



# **Yarriambiack Shire Council Budget – 2010/2011**

This Budget Report has been prepared with reference to The Institute of Chartered Accountants  
“Victorian Shire Council Model Budget 2010/2011” a best practice guide for reporting local  
government budgets in Victoria.

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## MAYOR'S INTRODUCTION



It gives me great pleasure to present this Budget to the community of Yarriambiack Shire Council.

We will increase the general rate and recycling by 6 percent in the 2010/11 financial year. Kerbside garbage collection has increased by 6.5% to cover the increasing cost of disposal of waste at landfills. Council has maintained the \$30 municipal charge for each assessment. This level allows us to maintain existing service levels, fund a number of new initiatives and continue to allocate additional funds to renew the Council's infrastructure.

The proposed budget includes a number of new initiatives:

- Redevelopment of the Hopetoun Swimming Pool (\$180,000)
- Redevelopment of the Warracknabeal Industrial Estate (\$180,000)
- Widening of the Rainbow Yaapect Road under the Roads to Market Program
- Widening of the Dimboola Minyip Road under the Roads to Market Program
- Implementation of the SHARE program
- Sealing of Carter Street, Speed (\$32,888)
- Construction and sealing of Doctor Pete's car park, Hopetoun (\$15,914)
- Road widening for drainage purposes in Germaine Street, Yaapect (\$12,027)
- Car parking works in McDonald Street, Murtoa (\$50,902)

The total Capital Works program will be \$6.12 million, of which \$296,000 relates to projects carried over from the 2009/10 year. Of the \$6.12 million in Capital funding required, \$3.94 million will come from Council operations, \$2.06 million from external grants and asset sales, and the balance of \$120,000 from cash and investments.

Highlights of the Capital Works program include:

- Roads (\$3.79 million) – Including reconstructions, roads to recovery projects, resheeting, resealing, and footpaths
- Drains (\$60,000) – Including road drainage replacement works in Breen Street Murtoa
- Land and Buildings (\$915,000) – Including community facilities and recreation reserve pavilion upgrades, Hopetoun Swimming Pool and Warracknabeal Industrial Estate redevelopment
- Plant and equipment (\$1.056 million) – Including information technology, office, sports and playground equipment and scheduled replacement of Council's fleet.

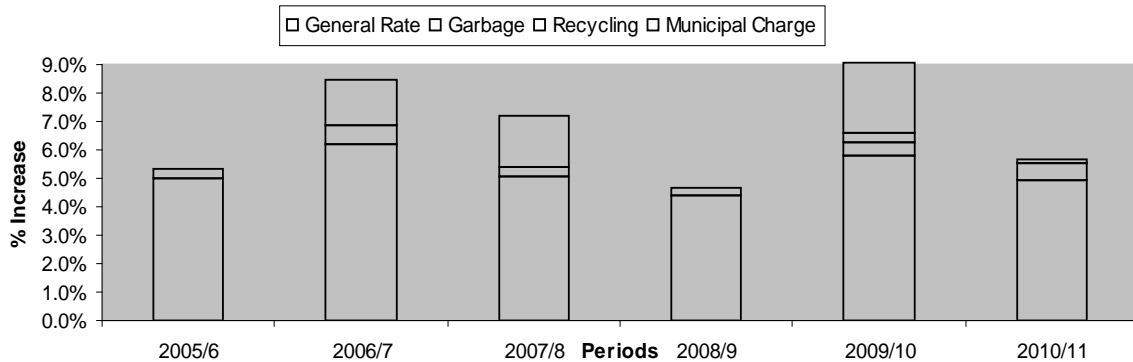
This budget was developed through a rigorous process of consultation and review and Council endorses it as financially responsible.

**Cr Jean Wise**  
**Mayor**

## CHIEF EXECUTIVE OFFICER'S SUMMARY

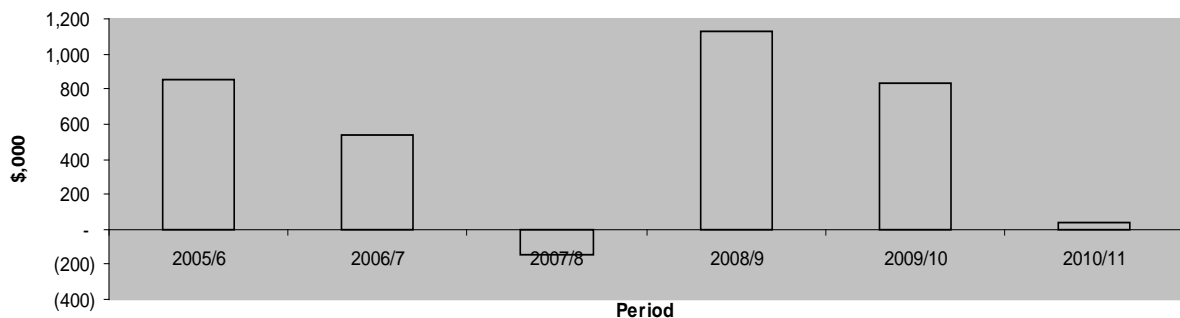
Council has prepared a Budget for the 2010/11 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and key strategic activities of the Council.

### 1. Rates



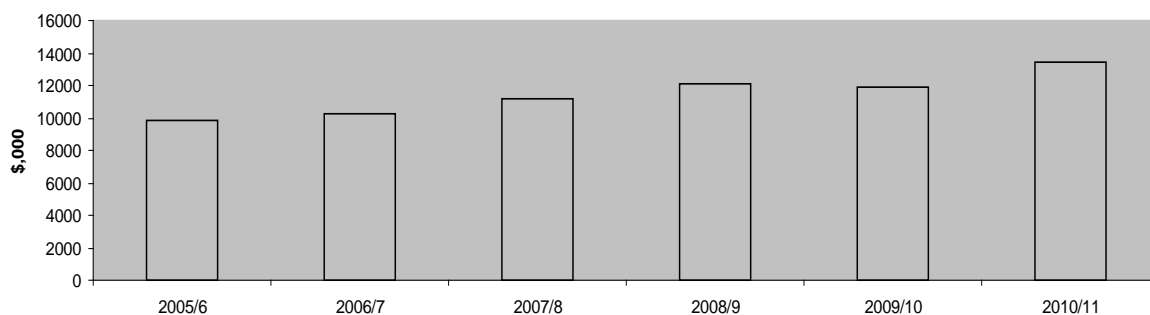
It is proposed that general rates increase by 6% for the 2010/11 year, raising total rates of \$8.073 million, including supplementary rates. The extra \$370,000 raised by the rate increase will go toward maintaining service levels and meeting the cost of a number of external influences affecting the operating budget. The increase will also go toward capital works to address the asset renewal needs of the Council. This rate increase is in line with Council's rating strategy. (The rate increase for the 2009/10 year was 5.0%).

### 2. Operating result



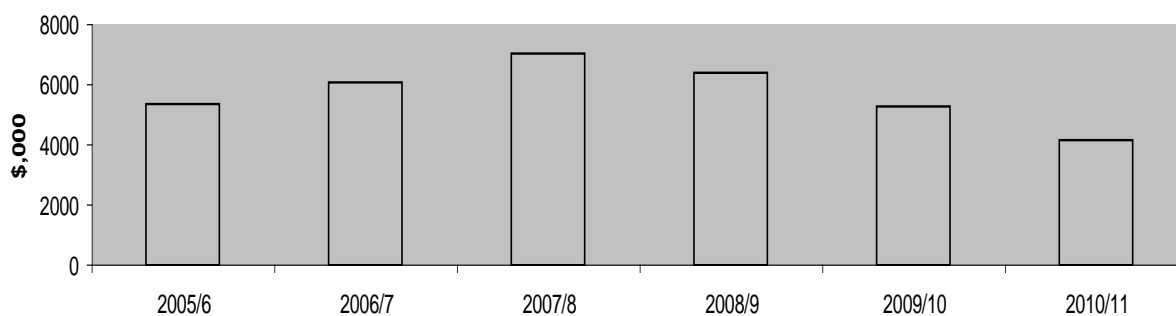
The expected operating result for the 2010/11 year is a surplus of \$33,000, following a projected \$833,000 surplus in 2009/10. The improved operating surplus in 2009/10 is due mainly to unexpended grants in particular storm damage monies of \$800,000. The underlying result, which excludes items such as capital grants and contributions is a deficit of \$1.47 million, which is an increase of \$238,000 over 2009/10. (The forecast operating result for the 2009/10 year is a deficit of \$1.24 million).

### 3. Services



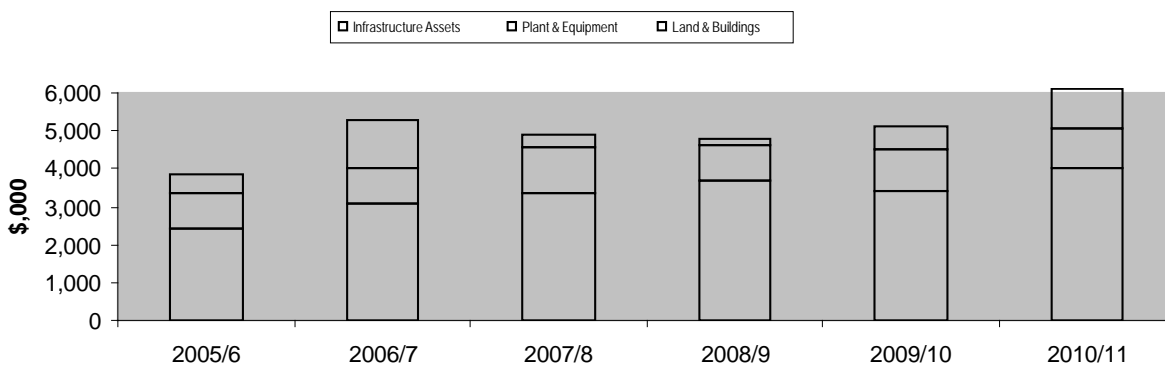
The net cost of services delivered to the community for the 2010/11 year is expected to be \$13.48 million which is an increase of \$1.61 million over 2009/10. A key influencing factor in the development of the 2010/11 budget has been the recently released results of the community satisfaction survey conducted by Council. The survey results show that while there is a relatively high level of satisfaction with most services provided by Council, there are some areas of concern where there is a clear message that ratepayers want improved service levels. For the 2010/11 year, service levels have been maintained and a number of new activities and initiatives proposed. (The forecast net cost for the 2009/10 year is \$11.87 million).

### 4. Cash and investments



Cash and investments are expected to decrease by \$1.13 million during the year to \$4.18 million as at 30 June 2011. This is due mainly to the carried forward component of the 2009/10 capital works program and a number of major projects including the storm damage clean up. The reduction in cash and investments is in line with Council's strategic resource plan. (Cash and investments are forecast to be \$5.14 million as at 30 June 2010).

### 5. Capital works

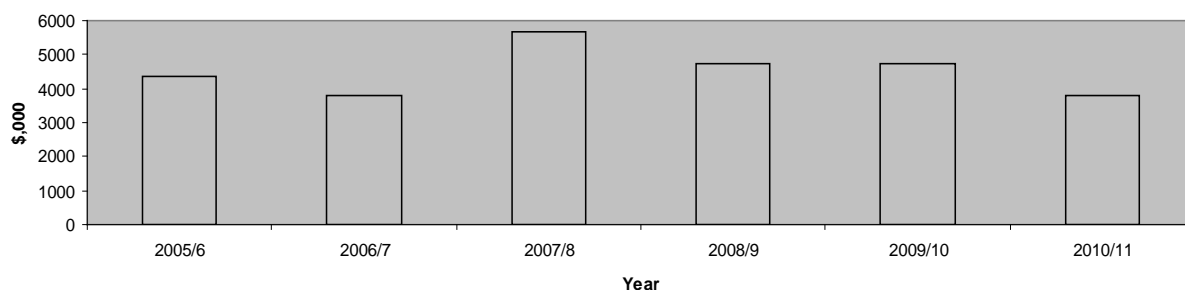


The capital works program for the 2010/11 year is expected to be \$6.12 million of which \$296,000 relates to projects which will be carried forward from the 2009/10 year. The carried forward component is fully funded from the 2009/10 budget. Of the \$6.12 million of capital funding required, \$3.94 million will come from Council operations, \$2.06 million from external grants and contributions

and the balance of \$0.12 million from cash and investments. The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes a number of major projects including the redevelopment of the Hopetoun Swimming Pool and Warracknabeal Industrial Estate, the Roads to Market projects Minyip-Dimboola Road and Rainbow Yaapect Road and pavement renewal of the Minyip Rich Avon Road. (Capital works is forecast to be \$5.14 million for the 2009/10 year).

The asset renewal program has been decreased to \$4.51 million in the 2010/11 year. However over the rest of the four year period, it is expected to increase as funds are directed toward renew of asset projects.

## 6. Financial position



The financial position is expected to improve with net assets (net worth) to increase by \$0.83 million to \$117.68 million although net current assets (working capital) will reduce by \$0.96 million to \$3.79 million as at 30 June 2011. This is mainly due to the use of cash reserves to fund the capital works program. (Total equity is forecast to be \$116.85 million as at 30 June 2009).

## 7. Financial sustainability



A high level Strategic Resource Plan for the years 2010/11 to 2013/14 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. While the Plan projects that Council's operating result will almost reach break-even by the 2013/14 year, the underlying result which is a measure of financial sustainability shows a decreasing deficit over the four year period. This difference is due to substantial capital revenue being received during this period to fund a number of major capital works projects.

## 8. Strategic objectives



The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2010/11 year.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

**Ray Campling**  
Chief Executive Officer

## BUDGET PROCESSES

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the Act and Regulations.

The preparation of the budget begins with Officers preparing the operating and capital components of the annual budget during February and March. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the budget and make a submission if they wish, Council officers undertake a community engagement process including public information sessions, focus groups and other techniques. The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted and a copy submitted to the Minister by 31 August each year. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers prepare operating and capital budgets	March/April
2. Council considers draft budgets at informal briefings	May
3. Proposed budget submitted to Council for approval	June
4. Public notice advising intention to adopt budget	June
5. Budget available for public inspection and comment	June
7. Submissions period closes (28 days)	July
8. Submissions considered by Council/Committee	July
9. Budget and submissions presented to Council for adoption	August
10. Copy of adopted budget submitted to the Minister	August

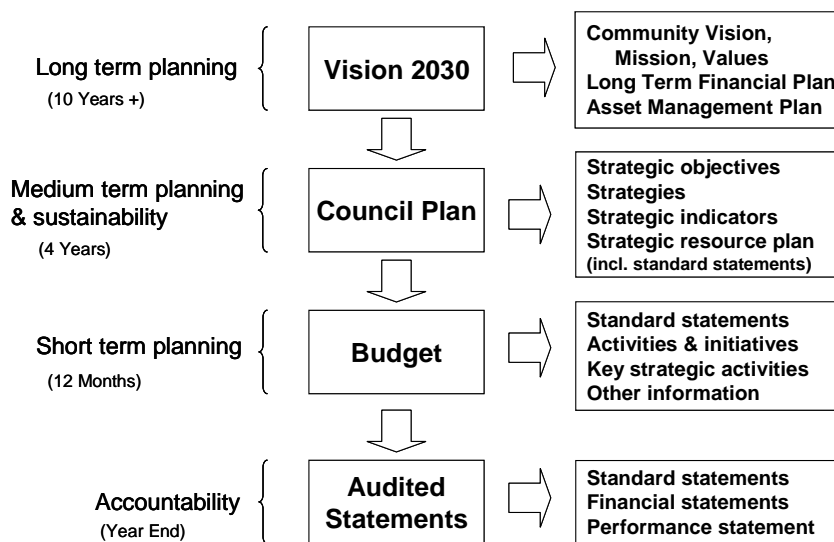


# 1 LINKAGE TO THE COUNCIL PLAN

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term, medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Audited Statements).

## 1.1 Strategic planning framework

The Strategic Resource Plan, included in the Council Plan summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the activities and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the strategic planning framework of Council.



The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year by February to ensure that there is sufficient time for officers to develop their Activities and Initiatives and Key Strategic Activities in draft form prior to the commencement of the Annual Budget process in March. It also allows time for targets to be established during the Strategic Resource Planning process to guide the preparation of the Annual Budget.

## 1.2 Our purpose

### Our vision

In consultation with our community, Yarriambiack Shire Council will provide viable and sustainable services through strong and proactive leadership

### Our mission

- Yarriambiack Shire Council will combine strategic planning and prudent management to ensure a positive and sustainable future.

As an innovative and accountable organisation, Yarriambiack Shire Council will promote vibrant democracy and provide high-quality services.

## Our values

### Customer Service

- Treat all our customers with courtesy and respect;
- Lead and develop leadership within our community;
- Constantly strive to improve our services;
- Forge closer relationship with customers;
- Investigate matters thoroughly and objectively;
- Keep our customers informed, in plain language, about the process and outcome;
- Treat people fairly and equitable, with respect and have proper regard for their rights;
- Make decisions lawfully, fairly, impartially, and in the public interest;
- We are honest, trustworthy and reliable in our dealings;
- We are careful, conscientious and diligent;
- Use public resources economically and efficiently; and
- Actively pursue positive outcomes for the community.

### Continuous Improvement

- We strive to provide continuous and sustainable improvement in service provision, operational efficiency and stakeholder relations to create a leading organization.

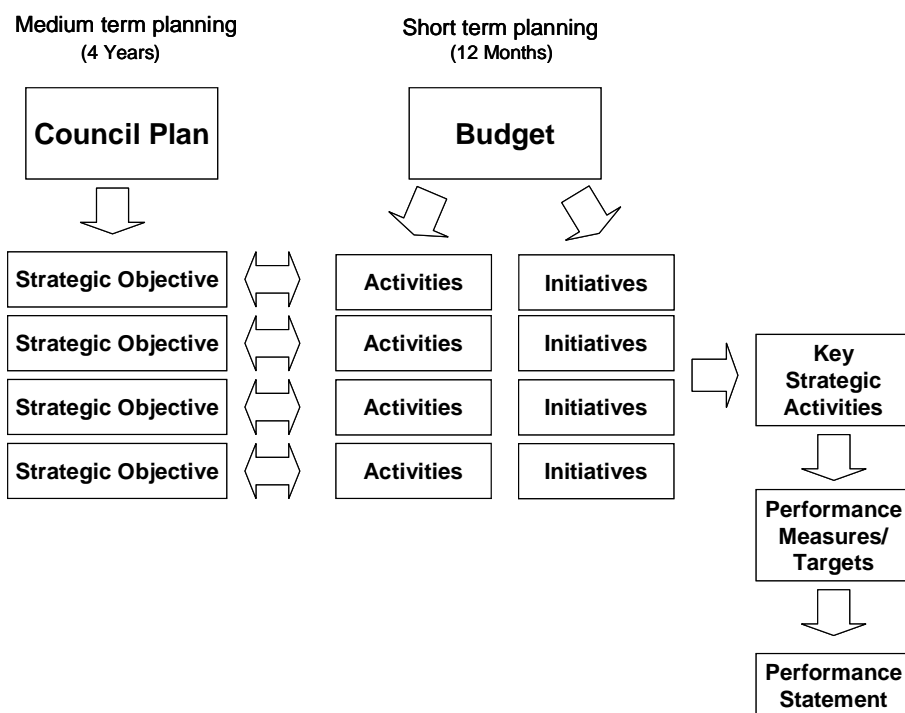
## 1.3 Strategic objectives

The Council delivers activities and initiatives under 34 major service categories. Each contributes to the achievement of one of the six Strategic Objectives as set out in the Council Plan for the years 2010-14. The following table lists the six Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
1. Overall Performance	Work to improve the quality of life for our residents. Work to ensure that social and cultural services are tailored to meet specific local needs and strive to stimulate the municipalities' economic viability.
2. Leadership and Advocacy	Maintain an understanding of issues of local importance and provide leadership in tackling them. Where appropriate, advocate on behalf of our community and ensure that our community is represented in debates which affect us.
3. Community Engagement	Communicate clearly with the community and consult in a meaningful and appropriate way. Increasingly encourage residents and other stakeholders to participate in Council decision making.
4. Responsiveness to enquiries and requests	To provide a positive and responsive attitude to the community in relation to enquiries and to be accountable for following up requests
5. Financial Management	Take seriously its responsibility as the custodian of community resources. Commit to achieving maximum benefit for the community from all our resources while taking care of our natural environment.
6. Provide Appropriate Services	Deliver high quality value for money services in areas that are important to the community and involve the community in determining and evaluating their performance on an ongoing basis.

## 2. ACTIVITIES, INITIATIVES AND KEY STRATEGIC ACTIVITIES

This section provides a description of the activities and initiatives to be funded in the Budget for the 2010/11 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of key strategic activities and performance targets and measures in relation to these. The relationship between these components of the Budget and the Council Plan is shown below.



### 2.1 Strategic Objective 1: Overall Performance

To achieve our objective of Overall Performance, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

#### Activities

Activity	Description	Net Cost (Revenue) \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	<b>Included Below</b>

#### Initiatives

- Council to promote a positive image of Council and its activities.
- Departments to identify continuous improvement and innovation.
- Develop Environmental policy for Council to apply to all operations.
- Encourage multi use of facilities.

## Key strategic activities

Strategic Activity	Performance Measure	Performance Target
To promote awareness of Council activities and services	Local Government Victoria Annual Community Satisfaction rating for overall performance generally of the Council.  Direct and indirect feedback for community engagement plan.	≥ 65%

## 2.2 Strategic Objective 2: Leadership and Advocacy

To achieve our objective of Leadership and Advocacy, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

### Activities

Activity	Description	Net Cost (Revenue) \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	547
Councillor Expenses	The costs collected for this service relate to the direct costs of maintaining Councillors corporate responsibilities for Council. This includes the costs associated with meetings, consultants, legal, elections and internal audit activities of Council.	27
General Council Expenses	The costs collected for this service relate to the general costs of running the Council. This includes the costs associated with public liability insurance, publications and subscriptions to Municipal Association of Victoria (MAV) and other professional bodies	115

### Initiatives

- Advocate to state government for transportation of mineral sands via rail.
- Advocate strongly on issues of concern to the community and promote these activities.
- Pursue funding for construction and upgrade of community infrastructure including recreational facilities.
- Advocate for increased funding for rural kindergartens, library services and meals on wheels.
- Advocate for state and federal sources of income to fund Councils' infrastructure renewal gap.
- Promote against cost and responsibility shifting to Local Government.

## Key strategic activities

Strategic Activity	Performance Measure	Performance Target
Providing leadership and advocacy on key shire issues	Local Government Victoria Annual Community Satisfaction rating for advocacy and representation on key local issues.  Direct and indirect feedback for community engagement plan.	≥ 67%

### 2.3 Strategic Objective 3: Community Engagement

To achieve our objective of Community Engagement, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

#### Activities

Activity	Description	Net Cost (Revenue) \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	<b>Included Above</b>

#### Initiatives

- Develop community progress associations and consultative committees and individuals to review and comment on Council issues.
- Undertake analysis of annual Customer Satisfaction Survey and undertake actions as required.

## Key strategic activities

Strategic Activity	Performance Measure	Performance Target
To engage appropriate interest groups and individuals on specific issues	Local Government Victoria Annual Community Satisfaction rating in decision making on key issues  Direct and indirect feedback for community engagement plan.	≥ 63%

### 2.4 Strategic Objective 4: Responsiveness to Enquiries and Requests

To achieve our objective of Responsiveness to Enquiries and Requests, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

## Activities

Activity	Description	Net Cost (Revenue) \$'000
Information Services	This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way.	328
Customer Service and Administration Staff and Municipal Offices	This service provides Council with strategic and operational organisation development support. It present and services meeting rooms and function venues for Council use. It also provides a customer interface for an increasing number of service units and a wide range of transactions. The service is delivered through three customer service centres, a free call number and an emergency after hours service.	864

## Initiatives

- Provide an appropriate customer service system
- Advocate for improved health services for the Shire

## Key strategic activities

Strategic Activity	Performance Measure	Performance Target
To be responsive and accountable to the local community	Local Government Victoria Annual Community Satisfaction rating for Council's interaction and responsiveness in dealing with the public  Direct and indirect feedback from community engagement plan	≥73

## 2.5 Strategic Objective 5: Financial Management

To achieve our objective of Financial Management, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

## Activities

Activity	Description	Net Cost (Revenue) \$'000
Director, Contracts, Design and Asset Management	This area includes the Director and Council Officers and associated costs of supporting these positions.	819

Activity	Description	Net Cost (Revenue) \$'000
Accounting and Finance	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, payments of salaries and wages to Council employees, procurement and contracting of services, raising and collection of rates and charges and valuation of properties throughout the municipality.	556
Financing Costs	This service includes payment to external audit, interest received or paid on investments and loans.	(363)

#### Initiatives

- Continue bi-monthly meetings of Asset Management Working Group to facilitate completion of STEP program.
- Consider the financial effects of Council decisions on future generations.
- Develop a Long Term Financial Plan.

#### Key strategic activities

Strategic Activity	Performance Measure	Performance Target
Achieve the budgeted operating result	The difference between the budgeted operating result and the actual operating result for the financial year.	> \$0
Complete the capital works program	The proportion of budgeted Capital Works projects completed at the conclusion of the financial year.	100%

## 2.6 Strategic Objective 6: Provide Appropriate Services

To achieve our objective of providing appropriate services, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The activities and initiatives for each service category and key strategic activities is described below.

#### Activities

Activity	Description	Net Cost (Revenue) \$'000
Law, Order and Public Safety	This service provides support services including fire prevention, animal control, local laws and emergency services.	175
Health, Education Housing	This service provides family oriented support services including kindergartens, maternal & child health, counselling & support, immunization, holiday programs and health & safety.	367

<b>Activity</b>	<b>Description</b>	<b>Net Cost (Revenue) \$'000</b>
Welfare	This service provides a range of services for the family, aged and disabled including home delivered meals, personal care, community transport, dementia care, home maintenance and senior citizens clubs.	<b>269</b>
Community & Economic Development	The service provides a range of services that facilitates an environment that is conducive to sustainable and growing local residential and business sectors. The services include town planning, economic development and building control.	<b>263</b>
Tourism & Area Promotion	This service provides a range of services that facilitates the tourist industry, and the cleaning and maintenance of the tourist centre, caravan parks and public toilets.	<b>197</b>
Public Halls	This service provides for the contributions and insurance for public halls.	<b>15</b>
Library Services	This service provides the contribution to a regional library corporation for the provision of mobile and static services throughout the Shire.	<b>224</b>
Other Heritage & Culture	This service provides a range of services that facilitates the maintenance and development of museums, other heritage buildings and cultures for the enjoyment of future generations.	<b>131</b>
Passive Recreation	This service provides for the maintenance of public parks and gardens.	<b>135</b>
Active Recreation	This service provides for the contributions and maintenance of indoor and outdoor sporting complexes, clubs, amenities and recreation officer.	<b>288</b>
Swimming Areas & Beaches	This service provides for the contributions and maintenance of swimming pools as well as the contribution to the weir pools.	<b>148</b>
Saleyard	This service is responsible for the management and maintenance of the Warracknabeal Municipal Saleyard.	<b>(1)</b>
Roads, Streets & Footpaths	This service provides ongoing construction and maintenance for VicRoads as well as the maintenance of the Council's roads, drains and footpaths.	<b>4,612</b>



Activity	Description	Net Cost (Revenue) \$'000
Street Cleaning, Lighting & Beautification	This service provides for the cleaning, lighting and beautification of Council's streets	716
Other Transport Services	This service provides for the works crew administration and plant operations as well as any private works.	176
Waste Management and Environment Services	This service is responsible for garbage, transfer stations, septic tanks, kerbside recycling and landcare operations of Council	685

### Initiatives

- Review and renewal of municipal Early Years Plan following early years review.
- Implementation of We Can 2 project to connect youth within their communities.
- Plan to upgrade amenities blocks at Hopetoun and Murtoa swimming pools.
- Support redevelopment of Warracknabeal Town Hall.
- Classification of reseal preparation works as a capital expenditure item.
- Provision of rural kerbside recycling.

### Key strategic activities

Strategic Activity	Performance Measure	Performance Target
Providing appropriate services to meet community needs in an effective manner	Local Government Victoria Annual Community Satisfaction rating for overall performance in key areas and responsibilities.  Client satisfaction rating for education, care and health services. Direct and indirect feedback from community engagement plan  Timely completion of annual capital works program which will be reported to Council  Work towards sustainable long term financial viability which will be reported to Council  Review of roads and footpath hierarchy which will be reported to Council  Implement and review asset management plans which will be reported to Council  Development of Environmental / Sustainability Policy which will be reported to Council  Implementation of action plans and periodic review of Environmental / Sustainability Policy which will be reported to Council	≥ 62%

## 2.7 Performance Statement

The Key Strategic Activities (KSA) detailed in the preceding pages, are summarised again in Appendix D. The KSA's, their performance measures, targets and results are audited at the end of the year and are included in the Performance Statement as required by section 132 of the Act. The Annual Report for 2010/11 will include the audited Performance Statement which is presented to the Minister for Local Government and the local community.

## 2.8 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Leadership and Advocacy	689	689	0
Community Engagement	0	0	0
Responsiveness to Enquiries	1,192	1,225	33
Financial Management	1,012	1,515	503
Provide Appropriate Services			
Community Services	811	2,556	1,745
Future Development	460	1,113	653
Community Facilities	1,181	1,729	548
Transport	7,265	9,919	2,654
Waste Management	685	1,497	812
<b>Total activities and initiatives</b>	<b>13,295</b>	<b>20,243</b>	<b>6,948</b>
Other non-attributable	0		
<b>Deficit before funding sources</b>	<b>13295</b>		
Rates and charges	7190		
Grants Commission	4136		
Capital grants	2002		
<b>Total funding sources</b>	<b>13328</b>		
<b>Surplus for the year</b>	<b>33</b>		

### **3. BUDGET INFLUENCES**

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

#### **3.1 Snapshot of Yarriambiack Shire Council**

Yarriambiack Shire Council is located in the north west of Victoria. The Council, covering an area of 7,158 square kilometres, comprises the former shires of Karkaroc, Warracknabeal, Dunmunkle and part of the former Wimmera Shire. At the time of amalgamation in 1995, the newly formed Council adopted the official name of Yarriambiack Shire Council.

##### **Population**

In June 2001, the resident population of the Shire was 8,311 people. In the 8 years from 2001 to 2009, the population dropped by about 630 with the population still in decline. (Source: Australian Bureau of Statistics, Estimated Resident Population).

##### **Ageing population**

The population is ageing and the Council has a greater proportion of older people than the Victorian average however the age profile is similar to the rural shire average (Source: Australian Bureau of Statistics, Census of Population and Housing).

##### **Births**

Despite an ageing population, approximately 75 babies have been born each year since 2005. In the 2009/10 financial year 70 babies were born in the municipality. (Source: Maternal and Child Health database).

##### **Agriculture**

The Yarriambiack Shire Council is the centre of grain production and handling for the Wimmera Mallee region and produces approximately 25% of Victoria's wheat and barley. Legumes, oilseed crops, lambs and wool are also significant products and agriculture as a whole provides the area with a major source of income and employment. As a result of not only severe and extremely dry conditions over the past decade, three drought years out of the last five being experience, and the potential for a locust and mice plague, the economic health of the region has been severely impacted.

##### **Budget implications**

As a result of the Council's demographic profile there are a number of budget implications in the short and long term as follows:

- The Yarriambiack Shire Council encompasses a large area and this greatly increases transport costs when compared to city Councils. Services cannot be centralised as most residents are unable to reach Council facilities without extensive travel
- Over 13% of ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community.
- Over 63% of capital works relate to road infrastructure and over 46% of the Council's net activities cost.
- A large majority of our rate payments are derived from the farming community. With the ongoing dry conditions being experienced within our Shire, over 17% of ratepayers are entitled to the "exceptional circumstances" rebate. As with many farming communities, farmers are asset rich but income poor and the adoption of significant rate increases would have a significant impact on the disposable income of a significant proportion of our community.

#### **3.2 External influences**

In preparing the 2010/11 budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Consumer Price Index (CPI) increases on goods and services of 2.3% per annum (ABS release 27 January 2010). State-wide CPI is projected to be 2.5% for the 2010/11 year (Victorian Budget Papers 2010/11)
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to November 2009 was 5.7% (ABS release 15 November 2009). Wages growth in Victoria is projected to be 4.0% per annum over the next four years (Victorian Budget Papers 2010/11). Council must renegotiate a new Collective Agreement during the 2010/11 year
- The 'Road Maintenance and Construction' Index prepared by the Bureau of Transport and Regional Services and the 'ABS Non-Residential Building' Index have been running at 5.0% and 4.0% respectively (MAV Local Government Cost Index Report, June 2009)
- Receipt of significant capital works funding for the completion of Roads to Recovery projects
- The requirement for the supply of fire hydrants for the Wimmera Pipeline
- Additional fuel costs of as a result of a significant increase in world oil prices and the subsequent impact on local fuel suppliers
- Prevailing economic conditions which are expected to remain difficult during the budget period impacting investment interest rates.

### **3.3 Internal influences**

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2010/11 Budget. These matters have arisen from events occurring in the 2009/10 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2010/11 year. These matters and their financial impact are set out below:

- Storm damage totaling \$0.80 million unexpended at the end of the 2009/10 year which will be carried forward in the 2010/11 budget.
- Infrastructure projects being carried forward in the 2010/11 budget such as the Rupanyup Recreation Reserve redevelopment.

### **3.4 Budget principles**

In response to these influences, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their budgets. The principles included:

- Existing fees and charges to be increased in line with CPI or market levels
- Grants to be based on confirmed funding levels
- New revenue sources to be identified where possible
- Service levels to be maintained at 2009/10 levels with the aim to use less resources with an emphasis on innovation and efficiency
- Salaries and wages to be increased in line with Average Weekly Earnings
- Contract labor to be minimized
- Construction and material costs to increase in line with the Road Maintenance and Construction Index
- New initiatives or new employee proposals which are not cost neutral to be justified through a business case
- Real savings in expenditure and increases in revenue identified in 2009/10 to be preserved
- Operating revenues and expenses arising from completed 2009/10 capital projects to be included.

### **3.5 Legislative requirements**

Under the Local Government Act 1989 (the Act), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government (Finance and Reporting) Regulations 2004 (the Regulations) which support the Act.

The 2010/11 budget, which is included in this report, is for the year 1 July 2010 to 30 June 2011 and is prepared in accordance with the Act and Regulations. The budget includes standard statements

being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2011 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2010/11 to 2013/14 (section 8.), Rating Strategy (section 9.) and Other Long Term Strategies (section 10.) including borrowings, infrastructure and service delivery.

## 4. ANALYSIS OF OPERATING BUDGET

This section analyses the operating budget including expected revenues and expenses of the Council for the 2010/11 year.

### 4.1 Budgeted operating statement

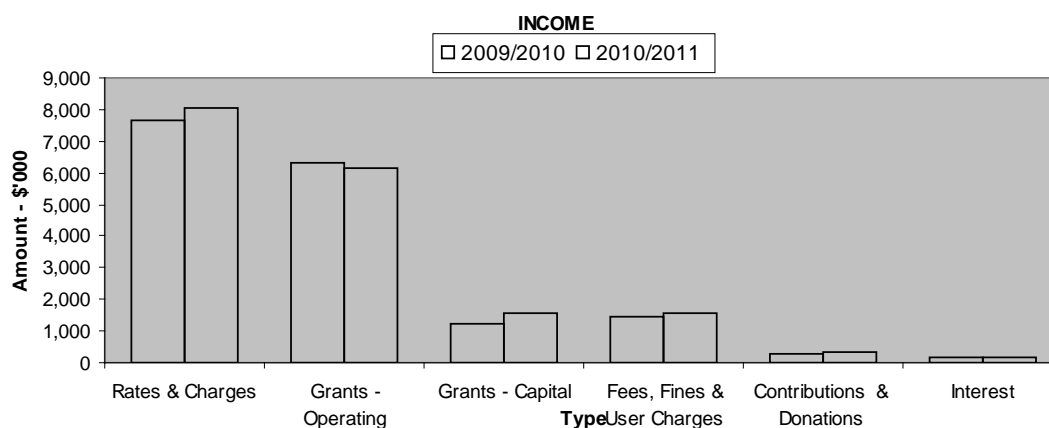
	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Operating revenue	4.2	17,138	17,825	687
Operating expenditure	4.3	(16,347)	(17,952)	(1,605)
Net gain on disposal of property, infrastructure, plant and equipment	4.2.8	42	160	118
<b>Surplus (deficit) for the year</b>		<b>833</b>	<b>33</b>	<b>(800)</b>
Net gain on disposal of property, infrastructure, plant and equipment	4.2.8	(42)	(160)	(118)
Grants – Capital	4.2.6	(1,830)	(1,329)	501
<b>Underlying surplus (deficit)</b>	4.1.1	<b>(1,039)</b>	<b>(1,456)</b>	<b>(417)</b>

#### 4.1.1 Underlying deficit (\$417,000 increase)

The underlying result is the net surplus or deficit for the year adjusted for capital contributions, gains or losses on disposal of non-operating assets sold and other once-off adjustments. It is a measure of financial sustainability as it is not impacted by non-recurring or once-off items of revenues and expenses which can often mask the operating result. The underlying result for the 2010/11 year is a deficit of \$1.46 million which is an increase of \$417,000 over the 2009/10 year.

### 4.2 Operating revenue

Revenue Types	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
Rates and charges	4.2.1	7,637	8,073	436
User charges, fees & fines	4.2.2	1,453	1,549	96
Contributions & Donations	4.2.3	299	325	26
Grants - Operating	4.2.4	6,341	6,149	(192)
Grants - Capital	4.2.5	1,214	1,554	340
Other revenue	4.2.6	194	177	(17)
<b>Total operating revenue</b>		<b>17,138</b>	<b>17,827</b>	<b>689</b>



Source: Appendix A

#### 4.2.1 Rates and charges (\$436,000)

It is proposed that general rate income be increased by 6.0% or \$436,000 over 2009/10 to \$8.07 million. Section 9. "Rating Strategy" includes a more detailed analysis of the rates and charges to be levied for 2010/11.

#### 4.2.2 User charges, fees and fines (\$96,000)

User charges, fees and fines relates mainly to the recovery of service delivery costs through the charging of fees and fines to users of Council's services. These include Vic Roads, health, planning, building, animal control fees and fines, the use of leisure and other community facilities and the provision of human services such as kindergartens and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

A detailed listing of fees and charges is available on Council's web site and can also be inspected at Council's customer service centres.

#### 4.2.3 Contributions and Donations (\$26,000 increase)

Contributions relate to monies paid by various interested parties for services provided by Council and community capital works projects..

Contributions are projected to increase by \$26,000 or 8.7% compared to 2009/10 due mainly to the completion of a number of major capital projects within the municipality during the 2009/10 year.

#### 4.2.5 Grants - Operating (\$192,000 decrease)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards their costs. Overall, the level of operating grants has decreased by 3% or \$192,000 compared to 2009/10. Specific operating grants have increased by 13.0% or \$0.73 million overall since last year. Significant movements in grant funding are summarised below:

Grant Funding Types	Forecast	Budget	Variance
	Actual 2009/10 \$'000	2010/11 \$'000	\$'000
Environmental Strategy	40	0	(40)
Heritage Victoria	35	0	(35)
Preschool Grants	400	288	(112)

#### 4.2.6 Grants - Capital (\$340,000 increase)

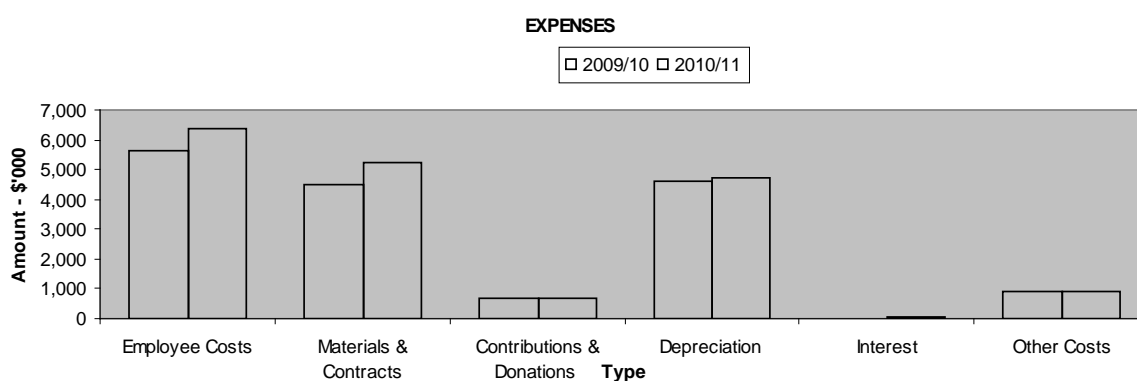
Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by 28% or \$340,000 compared to 2009/10 due mainly to specific funding for some large capital works projects. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2010/11 year.

#### 4.2.7 Interest (\$18,000 decrease)

Includes interest revenue on investments and rate arrears. Interest on unpaid rates is forecast to remain static while the reduction working capital combined with the economic downturn and therefore lower interest rates will results in less interest earned on investments.

### 4.3 Operating expenditure

Expenditure Types	Ref	Forecast	Budget	Variance
		Actual 2009/10 \$'000	2010/11 \$'000	\$'000
Employee benefits	4.3.1	5,651	6,395	744
Materials and Contracts	4.3.2	4,505	5,246	741
Contributions and Donations	4.3.3	688	667	(21)
Depreciation and amortisation	4.3.4	4,606	4,698	92
Finance costs	4.3.5	14	34	20
Other expenses	4.3.6	883	912	29
<b>Total operating expenditure</b>		<b>16,347</b>	<b>17,952</b>	<b>1,605</b>



Source: Appendix A

#### 4.3.1 Employee benefits (\$744,000 increase)

Employee benefits include all labor related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc. It also includes the employer costs such as workcare premiums, training, conferences and occupational health and safety expenses. A proportion of employee costs are used for capital works.

Employee costs are forecast to increase by 13.2% or \$744,000 compared to 2009/10. This increase relates to three key factors:

- Employment of staff who are externally funded or have been contracted.
- Review of bandings;
- Council's Enterprise Bargaining Agreement (EBA) annual increase

Employment benefits forecasts in the 2009/10 financial year are lower than budget due to several budgeted positions not been filled.

#### 4.3.2 Materials and Contracts (\$741,000 increase)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to increase by 16.46% or \$741,000 compared to 2009/10.

Fuel is forecast to increase by \$135,000 or 22.6% compared to 2009/10 and relates mainly to an increase in fuel costs to operate the Council's plant and vehicle fleet as a result of significant increases in diesel and petrol prices.

External consultants are forecast to increase by 60.3% or \$169,140 compared to 2009/10. This increase is due mainly to the commencement of the Heritage Study of \$85,000 and \$30,000 allocated for consultants in the SHARE program.

#### 4.3.3 Contributions and Donations (\$21,000 decrease)

Contributions and donations is projected to decrease by \$21,000 or 3% compared to 2009/10 due mainly to reduced Council contributions towards community projects generated by sport and



recreation grants. Contributions towards community operations have been increased in line with Council policy.

#### **4.3.4 Depreciation and amortisation (\$92,000 increase)**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$92,000 for 2010/11 is due mainly to the completion of the 2010/11 capital works program and the full year effect of depreciation on the 2009/10 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2010/11 year.

#### **4.3.5 Finance costs (\$20,000 increase)**

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The increase in borrowing costs results from the increase in borrowings due to repayment of principal in accordance with loan agreements.

#### **4.3.6 Other expenses (\$29,000 increase)**

Other expenses relate to a range of unclassified items including advertising, insurances, subscriptions, audit fees and other miscellaneous expenditure items. Other expenses are forecast to increase by 3.3% or \$29,000 compared to 2009/10.

## 5. ANALYSIS OF BUDGETED CASH POSITION

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2010/11 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

### 5.1 Budgeted cash flow statement

	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	5.1.1			
Receipts from Ratepayers		7,644	8,104	460
Receipts from Clients and Customers		1,731	1,911	180
Payment for Employee Costs		(5,704)	(6,282)	(578)
Payment for Suppliers		(6,767)	(7,453)	(686)
		<b>(3,096)</b>	<b>(3,720)</b>	(624)
Government Grants and Contributions		7,748	8,008	260
Interest Received		226	177	(49)
Interest		46	34	(12)
		<b>8,020</b>	<b>8,219</b>	199
<b>Net cash provided by operating activities</b>		<b>4,924</b>	<b>4,499</b>	(425)
<b>Cash flows from investing activities</b>	5.1.2			
Proceeds from sales of property, plant and equipment		283	446	163
Repayment of loans and advances		120	70	(50)
Payments for property, plant and equipment		(4,933)	(5,983)	(1,050)
<b>Net cash used in investing activities</b>		<b>(4,530)</b>	<b>(5,467)</b>	(937)
<b>Cash flows from financing activities</b>	5.1.3			
Proceeds from borrowings		90	0	(90)
Repayment of borrowings		(151)	(100)	51
<b>Net cash used in financing activities</b>		<b>(61)</b>	<b>(100)</b>	(39)
<b>Net decrease in cash and cash equivalents</b>		<b>333</b>	<b>(1,067)</b>	(1,401)
Cash and cash equivalents at the beginning of the period		6,045	6,378	(333)
<b>Cash and cash equivalents at end of the year</b>	5.1.4	<b>6,378</b>	<b>5,311</b>	(1,067)

Source: Appendix A

#### 5.1.1 Operating activities (\$425,000 decrease)

The decrease in cash inflows from operating activities is due mainly to a \$578,000 increase in employee costs and a \$686,000 increase in payments to suppliers.

The net cash flows from operating activities does not equal the operating result for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded

from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

### 5.1.2 Investing activities (\$937,000 decrease)

The increase in payments for investing activities represents the planned increase in capital works expenditure disclosed in section 10 of this budget report. Proceeds from sale of assets are forecast to increase by \$163,000 due to sales achieved during 2009/10.

### 5.1.3 Financing activities (\$39,000 decrease)

Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to organizations. These payments also include repayment of the principal component of loan repayments for the year. For 2010/11 the total of principal repayments is \$100,000.

### 5.1.4 Cash and cash equivalents at end of the year (\$1.07 million decrease)

Overall, total cash and investments is forecast to decrease by \$1.07 million to \$5.31 million as at 30 June 2011, reflecting Council's strategy of using excess cash and investments to enhance and renew existing infrastructure.

## 5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June, 2011 it will have cash and investments of \$5.31 million, which has been restricted as shown in the following table.

	Ref	Forecast		
		Actual 2010 \$'000	Budget 2011 \$'000	Variance \$'000
<b>Total cash and investments</b>		<b>6,378</b>	<b>5,311</b>	<b>(1,067)</b>
Restricted cash and investments				
- Discretionary reserves	5.2.1	15	15	0
- Long service leave	5.2.2	777	800	23
Unrestricted cash and investments	5.2.3	5,586	4,496	(1090)

### 5.2.1 Discretionary reserves (\$15,000)

These funds are available for whatever purpose Council decides is their best use. In this case \$15,000 has been put aside for use on the aerodromes. Council has made decisions regarding the future use of these funds and unless there is a Council resolution, these funds should be used for those earmarked purposes. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

### 5.2.3 Long service leave (\$800,000)

These funds are separately identified as restricted to ensure there are sufficient funds to meet Council's obligations as set out in the Local Government (Long Service Leave) Regulations 2002.

### 5.2.3 Unrestricted cash and investments (\$4.50 million)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants, contributions or carried forward capital works. A high level of unrestricted cash and investments is required as 75% of Council's rate revenue is not received until February each year.

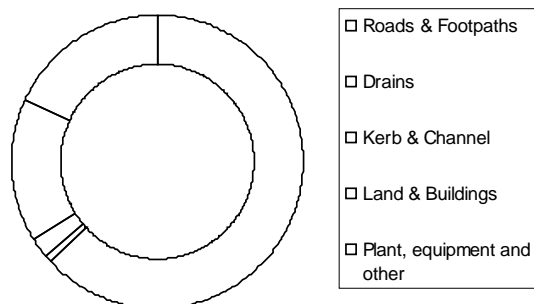
## 6. ANALYSIS OF CAPITAL BUDGET

This section analyses the planned capital expenditure budget for the 2010/11 year and the sources of funding for the capital budget.

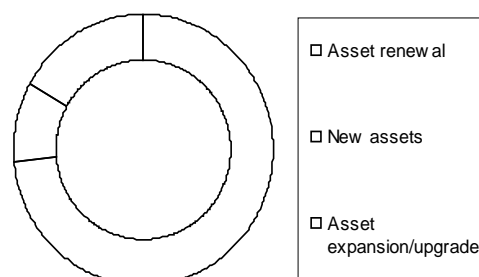
### 6.1 Capital works

Capital Works Areas	Ref	Forecast	Budget	Variance
		Actual 2009/10 \$'000	2010/11 \$'000	\$'000
<b>Works carried forward</b>				
Land & Buildings	6.1.1	0	296	296
<b>Total works carried forward</b>		<b>0</b>	<b>296</b>	<b>296</b>
<b>New works</b>				
Roads & Footpaths	6.1.2	3,037	3,667	630
Drains	6.1.3	65	60	(5)
Kerb & Channel	6.1.4	132	126	(6)
Land & Buildings	6.1.5	775	915	140
Plant, equipment and other	6.1.6	1,129	1,056	(73)
<b>Total new works</b>		<b>5,138</b>	<b>5,824</b>	<b>686</b>
<b>Total capital works</b>		<b>5,138</b>	<b>6,120</b>	<b>982</b>
<b>Represented by:</b>				
Asset renewal	6.1.7	4,187	4,509	147
New assets	6.1.7	298	575	452
Asset expansion/upgrade	6.1.7	653	1,036	383
<b>Total capital works</b>		<b>5,138</b>	<b>6,120</b>	<b>982</b>

Budgeted New Capital Works 2010/11



Budgeted Total Capital Works 2010/11



Source: Appendix A. A more detailed listing of the capital works program is included in Appendix C.

### **6.1.1 Carried forward works (\$296,000)**

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2009/10 year it is forecast that \$296,000 of capital works will be incomplete and be carried forward into the 2010/11 year. The project which will not be completed at the end of the financial 2009/10 financial year is the redevelopment of the Rupanyup Recreation Reserve pavilion.

### **6.1.2 Roads & Footpaths (\$3.67 million)**

Roads includes local roads, car parks, footpaths, bridges and culverts.

For the 2010/11 year, \$3.67 million will be expended on road projects. The more significant projects include local road reconstructions (\$1.47 million) which includes federally funded Roads to Recovery projects (\$971,000) and Roads to Market funding (\$235,000) road resheeting (\$850,000), shoulder resheeting (\$245,000), road resealing and preparation (\$870,000), and footpaths (\$214,000).

### **6.1.3 Drains (\$60,000)**

Drains includes drains in road reserves.

For the 2010/11 year, \$60,000 will be expended on drainage projects. The most significant project will be the Rupanyup outfall drain (\$46,000).

### **6.1.4 Kerb & Channel (\$126,000)**

Kerb & channel includes kerb and channeling in town streets

For the 2010/11 year, \$126,000 will be expended on kerb and channel projects. The most significant project includes the kerb and channel replacement works in Breen Street Murota (\$126,000).

### **6.1.5 Land & Buildings (\$915,000 million)**

Buildings include community facilities, municipal offices, sports facilities and pavilions.

For the 2010/11 year, \$915,000 will be expended on building projects. The more significant projects includes development of the Warracknabeal Industrial Estate (\$180,000), Hopetoun Swimming Pool upgrade (\$250,000), replacement of water treatment system at Rupanyup Swimming Pool (\$70,000), and redevelopment of Warracknabeal Tourist Centre precinct (\$40,000)

### **6.1.6 Plant, equipment and other (\$1.06 million)**

Plant, equipment and other includes information technology, motor vehicles and plant.

For the 2010/11 year, \$1.06 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$939,000), and upgrade and replacement of information technology (\$67,000).

### **6.1.7 Asset renewal (\$4.51 million), new assets (\$575,000), and expansion/upgrade (\$1.04 million)**

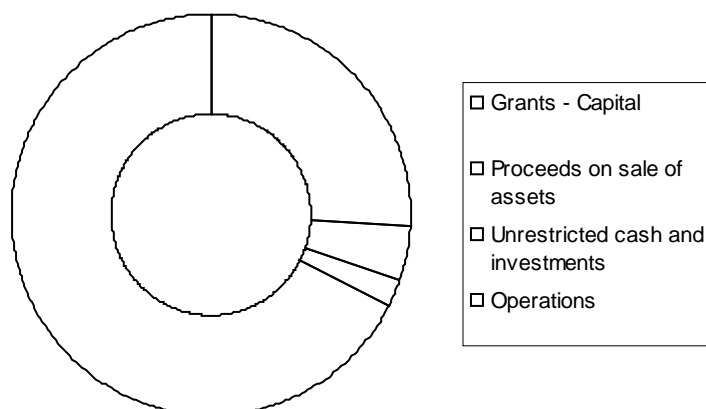
A distinction is made between expenditure on new assets, expenditure on asset renewal and expansion/upgrade. Expenditure on asset renewal is expenditure on an existing asset, which improves the service potential or the life of the asset. Expenditure on new assets does not have any element of expansion/upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

The major projects included in the above categories, which constitute expenditure on new assets, are the development of the Warracknabeal Industrial Estate (\$180,000) and footpath works (\$110,000). The remaining capital expenditure represents renewals and expansion/upgrades of existing assets.

## 6.2 Funding sources

Sources of Funding	Ref	Forecast Actual 2009/10 \$'000	Budget 2010/11 \$'000	Variance \$'000
<b>Works carried forward</b>				
<i>External</i>				
Grants - Capital	6.2.1	0	296	296
<b>Total works carried forward</b>		<b>0</b>	<b>296</b>	296
<b>New works</b>				
<i>External</i>				
Grants - Capital	6.2.2	1,214	1,499	285
Proceeds on sale of assets	6.2.3	283	266	(17)
		<b>1,497</b>	<b>1,765</b>	268
<i>Internal</i>				
Unrestricted cash and investments	6.2.4	898	120	(778)
Operations	6.2.5	2,743	3,939	1,196
		<b>3,641</b>	<b>4,059</b>	418
<b>Total new works</b>		<b>5,138</b>	<b>5,824</b>	686
<b>Total funding sources</b>		<b>5,138</b>	<b>6,120</b>	982

Budgeted Total Funding Sources 2010/11



Source: Appendix A

### 6.2.1 Carried forward works (\$296,000)

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2009/10 year it is forecast that \$296,000 of capital works for the Rupanyup Recreation reserve will be incomplete and be carried forward into the 2010/11 year.

### 6.2.2 Grants - Capital (\$1.50 million)

Capital grants and contributions include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for Roads to Recovery projects (\$0.97 million), and for Roads to Market projects (\$235,000)

### 6.2.3 Proceeds from sale of assets (\$266,000)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$266,000.

#### **6.2.5 Unrestricted cash and investments (\$120,000)**

Council has uncommitted cash and investments which represent unrestricted cash and investments and funds preserved from the previous year mainly as a result of grants and contributions being received in advance. It is forecast that \$120,000 will be available from the 2009/10 year to fund new capital works in the 2010/11 year.

#### **6.2.5 Operations (\$3.94 million)**

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$3.94 million will be generated from operations to fund the 2010/11 capital works program. Refer to section 5 'Budgeted Cash Position' for more information on funds from operations.

## 7. ANALYSIS OF BUDGETED FINANCIAL POSITION

This section analyses the movements in assets, liabilities and equity between 2009/10 and 2010/11. It also considers a number of key performance indicators.

### 7.1 Budgeted balance sheet

	Ref	Forecast Actual 2010 \$'000	Budget 2011 \$'000	Variance \$'000
<b>Current assets</b>	7.1.1			
Cash and cash equivalents		6,378	5,311	(1,067)
Trade and other receivables		687	713	26
Financial assets		270	378	108
Other assets		415	447	32
<b>Total current assets</b>		<b>7,750</b>	<b>6,849</b>	(901)
<b>Non-current assets</b>	7.1.1			
Trade and other receivables		252	178	(74)
Investments – Library		275	275	0
Property, infrastructure, plant and equipment		112,066	113,835	1,769
<b>Total non-current assets</b>		<b>112,593</b>	<b>114,288</b>	1,695
<b>Total assets</b>		<b>120,343</b>	<b>121,137</b>	764
<b>Current liabilities</b>	7.1.2			
Trade and other payables		1,197	1,231	34
Interest-bearing loans and borrowings		151	100	(51)
Provisions		1,648	1,724	76
<b>Total current liabilities</b>		<b>2,996</b>	<b>3,055</b>	59
<b>Non-current liabilities</b>	7.1.2			
Interest-bearing loans and borrowings		205	105	(100)
Provisions		295	297	2
<b>Total non-current liabilities</b>		<b>500</b>	<b>402</b>	(98)
<b>Total liabilities</b>		<b>3,496</b>	<b>3,457</b>	40
<b>Net assets</b>	7.1.3	<b>116,847</b>	<b>117,680</b>	833
<b>Equity</b>	7.1.4			
Accumulated surplus		66,229	66,262	33
Asset revaluation reserve		50,618	51,418	800
<b>Total equity</b>		<b>116,847</b>	<b>117,680</b>	833

Source: Appendix A

#### 7.1.1 Current Assets (\$0.90 million decrease) and Non-Current Assets (\$1.70 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$1.07 million during the year mainly to fund the capital works program during the year.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget. Long term debtors (non current) relating to loans to community organisations will reduce by \$74,000 in accordance with agreed repayment terms.



Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by the Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$5.82 million of new assets), depreciation of assets (\$4.70 million) and the sale through sale of property, plant and equipment.

#### **7.1.2 Current Liabilities (\$59,000 increase) and Non Current Liabilities (\$98,000 decrease)**

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2009/10 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are only expected to increase marginally due to more active management of entitlements despite factoring in an increase for Collective Agreement outcomes.

Interest-bearing loans and borrowings are borrowings of Council. The Council is budgeting to repay loan principal of \$151,000 over the year.

#### **7.1.3 Net Assets (\$0.83 million increase)**

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June.

The increase in net assets of \$0.83 million results directly from the operating surplus.

#### **7.1.4 Equity (\$0.83 million increase)**

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

## **7.2 Key assumptions**

In preparing the Budgeted Balance Sheet for the year ending 30 June 2011 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 95% of total rates and charges raised will be collected in the 2010/11 year (2009/10: 94% forecast actual)
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days
- Other debtors and creditors to remain consistent with 2009/10 levels
- Employee entitlements to be increased by the Enterprise Bargaining Agreement outcome offset by the impact of more active management of leave entitlements of staff
- Repayment of loan principal to be \$151,000
- Total capital expenditure to be \$6.12 million

## 8. STRATEGIC RESOURCE PLAN AND KEY FINANCIAL INDICATORS

This section considers the long term financial projections of the Council. The Act requires a Strategic Resource Plan to be prepared covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

### 8.1 Plan development

Council has prepared a Strategic Resource Plan (SRP) for the four years 2010/11 to 2013/14 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels
- Achieve a breakeven operating result within five to six years
- Maintain a capital expenditure program of at least \$4.8 million per annum
- Achieve a balanced budget on a cash basis.

In preparing the SRP, the Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

### 8.2 Financial resources

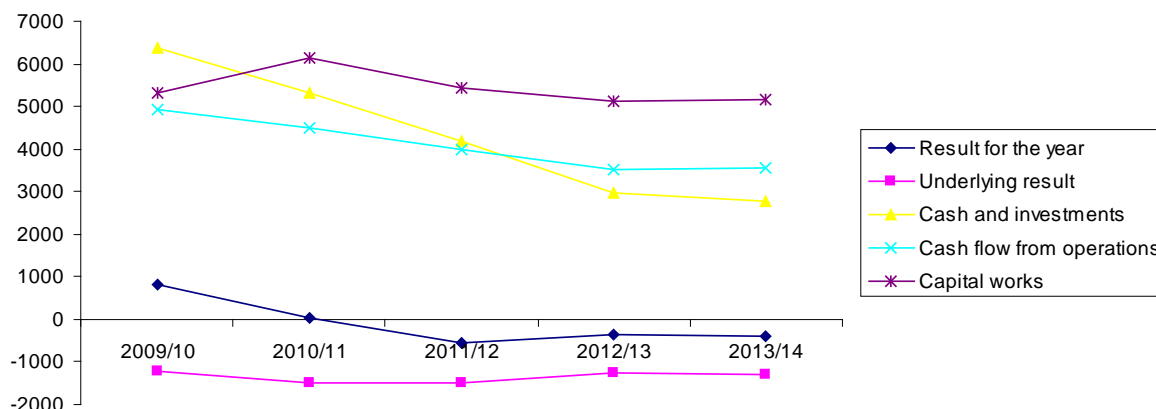
The following table summaries the key financial results for the next four years as set out in the SRP for years 2010/11 to 2013/14. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2009/10	2010/11	2011/12	2012/13	2013/14	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Result for the year	833	33	(538)	(353)	(385)	-
Underlying result	(1,236)	(1,474)	(1,504)	(1,258)	(1,313)	o
Cash and investments	6,378	5,311	4,183	2,965	2,777	-
Cash flow from operations	4,924	4,499	3,992	3,535	3,562	-
Capital works	5,318	6,120	5,447	5,138	5,173	o

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

The following graph shows the general financial indicators over the four year period.



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 5)** - Cash and investments is forecast to decrease marginally over the four year period from \$5.31 million to \$2.77 million.
- **Rating strategy (section 9)** – Modest rate increases are forecast over the four years at an average of 5%, which is comparable with other councils
- **Service delivery strategy (section 10)** – Service levels have been maintained throughout the four year period. Despite this, the operating surplus is forecast in 2010/11 as a result of significant capital grant revenue being received to fund the annual capital works program. Years 2011/12 to 2013/14 forecast operating deficits with a view to breaking even. However, excluding the effects of non-operating items such as capital contributions, the underlying result is a deficit over the four year period. The underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result
- **Borrowing strategy (section 10)** – Borrowings are forecast to reduce from \$205,000 to \$0 over the four year period. There are no new borrowings during the period unless external funding is obtained for infrastructure upgrade.
- **Infrastructure strategy (section 10)** - Capital expenditure over the four year period will total \$21.88 million at an average of \$5.47 million.

### 8.3 Key financial indicators

The following table highlights Council's current and projected performance across a range of key financial indicators (KFI)s. KFI)s provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Notes	Forecast	Budget	Strategic Resource Plan			Trend +/-
		Actual 2009/10	2010/11	Projections 2011/12 2012/13 2013/14			
<b>Financial performance</b>							
Underlying result/Underlying rev	1	(8.8%)	(9.6)	(9.5)	(7.6)	(7.7)	+
Operating expenses/Assessment		\$2,446	2,667	2,736	2,747	2,831	+
Rate revenue/Underlying revenue	2	45.3%	40.0	37.3	37.3	36.1	+
Rate revenue/Assessment		\$1,143	1,199	1,258	1,320	1,385	+
Debt servicing/Total revenue		1.0%	0.8	1.0	0.6	0.5	o
Grants/Total revenue		44.1%	43.2	41.4	39.7	38.7	-
Fees and charges/Total revenue		8.5%	8.7	8.2	8.2	8.2	o
<b>Financial position</b>							
Indebtedness/Rate revenue	3	4.7%	2.5	1.2	0.5	0.2	+
Underlying result/Total assets		(1.0%)	(1.2)	(1.2)	(1.0)	(1.0)	o
Net realisable assets/Assessment		\$18,010	18,000	18,335	18,753	19,311	+
Current assets/Current liabilities	4	258.7%	242.2	149.4	113.7	106.8	-
Total liabilities/Assessment		\$523	514	630	657	678	+
<b>Capital expenditure</b>							
Capital works		\$5,138	6,120	5,447	5,138	5,173	-
- Asset renewal		\$4,187	4,509	4,629	4,814	4,503	-
- New assets		\$298	575	162	171	292	+
- Asset expansion/upgrade		\$653	1,036	656	153	378	-
Cash op act/Net capital outlays	5	108.7%	82.3	80.3	75.7	97.2	-
Capital works/Rate revenue		67.3%	75.8	64.3	57.8	55.5	-
Asset renewal/Total depreciation	6	100.6%	119.9	110.0	97.1	95.3	-

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

#### Notes to indicators

**1 Underlying operating result** - Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

**2 Rate revenue/Underlying revenue** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

**3 Indebtedness/Rate revenue** - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

**4 Current Assets/Current Liabilities** - Working capital is forecast to decrease significantly in 2010/11 year due to a run down in cash reserves to fund the capital program. The trend in latter years is to remain steady at an acceptable level.

**5 Cash Op Act/Net Capital outlays** - Except for the 2010/11 year budget trend indicates Council expects to be able to service its capital works expenses from cash generated from operating activities, rather than relying on its existing cash reserves or further borrowings.

**6 Asset renewal/Total depreciation** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

#### 8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. The following table summaries the non-financial resources for the next four years.

Indicator	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee costs	6,260	7,052	7,349	7,388	7,577
Employee numbers	95	96	96	95	95

## 9. RATING STRATEGY

This section considers the Council's rating strategy including strategy development and assumptions underlying the current year rate increase and rating structure.

### 9.1 Strategy development

In developing the Strategic Resource Plan (referred to in Section 8.), rates and charges were identified as an important source of revenue, accounting for 45.7% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly given the change to bi-annual general revaluations, and recent increases in valuations and subsequently rates for some properties in the municipality.

The following table shows in summary comparison of the last five years grants and rates.

Year	% Income from Grants	% Income from Rates & Charges	Rates & Charges \$'000	Rates & Charges % Increase
2005/06 Actual	48.6%	38.5%	5,823	5.4%
2006/07 Actual	46.9%	40.3%	6,319	8.5%
2007/08 Actual	44.0%	42.8%	6,773	7.2%
2008/09 Actual	47.7%	40.5%	7,064	11.8%
2009/10 Estimated Actual	44.1%	44.6%	7,637	12.8%
2010/11 Budget	43.2%	45.3%	8,073	5.7%
<b>Average</b>	<b>45.7%</b>	<b>42.0%</b>	<b>6,948</b>	<b>8.6%</b>

### 9.2 Current year rate increase

It is predicted that 2010/11 operating position will be significantly impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve an almost breakeven operating position in the near future. The \$2.47 million contribution from operations toward capital investment for the 2009/10 year is also much less than the desired level and therefore, unless it can be increased, it will be difficult to maintain robust capital works programs in the future.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, general rates will increase by a modest 5.7% in 2010/11 raising a total rate of \$8.07 million, including supplementary rates. The following table sets out future proposed rate increases and total rates to be raised, based on the forecast financial position of Council as at 30 June 2010.

Year	Rate Increase %	Total Rates Raised \$'000
2009/10 Estimated Actual	6.8%	7,637
2010/11 Budget	5.7%	8,073
2011/12 Budget	4.9%	8,469
2012/13 Budget	4.9%	8,885
2013/14 Budget	4.9%	9,322

### 9.3 Rating structure

Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which reflect capacity to pay
- User pays component to reflect usage of services provided by Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or business purposes. This distinction is based on the concept that business should pay a fair and equitable contribution to rates, taking into account the benefits those businesses derive from the local community.

Having reviewed the various valuation bases for determining the property value component of rates, Council made a decision in 2004/05 to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, but Council does review its rating structure every four years.

The existing rating structure comprises two differential rates (general and farm). These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any 'recreational lands' which meet the test of being 'rateable land' under the Act. The farm rate is set at 85% of the general rate. Council also has a municipal charge, a kerbside collection charge and a recycling charge as allowed under the Act.

The following table summarises the rates to be made for the 2010/11 year. A more detailed analysis of the rates to be raised is contained in Appendix B 'Statutory Disclosures'.

Rate type	How applied	2009/10	2010/11
General rates	Cents in \$ of CIV	0.6249	0.6234
Farm rates	Cents in \$ of CIV	0.5312	0.5298
<b>Municipal charge</b>	\$ per property	\$ 30.00	\$ 30.00
<b>Kerbside collection charge</b>			
Residential – 80ltr GST Free	\$ per property	\$ 84.50	\$ 94.55
Residential – 120ltr GST Free	\$ per property	\$119.10	\$131.25
Residential – 240ltr GST Free	\$ per property	\$254.70	\$255.45
Other – 80ltr GST included	\$ per property	\$ 92.95	\$104.00
Other – 120ltr GST included	\$ per property	\$131.00	\$144.40
Other – 240ltr GST included	\$ per property	\$280.15	\$281.00
<b>Kerbside Recycling Collection charge</b>			
Residential – 240ltr GST Free	\$ per property	\$ 80.00	\$ 84.80
Other – 80ltr GST included	\$ per property	\$ 88.00	\$ 93.30

## 9.4 General revaluation of properties

During the 2009/10 year, a revaluation of all properties within the municipality was carried out and will apply from 1 January 2010 for the 2010/11 year. The outcome of the general revaluation has been a change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 5%. Of this increase, residential properties have increased by 6.5%, commercial properties by 11% and rural properties by 5.9%.

The following table summarises the valuation changes between the 2008 and 2010 general revaluations for residential, commercial and rural properties by ward together with the rating changes between the 2009/10 and 2010/11 years based on a 7.3% average rate increase and the valuation movements listed.

Ward	Valuation Change (Decrease)	Rating Change (Decrease)
<b>Residential Properties by Ward</b>		
Hopetoun	6.6%	6.0%
Warracknabeal	5.4%	5.0%
Dunmunkle	8.5%	8.0%
<b>Average Residential</b>	<b>6.5%</b>	<b>6.0%</b>
<b>Rural Properties by Ward</b>		
Hopetoun	8.7%	8.0%
Warracknabeal	6.7%	6.0%
Dunmunkle	2.0%	2.0%
<b>Average Rural</b>	<b>5.9%</b>	<b>6.0%</b>
<b>Commercial Properties by Ward</b>		
Hopetoun	3.9%	3.0%
Warracknabeal	8.7%	8.0%
Dunmunkle	22.8%	21.0%
<b>Average Commercial</b>	<b>11.0%</b>	<b>10.0%</b>
<b>Total Average</b>	<b>7.8%</b>	<b>7.3%</b>

In deliberating over the setting of the differential rate structure for the 2010/11 year, Council has been mindful of the increase in property valuations.

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2009/10 year, Council has chosen not to make any changes to the existing rate differential. Therefore, in aggregate total rates and charges will increase by 5.7% compared to 2009/10.



## 10. OTHER STRATEGIES

This section sets out the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

### 10.1 Borrowings

In developing the Strategic Resource Plan SRP (see Section 8), borrowings was identified as an important funding source for capital works programs. In the past, Council has borrowed to finance large infrastructure projects.

For the 2010/11 year, Council has decided not take out any new borrowings to fund the capital works program and therefore, after making loan repayments of \$151,000, will reduce its total borrowings to \$205,000 as at 30 June 2011. However it is likely that in future years, borrowings will be required to fund future infrastructure initiatives. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2010.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2009/10	91	266	14	356
2010/11	0	151	34	205
2011/12	0	100	35	105
2012/13	0	60	36	45
2013/14	0	26	38	19

### 10.2 Infrastructure

The Council has developed an Infrastructure Strategy based on the knowledge provided by various Asset Management Plans, which sets out the capital expenditure requirements of the Council for the next 10 years by class of asset, and is a key input to the SRP. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy has been developed through a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes
- Identification of capital projects through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria
- Methodology for allocating annual funding to classes of capital projects
- Business Case template for officers to document capital project submissions.

A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community.

At present, Council is similar to most municipalities in that it is presently unable to fully fund asset renewal requirements identified in the Infrastructure Strategy.

In updating the Infrastructure Strategy for the 2010/11 year, the following influences have had a significant impact:

- Reduction in the amount of cash and investment reserves to fund future capital expenditure programs
- Availability of significant Federal funding for upgrade of roads
- The enactment of the Road Management Act 2004 removing the defense of non-feasance on major assets such as roads

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital Program \$'000	Grants and Contrib's \$'000	Borrowings \$'000	Working Capital \$'000	Council Operations \$'000
2009/10	5,138	1,407	90	898	2,743
2010/11	6,120	2,061	0	120	3,939
2011/12	5,447	1,635	0	1,871	1,941
2012/13	5,138	1,340	0	1,362	2,436
2013/14	5,173	1,288	0	274	3,612

### 10.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 8.) which directly impact the future service delivery strategy are to maintain existing service levels and to achieve a breakeven operating result within five to six years. The Rating Strategy (see Section 9.) also refers to modest rate increases into the future. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2010/11 %	2011/12 %	2012/13 %	2013/14 %
Consumer Price Index	2.5	2.5	2.5	2.5
Average Weekly Earnings	4.5	4.5	4.5	4.5
Road Maintenance & Construction Index	5.0	5.0	5.0	5.0
Rate increases	5.0	5.0	5.0	5.0
Wages growth	4.5	3.5	3.5	3.5
Government funding	2.0	2.0	2.0	2.0
Statutory fees	2.0	2.0	2.0	2.0
Investment return	5.5	5.0	4.5	4.5

As well as the general influences, there are also a number of specific influences which relate directly to service areas or activities. The most significant changes in these areas are summarised below.

#### Residential Garbage Collection

Waste tipping charges associated with the disposal of residential garbage are expected to result in an increase of \$0.03 million per annum excluding CPI.

#### Aged and Disability Services

Government funding for aged and disability services is expected to increase. This includes General Home Care, Personal Care, Respite Care and Meals.

#### Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2010 effective for the 2010/11 year. An allowance of \$130,000 has been made every two years commencing in 2010/11 to meet the cost of the valuation contractor.

## APPENDICES

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 10 of this report.

This information has not been included in the main body of the budget report in the interests of clarity and conciseness. Council has decided that while the budget report needs to focus on the important elements of the budget and provide appropriate analysis, the detail upon which the annual budget is based should be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

Appendix	Nature of information	Page
A	Budgeted standard statements	53
B	Statutory disclosures	60
C	Capital works program	65
D	Key strategic activities	70

## **Appendix A**

### **BUDGETED STANDARD STATEMENTS**

This appendix presents information in regard to the Budgeted Standard Statements. The budget information for the years 2010/11 to 2013/14 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to report back to the community a comparison of actual financial results against these Budgeted Standard Statements and provide an explanation of significant variances. The Standard Statements together with the Performance Statement provide a clear, concise and understandable report of Council's activities for the year from both a financial and non-financial perspective particularly for those users who do not have a financial background.

The appendix includes the following budgeted information:

- Budgeted Standard Income Statement
- Budgeted Standard Balance Sheet
- Budgeted Standard Cash Flow Statement
- Budgeted Standard Capital Works Statement
- Budgeted Statement of Investment Reserves.

## Budgeted Standard Income Statement

For the four years ending 30 June 2014

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2009/10		2010/11	2011/12	2012/13
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Revenues from ordinary activities</b>					
Rates & Charges	7,637	<b>8,073</b>	8,469	8,885	9,322
Grants - Operating	6,341	<b>6,149</b>	5,923	6,160	6,175
Grants - Capital	1,214	<b>1,554</b>	1,449	1,011	1,031
User Charges	1,453	<b>1,549</b>	1,466	1,489	1,522
Reimbursements, Contributions & Donations	299	<b>325</b>	335	345	356
Interest	194	<b>177</b>	182	187	193
<b>Total revenues</b>	<b>17,138</b>	<b>17,827</b>	<b>17,824</b>	<b>18,077</b>	<b>18,599</b>
<b>Expenses from ordinary activities</b>					
Employee Costs	5,651	<b>6,395</b>	6,684	6,733	6,903
Materials and Services	4,505	<b>5,246</b>	5,399	5,282	5,528
Contributions & Donations	688	<b>667</b>	650	670	690
Depreciation	4,606	<b>4,698</b>	4,698	4,792	4,888
Finance costs	14	<b>34</b>	35	36	38
Other costs	883	<b>912</b>	945	976	1,006
<b>Total expenses</b>	<b>16,347</b>	<b>17,952</b>	<b>18,411</b>	<b>18,489</b>	<b>19,053</b>
Net gain on disposal of property, infrastructure, plant and equipment	42	<b>160</b>	50	50	68
<b>Surplus (deficit) for the year</b>	<b>833</b>	<b>33</b>	<b>(538)</b>	<b>(353)</b>	<b>(385)</b>

## Budgeted Standard Balance Sheet

For the four years ending 30 June 2014

	Forecast	Budget 2011 \$'000	Strategic Resource Plan		
	Actual		Projections		
	2010 \$'000		2012 \$'000	2013 \$'000	2014 \$'000
<b>Current assets</b>					
Cash and cash equivalents	6,378	5,311	4,183	2,965	2,777
Trade and other receivables	687	713	738	763	790
Accrued Income	70	100	70	100	100
Prepayments	200	278	282	286	290
Inventories	404	437	533	533	576
Assets held for Resale	10	10	10	10	10
<b>Total current assets</b>	<b>7,749</b>	<b>6,849</b>	<b>5,816</b>	<b>4,657</b>	<b>4,543</b>
<b>Non-current assets</b>					
Trade and other receivables	252	178	124	122	118
Investments – Library	275	275	275	275	275
Property, infrastructure, plant and equipment	112,066	113,835	117,180	121,157	125,029
<b>Total non-current assets</b>	<b>112,593</b>	<b>114,288</b>	<b>117,579</b>	<b>121,554</b>	<b>125,422</b>
<b>Total assets</b>	<b>120,343</b>	<b>121,137</b>	<b>123,394</b>	<b>126,210</b>	<b>129,965</b>
<b>Current liabilities</b>					
Trade and other payables	1,197	1,231	2,029	2,185	2,261
Interest-bearing loans and borrowings	151	100	60	24	19
Provisions	1,648	1,724	1,804	1,888	1,976
<b>Total current liabilities</b>	<b>2,996</b>	<b>3,055</b>	<b>3,893</b>	<b>4,097</b>	<b>4,256</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	205	105	45	21	0
Provisions	296	297	300	303	306
<b>Total non-current liabilities</b>	<b>501</b>	<b>402</b>	<b>345</b>	<b>324</b>	<b>306</b>
<b>Total liabilities</b>	<b>3,497</b>	<b>3,457</b>	<b>4,238</b>	<b>4,421</b>	<b>4,562</b>
<b>Net assets</b>	<b>116,847</b>	<b>117,680</b>	<b>119,157</b>	<b>121,789</b>	<b>125,403</b>
<b>Equity</b>					
Accumulated surplus	66,229	66,262	65,739	65,386	65,000
Asset revaluation reserve	50,618	51,418	53,418	56,403	60,403
<b>Total equity</b>	<b>116,847</b>	<b>117,680</b>	<b>119,157</b>	<b>121,789</b>	<b>125,403</b>

## Budgeted Standard Cash Flow Statement

For the four years ending 30 June 2014

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b>Cash flows from operating activities</b>					
Receipts from Rates & Charges	7,644	<b>8,104</b>	8,498	8,917	9,355
Receipts from Clients	1,731	<b>1,911</b>	1,780	1,874	1,888
Payments for Employee Costs	(5,704)	<b>(6,282)</b>	(6,559)	(6,599)	(6,763)
Payments to Suppliers	(6,767)	<b>(7,453)</b>	(7,668)	(8,322)	(7,578)
	(3,096)	<b>(3,720)</b>	(3,948)	(4,131)	(3,099)
Government Grants & Contributions	7,748	<b>8,008</b>	7,723	7,442	7,430
Interest Received	226	<b>177</b>	182	187	193
Borrowing Costs	46	<b>34</b>	35	36	38
Net cash provided by operating activities	4,924	<b>4,499</b>	3,992	3,535	4,562
<b>Cash flows from investing activities</b>					
Proceeds from sales of property, plant and equipment	283	<b>446</b>	290	299	309
Repayment of loans and advances	120	<b>70</b>	50		
Payments for property, plant and equipment	(4,933)	<b>(5,983)</b>	(5,314)	(4,971)	(5,001)
Net cash used in investing activities	(4,530)	<b>(5,467)</b>	(4,974)	(4,672)	(4,693)
<b>Cash flows from financing activities</b>					
Proceeds from borrowings	90	<b>0</b>	0	0	0
Repayment of borrowings	(151)	<b>(100)</b>	(147)	(80)	(57)
Net cash provided by (used in) financing activities	(61)	<b>(100)</b>	(147)	(80)	(57)
<b>Net increase (decrease) in cash and cash equivalents</b>	333	<b>(1,067)</b>	(1,128)	(1,217)	(188)
Cash and cash equivalents at beg of year	6,045	<b>6,378</b>	5,311	4,183	2,965
<b>Cash and cash equivalents at end of year</b>	6,378	<b>5,311</b>	4,183	2,965	2,777

## Budgeted Standard Capital Works Statement

For the four years ending 30 June 2014

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Capital works areas</b>					
Infrastructure Assets	3,169	<b>3,793</b>	4,035	3,669	3,786
Drains	65	<b>60</b>	62	64	66
Land & Buildings	775	<b>1,211</b>	328	304	257
Plant, equipment and other	1,129	<b>1,056</b>	1,022	1,101	1,064
<b>Total capital works</b>	<b>5,138</b>	<b>6,120</b>	<b>5,447</b>	<b>5,138</b>	<b>5,173</b>
<b>Represented by:</b>					
Asset renewal		<b>4,509</b>	4,629	4,814	4,503
New assets		<b>575</b>	162	171	292
Asset expansion/upgrade		<b>1,036</b>	656	153	378
<b>Total capital works</b>	<b>5,138</b>	<b>6,120</b>	<b>5,447</b>	<b>5,138</b>	<b>5,173</b>

## Reconciliation of net movement in property, plant and equipment

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2009/10	2010/11	2011/12	2012/13	2013/14
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total capital works</b>	5,138	<b>6,120</b>	5,447	5,138	5,173
Asset revaluation increment	800	<b>800</b>	3,000	4,000	4,000
Depreciation and amortisation	(4,812)	<b>(4,836)</b>	(4,831)	(4,959)	(5,060)
Written down value of assets sold	(241)	<b>(286)</b>	(241)	(241)	(241)
Land for sale and purchases	0	<b>(30)</b>	(30)	39	0
<b>Net movement in property, plant and equipment</b>	<b>885</b>	<b>1,768</b>	<b>3,345</b>	<b>3,977</b>	<b>3,872</b>



## Budgeted Statement of Investment Reserves

For the four years ending 30 June 2014

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2010		2011	2012	2013
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Discretionary</b>					
Aerodromes	15	<b>15</b>	15	0	0
<b>Total reserves</b>	15	<b>15</b>	15	0	0

## **Appendix B**

### **STATUTORY DISCLOSURES**

This appendix presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

The appendix includes the following budgeted information:

- Borrowings
- Rates and charges
- Differential rates.

## Statutory Disclosures

### 1. Borrowings

	2009/10	2010/11
	\$	\$
New borrowings (other than refinancing)	91	0
Debt redemption	61	100

### 2. Rates and charges

#### 2.1 The proposed rate in the dollar for each type of rate to be levied

Type of Property	2009/10	2010/11
	cents/\$CIV	cents/\$CIV
General rate for rateable general properties	0.6249	0.6234
General rate for rateable farm properties	0.5312	0.5298

#### 2.2 The estimated amount to be raised by each type of rate to be levied

Type of Property	2009/10	2010/11
	\$	\$
General Rate	1,771,372	1,895,039
Farm Rate	5,030,558	5,315,420

#### 2.3 The estimated total amount to be raised by rates

	2009/10	2010/11
	\$	\$
Total rates to be raised	6,801,930	7,210,459

#### 2.4 The proposed percentage change in the rate in the dollar for each type of rate to be levied, compared to that of the previous financial year

Type of Property	2009/10	2010/11
	Change	Change
	%	%
General Rate	5.3	(0.2)
Farm Rate	5.4	(0.3)

#### 2.5 The number of assessments for each type of rate to be levied, compared to the previous year

Type of Property	2009/10	2010/11
	\$	\$
General Rate	3,763	3,771
Farm Rate	2,919	2,959
<b>Total number of assessments</b>	<b>6,682</b>	<b>6,730</b>

**2.6 The basis of valuation to be used is the Capital Improved Value (CIV)**

**2.7 The estimated total value of land in respect of which each type of rate is to be levied, compared with the previous year**

Type of Property	2009/10 \$	2010/11 \$
General Rate	283,464,900	303,984,400
Farm Rate	947,017,700	1,003,288,000
<b>Total</b>	<b>1,230,482,600</b>	<b>1,307,272,400</b>

**2.8 The proposed unit amount to be levied for each type of charge under section 162 of the Act**

Type of Charge	Per Rateable Property 2009/10 \$	Per Rateable Property 2010/11 \$
<b>Municipal</b>	30.00	30.00
<b>Kerbside collection</b>		
Residential – 80lt bin	84.50	94.55
Residential – 120lt bin	119.10	131.25
Residential – 240lt bin	254.70	255.45
Other – 80lt bin (GST included)	92.95	104.00
Other – 120lt bin (GST included)	131.00	144.40
Other – 240lt bin (GST included)	280.15	281.00
<b>Recycling</b>		
Residential	80.00	84.80
Other (GST included)	88.00	93.30

**2.9 The estimated amounts to be raised for each type of charge to be levied, compared to the previous year**

Type of Charge	2009/10 \$	2010/11 \$
<b>Municipal Charge</b>		
Residential	98,550	98,550
Commercial	14,340	14,340
Rural	43,800	43,800
<b>Total Municipal Charge</b>	<b>156,690</b>	<b>156,690</b>
<b>Kerbside Collection</b>		
Residential – 80lt bin	49,680	56,175
Residential – 120lt bin	238,378	263,279
Residential – 240lt bin	18,336	18,424
Other – 80lt bin (GST included)	3,633	3,859
Other – 120lt bin (GST included)	12,621	13,994
Other – 240lt bin (GST included)	114,605	124,491
<b>Total Kerbside Collection</b>	<b>437,253</b>	<b>480,222</b>
<b>Recycling</b>		
Residential	213,920	227,264
Commercial (GST included)	13,040	14,331
Rural (GST included)	4,000	1,611
<b>Total</b>	<b>824,903</b>	<b>880,118</b>

## 2.10 The estimated total amount to be raised by rates and charges

	2009/10 \$	2010/11 \$
Rates and charges	7,626,890	8,090,577
Supplementary rates	(13,000)	(15,000)
<b>Total</b>	<b>7,613,890</b>	<b>8,075,577</b>

### 2.11 There are no known significant changes which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations
- The variation of returned levels of value (e.g. valuation appeals)
- Changes in use of land such that rateable land becomes non-rateable land and vice versa
- Changes in use of land such that residential land becomes business land and vice versa.

## 3. Differential rates

### 3.1 Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.6234% (0.006234 cents in the dollar of CIV) for all rateable residential properties
- A general rate of 0.5298% (0.005298 cents in the dollar of CIV) for all rateable farm properties.

Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

### 3.2 Business land

Business land is any land which is:

- Occupied for the principal purpose of carrying out the manufacture or production of, or trade in, goods or services or
- Unoccupied but zoned commercial or industrial under the Council of Victoria Planning Scheme.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets
- Development and provision of health and community services
- Provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning is applicable to the determination of vacant land which will be subject to the rate applicable to business land. The vacant land affected by this rate is that which is zoned commercial and/or industrial under the Council of Victoria Planning Scheme. The classification of land which is improved will be determined by the occupation of that land, and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2010/11 financial year.

### **3.3 Residential land**

Residential land is any land, which is:

- Occupied for the principal purpose of physically accommodating persons or
- Unoccupied but zoned residential under the Council of Victoria Planning Scheme and which is not business land.

The objective of this differential rate is to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including (but not limited to) the:

- Construction and maintenance of infrastructure assets
- Development and provision of health and community services
- Provision of general support services.

The types and classes of rateable land within this differential rate are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is where it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improved land, is any use of land.

The characteristics of planning scheme zoning is applicable to the determination of vacant land which will be subject to the rate applicable to residential land. The vacant land affected by this rate is that which is zoned residential under the Victorian Local Council Planning Scheme. The classification of land which is improved will be determined by the occupation of that land, and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings already on the land or which will be constructed prior to the expiry of the 2010/11 financial year.

## **Appendix C**

### **CAPITAL WORKS PROGRAM**

This appendix presents a listing of the capital works projects that will be undertaken for the 2010/11 year.

The capital works projects are grouped by class and include the following:

- New works for 2010/11
- Works carried forward from the 2009/10 year.

## Capital Works Program

For the year ending 30 June 2011

### 1. New works

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
<b>INFRASTRUCTURE</b>			
<b>Asset renewal</b>			
Local Roads – Urban Construction	0	38	38
Local Roads – Rural Construction	910	190	1,100
Local Roads – Gravel Resheeting	115	735	850
Local Roads – Shoulder Gravel Resheeting	0	245	245
Local Roads – Urban Bituminous Resealing	116	659	775
Local Roads – Rural Bituminous Resealing	0	95	95
Footpaths	0	11	11
Bridges	0	10	10
Kerb & Channel	0	126	126
Drainage	0	14	14
Total asset renewal	1,141	2,123	3,264
<b>New assets</b>			
Local Roads – Urban Construction	0	15	15
Footpaths	0	110	110
Total new assets	0	125	125
<b>Asset expansion/upgrade</b>			
Local Roads – Urban Construction	0	79	79
Local Roads – Rural Construction	235	0	235
Footpaths	0	104	104
Drainage	0	46	46
Total asset expansion/upgrade	235	229	464
<b>TOTAL INFRASTRUCTURE</b>	<b>1,376</b>	<b>2,477</b>	<b>3,853</b>
<b>LAND &amp; BUILDINGS</b>			
<b>Asset renewal</b>			
Kindergartens	0	13	13
Municipal offices	0	10	10
Town Hall	0	33	33
Tourist Centre	0	40	40
Depots	0	13	13
Senior Citizens	0	18	18
Swimming Pools	0	70	70
Leisure Complex	0	30	30
Maternal & Child Health Centres	0	7	7
Museum	0	10	10
Total asset renewal	0	244	244
<b>New assets</b>			
Industrial Estate	45	135	180
Transfer Stations / Landfills	0	50	50
Fire Hydrants	0	180	180
Depot	0	15	15
Saleyards	0	17	17
Total new assets	45	397	442



Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
<b>Asset expansion/upgrade</b>			
Kindergarten	0	7	7
Recreation Reserves	0	28	28
Caravan Park	0	14	14
Swimming Pools	78	102	180
Total asset expansion/upgrade	78	151	229
<b>TOTAL LAND &amp; BUILDINGS</b>	123	792	915
<b>PLANT, EQUIPMENT and OTHER</b>			
<b>Asset renewal</b>			
Information technology	0	46	46
Sports Equipment	0	24	24
Playground Equipment	0	20	20
Works vehicles and plant	78	491	569
Staff vehicles	188	154	342
Total asset renewal	266	735	1,001
<b>New assets</b>			
Office Equipment	0	6	6
MECC Equipment	0	2	2
Total new assets	0	8	8
<b>Asset expansion/upgrade</b>			
Information technology: Asset system	0	18	18
Surveying Equipment	0	29	29
Total asset expansion/upgrade	0	47	47
<b>TOTAL PLANT, EQUIPMENT and OTHER</b>	266	790	1,056
<b>TOTAL NEW CAPITAL WORKS 2010/11</b>	1,765	4,059	5,824
Asset renewal	1,407	3,102	4,509
New assets	45	530	575
Asset expansion/upgrade	313	427	740

## 2. Works carried forward from the 2009/10 year

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
<b>BUILDINGS</b>			
<b>Asset expansion/upgrade</b>			
Recreation Reserves	296	0	296
Asset expansion/upgrade	296	0	296
<b>TOTAL BUILDINGS</b>	296	0	296
<b>TOTAL CARRIED FWD WORKS 2009/10</b>	296	0	296
Asset expansion/upgrade	296	0	296

### 3. Summary

	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
Asset renewal	1,407	3,102	4,509
New assets	45	530	575
Asset expansion/upgrade	609	427	1,036
<b>TOTAL CAPITAL WORKS</b>	2,061	4,059	6,120

## **Appendix D**

### **KEY STRATEGIC ACTIVITIES**

This appendix presents a number of key strategic activities to be undertaken during the 2010/11 year and performance targets and measures in relation to these.

## Key Strategic Activities

For the year ending 30 June 2011

Key Strategic Activity	Performance Measure	Performance Target
<b>Overall Performance</b>		
Representing and assisting local communities in pursuing of their goals	Community satisfaction rating for overall performance generally of the council	≥ 65%
<b>Advocacy and Leadership</b>		
Providing leadership and advocacy on key Council issues	Community satisfaction rating for overall performance generally of the council	≥ 65%
<b>Community Engagement</b>		
Engaging the communities on key local issues	Community satisfaction rating for overall performance generally of the council	≥ 65%
<b>Responsiveness to Enquiries</b>		
Being responsive and accountable in dealing with the community	Community satisfaction rating for overall performance generally of the council	≥70%
<b>Financial Management</b>		
Developing and implementing financial plans for the long term viability of the Shire	Achieve the budgeted operating result. The difference between the budgeted operating result and the actual operating result for the financial year.	> \$0
	Complete the capital works program. The proportion of budgeted Capital Works projects completed at the conclusion of the financial year.	100%
<b>Provide Appropriate Services</b>		
Providing appropriate services to meet community needs	Community satisfaction rating for overall performance generally of the council	≥ 67%

**Appendix E**  
**FEES AND CHARGES SCHEDULE**

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2010/11 year.

## COMMUNITY SERVICES

HACC	2009/10	2010/11
General Home Care – Low Fee Single Pension	\$6.00 per hour	\$6.00 per hour
Double Pension	\$6.50 per hour	\$6.50 per hour
General Home Care – Medium Fee	\$8.00 to \$10.00 per hour	\$15.00 per hour
General Home Care – High Fee	\$25.00 per hour	\$30.00 per hour
External Provider of Care (includes respite, personal, home & home maintenance)	\$40.00 per hour (exc GST)	\$45.00 per hour (exc GST)
Personal Care – Low Fee	\$2.00 per hour	\$3.00 per hour
Personal Care – Medium Fee	\$5.00 per hour	\$6.00 per hour
Personal Care – High Fee	\$7.80 to \$25.00 per hour	\$20.00 to \$25.00 per hour
In Home Respite Care – Low Fee	\$2.00 per hour	\$3.00 per hour
In Home Respite Care – Medium Fee	\$3.00 per hour	\$6.00 per hour
In Home Respite Care – High Fee	\$10.00 per hour	\$20.00 to \$25.00 per hour
Home Maintenance – Low Fee (labour only; client contributes to cost of materials)	\$8.00 per hour	\$8.00 per hour
Home Maintenance – Medium Fee (labour only; client contributes to cost of materials)	\$12.00 per hour	\$12.00 per hour
Home Maintenance – High Fee (labour only; client contributes to cost of materials)	\$25.00 per hour	\$25.00 per hour
Delivered Meals – (Client charge)	\$7.00 per meal	\$7.00 per meal
Delivered Meals – (External)	\$8.50 per meal (inc GST)	\$8.50 per meal (inc GST)
Centre Based Meals	\$7.50 per meal	\$7.50 per meal
<b>Disabled Parking Permits</b>	<b>2009/10</b>	<b>2010/11</b>
Initial permit	no charge	no charge
Additional permit (replacement)	\$5.00	\$5.00
<b>Kindergarten Fees</b>	<b>2009/10</b>	<b>2010/11</b>
Beulah (5 hours per week)	\$ 70.00	\$ 70.00
Hopetoun (10 hours per week)	\$170.00	\$170.00
Minyip (10 hours per week)	\$160.00	\$160.00
Murtoa (10 hours per week)	\$140.00	\$140.00
Rupanyup (10 hours per week)	\$180.00	\$180.00
Warracknabeal (10 hours per week)	\$187.50	\$187.50

Less concession subsidy per child per term as set by Department of Education and Early Childhood Development - \$182.50

## ENVIRONMENTAL HEALTH

Food Act	2009/10	2010/11
<b>Class 1 Food premises</b> High risk ready-to-eat food served to vulnerable groups Must have 3 <sup>rd</sup> party audited FSP <i>Hospitals, Nursing Homes, Child care Centres</i>	\$200.00	\$250.00
<b>Class 2 Food Premises</b> High risk or unpackaged foods Must have FSP( may be template or 3 <sup>rd</sup> party audited) <i>Hotels, restaurants cafes, takeaways, supermarkets, manufacturers, caterers, milkbars and some service stations</i>	\$200.00	\$200.00
<b>Class 3 Food Premises</b> Premises selling low risk prepackaged food only eg packaged confectionary, soft drink <i>Newsagents, video stores, some service stations</i>	\$70.00	\$70.00
<b>Class 4 Food Premises</b>		\$70.00
<b>Non profit organizations and Community Groups</b> Food is prepared predominantly for consumption by members, or for fund raising activities <i>Service clubs, most sporting clubs</i>	\$70.00	\$70.00
<b>Premises with limited operation</b> Premises which do not operate for the full year or only produce low volumes of product <i>Swimming pool kiosks, home and hobby businesses</i>	50% of appropriate fee	50% of appropriate fee
<b>Street Stalls / Temporary food vendor permits</b> <b>Non profit and community groups</b> <i>(fetes, sausage sizzles, street stalls)</i> Single Event Permit Yearly Permit (up to 12 events per year) <b>Private individuals and businesses</b> <i>(Markets, private stalls)</i> Single Event Permit Yearly Permit (up to 12 events per year)	\$20.00 \$20.00 \$20.00 \$40.00	\$20.00 \$20.00 \$20.00 \$40.00
<b>Health Act</b>		
<b>Hairdresser/Beauty Parlour/Skin penetration</b>	\$70.00	\$70.00
<b>Prescribed Accommodation</b> Premises providing accommodation for 6 or more persons Hotels, motels, hostels, camps	\$70.00	\$70.00
<b>Residential Tenancies Act</b>		
<b>Caravan Parks</b> \$2.50 per caravan site (camp sites not included)	\$2.50 per site	\$2.50 per site
<b>Environment Protection Act</b>		
<b>Septic Tank</b> - new - alteration to existing	\$200.00 \$150.00	\$200.00 \$150.00

<b>Other Fees</b>		
<b>Transfer Inspection Fee</b> To be paid by potential purchaser of premises	\$35.00	\$50.00
<b>Transfer fee</b> Fee to transfer registration to the new proprietor for the remainder of the registration period. Includes a transfer inspection if requested	50% of listed fee	50% of listed fee
<b>Late payment penalty fee</b> Fee imposed for non payment of renewal fee by 15 February	Applies to all registered premises	50% of listed fee up to a max of \$50
<b>Street Activity Permit</b> Single Event Yearly		\$20.00 \$40.00

## ANIMAL CONTROL & LOCAL LAWS

<b>Animal Act</b>	<b>2009/10</b>	<b>2010/11</b>
Pensioner Discount Dogs or Cats registered after the 1 <sup>st</sup> January	<i>50% of prescribed fee</i>	<i>50% of prescribed fee</i> <i>50% of prescribed fee</i>
<b>Dog</b>	\$ 60.00	\$ 60.00
Dog desexed	\$ 20.00	\$ 20.00
Working dog	\$ 20.00	\$ 20.00
VCA registered	\$ 20.00	\$ 20.00
Microchipped	\$ 20.00	\$ 20.00
<b>Barking Dog Collar</b>	\$10.00 per week	\$10.00 per week
<b>Cat</b>	\$ 60.00	\$ 60.00
Cat desexed	\$ 20.00	\$ 20.00
FCC, CFA, DCC registered	\$ 20.00	\$ 20.00
Microchipped	\$ 20.00	\$ 20.00
Replacement of lost tag	\$ 4.00	\$ 4.00
<b>Pound Fees - Impounded Animal</b>		
<i>First day Release fee</i>	\$40.00	\$40.00
<i>Subsequent days</i>	\$12.00 per day	\$12.00 per day
<b>Late payment administration fee</b> Payment not received by 30 April	\$10.00 per invoice	\$10.00 per invoice
<b>Fire Hazard</b>		
<b>Unightly land administration fee</b>	\$40.00	\$40.00



## WASTE & RECYCLING

<b>Tipping Fees</b>	<b>2009/10</b>	<b>2010/11</b>
General Hard Waste	\$8.00 per m3	\$8.00 per m3
Putrescible Waste	\$20.50 per m3	\$20.50 per m3
Household / Kitchen Waste	\$5.50 240lt bin	\$5.50 240lt bin
Clean Green Waste	\$8.00 per m3	\$8.00 per m3
Timber/Wood	\$8.00 per m3	\$8.00 per m3
Builders Waste/Concrete	\$22.00 per m3	\$22.00 per m3
Clean Concrete / Rubble delivered to repositories at Warracknabeal, Murtoa and Hopetoun	\$13.00 per m3 / ton	\$13.00 per m3 / ton
Clean Fill	No charge	No charge
Minimum Charge	\$5.50	\$5.50
Dead Animals	refer attendant	refer attendant
<b>Tyres</b>		
Light (tyre only)	\$ 4.00	\$ 4.00
Light (with rim)	\$ 5.00	\$ 5.00
Medium (tyre only)	\$15.00	\$15.00
Medium (with rim)	\$22.00	\$22.00
Heavy (tyre only)	\$35.00	\$35.00
Heavy (with rim)	\$50.00	\$50.00
Tractor (up to 1.5m diameter) (tyre only)	\$80.00	\$80.00
Tractor (up to 1.5m diameter) (with rim)	\$110.00	\$110.00
Tractor (over 1.5m diameter) (tyre only)	\$160.00	\$160.00
Tractor (over 1.5m diameter) (with rim)	\$220.00	\$220.00
<b>Recyclables</b>		
Reyclables	Free if sorted	Free if sorted
E-Waste	\$2.00 per item	\$2.00 per item
Screens		\$5.00 per screen
<b>E-Waste</b>		
Gas Cylinders	not accepted	not accepted
Lead Acid Batteries	not accepted	not accepted
Grain	not accepted	not accepted
Hazadous Materials	not accepted	not accepted
Prescribed Waste	not accepted	not accepted

## ENGINEERING

Sale Yard Levies	2009/10	2010/11
Producer Levy (per head)	\$0.35	\$0.35
Agent Levy (per head)	\$0.12	\$0.12
NLIS Levy (per head)	\$0.23	\$0.23
<b>Plan Printing Fees</b>		
<b>Large Shire Map (approx 1200mm x 600mm)</b>		
Colour	\$9.00	\$9.00
Black & White	\$6.00	\$6.00
<b>Plan on A2 sheet</b>		
Colour	\$6.00	\$6.00
Black & White	\$4.00	\$4.00
<b>Plan on A3 sheet</b>		
Colour	\$4.00	\$4.00
Black & White	\$2.00	\$2.00
<b>Plan on A4 sheet</b>		
Colour	\$2.00	\$2.00
Black & White	\$1.00	\$1.00
<b>Part of any of above on A3 sheet</b>		
Colour	\$4.00	\$4.00
Black & White	\$2.00	\$2.00
<b>Road Opening Permits</b>		
<b>Freeway</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$526.10	45 fee units \$549.00
Not on roadway shoulder or pathway (see note 2)	32 fee units \$374.10	32 fee units \$390.40
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	25 fee units \$292.30	25 fee units \$305.00
Not on roadway shoulder or pathway (see note 2)	10 fee units \$116.90	10 fee units \$122.00
<b>Arterial Road</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$526.10	45 fee units \$549.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$292.30	25 fee units \$305.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$134.40	11.5 fee units \$140.30
Not on roadway shoulder or pathway (see note 2)	10 fee units \$116.90	10 fee units \$122.00
<b>Other Roads, speed over 50km/hr (see note 3)</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$526.10	45 fee units \$549.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$292.30	25 fee units \$305.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$134.40	11.5 fee units \$140.30
Not on roadway shoulder or pathway (see note 2)	5 fee units \$ 58.50	5 fee units \$61.00
<b>Other Roads, speed under 50km/hr (see note 3)</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	20 fee units \$233.80	20 fee units \$244.00
Not on roadway shoulder or pathway (see note 2)	5 fee units \$ 58.50	5 fee units \$ 61.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$134.40	11.5 fee units \$140.30
Not on roadway shoulder or pathway (see note 2)	5 fee units \$ 58.50	5 fee units \$ 61.00
As at July 2010: 1 fee unit = \$12.20 (fee units are reviewed annually on 1 July)		

### Notes

1. Conducted on, or any part of, the roadway, shoulder or pathway
2. Not conducted on, or any part of, the roadway, shoulder or pathway
3. Municipal road or non arterial state road

## RECREATION & TOURISM

<b>Caravan Parks (Hopetoun &amp; Murtoa)</b>	<b>2009/10</b>	<b>2010/11</b>
Powered Site	\$18.00 per night (2 persons) \$ 5.00 each extra person	\$18.00 per night (2 persons) \$ 5.00 each extra person
Unpowered Site	\$ 13.00 per night (2 persons) \$ 5.00 each extra person	\$ 13.00 per night (2 persons) \$ 5.00 each extra person
Weekly rate	Daily rate x 6	Daily rate x 6
Permanents ( <i>over 28 days</i> )	Daily rate x 5	Daily rate x 5
<b>Gymnasium Memberships</b>		
1 Month	\$35.00	\$40.00
3 Months	\$55.00	\$60.00
6 Months	\$95.00	\$100.00
Assessments (new members)	\$25.00	\$25.00
Casual (per session)	\$ 8.00	\$9.00
<b>Student Membership</b>		
Bronze Membership (1 month – 1 night per week)		\$15.00
Silver Membership (1 month – 2 nights per week)		\$20.00
Gold Membership (1 month – 5 nights per week)		\$30.00
Gold Membership (1 month – 5 nights per week)		\$50.00
Gold Membership (1 month – 5 nights per week)		\$90.00
Casual (age 13 – 18 years)		\$ 5.00
<b>Leisure Complex Hire Fees</b>		
<i>User Groups utilizing main court area(s)</i>		
<b>Competition</b>		
Per hour per court	\$15.00	\$25.00
Per half day per court (9am to 5pm)	\$100.00	\$100.00
Per day per court (9am to 5pm)	\$200.00	\$200.00
<b>Training</b>		
Per hour per court	\$15.00	\$15.00
<b>Casual</b>		
Per person	\$5.00	\$5.00
<b>Table Tennis Room</b>		
Per hour	\$24.00	\$25.00
Per table (Casual)	\$5.00	\$5.00
<b>Fitness Instructor</b> (per session)	\$20.00	\$20.00

Conferences & Special Functions can be negotiated with Leisure Centre Manger

## ADMINISTRATION

<b>Function Room (Warracknabeal Office)</b>	<b>2009/10</b>	<b>2010/11</b>
Day (9am to 9pm)	\$ 85.00	\$ 85.00
Night (after 6pm)	\$ 95.00	\$ 95.00
Combined	\$180.00	\$180.00
<b>Photocopying</b>		
<b>A4 Black &amp; White Single Sided</b>		
1 copy	\$0.25	\$0.30
Multiple Copies	\$0.20	\$0.25
<b>A4 Black &amp; White Double Sided</b>		
1 copy	\$0.30	\$0.35
Multiple Copies	\$0.25	\$0.30
<b>A3 Black &amp; White Single Sided</b>		
1 copy	\$0.50	\$0.50
Multiple Copies	\$0.40	\$0.40
<b>A3 Black &amp; White Double Sided</b>		
1 copy	\$0.80	\$0.80
Multiple Copies	\$0.50	\$0.60
<b>Colour Photocopying</b>		
A4 1 copy	\$1.00	\$1.00
A3 1 copy	\$2.00	\$2.00
<b>Coloured Paper</b>		
A4 1 copy	Add 5c per copy	Add 5c per copy
A3 1 copy	Add 10c per copy	Add 10c per copy
<b>Laminating</b>		
A4 1 copy	\$1.00	Add 5c per copy
A3 1 copy	\$2.00	Add 10c per copy
<b>Faxing</b>		
Local Call		\$1.00
STD Call		\$2.00

## BUILDING PERMIT FEES

Development Type Fee Amount	2009/10	2010/11
<b>DWELLINGS</b>		
New Dwellings up to \$0 to \$120,000	\$1,563 Plus Levy	\$1,563 Plus Levy
New Dwellings - \$120,000 to \$200,000	\$1,824 Plus Levy	\$1,824 Plus Levy
New Dwellings - \$200,000 to \$312,000	\$2,084 Plus Levy	\$2,084 Plus Levy
New Dwellings - \$312,000+	\$value/130 Plus Levy	\$value/130 Plus Levy
Re-Erection of Dwellings – Security Deposit	\$5,000	\$5,000
<b>Alternations/Additions/Sheds/Carports/ Garages</b>		
Building Works – Minor \$0 to \$2,500	\$250	\$250
Building Works \$0 to \$5,000	\$351	\$351
Building Works \$5,001 to \$10,000	\$475	\$475
Building Works \$10,001 to \$20,000	\$652 Plus Levy	\$652 Plus Levy
Building Works \$20,001 to \$80,000	\$795 Plus Levy	\$795 Plus Levy
Building Works \$80,001 to \$140,000	\$1,045 Plus Levy	\$1,045 Plus Levy
Building Works \$140,000+	\$value/100 Plus Levy	\$value/100 Plus Levy
<b>Swimming Pools</b>		
Swimming Pools & Fence – above ground pool	\$350	\$350
Swimming Pools & Fence – in-ground pool	\$675 Plus Levy	\$675 Plus Levy
<b>Commercial Building Work</b>		
Commercial \$0 to \$10000	\$350 Plus Levy	\$350 Plus Levy
Commercial \$10001 to \$20000	\$676 Plus Levy	\$676 Plus Levy
Commercial \$20001 to \$100000	\$v x 1.33% + \$424 Plus Levy	\$v x 1.33% + \$424 Plus Levy
Commercial \$100001 to \$500000	\$v x 0.44% + \$1324 Plus Levy	\$v x 0.44% + \$1324 Plus Levy
Commercial \$500.001+	\$v x 0.25% + \$2249 Plus Levy	\$v x 0.25% + \$2249 Plus Levy
<b>Commercial Building Work</b>		
<b>Multi Unit Development</b>		
Units \$0 to \$200,000	\$1,737 Plus Levy	\$1,737 Plus Levy
Units \$200,001 to \$312,000	\$1,985 Plus Levy	\$1,985 Plus Levy
Units \$312,000+	\$value/140 Plus Levy	\$value/140 Plus Levy
<b>Miscellaneous Items</b>		
Fence	\$200	\$200
Demolitions or Removals \$0 to \$5,000	\$368	\$368
Demolitions or Removals \$5,000+	\$575	\$575
Re-erections of Dwellings – Security Deposit	\$5,000	\$5,000
Extensions of Time Request	\$104	\$104
Amended Plans	\$104	\$104
Private building Surveyor Lodgment Fees	\$32.60	\$32.60
Information Request Reg 326(1) Permit Info, Final Certificates, Current Orders or Notices.	\$43.45	\$43.45
Information Request Reg 326(2) Flooding, Termite, Bushfire, Snowfall, Designated.	\$43.45	\$43.45
Information Request Reg 326(3) Mandatory notification states, Inspection dates.	\$43.45	\$43.45
Information Request with Plan copies (includes 306(1))	\$67.20	\$67.20
Request for search of Building Permit Plans	\$67.20	\$67.20

<b>Report &amp; Consent</b>	<b>2009/10</b>	<b>2010/11</b>
Planning Authority for Demolition Section 29a of the Act	\$54.35	\$54.35
Building over Council Easement Reg 312 (3)	\$52.75	\$52.75
Requests Under Part 4, 5, or 8 of the Reg 604 (4)	\$217.50	\$217.50
Request for Legal point of discharge for stormwater Reg 610 (2)	\$54.35	\$54.35
<b>Levy Payments</b>		
<b>(Applies if development is over \$10,000)</b>		
State Government Levy	0.128% Value	0.128% Value
HIH Levy (Domestic building Only)	0.032% Value	0.032% Value
<b>Inspections</b>		
Addition Inspection	\$109.20	\$109.20
Contract Inspection – Foundations, Reinforcement & Finals	\$165.00	\$165.00
Contract Inspection – Frame	\$220.00	\$220.00
Building Notices/Orders	Building Permit Fee + 25%	Building Permit Fee + 25%
Occupancy Permit/Places of Public Entertainment	\$220.50	\$220.50
Travel time & Vehicle cost where more than 5 km from Warracknabeal Office	\$1.00/km + \$75 hour	\$1.00/km + \$75 hour