significant population growth as people discover the benefits of living in a semi-rural setting with plenty of space to breathe.

With 20,544 residents across 56 communities and 16 townships, Golden Plains Shire has been one of the fastest growing municipalities in Victoria, with population growth now around 2.3% per annum.

New residents, including many young families, continue to enjoy a diverse range of lifestyle choices available in the Shire's welcoming communities.

Golden Plains Shire comprises 2,705 square kilometres between Victoria's two largest regional cities, Geelong and Ballarat. The Shire's close proximity to services available in neighbouring cities and convenient commuting distance to Melbourne and the Surfcoast adds to its appeal as a place to call home.

Business growth continues to create attractive investment opportunities and new jobs. While the Shire has a strong tradition of wool and grain production, intensive animal farming, particularly poultry and pigs, is increasing.

Golden Plains Shire is conveniently located close to export markets and welcomes investment and sustainable development. Strong population and economic growth render the region an attractive place to invest.

As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains Shire also has it all for the perfect day trip experience.

This thriving municipality has become renowned across Australia, and internationally, for the produce on offer at local eateries, cellar doors and the monthly Golden Plains Farmers' Market in Bannockburn.

The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporating skills from around the world and nurturing their vineyards to produce some of Australia's finest cool climate wines.

Despite strong growth in the north west and south east, the Shire's rural base and natural environment dominate the landscape. The natural beauty of the region still remains visible and accessible as does remnant townships and structures from the area's rich gold mining history.

The region has a vibrant arts and culture scene including iconic music festivals which are all helping to make Golden Plains an emerging tourism destination.



## Sustainable Capacity Indicators

Indicator/measure	Results 2015	Material Variations
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,288.02	No material variations due to 2015 being the first year of reporting under the Local Government Performance Reporting Framework (LGPRF)
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$559.24	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,916.03	No material variations due to 2015 being the first year of reporting under the LGPRF
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$19,061.33	No material variations due to 2015 being the first year of reporting under the LGPRF
Population density per length of road [Municipal population / Kilometres of local roads]	11.19	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Disadvantage</b> Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	8.00	No material variations due to 2015 being the first year of reporting under the LGPRF

## Service Performance Indicators

Service/indicator/measure	Results 2015	Material Variations
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	45.00	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Statutory Planning</b> <b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [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	100.00%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Roads</b> <b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	45.00	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Libraries</b> <b>Participation</b> <i>Active library members</i> [Number of active library members / Municipal population] x100	12.76%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Waste Collection</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	22.83%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Animal management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	26.00	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Food safety</b> <b>Health and safety</b> <i>Critical and major non-compliance notifications</i> [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	76.00%	No material variations due to 2015 being the first year of reporting under the LGPRF

## Service Performance Indicators

Service/indicator/measure	Results 2015	Material Variations
<b>Home and community care</b> <b>Participation</b> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	41.84%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Participation</b> <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	30.48%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Maternal and child health</b> <b>Participation</b> <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	79.26%	No material variations due to 2015 being the first year of reporting under the LGPRF
<b>Participation</b> <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	77.78%	No material variations due to 2015 being the first year of reporting under the LGPRF

## Financial Performance Indicators

Dimension/indicator/measure	Results 2015	Forecast Figures			Material Variations
		2016	2017	2018	
<b>Operating position</b>					
<b>Adjusted underlying result</b> <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	11.12%	-1.46%	-0.61%	2.76%	2.48%  Large surplus in 2015 is due to the recognition of \$5M of assets not previously recognised
<b>Liquidity</b>					
<b>Working capital</b> <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	283.57%	145.83%	108.41%	141.60%	\$2.6m of 2015-16 Victorian Grants Commission funding received in advance
<b>Unrestricted cash</b> <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	180.22%	58.60%	28.97%	63.78%	\$2.6m of 2015-16 Victorian Grants Commission funding received in advance
<b>Obligations</b>					
<b>Loans and borrowings</b> <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	42.67%	39.18%	42.71%	68.36%	No material variations
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.33%	6.08%	2.38%	4.97%	No material variations
<b>Indebtedness</b> <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	32.97%	34.65%	35.62%	55.45%	No material variations
<b>Asset renewal</b> <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	73.76%	69.69%	76.71%	64.03%	No material variations

## Financial Performance Indicators

Dimension/indicator/measure	Results 2015	Forecast Figures				Material Variations
		2016	2017	2018	2019	
<b>Stability</b>						
<b>Rates concentration</b>						
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	40.96%	54.15%	54.00%	56.91%	57.93%	This result is low in 2015 due to the adjusted underlying revenue including \$5M of assets not previously recognised
<b>Rates effort</b>						
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality ] x100	0.48%	0.50%	0.50%	0.50%	0.49%	No material variations
<b>Efficiency</b>						
<b>Expenditure level</b>						
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,936.30	\$3,624.40	\$3,851.40	\$3,476.73	\$3,624.18	No material variations
<b>Revenue level</b>						
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,240.14	\$1,379.01	\$1,484.23	\$1,595.25	\$1,687.73	No material variations
<b>Workforce turnover</b>						
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	9.37%	10.67%	11.20%	10.94%	11.07%	No material variations

## Other Information



### Basis of preparation

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

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

The Performance Statement presents the actual results for the current year 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. Council has adopted materiality thresholds relevant

to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the Performance Statement are those adopted by Council in its strategic resource plan on 23 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.





## Certification of the Performance Statement

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



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Jason Clissold B.Bus. FCPA  
Principal Accounting Officer  
Dated: 22 September 2015

In our opinion, the accompanying Performance Statement of the Golden Plains Shire 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.



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Cr Des Phelan  
Mayor  
Dated: 22 September 2015



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Cr Andrew Cameron  
Councillor  
Dated: 22 September 2015



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Rod Nicholls  
Chief Executive Officer  
Dated: 22 September 2015



Victorian Auditor-General's Office

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## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Golden Plains Shire Council

#### *The Performance Statement*

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

#### *The Councillors' Responsibility for the Performance Statement*

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

#### *Auditor's Responsibility*

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

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

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

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## Independent Auditor's Report (continued)

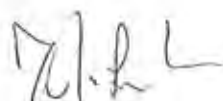
### *Independence*

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 Golden Plains Shire 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

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2 Pope Street, Bannockburn



**Linton Customer Service Centre**  
68 Sussex Street, Linton

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