

# MEDIA RELEASE

Wednesday 25 May 2016

Yarriambiack Shire Council Mayor Ray Kingston said that Council had determined a 2.5% general rate increase for the 2016/2017 financial year and had spent a significant amount of time and effort in what was a very thorough and challenging process. An additional challenge this year was the introduction of rate capping by the State Government which set rates at a 2.5% increase. This combined with the Federal Government's freeze on the indexation of the Local Government Financial Assistance Grants until 2017/2018 forced Council into the unprecedented territory of allowing for effectively no increases to departmental budgets this year.

Council in accordance with the Local Government Act 1989 Section 159 has also marginally increased the Municipal Charge from \$68.70 to \$70.42 on all properties. Mayor Kingston said he believed that the Council Municipal Charge rate remained one of the lowest in the State.

In proposing the rate increase of 2.5% Mayor Kingston said that Council had taken into account the Municipal Association of Victoria (MAV) and the Victorian Local Governance Association (VLGA) research into rates and charges levied by other municipalities in addition to feedback from Council's Chief Executive Officer, Ray Campling who is a representative on the Fair Go Rates panel. Mayor Kingston added that Council had resolved to maintain the rate differential provided to the farming sector at 23%. After several months of consideration and deliberations Yarriambiack Shire Council is confident that it has formulated a balanced budget that delivers on the strategies, considerations and community priorities identified in the Council Plan.

Chief Executive Officer Ray Campling added that as a consequence of the State Government imposed 2.5% rate increase and also the freezing on the indexation of the Local Government Financial Assistance Grants that the 2016/2017 budget was undoubtedly the most testing and challenging budget that he had been associated with in his 27 years in senior management particularly considering that the projected rate increase for 2016/2017 was initially 4.75%.

Mayor Kingston said that he was particularly appreciative of the close relationship the Shire shares with our communities and the opportunities that this brings to inform the budget process. This is especially relevant to Council's Community Engagement and Visitation program. He also said that through this program, communities had in recent years become more appreciative and understanding of the confines of Council's budget and the difficulties Council faces in maintaining and balancing existing service levels without increasing rates unrealistically. The budget is always a delicate and challenging juggling act with care taken to ensure that service provision and community needs are a priority. When examining and planning for both the short and long term it is encouraging that the community is interested and aware of the budgetary process, this offers capacity for partnerships and collaborative working relationships Mayor Kingston said. A collaborative approach internally and externally is the key to achieving the best results for our communities.

Mr Campling also identified Council's ability to effectively source and secure community grant funding as an immense benefit and something that the community very much appreciated. Although this particular form of funding assistance does not alleviate the pressure to increase rates, it positively provides the community with additional infrastructure benefits that would normally not be available or achievable through Council's general budget processes. It is definitely the opinion of Council that the 2016/2017 budget is financially responsible and endeavours to address the objectives and strategies identified in Council's Strategic Plan.

Mr Campling said that Council's total operating budget for the 2016/2017 financial year will be \$23.575 million of which \$11.619 million will be directly generated from rates and charges with the remainder predominately being derived from State and Federal grants totalling an anticipated \$10.391 million with user charges, fees and contributions etc representing in the vicinity of \$1.565 million.

Mr Campling said that the proposed budget incorporated a number of significant projects, including the allocation of \$7.388 million towards capital works expenditure of which \$4.963 million has been directed towards roads including sealed, gravel and dirt roads, of which Council maintains in the vicinity of 5,000km, in addition to an amount of \$167,000 towards footpaths, \$169,000 for kerb and channelling and \$1.18 million for plant, machinery and equipment.

The 2016/2017 budget will also incorporate the reconstruction of key roads including the Sheep Hills Bangerang Road which will upgrade the road from gravel to sealed - \$382,000, Patchewollock Tempy Road upgrade from gravel to sealed - \$278,000, Longerenong Road widening and overlays - \$395,000. In addition, Council also intends to refurbish the Warracknabeal library after obtaining a Living Libraries grant of \$185,000.

Council also proposes to contribute an amount of \$10,000 towards the construction of a mobile tower at Yaapect.

Council has also increased its contribution towards Swimming Pools, Recreation Reserves and Hall Committees by 2%; in addition the various Progress Associations and Consultative Committees will be provided with a contribution of \$1,000 each to assist with administrative and other related costs.

Mayor Kingston congratulated all Councillors on their professionalism, co-operation and overall approach to the budget process and made particular note of Council's management team and associated staff in relation to their commitment, advice, time and effort in assisting Councillors to formulate a balanced and practical budget that will enable Council to meet and address the realistic needs, expectations and requirements of the Yarriambiack Shire.

The Mayor added that Council is seeking and encourages community feedback in relation to the draft budget by Tuesday, 21 June 2016.

Copies of the draft budget can be viewed at the Warracknabeal Shire Offices and at Gateway BEET in Hopetoun. The full budget document is also available on Council's website; [www.yarriambiack.vic.gov.au](http://www.yarriambiack.vic.gov.au)

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