



Strathbogrie Shire Council Budget Report - 2014/2015

Draft released 25 February 2014

Note regarding the new Regulations:

At the date of release shown above, new Local Government (Planning and Reporting) Regulations were in exposure draft form and the subject of a public submission process. The new Regulations are scheduled to commence operation on 18 April 2014.

Many disclosures in this Model Budget Guide have been prepared based on the proposed Regulations, as indicated in the relevant sections of commentary to this Guide. Budget preparers should check the detail of the disclosures required by the final version of the Regulations once this is enacted.

A final version of this Model Budget will be prepared once the Regulations are finalised.

This Budget Report has been prepared with reference to The Institute of Chartered Accountants "Strathbogrie Shire Council Model Budget 2014/2015" a best practice guide for reporting local government budgets in Victoria.



**The Institute of
Chartered Accountants
in Australia**

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Mayor's introduction

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

Council proposes to increase rates by 7.0% in the 2014/15 financial year. This level allows us to maintain existing service levels, fund a number of significant new initiatives and continue to allocate sufficient funds for the continuing strategic renewal of Council's infrastructure.

Waste management charges, which are calculated on a cost recovery basis, will increase by 4%.

The rate increase has been kept in line with the level foreshadowed in Council's Strategic Resource Plan adopted in the previous year and its Long Term Financial Plan. The increase is structured to provide 4% for increasing costs of operations and 3% to be applied specifically to fund infrastructure renewal.

To provide further impetus to the infrastructure renewal program, Council has recently implemented changes to its management structure, the resultant savings from which will generate additional valuable resources for infrastructure capital works.

The proposed budget includes a number of new initiatives:

- Development of a shirewide Domestic Wastewater Management Plan (\$60K)
- Review of the Aquatic Strategy (\$25K)
- Continuing participation in the Shared Service Project with City of Greater Shepparton (\$150K)
- Avenel Recreation Reserve upgrade - Stage 2 (\$100K)
- Completion of Euroa Memorial Oval upgrade (\$235K)
- Investigation of a proposal for the development of a Strathbogie Sporting Precinct (\$5K)
- Investigation of a proposal for the formation of a Youth Council (\$3K)

The total Capital Works program will be \$8.54 million, of which \$0.724 million relates to projects carried over from the 2013/14 year.

Highlights of the Capital Works program include:

- Roads (\$3.51 million) - including resealing, resheeting and rehabilitation.
- Bridges (\$0.72 million)
- Drainage (\$0.29 million)
- Footpaths, Kerb and Channel (\$0.19 million)
- Plant and Machinery (\$0.85 million)
- Information Systems (\$0.15 million)
- Automatic weir gates - Sevens Creek Park Weir (\$0.18 million)
- Nagambie drainage - retention dam (\$0.07 million)
- Violet Town flood mitigation (\$0.50 million)
- Violet Town Library (\$0.46 million)
- Violet Town Community Centre - new roof (\$0.19 million)
- Waste transfer station upgrades (\$0.28 million)
- Avenel Memorial Hall - stormwater drainage/ underpin footings (\$0.04 million)
- Euroa Third Age Club - accessible toilets (\$0.04 million)
- Euroa Little Theatre relocation (\$0.05 million)
- Sevens Creek sheet piling/sea wall (\$0.06 million)

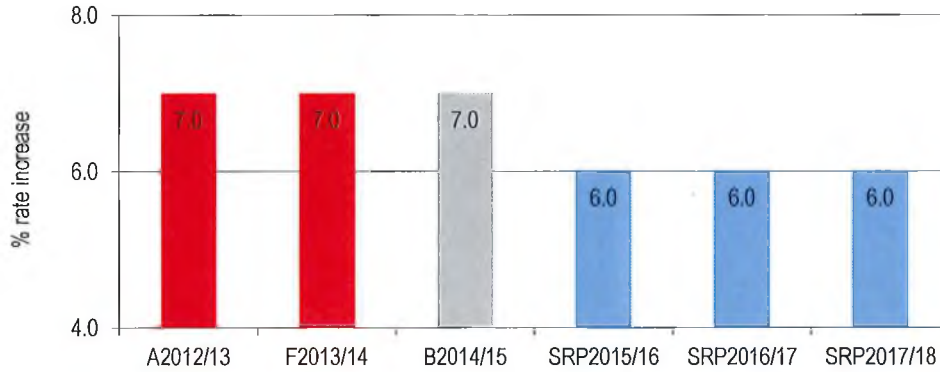
This budget was developed through a rigorous process of consultation and review and Council endorses it as financially responsible.

Cr Debra Swan
Mayor

Chief Executive Officer's summary

Council has prepared a Budget for the 2014/15 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, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

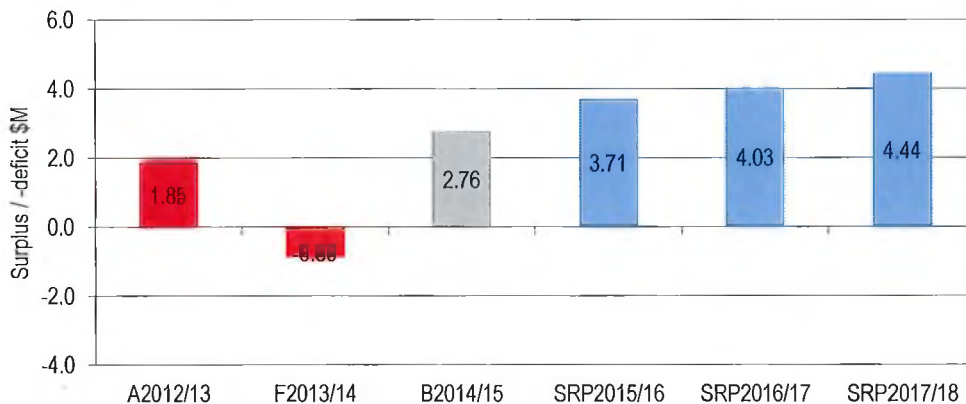
1. Rates



A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

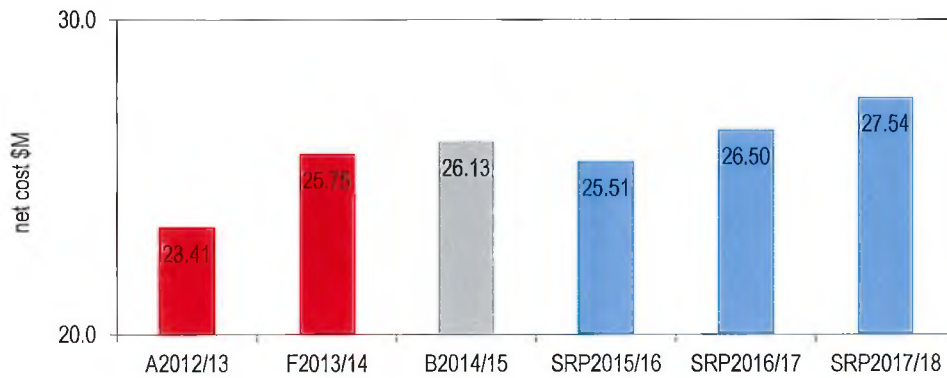
It is proposed that general rates increase by 7.0% for the 2014/15 year, raising total rates of \$16.37 million. Supplementary rates are forecast to generate 0.7%. Of the 7.0% increase, 4.0% will go toward maintaining service levels and meeting the cost of a number of external influences affecting the operating budget. The remaining 3.00% increase will go toward capital works to address the asset renewal needs of the Shire. This rate increase is in line with the level foreshadowed in Council's Strategic Resource Plan adopted in the previous year. (The rate increase for the 2013/14 year was 7.0%).

2. Operating result



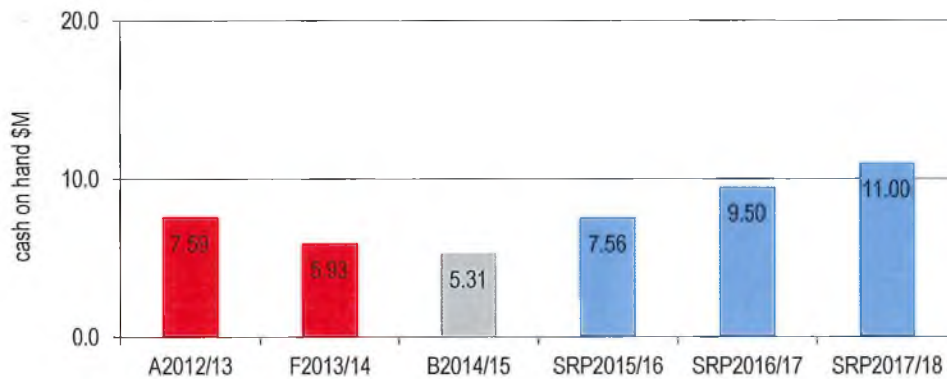
The expected operating result for the 2014/15 year is a surplus of \$2.76 million, which is an increase of \$3.65 million over 2013/14. The improved operating result is due mainly to assumed changes to the timing of Victorian Grants Commission (\$2.50 million) and increased rates and charges revenue (\$1.17 million). The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a surplus of \$2.35 million, which is an increase of \$3.46 million over 2013/14 - refer to section 7 of this summary for further information. (The forecast operating result for the 2013/14 year is a deficit of \$0.89 million).

3. Services



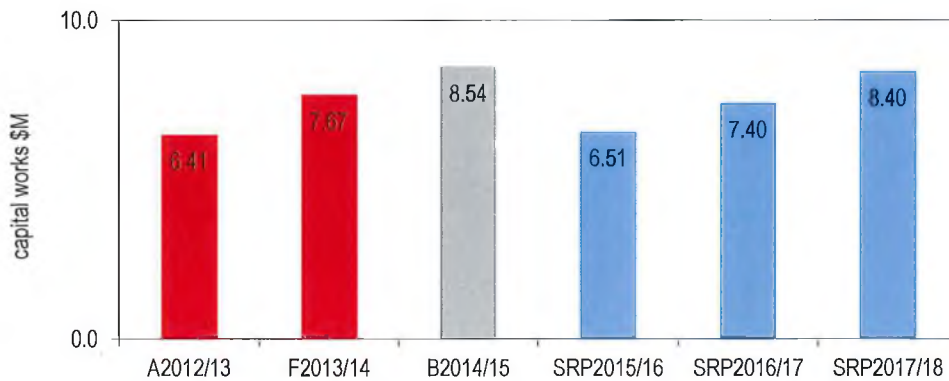
The net cost of services delivered to the community for the 2014/15 year is expected to be \$26.13 million which is an increase of \$0.38 million over 2013/14. The increase includes a number of expenditures of a capital nature which are required to be included in the operating budget because the assets are not owned or controlled by Council. These projects include Main Street Nagambie (\$0.77 million), Euroa Memorial Oval (\$0.24 million) and Avenel Recreation Reserve (\$0.10 million). For the 2014/15 year, service levels have been maintained and a number of initiatives proposed. (The forecast net cost for the 2013/14 year is \$25.75 million).

4. Cash and investments



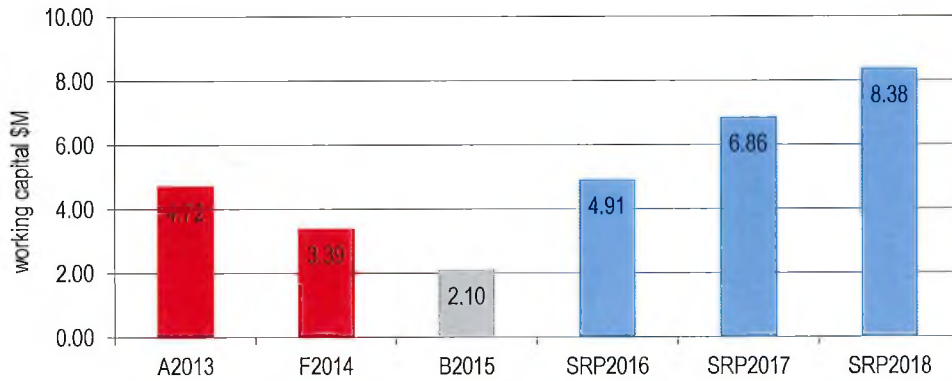
Cash and investments are expected to decrease by \$0.62 million during the year to \$5.31 million as at 30 June 2015. This is due mainly to the carried forward component of the 2013/14 capital works program. The reduction in cash and investments is in line with Council's Strategic Resource Plan. (Cash and investments are forecast to be \$5.93 million as at 30 June 2014).

5. Capital works



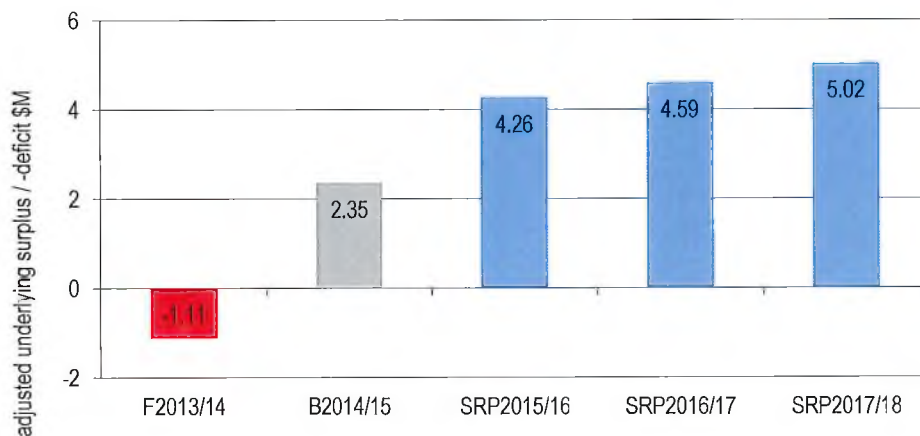
The capital works program for the 2014/15 year is expected to be \$8.54 million of which \$0.72 million relates to projects which will be carried forward from the 2013/14 year. The carried forward component is fully funded from the 2013/14 budget. Of the \$8.54 million of capital funding required, \$3.29 million will come from external grants with the balance of \$5.25 million from Council cash. The Council cash amount comprises asset sales (\$0.50 million), cash held at the start of the year (\$0.72 million) and cash generated through operations in the 2014/15 financial year (\$4.03 million). 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. Full details of this year's program is provided in Section 6 and Appendix C. Capital works is forecast to be \$7.67 million for the 2013/14 year.

6. Financial position



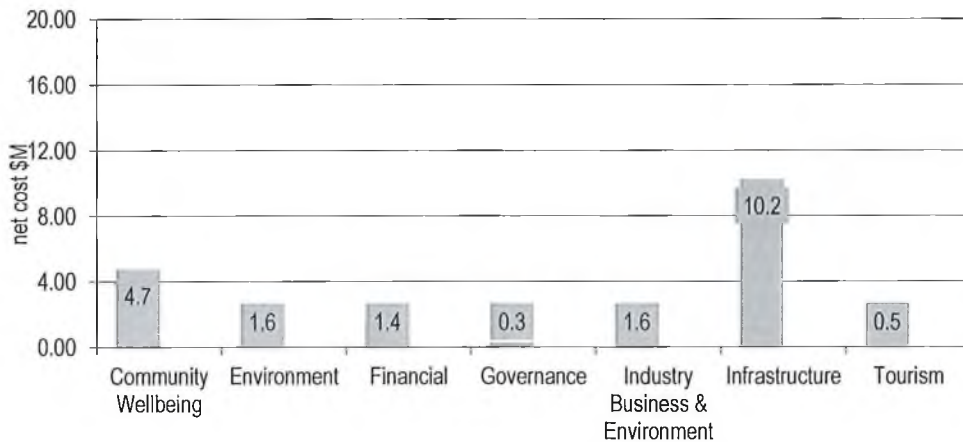
The financial position is expected to improve with net assets (net worth) to increase by \$2.76 million to \$229.71 million although net current assets (working capital) will reduce by \$1.29 million to \$2.10 million as at 30 June 2015. This is mainly due to the use of cash reserves to fund the capital works program. (Total equity is forecast to be \$226.95 million as at 30 June 2014).

7. Financial sustainability



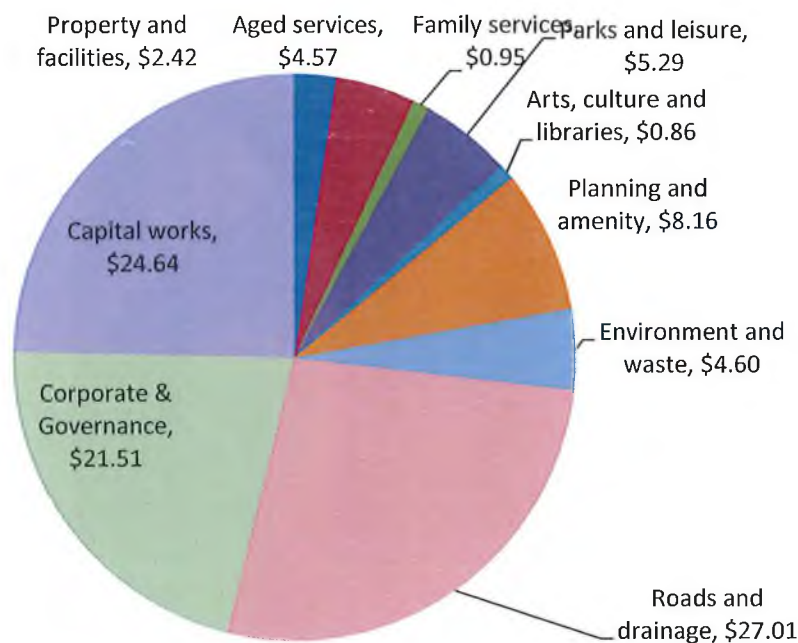
A high level Strategic Resource Plan for the years 2014/15 to 2017/18 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows a decreasing deficit over the four year period.

8. Strategic objectives



The Annual Budget includes a range of services 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 operating funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2014/15 year.

9. Council expenditure allocations (including capital expenditure)



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council spends.

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.

Steve Crawcour
Chief Executive Officer

Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under 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 Regulations which support the Act.

The 2014/15 budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2015 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with Officers preparing the operating and capital components of the annual budget during January and February. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April 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 by 31 August and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

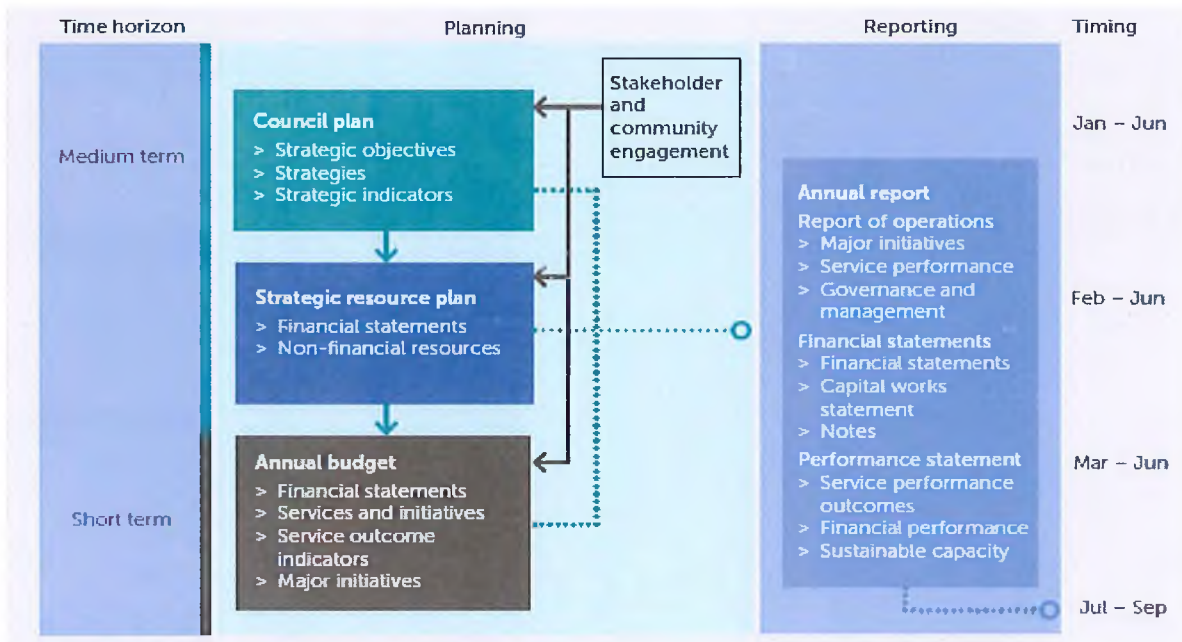
Budget process	Timing
1. Officers update Council's long term financial projections	Dec/Jan
2. Officers prepare operating and capital budgets	Jan/Feb
3. Councillors consider draft budgets at informal briefings	Mar/Apr
4. Proposed budget submitted to Council for approval	April
5. Public notice advising intention to adopt budget	April
6. Budget available for public inspection and comment	April/May
7. Public submission process undertaken	May
8. Submissions period closes (28 days)	Jun
9. Submissions considered by Council/Committee	Jun
10. Budget and submissions presented to Council for adoption	Jun
11. Copy of adopted budget submitted to the Minister	Jul
12. Revised budget where a material change has arisen	Sep-Jun

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 Planning and accountability 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 services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Transport, Planning and Local Infrastructure

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 in advance of the commencement of the Annual Budget process.

1.2 Our Purpose

Our Vision:

"A Shire that drives and supports investment for population growth, shared wealth and wellbeing."

Our Mission:

"To actively consult with community, investors and industry through advocacy and collaboration; delivering quality infrastructure, lifestyle and sustainable economic and community development."

Our Guiding Principles:

Councillors and staff at Strathbogie Shire Council are committed to the following principles (values) as a guide to all its decisions and actions:

Good Governance – We value innovation, integrity, accountability, strength, and consistency in leadership and decision making with adherence to robust, transparent and equitable policies and processes.

Working together – We value the ability to maximise outcomes by working in partnership and collaboration with an engaged community, government, regional bodies and other stakeholders.

Quality Services – We value the role of research, strategic planning, flexibility and innovation in delivering accessible and effective services and regional solutions that enhance the quality of life.

Social Inclusion – We value widespread participation in civic and community life among people of all abilities and backgrounds.

Environment – We value the shire's natural and built environment and the importance of local amenity on quality of life.

Stability – We value sound financial and resource planning and management to ensure Council's long term sustainability and provision of quality services and infrastructure.

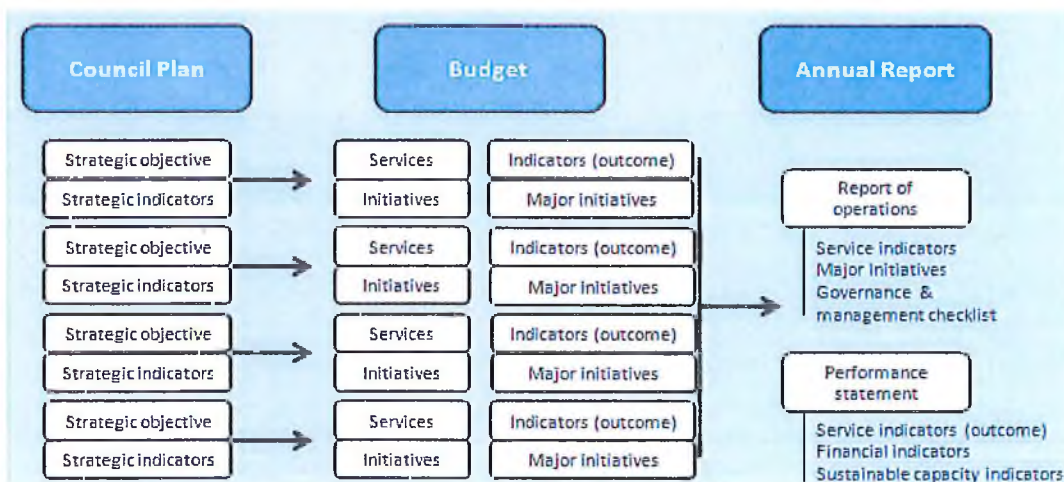
1.3 Strategic objectives

Council delivers activities and initiatives under various service categories. Each contributes to the achievement of one of the seven Strategic Objectives as set out in the Council Plan for the 2013-17 years. The following table lists the seven Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
1. Community Wellbeing	Plan, support and / or deliver a broad range of responsive and accessible services to our diverse community.
2. Environment	Continue to protect and enhance the natural and built environment for current and future generations.
3. Financial	Provide best practice management and administrative systems and structures to support the delivery of Council services and programs.
4. Governance	Provide all our stakeholders with consistent and timely decision making.
5. Industry, Business and Investment	Pursue opportunities to increase the range of businesses and industries in the Shire to further strengthen our economy.
6. Infrastructure	Provide well maintained, affordable and appropriate infrastructure.
7. Tourism and Hospitality	Ensure a coordinated and effective approach to economic and tourism development is maintained at all times.

2. Activities, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2014/15 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 initiatives, major initiatives and service performance indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



Source: Department of Transport, Planning and Local Infrastructure

2.1 Strategic Objective 1: Community Wellbeing

To achieve our Community Wellbeing objectives, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$
Environmental Health	This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities, immunisation programs and public health promotions. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	228,400 <u>(87,800)</u> 140,600
Libraries and Arts	This service provides public library services at three locations and a community cinema in Euroa. It provides a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered.	297,300 <u>(33,000)</u> 264,300
Community Grants and Recreational Planning	This service provides funding for the development of community facilities and activities	283,700 <u>(2,500)</u> 281,200
Maternal and Child Health	This service provides family oriented, visiting and centre based maternal and child health services.	150,500 <u>(105,400)</u> 45,100
Youth Services	This service provides youth facilities and a range of recreation and education based youth activities. Programs include Freeza, National Youth Week and L2P driving experience.	177,300 <u>(88,500)</u> 88,800
Aged and Disabled Community Care and Support	This service provides a range of home and community care services for the aged and disabled including home delivered meals, personal care, transport, dementia care, home maintenance, housing support and senior citizen clubs.	1,579,700 <u>(1,451,300)</u> 128,400
Street Lighting	This service enhances public safety and community access by providing street lighting in urban areas	138,600 <u>0</u> 138,600
Parks and Reserves	This service is responsible for the management, maintenance and safety of parks and gardens, sporting grounds and playground facilities.	1,549,700 <u>(243,600)</u> 1,306,100
Emergency Services	This service includes financial assistance for the SES service, fire prevention activities and flood risk planning and mitigation.	332,800 <u>(63,300)</u> 269,500

Initiatives

- 1) Introduce "Kids in Council" education program

Major Initiatives

- 1) Development of a Wastewater Management Plan
- 2) Upgrade of Violet Town Library
- 3) Completion of Euroa Memorial Oval upgrade

2.1 Strategic Objective 1: Community Wellbeing

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Libraries and Arts	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Aged and Disabled Community Care and Support	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
Aged and Disabled Community Care and Support	Participation	Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	Number of actual MCH visits / Number of expected MCH visits] x100
Maternal and Child Health	Participation	Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	[Number of actual MCH visits for Aboriginal children / Number of expected MCH visits for Aboriginal children] x100
Environmental Health	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance

2.2 Strategic Objective 2: Environment

To achieve our Environment objectives, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business area	Description of services provided	Expenditure (Revenue) Net Cost \$
Sustainability Management	Council is committed to responsible and sustainable management of the Shire's natural resources. Programs in this service area include Pests and Weeds program, Implementation of Council's environmental strategy and Carbon Footprint Assessment program.	99,400 (48,900) 50,500
Waste Management	This service includes kerbside garbage and recycling collections, transfer station operations and waste management of public areas. Waste management charges are calculated on a full cost recovery basis. The surplus of \$551,500 is absorbed by attributable overhead costs	1,495,300 (2,046,800) (551,500)

Initiatives

4) Council is investigating the potential for the introduction of a greewaste collection service. Implementation is anticipated in 2015/16

Major Initiatives

5) The rehabilitation of the former Violet Town landfill site is expected to be commenced in 2014/15

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste Management	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

2.3 Strategic Objective 3: Financial

To achieve our Financial objectives, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$
Financial & Administration Services	This service area provides financial advice and support to the providers of all Council services, including budget preparation, long term financial planning, periodic reporting, processing of debtors and creditors, and statutory financial requirements, including FBT and GST reporting..	1,373,300 0 1,373,300

Initiatives

6) Continue to investigate and implement a comprehensive range of electronic receipting and payment options for Council services

7) Continue the development of Council long term financial planning processes and linkages to asset management systems and the Council Plan

2.4 Strategic Objective 4: Governance

To achieve our Governance objectives, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$
Governance	This area of governance includes the Mayor, Councillors, Chief Executive Officer and other Executive Management costs which cannot be easily attributed to the direct service provision areas.	281,400 (2,400) 279,000

Initiatives

Major Initiatives

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community

2.5 Strategic Objective 5: Industry, Business and Investment

To achieve our Industry, Business and Investment objectives, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business area	Description of services provided	Expenditure (Revenue) Net Cost \$
Planning	This service area processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, development, economic and social issues affecting Council.	1,002,000 (82,000) 920,000
Building	This service area provides statutory building services to the community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of Council buildings and investigations of complaints and illegal works.	145,000 (34,000) 111,000
Grants	This service area researches grant funding opportunities for Council projects and programs and manages the associated application, monitoring and aquital processes.	111,600 0 111,600
Strategic Projects	This service area provides resources for key strategic projects which generally have longer term outcomes for the development of the Shire. These projects often involve partnerships with other tiers of government and are often supported by external funding	137,700 0 137,700
Saleyards	This service area refers to the Euroa Saleyards. The saleyards operate on an approximately one sale per month basis.	185,500 (200,000) (14,500)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	$\frac{[\text{Number of businesses with an ABN in the municipality at the end of the financial year} - \text{Number of businesses with an ABN in the municipality at the start of the financial year}]}{\text{Number of businesses with an ABN in the municipality at the start of the financial year}} \times 100$
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	$\frac{[\text{Number of VCAT decisions that upheld Council's decision in relation to a planning application}]}{[\text{Number of decisions in relation to planning applications subject to review by VCAT}]} \times 100$
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions

2.6 Strategic Objective 6: Infrastructure

To achieve our Infrastructure objective, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business area	Description of services provided	Expenditure
		(Revenue) Net Cost \$
Municipal Buildings	This service area is responsible for the maintenance of Council owned and controlled buildings.	432,000 (32,100) 399,900
Swimming Pools and Beaches	Council operates outdoor pools in Euroa, Nagambie, Violet Town and Avenel.	407,500 (14,100) 393,400
Roads and Bridge Maintenance Operations	This service area is responsible for the maintenance of Council's roads and bridges network.	9,366,200 (3,198,900) 6,167,300

Initiatives

Major Initiatives

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Pool Facilities	Utilisation	Utilisation of pool facilities (The number of visits to pool facilities per head of municipal population)	Number of visits to pool facilities / Municipal population
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

2.7 Strategic Objective 7: Tourism

To achieve our Tourism objective, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business area	Description of services provided	(Revenue) Net Cost \$
Boating Operations and Safety	Council is the boating authority for Nagambie Lakes. This service area provides patrol services, maintenance of boating infrastructure and support for on-water recreational activities.	91,200 (20,600) 70,600
Tourism	Strathbogie Shire has a high tourism profile with broad ranging attractions including, natural environment, water based activities, wineries events and festivals. This service area is responsible for promoting the area generally and supporting local tourism bodies and tourism related events.	185,600 (35,000) 150,600
Nagambie Lakes Regatta Centre Precinct	The Nagambie Lakes Regatta Centre is a major national rowing complex which conducts many high profile State and National championships. This service area provides support for the attraction, promotion and management of rowing and other water based events at the Regatta Centre.	193,900 (77,000) 116,900
Events	This service area provides support for the planning, promotion and management of community based events.	64,700 0 64,700
Caravan Parks	Council has control of caravan parks at Nagambie Lakes and Euroa. The parks are operated by Council contractors.	13,700 (223,500) (209,800)

Initiatives

Major Initiatives

Service Performance Outcome Indicators

2.7 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2014/15 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

2.8 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Total services and initiatives	12,233,300	20,324,000	-8,090,700
Other non-attributable	2,401,600		
Deficit before funding sources	14,634,900		
Funding sources:			
Rates & charges	14,466,300		
Capital grants	2,931,200		
Total funding sources	17,397,500		
Surplus for the year	2,762,600		

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 Strathbogie Shire Council

Strathbogie Shire Council is situated midway between Melbourne and Albury in northeast Victoria. The municipality covers 3,300 square kilometres and has a population of approximately 10,000.

Strathbogie Shire was formed on 18 November 1994 with the amalgamation of the former Shires of Goulburn, Euroa and Violet Town, and part of the City of Seymour. Today, Council operates within a structure of seven community-elected Councillors, with one Councillor elected annually by the Council to serve as the Mayor.

Population

In June 2011, the resident population of the shire was 10,060 people. The Shire is experiencing population growth particularly in the Nagambie area.

Ageing population

The population is ageing with numbers larger than Regional Victorian averages for the age groups 50 to 59, 60 to 69 and 70 to 84.

Housing

Total building expenditure for the 2011/2012 year was \$25,722,500 with expenditure of \$19,931,500 for the 9 months to 31 March 2013

3.2 External influences

In preparing the 2013/14 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.

- The Enterprise Bargaining Agreement (EBA). Agreed increase 3% pa
- Consumer Price Index (CPI) increases of < 4% per annum
- Receipt of significant capital works funding of \$3.29 million
- The remediation of the Violet Town Landfill site per EPA requirements
- Anticipated State and Federal budgetary tightening with consequential impacts for Local Government

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 2014/15 Budget. These matters have arisen from events occurring in the 2013/14 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2014/15 year. These matters and their financial impact are set out

- Organisation restructure 2013/14 resulting in savings to be used to accelerate the infrastructure renewal
- Continued support for Shared Services arrangements with other councils including City of Greater

3.4 Budget principles

The following guidelines set out the key budget principles upon which the officers were to prepare their budgets. The principles include:

- Existing fees and charges to be increased generally in line with CPI or market levels
- Grants to be based on confirmed funding levels where possible
- New revenue sources to be identified where possible
- Service levels to be maintained at 2013/14 levels with an aim to use less resources with an emphasis on innovation and efficiency
- Real savings in expenditure and increases in revenue identified in 2013/14 to be preserved

3.4 Long Term Strategies

The budget includes consideration of a number of long term strategies which assist Council in considering the Budget in a strategic financial management context. These include a Strategic Resource Plan for the years 2015 to 2019, 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 income and expenses of the Council for the 2014/15 year.

4.1 Budgeted income statement

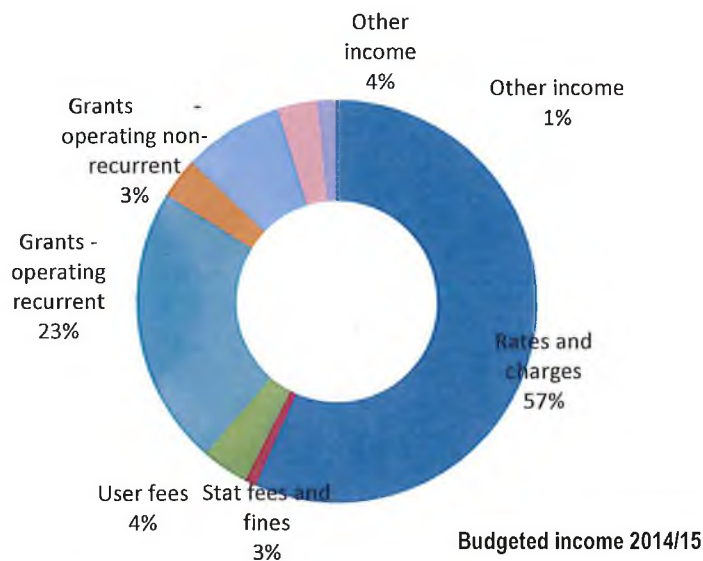
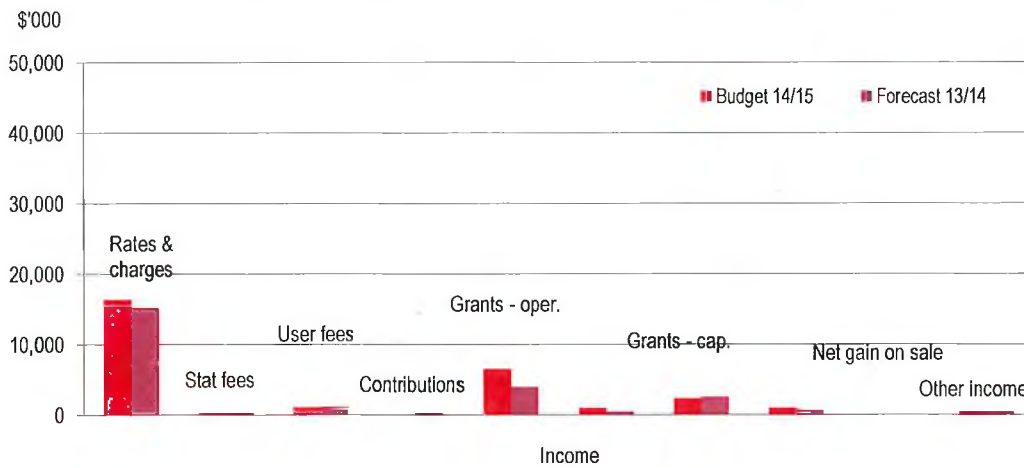
	Ref	Forecast	Budget	Variance
		Actual 2013/14 \$'000	2014/15 \$'000	\$'000
Total income	4.2	24,861	28,896	4,035
Total expenses	4.3	(25,747)	(26,133)	(386)
Surplus (deficit) for the year		(886)	2,763	3,649
Grants – capital non-recurrent	4.2.6	(624)	(957)	(333)
Contributions - non-monetary assets		0	0	0
Written down value of infrastructure renewed		400	547	147
Capital contributions - other sources	4.2.4	0	0	0
Adjusted underlying surplus (deficit)		(1,110)	2,353	3,463

4.1.1 Adjusted underlying deficit (\$3.46 million increase)

The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2014/15 year is a surplus of \$2.35 million which is an increase of \$3.46 million from the 2013/14 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

4.2 Income

Income Types	Ref	Forecast		Variance
		Actual 2013/14 \$'000	Budget 2014/15 \$'000	
Rates and charges	4.2.1	15,207	16,372	1,165
Statutory fees and fines	4.2.2	296	271	(25)
User fees	4.2.3	1,155	1,098	(57)
Contributions - cash	4.2.4	246	0	(246)
Grants - operating recurrent	4.2.5	3,933	6,507	2,574
Grants - operating non-recurrent	4.2.6	453	939	486
Grants - capital recurrent	4.2.7	2,543	2,334	(209)
Grants - capital non-recurrent	4.2.8	624	957	333
Net gain on sale of assets	4.2.9	0	0	0
Other income	4.2.10	404	418	14
Total income		24,861	28,895	4,034



Source: Appendix A

4.2.1 Rates and charges (\$1.17 million increase)

It is proposed that general rate income be increased by 7.0% or \$1.17 million over 2013/14 to \$16.37 million. Supplementary rates are forecast to provide an additional 0.74% over 2013/14. Waste Management charges will increase by 4%. Section 9. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2014/15. Information on rates and charges specifically required by the Regulations is included in Appendix B.

4.2.2 Statutory fees and fines (\$25K decrease)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include environmental health, building, planning and animal registration fees. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to decrease by \$25K. The decrease relates to the reclassification of Septic Tank Fees as User Fees (\$18K) and a reduction in Building Fees (\$7K). The reduction in building fees is a consequence of this service now being provided primarily by external contractors.

A detailed listing of statutory fees is included in Appendix D.

4.2.3 User fees (\$57K decrease)

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include community facilities and the provision of human services such as 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.

User charges are projected to decrease by \$0.57K. Fees generally have been increased in line with CPI or market levels, however, the total for User Fees has been significantly impacted by reduced levels of demand for home care services (\$88K) and reclassification of Debt Recovery costs as Other Income (\$60K).

A detailed listing of fees and charges is included in Appendix D.

4.2.4 Contributions - cash (\$0.25 million decrease)

Council received a number of non-recurring contributions in 2013/14. No contributions are budgeted for 2014/15.

4.2.5 Grants - operating recurrent (\$2.57 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating recurrent grants has increased by \$2.57 million compared to 2013/14.

The variance is primarily attributable to an assumption that the Victorian Grants Commission will not continue the recent practice of prepaying 50% of the General Purpose and Local Roads grants in the preceding year. The change in timing accounts for \$2.50 million of the variance.

4.2.6 Grants - operating non-recurrent (\$0.49 million increase)

The level of operating non-recurrent grants has increased by \$0.49 million. The increase is mainly due to funding of \$0.67 million for the Nagambie Main Street project.

4.2.7 Grants - capital recurrent (\$0.21 million decrease)

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 recurrent grants has decreased by \$0.21 million compared to 2013/14. The variance is attributable to the inclusion of funding from 2012/13 Roads to Recovery Program (\$0.10 million) and Local Government Infrastructure Program (\$0.11 million) being carried forward to 2013/14. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year.

4.2.8 Grants - capital non-recurrent (\$0.33 million increase)

The level of capital non-recurrent grants has increased by \$0.33 million. Funding from this source varies depending upon the availability of State and Federal government grant programs.

4.2.9 Net gain on sale of assets (no movement)

Net gain on sale of assets relates mainly to the planned cyclical replacement of part of the plant and vehicle fleet and sale of properties. For 2014/15 it is assumed that assets will be disposed of at their written down value. Consequently there is no budgeted gain or loss on disposal.

4.2.10 Other income (\$0.14K increase)

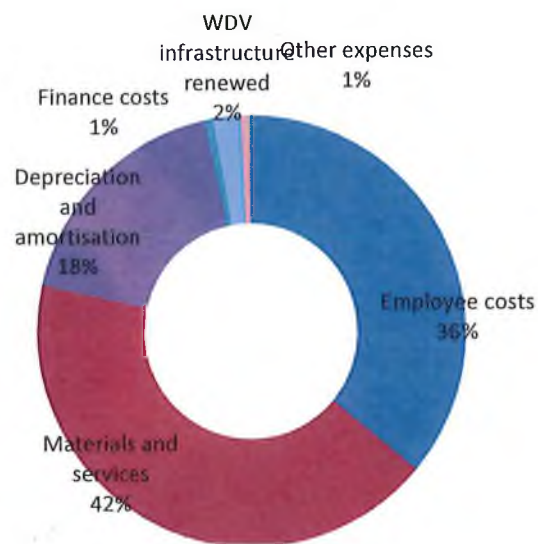
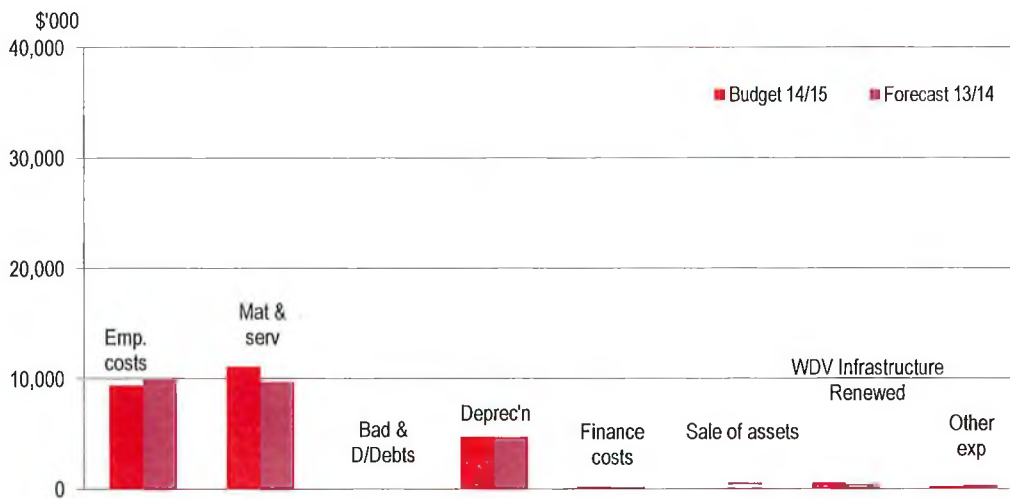
Other income relates to a range of miscellaneous income items. It also includes interest revenue on investments and rate arrears.

Other income is forecast to increase by \$14K.

The previously mentioned reallocation of Debt Recovery costs (\$60K) from User Fees, has been substantially offset by an anticipated reduction in interest on investments. The higher level of interest on investments for 2013/14 is primarily due to deferred or delayed capital projects and consequentially higher levels of funds invested.

4.3 Expenses

Expense Types	Ref	Forecast	Budget	Variance
		Actual 2013/14 \$'000	2014/15 \$'000	\$'000
Employee costs	4.3.1	9,930	9,413	(517)
Materials and services	4.3.2	9,697	11,078	1,381
Bad and doubtful debts	4.3.3	4	5	1
Depreciation and amortisation	4.3.4	4,694	4,736	42
Finance costs	4.3.5	150	161	11
Net loss on sale of assets	4.3.6	551	0	(551)
Written down value of infrastructure renewed	4.3.7	400	547	147
Other expenses	4.3.8	321	193	(128)
Total expenses		25,747	26,133	386



Budgeted expenses 2014/15

Source: Appendix A

4.3.1 Employee costs (\$0.52 million decrease)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc.

Employee costs are forecast to reduce by \$0.52 million in 2014/15.

The decrease is primarily the consequence of significant organisation restructuring and progress toward a shared services model with neighbouring councils. Council incurred higher than anticipated employee costs for 2013/14, as the result of non-recurring restructure costs, but subsequent reductions in employee costs for 2014/15 and beyond.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2014/15 \$'000	Permanent Full Time \$'000	Comprises Permanent Part Time \$'000	Casual \$'000
Governance & Executive Services	295	295		
Sustainable Development	1,628	1,107	508	13
Corporate & Community	2,805	1,318	1112	375
Assets Services	4,685	4,149	296	240
Total	9,413	6,869	1,916	628

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Permanent Full Time	Comprises Permanent Part Time	Casual
Governance & Executive Services	2	2	0	0
Sustainable Development	28	12	14	2
Corporate & Community	61	15	32	14
Assets Services	76	50	11	15
Total	167	79	57	31

4.3.2 Materials and services (\$1.38 million 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 \$1.38 million compared to 2013/14.

Materials and services costs have increased generally in line with CPI. The total increase however has been impacted by expenditures in 2014/15 for Nagambie Main Street Project (\$770K), Euroa Memorial Oval (\$235K) and Avenel Recreation Reserve (\$100K)

4.3.3 Bad and doubtful debts (\$1K increase)

Bad and doubtful debts is projected to increase by \$1K compared to 2013/14.

4.3.4 Depreciation and amortisation (\$42K 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 \$0.42 million for 2014/15 is due mainly to the completion of the 2014/15 capital works program and the full year effect of depreciation on the 2013/14 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2014/15 year.

4.3.5 Finance costs (\$11K increase)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The small increase results from interest on a new borrowing in 2013/14 of \$800K, offset by reducing interest expense on older loans.

4.3.6 Net loss on sale of assets (\$0.55 million decrease)

Net gain on sale of assets relates mainly to the planned cyclical replacement of part of the plant and vehicle fleet and sale of properties. For 2014/15 it is assumed that assets will be disposed of at their written down value. Consequently there is no budgeted gain or loss on disposal.

The loss on disposal of assets for 2013/14 (\$0.55 million) relates to the sale of the Nagambie Depot.

4.3.7 Written down value of infrastructure renewed (\$0.15 million increase)

This is the cost of writing off the residual value of infrastructure assets at the time of their renewal. The transaction has no cash impact and is similar to depreciation in its application.

4.3.8 Other expenses (\$0.13 million decrease)

Other expenses relate to a range of unclassified items including Councillor allowances, Councillor superannuation, Councillor work cover and other miscellaneous expenditure items. Other Expenses are forecast to decrease by \$0.13 million. The reallocation of Debt Collection (\$60K) and Audit Fees (\$63K) to Materials and Services accounts for most of the decrease.

5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2014/15 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 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
Rates and charges		15,207	16,370	1,163
User fees and fines		1,451	1,369	(82)
Contributions		0	0	0
Grants - operating		4,386	7,445	3,059
Grants - capital		3,166	3,290	124
Interest		250	250	0
Other receipts		400	169	(231)
		24,860	28,893	4,033
<i>Payments</i>				
Employee costs		(9,930)	(9,413)	517
Other payments		(10,020)	(11,271)	(1,251)
		(19,950)	(20,684)	(734)
Net cash provided by operating activities		4,910	8,209	3,299
Cash flows from investing activities	5.1.2			
Proceeds from sales of property, infrastructure, plant & equip		1,450	500	(950)
Payments for landfill rehabilitation		(525)	0	525
Payments for property, infrastructure, plant and equipment		(7,672)	(8,544)	(872)
Net cash used in investing activities		(6,747)	(8,044)	(1,297)
Cash flows from financing activities	5.1.3			
Finance costs		(149)	(160)	(11)
Proceeds from borrowings		800	0	(800)
Repayment of borrowings		(469)	(626)	(157)
Net cash used in financing activities		182	(786)	(968)
Net decrease in cash and cash equivalents		(1,655)	(621)	1,034
Cash and cash equivalents at the beg of the year		7,587	5,932	(1,655)
Cash and cash equivalents at end of the year	5.1.4	5,932	5,311	(621)

5.1.1 Operating activities (\$3.30million increase)

The increase in cash inflows from operating activities is due mainly to the assumed timing change for Victorian Grants Commission funding (\$2.50 million) and the proposed 7% increase in rate revenue (\$1.16 million).

The net cash flows from operating activities does not equal the surplus (deficit) 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.

	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Surplus (deficit) for the year	(886)	2,762	3,648
Depreciation	4,694	4,736	42
Loss (gain) on sale of assets	551	0	(551)
Net movement in current assets and liabilities	551	711	160
Cash flows available from operating activities	4,910	8,209	3,299

5.1.2 Investing activities (\$1.30 million increase)

The increase in payments for investing activities represents the planned increase in capital works expenditure disclosed in section 6 and Appendix C of this budget report. Proceeds from sale of assets are forecast to decrease by \$0.95 million. The reduced proceeds primarily reflect the sale in 2013/14 of the former Nagambie depot site (\$1.15 million). Proceeds for 2014/015 include motor vehicle replacement \$150K, plant replacement \$150K, Wesley Hail \$150K and Violet Town property \$50K.

5.1.3 Financing activities (\$0.97 million increase)

For 2014/15 the total of principal repayments is \$0.63 million and finance charges is \$0.16 million.

5.1.4 Cash and cash equivalents at end of the year (\$0.62 million decrease)

Overall, total cash and investments is forecast to decrease by \$0.62 million to \$5.31 million as at 30 June 2015, reflecting the use of cash generated in the preceding year to fund brought forward capital works projects.

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 2015 it will have cash and investments of \$4.61 million, which has been restricted as shown in the following table.

	Ref	Forecast Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
Total cash and investments		5,932	5,311	(621)
Restricted cash and investments				0
- Statutory reserves	5.2.1	(100)	(100)	0
- Discretionary reserves	5.2.2	(600)	(600)	0
- Cash held to carry forward capital works	5.2.3	(193)	0	2,817
Unrestricted cash and investments	5.2.4	5,039	4,611	2,196

5.2.1 Statutory reserves (\$0.10 million)

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

5.2.2 Discretionary reserves (\$0.60 million)

These funds are shown as discretionary reserves (Bridges Reserve) as, although not restricted by a statutory purpose, 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. No funds are proposed to be transferred to or from the reserve in 2014/15.

5.2.3 Cash held to fund carry forward capital works (\$nil)

An amount of \$0.19 million is forecast to be held at 30 June 2014 to fund capital works budgeted but not completed in the 2013/14 financial year. Section 6.2 contains further details on capital works funding. There is no amount shown as cash held to fund carry forward works at 30 June 2015, as it is expected that the capital works budget in the 2014/15 financial year will be fully completed.

5.2.4 Unrestricted cash and investments (\$4.61 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 and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.

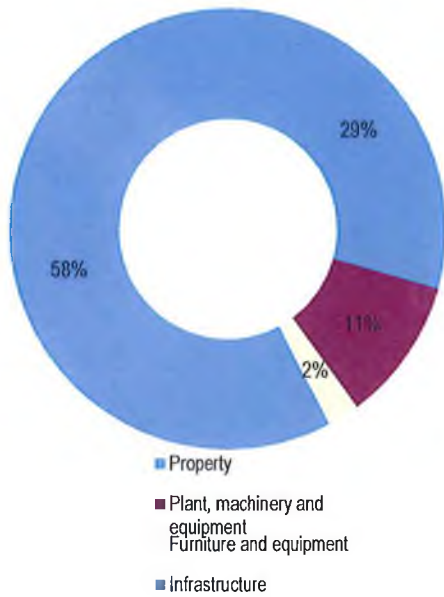
6. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2014/15 year and the sources of funding for the capital budget.

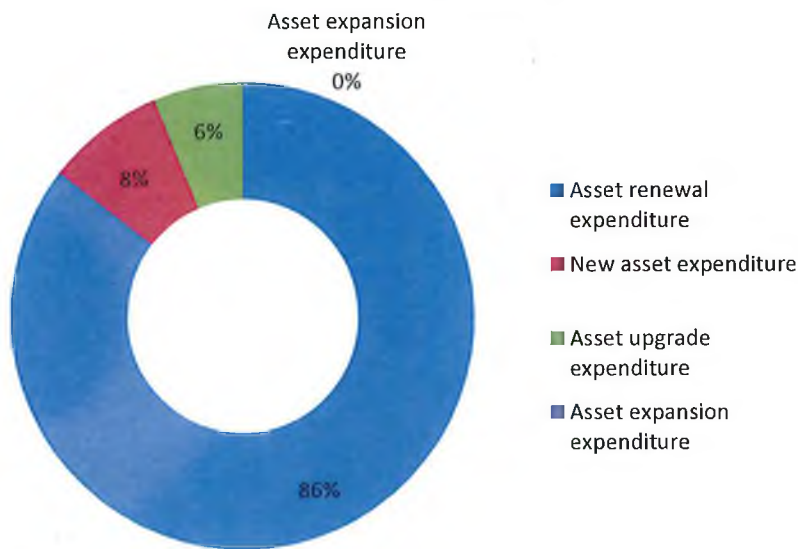
6.1 Capital works

Capital Works Areas	Ref	Forecast		Variance
		Actual 2013/14 \$'000	Budget 2014/15 \$'000	
Works carried forward	6.1.1			
Property				
Land		139	196	57
Buildings		76	207	131
Total property		215	403	131
Plant machinery and equipment				
Plant, machinery and equipment		0	0	
Total plant machinery and equipment		0	0	0
Furniture and equipment				
Computers and telecommunications		161	56	
Total furniture and equipment		161	56	0
Infrastructure				
Roads		142	0	(142)
Bridges		396	178	(218)
Footpaths		0		0
Kerb & Channel		0		
Drainage		33	87	
Waste Management		0		
Total infrastructure		571	265	(360)
Total works carried forward		947	724	(229)
New works				
Property	6.1.2			
Land		1,077	829	(248)
Buildings		533	1,296	763
Total property		1,610	2,125	763
Plant machinery and equipment	6.1.3			
Plant, machinery and equipment		667	850	183
Total plant machinery and equipment		667	850	183
Furniture and equipment	6.1.4			
Computers and telecommunications		328	150	(178)
Total furniture and equipment		328	150	(178)
Infrastructure	6.1.5			
Roads		3,662	3,506	(156)
Bridges		359	717	358
Footpaths		82	105	23
Kerb & Channel		0	80	
Drainage		0	288	288
Waste Management		18	0	(18)
Total infrastructure		4,121	4,696	495
Total new works		6,726	7,821	1,441
Total capital works expenditure		7,673	8,545	1,212
Represented by:				
Asset renewal expenditure	6.1.6	4,766	7,309	2,543
New asset expenditure	6.1.6	938	700	(238)
Asset upgrade expenditure	6.1.6	1,969	536	(1,433)
Asset expansion expenditure	6.1.6	0	0	0
Total capital works expenditure		7,673	8,545	872

Budgeted capital works 2014/15



Budgeted capital works 2014/15



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

6.1.1 Carried forward works (\$0.72 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2013/14 year it is forecast that \$0.72 million of capital works will be incomplete and be carried forward into the 2014/15 year.

6.1.2 Property (\$2.13 million)

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2014/15 year, \$2.13 million will be expended on building and building projects. The more significant projects include Violet Town Flood Mitigation (\$0.50 million), Waste Transfer Stations (\$0.28 million), Violet Town Library (\$0.46million), Violet Town Community Centre roof (\$0.19 million) and automatic weir gates for Sevens Creek Park (\$0.18 million)

6.1.3 Plant machinery and equipment (\$0.85 million)

Plant and equipment includes road plant, motor vehicles and other items of plant and equipment.

For the 2014/15 year, \$0.85 million will be expended on plant, machinery and equipment. The more significant projects include ongoing cyclical replacement of road plant (\$0.50 million) and vehicle fleet (\$0.35 million).

6.1.4 Furniture and equipment (\$0.15 million)

Furniture and equipment includes information technology equipment and other office furniture and equipment.

For the 2014/15 year, \$0.15 million will be expended on furniture and equipment.

6.1.5 Infrastructure (\$4.70 million)

Infrastructure includes roads, bridges, footpaths, drainage, kerb and channel, waste management assets and other structures.

For the 2014/15 year, \$3.51 million will be expended on road projects, including local road reseals (\$1.30 million), rehabilitation works (\$1.43 million) and road resheeting (\$0.69 million).

\$0.72 million will be expended on bridge projects, \$0.11 million on footpaths, \$0.08 million on kerb and channel and \$0.29 million on drainage

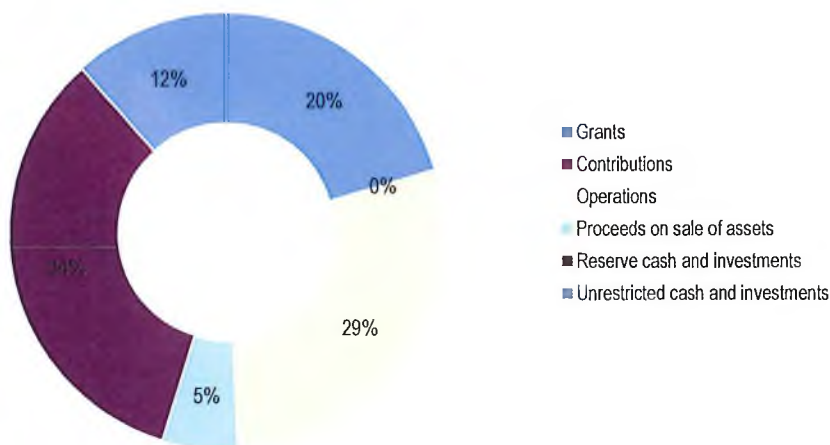
6.1.6 Asset renewal (\$7.31 million), new assets (\$0.70 million) and upgrade (\$0.54 million)

A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

6.2 Funding sources

Sources of funding	Ref	Forecast		Variance
		Actual 2013/14 \$'000	Budget 2014/15 \$'000	
Works carried forward				
Current year funding				
Grants		0	0	0
Contributions		0	0	0
Borrowings		0	0	0
Council cash				0
- operations		0	0	0
- proceeds on sale of assets		0	0	0
- reserve cash and investments		0	0	0
- unrestricted cash and investments		947	724	(223)
Total works carried forward	6.2.1	947	724	(223)
New works				
Current year funding				
Grants	6.2.2	3,166	3,291	125
Contributions		246	0	(246)
Borrowings		800	0	(800)
Council cash				0
- operations	6.2.3	851	4,030	3,179
- proceeds on sale of assets	6.2.4	1,450	500	(950)
- reserve cash and investments		0	0	0
- unrestricted cash and investments		0	0	0
Total new works		6,513	7,821	1,308
Total funding sources		7,460	8,545	1,085

Budgeted total funding sources 2014/15



Source: Appendix A

6.2.1 Carried forward works (\$0.72 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2013/14 year it is forecast that \$0.72 million of capital works will be incomplete and be carried forward into the 2014/15 year.

6.2.2 Grants - Capital (\$3.29 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for Roads to Recovery (\$0.98 million), State Government Roads and Bridges funding (\$1.00 million), Local Government Infrastructure Program (\$0.36 million), Violet Town Flood Mitigation (\$0.50 million), Waste Transfer Station Upgrades (\$0.14 million) and Violet Town Library (\$0.32 million)

6.2.3 Council cash - operations (\$4.03 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that of the funds generated from operations, \$4.03 million will be used to fund the 2014/15 capital works program.

6.2.4 Council cash - proceeds from sale of assets (\$0.50 million)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.50 million.

7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2013/14 and 2014/15. It also considers a number of key performance indicators.

7.1 Budgeted balance sheet

	Ref	Forecast Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
Current assets	7.1.1			
Cash and cash equivalents		5,932	5,311	(621)
Trade and other receivables		1,224	1,715	491
Other assets		370	370	0
Total current assets		7,526	7,396	(130)
Non-current assets	7.1.1			
Financial Assets		3	4	1
Investments in associates		424	424	
Property, infrastructure, plant and equipment		226,075	229,337	3,262
Total non-current assets		226,502	229,765	3,263
Total assets		234,028	237,161	3,133
Current liabilities	7.1.2			
Trade and other payables		1,029	2,025	(996)
Interest-bearing loans and borrowings		469	636	(167)
Trust funds and deposits		503	503	
Provisions		2,133	2,133	0
Total current liabilities		4,134	5,297	(1,163)
Non-current liabilities	7.1.2			
Interest-bearing loans and borrowings		2,279	1,486	793
Trust funds and deposits		68	68	
Provisions		598	598	0
Total non-current liabilities		2,945	2,152	793
Total liabilities		7,079	7,449	(370)
Net assets		226,949	229,712	2,763
Equity	7.1.4			
Accumulated surplus		72,549	75,312	2,763
Asset revaluation reserve		153,700	153,500	(200)
Other reserves		700	900	200
Total equity		226,949	229,712	2,763

Source: Appendix A

7.1.1 Current Assets (\$0.13 million decrease) and Non-Current Assets (\$3.26 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 \$0.62 million during the year mainly to fund the capital works program including works brought forward from 2013/14.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are forecast to increase by \$0.49 million. The increase is a reflection of a more conservative application of the long term financial plan modelling, due to the unpredictability of forecasting short term debtor levels at year end, particularly in relation to the accrual of outstanding grant funds.

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. No movement in Other Assets is forecast.

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 Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$8.55 million) , depreciation of assets (\$4.74 million) and the sale through sale of property, plant and equipmen (\$0.50 million)t.

Further analysis of the capital works program is provided in Section 6 and Appendix C.

7.1.2 Current Liabilities (\$1.16 million increase) and Non Current Liabilities (\$0.79 million decrease)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to increase by \$1.00 million. The increase is a reflection of a more conservative application of the long term financial plan modelling, due to the unpredictability of forecasting trade and other payable levels at year end.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are expected to be maintained at current levels due to more active management of entitlements and as a consequence of management restructure in 2013/14.

Interest-bearing loans and borrowings are borrowings of Council. The Council is budgeting to repay loan principal of \$0.63 million over the year.

7.1.3 Working Capital (\$1.3 million decrease)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

	Forecast		Variance
	Actual 2014 \$'000	Budget 2015 \$'000	
Current assets	7,526	7,396	130
Current liabilities	4,134	5,297	(1,163)
Working capital	3,392	2,099	1,293
Restricted cash and investment current assets			
- Statutory reserves	(100)	(100)	0
- Discretionary reserves	(600)	(600)	0
Unrestricted working capital*	2,692	1,399	1,293

* Unrestricted working capital may also be committed to completion of carry forward capital works. Refer to table 6.2 for funding of capital works carried forward out of prior years.

7.1.4 Equity (\$2.76 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. The increase in accumulated surplus of \$2.76 million results directly from the operating surplus for the year.

7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2015 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- Trade and other receivables - the long term financial planning model parameters have been amended to provide a more conservative outcome to reflect the unpredictability of forecasting this figure at year end.
- Trade and other payables - the long term financial planning model parameters have been amended to provide a more conservative outcome to reflect the unpredictability of forecasting this figure at year end.
- Employee costs have been favourably impacted by an organisation restructure undertaken in 2013/14
- Employee provision increases due to Enterprise Bargaining and Award related outcomes are offset by more stringent management of excess leave accumulations.
- Repayment of loan principal to be \$0.63 million
- Total capital expenditure to be \$8.55 million
- Works related to the \$0.60 million landfill provision to be undertaken in 2014/15

8. Strategic resource plan and financial performance indicators

This section includes an extract of the adopted Strategic Resource Plan to provide information on the long term financial projections of the Council.

8.1 Plan development

The Act requires a Strategic Resource Plan to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan.

Council has prepared a Strategic Resource Plan (SRP) for the four years 2014/15 to 2017/18 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 \$16 million per annum
- Achieve a balanced budget on a cash basis.

In preparing the SRP, 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

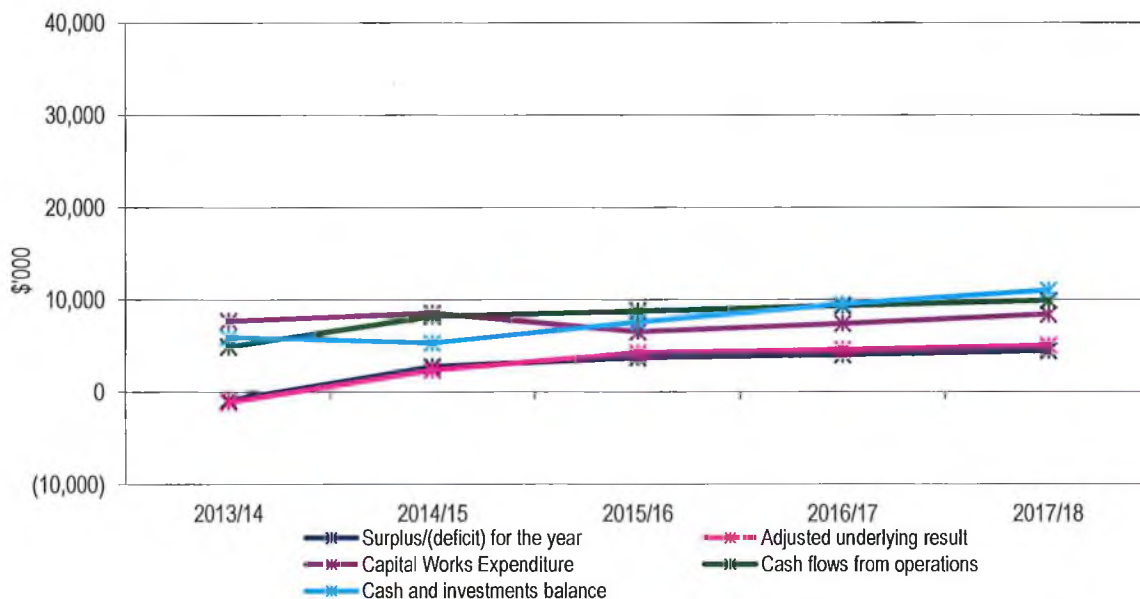
The following table summaries the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2013/14	2014/15	2015/16	2016/17	2017/18	+/o/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	(886)	2,762	3,713	4,026	4,443	+
Adjusted underlying result	(1,110)	2,353	4,260	4,589	5,020	+
Cash and investments balance	5,932	5,311	7,558	9,495	10,998	+
Cash flows from operations	4,910	8,209	8,758	9,328	9,885	+
Capital works expenditure	7,672	8,545	6,511	7,400	8,400	+

Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast 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 Plan are as follows:

- Financial sustainability (section 5)** - Cash and investments is forecast to improve over the four year period from \$5.31 million to \$10.99 million, which indicates a balanced budget on a cash basis in each year
- Rating levels (section 9)** - Rate increases are forecast to increase by 7% in 2014/15 and then at 6% for the duration of the Strategic Resource Plan
- Service delivery strategy** - Service levels have been maintained throughout the four year period. Operating surpluses are forecast for the years 2014/15 to 2017/18, enabling maintenance of substantial capital works programs, targeted specifically at infrastructure renewal. The underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result.
- Borrowing strategy** - Borrowings are forecast to reduce from \$2.75 million to \$0.70 million over the four year period.
- Infrastructure strategy** - Capital expenditure over the four year period will total \$30.86 million at an average of \$7.71 million.

8.3 Financial performance indicators

A comprehensive schedule of financial indicators is provided at Appendix E.

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. A summary of Council's anticipated human resources requirements for the 2014/15 year is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
Employee costs (\$'000)					
- Operating	9,930	9,413	9,923	10,370	10,836
- Capital	0	0	0	0	0
Total	9,930	9,413	9,923	10,370	10,836
Employee numbers (EFT)	118	118	118	118	118

9. Rating information

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

Rates and charges are a key component of Council revenue, accounting for over 50% of the total revenue received annually.

Council has a Rating Strategy which, in conjunction with the relevant sections of the Local Government Act 1989, provides the principles for Council's rating system. The strategy was implemented in the 2010/11 budget year after extensive community consultation and input. The strategy has since been reviewed annually and refined.

The proposed 7% increase for 2014/15 is in line with Council's Rating Strategy, Strategic Resource Plan and Long Term Financial Plan

In line with the forementioned plans, the Municipal Charge be maintained at the current level of \$266 until such time as it equates to 10% of total rates and charges (currently 12.02%). This action will progressively provide modest rate relief for owners of lower valued properties. The target is projected to be achieved by 2017/18.

9.2 Current year rate increase

The proposed 7% increase for 2014/15 is in line with Council's Rating Strategy, Strategic Resource Plan and Long Term Financial Plan. The increases are consistent with meeting Council's infrastructure renewal targets.

In line with the abovementioned plans, the Municipal Charge will be maintained at the current level of \$266 until such time as it equates to 10% of total rates and charges (currently 12.02%). This action will progressively provide modest rate relief for owners of lower valued properties. The target is projected to be achieved by 2017/18.

The increases will be structured so as to provide an increase of 4% for increasing costs of operations, as estimated by the Municipal Association of Victoria, and the balance to be applied specifically to infrastructure works.

Service charges for garbage and recycling are calculated on a cost recovery basis, the new charges are detailed in the table below.

The following table sets out future proposed rate increases and total rates to be raised, in accordance with the budget and forecasts

Year	Rates & Charges Increase Cost Index %	Rates Infrastructure Catch-up Levy %	Total Rates Increase %	Total Rates Raised \$'000
2014/15	4	3	7	16,372
2015/16	4	2	6	17,342
2016/17	4	2	6	18,372
2017/18	4	2	6	19,536

The following table summarises the rates to be raised for the 2013/14 year. A more detailed analysis of the rates to be raised is contained in Appendix B Statutory Disclosures.

		2013/14	2014/15
General/Residential	Cents/ \$ of CIV	0.5037629	0.5189234
Residential Vacant land (175%)	Cents/ \$ of CIV	0.8815851	0.9081160
Farm Differential (85%)	Cents/ \$ of CIV	0.4281985	0.4410849
Commercial/Industrial Rate (115%)	Cents/ \$ of CIV	0.6045155	0.6227081
Vacant Comm/Industrial Land (175%)	Cents/ \$ of CIV	1.0579022	1.0897392
Municipal charge	\$ per property	266.00	266.00
Kerbside collection - residential	\$ per property	326.00	339.00
Kerbside collection - commercial	\$ per property	653.00	679.00
Recycling charge	\$ per property	162.00	168.00

9.3 General revaluation of properties

The latest general revaluation of properties was undertaken with the effective revaluation date being 1 January 2014. The revaluation was applied in 2014/15.

9.4 Fire Services Property Levy

From 1 July 2013 the State Government introduced a property-based levy to fund the Metropolitan Fire and Emergency Services Board (MFB) and Country Fire Authority (CFA). This change followed a recommendation by the Victorian Bushfire Royal Commission.

Until 1 July 2013, residents and businesses made fire services contributions through their property insurance premiums. This typically includes building and contents insurance. Those with insurance against fire will, from 1 July 2013, no longer pay a levy through their premiums. Instead, it will be charged on your Council rates notice. The Victorian Government has announced that the levy rate will vary for different property types such as residential, industrial and commercial. There will be a fixed component (\$100 for residential and \$200 for non-residential) plus a variable component calculated as a percentage of the capital improved value of a property.

The cash inflow (levy collection from ratepayers) and outflow (payment to State Government) do not form part of this Draft Budget as Council only acts as the collection agent for the State Government and is not otherwise responsible for this levy.

9.5 Green Organics

Council is currently investigating a new initiative for the collection of green waste. Further information will be provided regarding this proposed service when investigations are finalised. It is anticipated that the new service would be introduced in 2015/16

10. Other strategies

This sections sets out the strategies that have been developed and incorporated into the Strategic Resource Plan.

10.1 Borrowings

This budget proposes no new borrowings in 2014/15.

The following table sets out future proposed borrowings, in accordance with the budget forecast.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2013/14				2,748
2014/15	0	626	161	2,122
2015/16	0	202	120	1,920
2016/17	0	215	81	1,705
2017/18	0	228	53	1,477

The table below shows information on borrowings specifically required by the Regulations.

	2013/14 \$	2014/15 \$
Total amount borrowed as at 30 June of the prior year	2,416,641	2,748,076
Total amount to be borrowed	800,000	0
Total amount projected to be redeemed	(468,565)	(625,836)
Total amount proposed to be borrowed as at 30 June	2,748,076	2,122,240

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 whilst 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 Statements	48
B	Rates and charges	53
C	Capital works program	58
D	Fees and charges schedule	63
E	Key financial performance indicators	69

Appendix A

Budgeted Statements

This appendix presents information in regard to the Budgeted Financial Statements. The budget information for the years 2014/15 to 2017/18 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget.

The appendix includes the following budgeted information:

- Budgeted Comprehensive Income Statement
- Budgeted Balance Sheet
- Budgeted Statement of Cash Flows
- Budgeted Statement of Capital Works

Budgeted Comprehensive Income Statement

	Forecast	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	15,207	16,372	17,342	18,372	19,536
Statutory fees and fines	296	271	279	287	297
User fees	1,155	1,098	1,142	1,188	1,235
Contributions - cash	246	-	-	-	-
Contributions - non-monetary assets	-	-	-	-	-
Grants - operating (recurrent)	3,933	6,506	7,548	7,774	8,007
Grants - operating (non-recurrent)	453	939	-	-	-
Grants - capital (recurrent)	2,543	2,334	2,483	2,483	2,483
Grants - capital (non-recurrent)	624	956	-	-	-
Other income	404	419	425	424	424
Total Income	24,861	28,895	29,218	30,528	31,983
Expenses					
Employee benefits	9,930	9,413	9,924	10,370	10,836
Materials and services	9,697	11,078	10,192	10,600	11,024
Bad and doubtful debts	4	5	1	1	1
Depreciation and amortisation	4,694	4,736	4,520	4,655	4,795
Finance costs	150	161	122	109	96
Other expenses	321	193	199	204	211
Net loss on disposal of property, infrastructure and equipment	551	-	-	-	-
Written down value of infrastructure renewed	400	547	547	563	577
Total Expenses	25,747	26,133	25,505	26,502	27,540
Surplus (deficit) for the year	(886)	2,762	3,713	4,026	4,443
Other comprehensive income					
Other	-	-	11,467	-	12,189
Comprehensive result	(886)	2,762	15,180	4,026	16,631

Budgeted Balance Sheet

	Forecast	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	5,932	5,311	7,558	9,495	10,998
Trade and other receivables	1,224	1,715	2,133	2,251	2,353
Financial assets	-	-	-	-	-
Other assets	370	370	370	370	370
Total current assets	7,526	7,396	10,061	12,116	13,721
Non-current assets					
Trade and other receivables	427	428	428	428	428
Property, infrastructure, plant and equipment	226,075	229,337	241,924	243,773	258,646
Total non-current assets	226,502	229,765	242,352	244,201	259,074
Total assets	234,028	237,161	252,413	256,317	272,795
Liabilities					
Current liabilities					
Trade and other payables	1,029	2,025	2,298	2,391	2,467
Interest-bearing loans and borrowings	469	636	215	228	242
Provisions	2,636	2,636	2,636	2,636	2,636
Total current liabilities	4,134	5,297	5,149	5,255	5,345
Non-current liabilities					
Other payables	-	-	-	-	-
Interest-bearing loans and borrowings	2,279	1,486	1,705	1,477	1,234
Provisions	666	666	666	666	666
Total non-current liabilities	2,945	2,152	2,371	2,143	1,900
Total liabilities	7,079	7,449	7,519	7,398	7,245
Net assets	226,949	229,712	244,893	248,919	265,550
Equity					
Accumulated surplus	72,549	75,312	79,027	83,052	87,494
Asset revaluation reserve	153,700	153,700	165,167	165,167	177,355
Other reserves	700	700	700	700	700
Total equity	226,949	229,712	244,893	248,919	265,550

Budgeted Statement of Cash Flows

	Forecast	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	15,207	16,370	17,093	18,300	19,474
Grants - operating	4,386	7,445	7,440	7,744	7,981
Grants - capital	3,166	3,290	2,447	2,473	2,475
Interest	250	250	246	249	249
User fees	1,155	1,098	1,125	1,183	1,232
Statutory fees and fines	296	271	275	286	296
Other revenue	400	169	172	173	173
Employee benefits	(9,930)	(9,413)	(9,790)	(10,324)	(10,799)
Materials and consumables	(9,699)	(11,078)	(10,055)	(10,553)	(10,986)
External contracts	-	-	-	-	-
Utilities	-	-	-	-	-
Other expenses	(321)	(193)	(196)	(203)	(210)
Net cash provided by operating activities	4,910	8,209	8,758	9,328	9,885
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	1,450	500	324	333	343
Payments for landfill rehabilitation	(525)	-	-	-	-
Deposits	-	-	-	-	-
Payments for property, plant and equipment	(7,672)	(8,544)	(6,511)	(7,400)	(8,400)
Net cash used in investing activities	(6,747)	(8,044)	(6,187)	(7,067)	(8,057)
Cash flows from financing activities					
Finance costs	(149)	(160)	(122)	(109)	(96)
Proceeds from Financial Assets	-	-	-	-	-
Payments for Financial Assets	-	-	-	-	-
Proceeds from borrowings	800	-	-	-	-
Repayment of borrowings	(469)	(626)	(202)	(215)	(228)
Net cash provided by (used in) financing activities	182	(786)	(324)	(324)	(324)
Net increase (decrease) in cash and cash equivalents	(1,655)	(621)	2,247	1,937	1,504
Cash and cash equivalents at beginning of the financial year	7,587	5,932	5,311	7,558	9,495
Cash and cash equivalents at end of the financial year	5,932	5,311	7,558	9,495	10,998

Budgeted Statement of Capital Works

	Forecast	Budget	Strategic Resource Plan Projections		
	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000
Capital works areas					
Land	1,216	1,025	-	-	-
Buildings	608	1,325	1,768	2,081	2,304
Roads	3,785	3,425	3,012	3,550	4,311
Footpaths	82	97	35	34	36
Bridges	755	895	385	432	441
Drainage	33	375	5	7	10
Works in Progress	19	-	-	-	-
Heritage Assets	-	-	-	-	-
Furniture & Equipment	489	206	294	294	294
Plant & Machinery	667	850	1,012	1,002	1,004
Environment	18	267	-	-	-
Recreation	-	-	-	-	-
Commerce	-	-	-	-	-
Other	-	-	-	-	-
Livestock Exchange	-	-	-	-	-
Airport	-	-	-	-	-
Synthetic Surfaces	-	-	-	-	-
Pool Shells	-	-	-	-	-
Other Infrastructure	-	-	-	-	-
Kerb and Channel	-	80	-	-	-
Total capital works	7,672	8,545	6,511	7,400	8,400
Represented by:					
Asset renewal	5,109	7,201	5,995	6,797	7,636
New assets	1,664	504	172	201	255
Asset expansion/upgrade	899	840	344	402	509
Total capital works	7,672	8,545	6,511	7,400	8,400

Appendix B

Rates and charges

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

Rates and charges

1. Rates and charges

NOTE: Rates data has been calculated using a forecasting model, subject to the finalisation of the 1 January 2014 municipal revaluation. While total rates revenue is not expected to change, application of the actual valuations returned will marginally impact the forecast figures.

1.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2013/14 cents/\$CIV	2014/15 cents/\$CIV	Change
General rate for rateable residential properties	0.5037629	0.5189234	3.01%
General rate for rateable vacant residential properties	0.8815851	0.9081160	3.01%
General rate for rateable farm properties	0.4281985	0.4410849	3.01%
General rate for rateable commercial/industrial properties	0.6045155	0.6227081	3.01%
General rate for rateable vacant comm/ind properties	1.0579022	1.0897392	3.01%

1.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	5,092,882	5,633,669	10.62%
Vacant Residential	469,406	585,104	24.65%
Farm	5,530,908	5,876,676	6.25%
Commercial/Industrial	534,130	599,791	12.29%
Vacant Commercial/Industrial	7,012	8,481	20.95%
Total amount to be raised by general rates	11,634,338	12,703,721	9.19%

1.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	4,266	4,307	0.96%
Vacant Residential	374	393	5.08%
Farm	2,182	2,195	0.60%
Commercial/Industrial	262	280	6.87%
Vacant Commercial/Industrial	5	7	40.00%
Total number of assessments	7,089	7,182	1.31%

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

1.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	2013/14 \$	2014/15 \$	Change
Residential	1,027,187,350	1,085,645,569	5.69%
Vacant Residential	53,245,675	64,430,555	21.01%
Farm	1,291,669,215	1,332,322,945	3.15%
Commercial/Industrial	88,356,765	96,319,771	9.01%
Vacant Commercial/Industrial	662,795	778,256	17.42%
Total value of land	2,461,121,800	2,579,497,096	4.81%

1.6 The municipal charge under section 159 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Municipal	266	266	0.0%

1.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
Municipal	1,722,757	1,735,121	0.72%

1.8 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Kerbside collection - 120 Litre	326	339	3.99%
Kerbside collection - 240 Litre	653	679	3.98%
Recycling	162	168	3.70%
Total	1,141	1,186	3.94%

1.9 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
Kerbside collection	1,306,892	1,364,839	4.43%
Recycling	573,280	600,864	4.81%
Total	1,880,172	1,965,703	4.55%

1.10 The estimated total amount to be raised by all rates and charges compared with the previous financial year

Type of Charge	2013/14 \$	2014/15 \$	Change
Rates and charges	15,237,267	16,404,545	7.66%

1.11 Any significant changes that may affect the estimated amounts to be raised by rates and charges

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 (2014/15: estimated \$425,723, 2013/14: \$198,727)
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

2. Differential rates

2.1 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 0.5189234% (0.5189234 cents in the dollar of CIV) for all rateable Residential properties and Farm zoned properties which do not meet the Farm differential criteria;
- A differential rate of 0.9081160% (0.9081160 cents in the dollar of CIV) for all rateable Vacant Residential properties.
- A differential rate of 0.4410849% (0.4410849 cents in the dollar of CIV) for all rateable Farm properties.
- A differential rate of 0.6227081% (0.6227081 cents in the dollar of CIV) for all rateable Commercial/Industrial properties.
- A differential rate of 1.0897392% (1.0897392 cents in the dollar of CIV) for all rateable Vacant Commercial/Industrial properties.

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

Council considers that 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.

2.2 Vacant Residential Land Differential Rate

A differential rate will be applied for vacant residential land.

The reasons for the application of a vacant residential differential rate are to ensure the equitable and efficient carrying out of Council's functions and to ensure the appropriate distribution of costs associated with the delivery of services. The differential is also applied to encourage the development of vacant residential land for the general benefit of the community.

Land classed as vacant residential is identified as that land which is categorised within the rating system as having a residential use and having improvements valued at not greater than \$20,000. Vacant residential land which is considered contiguous with occupied residential land will be rated as residential.

The characteristics of the land classed as vacant residential are that it is located within a residential (or township or similar) zone, is permitted for residential development and has improvements of not greater than \$20,000.

2.3 Commercial/Industrial Differential Rate

A differential rate will be applied to land used for commercial or industrial purposes.

The reasons for the application of a commercial/industrial differential rate are to ensure the equitable and efficient carrying out of Council's functions and to ensure the appropriate distribution of costs associated with Services specifically benefiting commercial/industrial properties include;

- street cleaning, streetscape infrastructure maintenance, waste management, environmental health, compliance - and animal control, street tree management and improvements to commercial and industrial areas.

The appropriate level for the commercial/industrial differential rate is considered to be 120% of the general rate, subject to the following transitional arrangements -

Land classed as commercial/industrial is identified as that land which is categorised within the rating system as having a commercial or industrial use.

The characteristics of the land classed as commercial/industrial are that it is used for the purposes of retail, wholesale, tourism activities, accommodation, professional or other commercial services or for manufacturing, maintenance, storage and distribution of goods or other industrial services.

2.4 Vacant Commercial/Industrial Differential Rate

A differential rate will be applied for vacant commercial/industrial land.

The reasons for the application of a vacant commercial/industrial differential rate are to ensure the equitable

Land classed as vacant commercial/industrial is identified as that land which is categorised within the rating system as having a commercial or industrial use and having improvements valued at not greater than \$20,000. Vacant commercial/industrial land which is considered contiguous with occupied commercial/industrial land will be rated as commercial/industrial.

The characteristics of the land classed as vacant commercial/industrial are that it is located within a commercial or industrial zone, is permitted for commercial or industrial development and has improvements of not greater than \$20,000.

2.5 Farm Differential Rate

A differential rate will be applied to land used for farming purposes.

The reason for the application of a farm differential rate is to ensure the equitable and efficient carrying out of Council's functions.

Specifically, reasons include –

Acknowledgement that land invested in farming is intrinsic to the activity, distinguishing it from land upon which an activity is based.

Appendix C

Capital works program

This appendix presents a listing of the capital works projects that will be undertaken for the 2014/15 year.

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

- New works for 2014/15
- Works carried forward from the 2013/14 year.

Capital works program

For the year ending 30 June 2015

1. New works

Capital Works Area	Summary of funding sources				
	Project Cost \$'000	Council			
		Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PROPERTY					
LAND					
New asset expenditure					
Violet Town Flood Mitigation	504	504	0	-	0
Total new asset expenditure - land	504	504	0	0	0
Asset renewal expenditure					
Automatic weir gates for Seven Creeks Park	20		0	20	0
Total renewal asset expenditure - land	20	0	0	20	0
Asset upgrade expenditure					
Automatic weir gates for Seven Creeks Park	180		0	180	0
Nagambie drainage - retention dam	70		0	70	0
Oak Valley road land	40		0	40	0
Euroa Hotel carpark	15		0	15	0
Total upgrade asset expenditure - land	305	0	0	305	0
TOTAL LAND	829	504	-	325	-
BUILDINGS					
Asset renewal expenditure					
Euroa works depot - sewerage	20		0	20	0
Euroa Band Hall - roof lining	20		0	20	0
Euroa Croquet Club kitchen	16		0	16	0
Euroa Pre School - roller door and PA door	10		0	10	0
Violet Town Community Centre - roof	185		0	185	0
Nagambie swimming pool - office/kiosk	30		0	30	0
Euroa swimming pool - roof plant room	20		0	20	0
Euroa Third Age Club - toilet	40		0	40	0
Euroa Caravan Park - caretaker's cottage roof	25		0	25	0
Euroa RSL - painting, spouting, render brickwork	25		0	25	0
Avenel Memorial Hall - stormwater drains/footings	40		0	40	0
Council office - fitout	10		0	10	0
Waste transfer stations	275	138	0	137	0
Violet Town Library	460	315	0	145	0
Total asset renewal expenditure - buildings	1,176	453	0	723	0
Asset upgrade expenditure					
Little Theatre relocation - stages 1-4	50		0	50	0
Nagambie Men's Shed	10		0	10	0
Seven Creeks sheet piling/ sea wall	60		0	60	0
Total asset upgrade expenditure - buildings	120	0	0	120	0
TOTAL BUILDINGS	1,296	453	0	843	0
TOTAL PROPERTY	2,125	957	0	1,168	0

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PLANT MACHINERY & EQUIPMENT					
Asset renewal expenditure					
Motor vehicles	350		0	350	0
Plant replacement program	500		0	500	0
Total asset renewal expenditure - PM&E	850	-	-	850	-
TOTAL PLANT, MACHINERY & EQUIPMENT	850	-	-	850	-
FURNITURE AND EQUIPMENT					
Asset renewal expenditure					
Information technology	150		0	150	0
Total asset renewal expenditure - F&E	150	-	-	150	-
TOTAL FURNITURE AND EQUIPMENT	150	-	-	150	-
INFRASTRUCTURE					
ROADS					
Asset renewal expenditure					
Reseal program	1,301	1301		-	0
Rehabilitation program	1,434	1033		401	0
Resheeting program	691		0	691	0
Elizabeth Street, Euroa - tree replacement	10		0	10	0
Total asset renewal expenditure - roads	3,436	2,334	-	1,102	-
Asset upgrade expenditure					
Birkett Street railway pedestrian crossing	20			20	0
Mernda Ave - prepare pavement and bitumen seal	50		0	50	0
Total asset upgrade expenditure - roads	70	0	0	70	0
TOTAL ROADS	3,506	2,334	-	1,172	-
BRIDGES					
Asset renewal expenditure					
Horse Gully Road Bridge replacement	88		0	88	0
Pranjip Road Bridge	247		0	247	0
Cusack Road major culverts	21		0	21	0
Kellys Bridge Creightons Creek Rd	119		0	119	0
Leckies Rd concrete bridge	122		0	122	0
Longwood-Pranjip Road Bridge	103		0	103	0
Spalling Erosion protection to bridges 17,52,28,126	12		0	12	0
Kerb guide and running deck to bridges 6,19	5		0	5	0
Total asset renewal expenditure - bridges	717	-	-	717	-
TOTAL BRIDGES	717	-	-	717	-

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
FOOTPATHS					
Asset renewal expenditure					
Asphalt footpath renewal program	40		0	40	0
Sealed footpath renewal program	25		0	25	0
Isolated failures renewal program/concrete pathways renewal (Various locations)	30		0	30	0
Minor missing link sections of footpath	10		0	10	0
Total asset renewal expenditure - footpaths	105	-	-	105	-
TOTAL FOOTPATHS	105	-	-	105	-
KERB & CHANNEL					
Asset renewal expenditure					
Short sections to be determined	80		0	80	0
Total asset renewal expenditure - kerb & channel	80	-	-	80	-
TOTAL KERB & CHANNEL	80	-	-	80	-
DRAINAGE					
Asset renewal expenditure					
Zocks Road Drainage Improvement	15		0	15	0
Euroa Atkins Street Drainage - Stage 2	36		0	36	0
OHS Requirements - replace large pit lids	65		0	65	0
VT Outfall for main drain - flood flap and discharge	56		0	56	0
Mangalore Grant Street - Drainage Improvement	20		0	20	0
Open drain at Lime Street	25		0	25	0
Hughes Creek outfall drop structure improvements	30		0	30	0
Total asset renewal expenditure - drainage	247	-	-	247	-
Asset upgrade expenditure					
Zocks Road Drainage Improvement	10		0	10	0
Euroa Atkins Street Drainage - Stage 2	31		0	31	0
Total asset upgrade expenditure - drainage	41	-	-	41	-
TOTAL DRAINAGE	288	-	-	288	-
TOTAL INFRASTRUCTURE	4,696	2,334	-	2,362	-
TOTAL NEW CAPITAL WORKS 2014/15	7,821	3,291	-	4,530	-
REPRESENTED BY:					
Asset renewal expenditure	6,781	2,787	-	3,994	-
New asset expenditure	504	504	-	-	-
Asset upgrade expenditure	536	-	-	536	-
Asset expansion expenditure	-	-	-	-	-

2. Works carried forward from the 2013/14 year

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Contrib' s \$'000	Cash \$'000	Borro w's \$'000
PROPERTY					
New asset expenditure					
Land	196	0	0	196	0
Total new asset expenditure - land	196	-	-	196	-
Asset renewal expenditure					
Buildings	207	0	0	207	0
Total renewal asset expenditure - buildings	207	-	-	207	-
TOTAL PROPERTY	403	-	-	403	-
FURNITURE AND EQUIPMENT					
Asset renewal expenditure					
Computers and telecommunications	56	0	0	56	0
Total renewal asset expenditure - furniture and equipment	56	-	-	56	-
TOTAL FURNITURE & EQUIPMENT	56	-	-	56	-
INFRASTRUCTURE					
Asset renewal expenditure					
Roads	-	0	0	-	0
Bridges	178	0	0	178	0
Footpaths	-	0	0	-	0
Kerb & Channel	-	0	0	-	0
Drainage	87	0	0	87	0
Waste Management	-	0	0	-	0
Total renewal asset expenditure - infrastructure	265	-	-	265	-
TOTAL INFRASTRUCTURE	265	-	-	265	-
TOTAL CARRIED FWD WORKS 2013/14	724	-	-	724	-
REPRESENTED BY:					
Asset renewal expenditure	528	-	-	528	-
New asset expenditure	196	-	-	196	-
Asset upgrade expenditure	-	-	-	-	-
Asset expansion expenditure	-	-	-	-	-

3. Summary

Capital Works Area	Summary of funding sources				
	Project	Council			
	Cost \$'000	Grants \$'000	Contrib' utions \$'000	Cash \$'000	Borro w's \$'000
Asset renewal expenditure	7,309	2,787	-	4,522	-
New asset expenditure	700	504	-	196	-
Asset upgrade expenditure	536	-	-	536	-
Asset expansion expenditure	-	-	-	-	-
TOTAL CAPITAL WORKS	8,545	3,291	0	5,254	0

Appendix D
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 2014/15 year.

Budget 2014/2015 - Council Fees (GST Excluded)	Fee Unit	Current Fees 2013/14	Proposed Fees 2014/15	% Increase 2014/15
Home & Community Care				
Home Care - Low	Hour (min.)	\$6.70	\$5.80	-13.43%
Home Care - Medium	Hour (min.)	\$15.40	\$14.50	-5.84%
Home Care - High	Hour (min.)	\$32.00	\$31.50	-1.56%
Home Care - DVA - Low ranges b/w 4.00 & 7.50. Set by DVA	Visit	\$5.00	\$5.00	0.00%
Respite Care (Day) - Low	Hour (min.)	\$4.80	\$2.90	-39.58%
Respite Care (Day) - Medium	Hour (min.)	\$6.35	\$4.40	-30.71%
Respite Care (Day) - High	Hour (min.)	\$34.00	\$32.50	-4.41%
Personal Care - Low	Hour (min.)	\$4.90	\$4.30	-12.24%
Personal Care - Medium	Hour (min.)	\$9.20	\$8.50	-7.61%
Personal Care - High	Hour (min.)	\$36.25	\$35.30	-2.62%
Brokerage Agencies (Linkages) - Home Care (Weekdays between 7.30am and 7.30pm)	Hour	\$43.60	\$40.82	-6.38%
Brokerage Agencies (Linkages) - Personal and Respite Care (Weekdays between 7.30am and 7.30pm)	Hour	\$48.00	\$44.94	-6.38%
Brokerage Agencies (Linkages) - Travel Fee	Km	\$1.20	\$1.12	-6.67%
Brokerage Agencies - Travel time per hour	Hour	\$37.00	\$34.54	-6.65%
Home Maintenance - Low	Hour (min.)	\$11.60	\$11.40	-1.72%
Home Maintenance - Medium	Hour (min.)	\$17.70	\$17.40	-1.69%
Home Maintenance - High	Hour (min.)	\$45.80	\$45.80	0.00%
Home Maintenance - DVA	Visit	\$5.00	\$5.00	0.00%
Brokerage Agencies (Linkages) - Home Maintenance	Hour	\$60.00	\$56.18	-6.37%
Delivered Meals - Home - Low	Meal	\$9.40	\$8.70	-7.45%
Delivered Meals - Home - Medium	Meal	\$12.30	\$8.70	-29.27%
Delivered Meals - Home - High	Meal	\$14.90	\$15.35	3.02%
Delivered Meals - Centre Based	Meal	\$9.40	\$8.70	-7.45%
Brokerage Agencies (Linkages) - Delivered Meals	Meal	\$14.90	\$13.95	-6.38%
MOW - DVA	Meal	\$9.40	\$8.70	-7.45%
Planned Activity Group - Men's Group	Session	\$12.90	\$13.10	1.55%
Planned Activity Group - Swimming Group	Session	\$7.80	\$7.30	-6.41%
Planned Activity Group - Other Outing	Session	\$7.80	\$7.30	-6.41%
Planned Activity Group - Social Support Lunches	Session	\$12.90	\$13.10	1.55%
Brokerage Agencies (Linkages) - Planned Activity Group	Session	\$55.00	\$51.50	-6.36%
Community Transport				
Euroa to Longwood	Return trip	\$12.30	\$12.65	2.85%
Euroa to Benalla	Return trip	\$36.05	\$37.15	3.05%
Euroa to Shepparton	Return trip	\$37.00	\$38.00	2.70%
Euroa to Violet Town	Return trip	\$16.50	\$17.00	3.03%
Euroa to Wangaratta	Return trip	\$65.55	\$67.50	2.97%
Euroa to Heidelberg	Return trip	\$117.95	\$121.50	3.01%
Euroa to Melbourne	Return trip	\$125.65	\$129.40	2.98%
Euroa to Alexandra	Return trip	\$45.85	\$47.25	3.05%
Euroa to Seymour	Return trip	\$42.45	\$43.70	2.94%
Nagambie to Euroa	Return trip	\$36.05	\$37.15	3.05%
Nagambie to Seymour	Return trip	\$22.90	\$23.60	3.06%
Nagambie to Heidelberg	Return trip	\$98.35	\$101.30	3.00%
Nagambie Melbourne	Return trip	\$106.00	\$109.00	2.83%
Nagambie to Shepparton	Return trip	\$40.35	\$41.55	2.97%
Avenel to Nagambie	Return trip	\$17.50	\$18.00	2.86%
Avenel to Shepparton	Return trip	\$58.15	\$59.90	3.01%
Avenel to Seymour	Return trip	\$16.00	\$16.50	3.13%
Euroa Cinema				
Single Ticket	1 ticket	\$10.30	\$10.00	-2.91%
Book of Tickets	5 tickets	\$40.00	\$40.00	0.00%
Swimming Pools				
Family	Season	82.00	84.00	2.44%
Adult	Season	54.00	56.00	3.70%
Child	Season	36.00	37.00	2.78%
Adult	Day	5.00	5.00	0.00%
Child	Day	4.00	4.00	0.00%

Budget 2014/2015 - Council Fees (GST Excluded)	Fee Unit	Current Fees 2013/14	Proposed Fees 2014/15	% Increase 2014/15
Tip/Transfer Station Fees				
Commercial Garbage (Residents)	m3	50.00	52.00	4.00%
Commercial Garbage (Non - Residents)	m3	92.00	95.00	3.26%
Domestic Garbage (Residents)	m3	32.00	33.00	3.13%
Domestic Garbage (Non - Residents)	m3	64.00	66.00	3.13%
Greenwaste	m3	16.50	17.00	3.03%
Whitegoods	unit	9.00	9.00	0.00%
Mattresses/Mattress Bases (Single)	unit	16.00	16.00	0.00%
Mattresses/Mattress Bases (Double)	unit	22.00	23.00	4.55%
Tyres - Car	unit	8.00	8.00	0.00%
Tyres - Light Truck	unit	11.00	11.00	0.00%
Tyres - Heavy Truck	unit	24.00	25.00	4.17%
Tyres - Tractor	unit	49.00	50.00	2.04%
Tyres - Earthmoving	unit	60.00	62.00	3.33%
Planning Fees				
Copies of planning permits	1 permit	57.00	59.00	3.51%
Copies of planning documents/information - from files on site at Euroa; and	per request	21.00	22.00	4.76%
- Plus	per A4 pg	2.00	2.00	0.00%
- Plus	per >A4 pg	5.00	5.00	0.00%
Copies of planning documents/information - from files off site	per request	31.00	32.00	3.23%
	per A4 pg	2.00	2.00	0.00%
	per >A4 pg	5.00	5.00	0.00%
Advertising of Planning Applications				
- up to 10 notifications		50.00	52.00	4.00%
- 10 to 50 notifications		75.00	77.00	2.67%
- over 50 notifications		100.00	103.00	3.00%
Building Fees				
Domestic Building Works:				
New Dwellings up to \$180,000	app'n	2472.00	2546.00	2.99%
New Dwellings Over \$180,000	app'n	2730.00	2812.00	3.00%
Additions to Dwelling, Garage, Decks, Pergolas, Fencing, Masts etc. \$0 - \$30,000	app'n	772.00	795.00	2.98%
Additions Over \$30,000 to \$180,000	app'n	1133.00	1167.00	3.00%
Industrial / Commercial				
Minor Works to \$10,000	app'n	1854.00	1920.00	3.56%
Minor Works \$10,000 to \$30,000 (Cost of works x 0.0145+\$2,000)	app'n	Cost of works x 0.0145+\$2,000	Cost formula	
Building Works \$30,000 to \$500,000 (Cost of works x0.0145+\$2,000)	app'n	Cost of works x 0.0145+\$2,000	Cost fomula	
Building Works Above \$500,000 (POA)	app'n	POA	POA	
Service Fees				
Building Permit Extension Class 1	app'n	185.00	190.00	2.70%
Building Permit Extension Class 10	app'n	103.00	106.00	2.91%
Essential Safety Measures Report per hour (Minimum 2 hour charge)	hour	154.50	160.00	3.56%
Occupancy Inspection per hour (Minimum 2 hour charge)	hour	154.50	160.00	3.56%
Building Permit Amendments per hour (Minimum 2 hour charge)	hour	154.50	160.00	3.56%
Preparation of Reports per hour (Minimum 2 hour charge)	hour	154.50	160.00	3.56%
Installation Permit (Removable Dwellings under Residential Tenancies Act)	app'n	824.00	850.00	3.16%
P.O.P.E. Places Of Public Entertainment Approval	app'n	1500.00	1545.00	3.00%

Budget 2014/2015 - Council Fees (GST Excluded)	Fee Unit	Current Fees 2013/14	Proposed Fees 2014/15	% Increase 2014/15
Photocopying				
A4 (each)	page	1.00	1.00	0.00%
A3 (each)	page	2.00	2.00	0.00%
A2 (each)	page	3.00	3.00	0.00%
A1 (each)	page	5.00	5.00	0.00%
Road Opening Permit Fees				
Vehicle Crossing	Permit	67.00	69.00	2.99%
Other Road Openings - per Regulations				
Domestic Animal Registration Fees				
Maximum Fee (As Set by Council)	Animal	160.00	165.00	3.13%
Reduced Fee (Set by the Act =not greater than 33.33% of Maximum Fee)	Animal	37.00	38.00	2.70%
Pensioner Fee (Set by the Act = 50% of Reduced Fees)	Animal	19.00	19.00	0.00%
Pound Fees				
Domestic Animals (Dogs/Cats)	Day	16.00	16.50	3.13%
Domestic Animal - Administration Fee (Accounting/Advertising/Release etc)	Collection	96.00	100.00	4.17%
Domestic Animals - After Hours Collection Fee when impounded	Head/Day	6.00	6.20	3.33%
Livestock - Sheep	Head/Day	16.00	16.50	3.13%
Livestock - Cattle	Head/Day	16.00	16.50	3.13%
Livestock - Horses	Head/Day	57.00	59.00	3.51%
Livestock - Stallions & Bulls	Head/Day	16.00	16.50	3.13%
Livestock - Other	Trip	98.00	101.00	3.06%
Transport - By Staff	Trip	At Cost +10%		
Transport - By Contractor	Offence	98.00	101.00	3.06%
Livestock - Administration Fee (Accounting/Advertising/Release etc)		98.00	101.00	3.06%
Impound/Call Out Fees				
Staff impound/Call out fee		At Cost +10%		
Contractor impound/Call out fee				
Surrender of Animals				
Animals to be euthanased where owner surrenders -		82.00	85.00	3.66%
All animals		82.00	85.00	3.66%
Other Fees				
Vet Fees (all animals)		At Cost +10%	At Cost +10%	
Domestic Animal Business (new fee)				
Registration and Renewal		216.00	222.00	2.78%
Local Laws - Permits				
Permit to graze livestock by resident owner	Permit	36.00	37.00	2.78%
Other Permits (Administration Fee)		67.00	69.00	2.99%
Annual Permits, including single item street trading		-	69.00	
Annual Permits for multiple use in street trading		-	120.00	
Roadside Firewood Collection		10.00	10.00	0.00%
Saleyards				
Agents Yard Fee for sale days (cattle sold per head)		0.30	0.31	3.00%
or		300.00	309.00	3.00%
Fee per sale (whichever is greater		0		
Crush Use		4.00	4.10	2.50%
Weighings		2.50	2.60	4.00%
Scanning		0.25	0.25	0.00%
Sheep		5.50	5.65	2.73%
Horse		5.50	5.65	2.73%
Alpaca		5.50	5.65	2.73%
Llama		1.50	1.55	3.33%
Truck wash				
Fees Associated with Sales				
2nd day before sale day (after mid-day)		8.50	8.75	2.94%
Day before sale day		8.50	8.75	2.94%
Sale day		8.00	8.25	3.13%
Day after Sale day (before 5.00pm)		220.00	227.00	3.18%
Use of yards as a trans-shipment point (max. 12hours)		110.00	113.00	2.73%
Single Truck Operators				

Budget 2014/2015 - Council Fees (GST Excluded)	Fee Unit	Current Fees 2013/14	Proposed Fees 2014/15	% Increase 2014/15
Health Fees				
Food Premises etc Fees				
Permit		474.00	488.00	2.95%
Class 1 Food Premises		237.00	244.00	2.95%
- Additional fees for late registration (add 50% of scheduled fee)	Permit	474.00	488.00	2.95%
Class 2 Food Premises		237.00	244.00	2.95%
- Additional fees for late registration (add 50% of scheduled fee)	Permit	474.00	488.00	2.95%
Class 2 with 3rd party FSP		237.00	244.00	2.95%
- Additional fees for late registration (add 50% of scheduled fee)	Permit	206.00	212.00	2.91%
Class 3 Food Premises		103.00	106.00	2.91%
- Additional fees for late registration (add 50% of scheduled fee)				
Food vehicle				
Permit		268.00	276.00	2.99%
Class 2	Permit	165.00	170.00	3.03%
Class 3				
Temporary Food Stall				
Single event				
Permit		113.50	117.00	3.08%
Class 2	Permit	62.00	64.00	3.23%
Class 3				
Annual Fee				
Permit		206.00	212.00	2.91%
Class 2	Permit	103.00	106.00	2.91%
Class 3				
Additional Fees - Food Premises				
Permit		10.00	10.00	0.00%
More than 5 persons employed (\$10 per person to a maximum \$2,500)				
Refunds				
Permit		No refund	No refund	0.00%
Refund due to closure				
Submission of plans				
Application		50% of Application	50% of Application Fee	0.00%
Application fee for submission of plans (50% of applicable registration fee)				
Inspections				
Each		103.00	106.00	2.91%
Pre Inspection of New Premise prior to opening				
Each		103.00	106.00	2.91%
Pre Inspection of Premise being sold				
Each		154.50	159.00	2.91%
Priority inspection request (within 5 days)				
Each		268.00	276.00	2.99%
Urgent inspection request (within 48 hrs)				
Public Health & Well being Act Fees				
Permit		144.00	148.00	2.78%
Hairdressers, beauty parlours, skin penetration or similar				
Permit		144.00	148.00	2.78%
Allied Health and Alternative Therapy Including Massage Therapy and Acupuncture, etc				
Permit		144.00	148.00	2.78%
Joint Hairdressers, beauty parlours, skin penetration or similar				
Permit		185.00	190.00	2.70%
Prescribed Accommodation				
Each		103.00	106.00	2.91%
Extra Inspections				
Septic Tank Application Fees				
Permit		361.00	372.00	3.05%
New Installation				
Permit		185.00	190.00	2.70%
Alteration				
Each		103.00	106.00	2.91%
Additional Inspections				
Boat Ramp Fees				
Day		11.00	11.00	0.00%
Boat Ramp				
Annum		72.00	74.00	2.78%
Boat Ramp Residents				
Annum		118.00	121.00	2.54%
Boat Ramp Non-Residents				

Budget 2014/2015 - Council Fees (GST Excluded)	Fee Unit	Current Fees 2013/14	Proposed Fees 2014/15	% Increase 2014/15
Regatta Centre Building				
	1/2 Day	60.00	62.00	3.33%
Downstairs Function area - no staff - 1/2 day hire (4 hours)	Full Day	140.00	144.00	2.86%
Downstairs Function area - no staff - full day hire (8 hours)	1/2 Day	60.00	62.00	3.33%
Upstairs Conference area - no staff - 1/2 Day hire (4 hours)	Full Day	140.00	144.00	2.86%
Upstairs Conference area - no staff - Full Day hire (8 hours)	1/2 Day	100.00	103.00	3.00%
Kitchen - commercial (if selling) - 1/2 Day hire (4 hours)	Full Day	200.00	206.00	3.00%
Kitchen - commercial (if selling) - Full Day hire (8 hours)	1/2 Day	50.00	52.00	4.00%
Kitchen - private function 1/2 Day Hire (4 hours)	Full Day	100.00	103.00	3.00%
Kitchen - private function Full Day Hire (8 hours)	1/2 Day	50.00	52.00	4.00%
Boatshed - showers & toilets - 1/2 Day (4 hours)	Full Day	100.00	103.00	3.00%
Boatshed - showers & toilets - Full Day (8 hours)	1/2 Day	160.00	165.00	3.13%
Entire Regatta Centre Building not including kitchen - no staff - 1/2 Day hire (4 hours)	Full Day	320.00	330.00	3.13%
Entire Regatta Centre Building not including kitchen - no staff - Full Day hire (8 hours)	1/2 Day	400.00	412.00	3.00%
Peninsular - 1/2 Day hire (4 hours)	Full Day	800.00	824.00	3.00%
Peninsular - Full Day hire (8 hours)	Day	50.00	52.00	4.00%
Training Camps - Groups of 50 or less	Day	100.00	103.00	3.00%
Training Camps - Groups of more than 51	1/2 Day	500.00	515.00	3.00%
Entire Venue - no staff - 1/2 Day hire (4 hours)	Day	1,000.00	1,030.00	3.00%
Entire Venue - no staff - Full Day hire (8 hours)				
Tourist Attraction Signage				
4' Standard Name Blade	Sign	165.00	170.00	3.03%
Other sizes		155.00	160.00	3.23%
Wesley Hall User Fees				
Main Hall - half day hire		290.00	300.00	3.45%
Main Hall - full day hire		155.00	160.00	3.23%
Main Hall - evening hire		55.00	60.00	9.09%
Kitchen - half day hire		105.00	108.00	2.86%
Kitchen - full day hire		300.00	309.00	3.00%
Bond				

Appendix E

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

Financial Ratios		Forecast				
Summary	Actual	Budget				
Period start	1 Jul 13	1 Jul 14	1 Jul 15	1 Jul 16	1 Jul 17	
Period end	30 Jun 14	30 Jun 15	30 Jun 16	30 Jun 17	30 Jun 18	
AG (Auditor General) Ratios						
Underlying Result Ratio (CT Methodology)	-16.8%	4.0%	6.7%	7.5%	8.6%	
Liquidity	182.1%	139.6%	195.4%	230.6%	256.7%	
Indebtedness	17.7%	12.1%	12.6%	10.8%	9.0%	
Self-financing	20.3%	28.8%	30.4%	31.0%	31.3%	
Investment Gap	163.4%	180.4%	144.1%	159.0%	175.2%	
Revenue Ratios						
Average Rates & Charge/Assessment	2,150	2,309	2,421	2,541	2,673	
Recurrent Grants/Total Revenue	19.7%	31.8%	28.2%	27.7%	27.1%	
Fees & Charges/Total Revenue	6.8%	5.1%	5.3%	5.3%	5.2%	
Rate Revenue/Total Revenue	61.2%	56.7%	59.4%	60.2%	61.1%	
Expense Ratios						
Average Operating Expenditure per Assessment	3,506	3,609	3,484	3,587	3,689	
Total Expenses (excl Depreciation) per Assessment	2,842	2,941	2,853	2,944	3,033	
Depreciation/Total Assets	2.0%	2.0%	1.8%	1.8%	1.8%	
Employee Costs as a % of Total Expenses	40.0%	36.8%	39.8%	40.0%	40.2%	
Capital Expenditure (CAPEX) Ratios						
Average Capital Expenditure per Assessment	1,085	1,205	909	1,023	1,149	
Capital Expenditure on Renewal & Upgrade/Depreciation	128.0%	169.8%	140.3%	154.6%	169.9%	
Renewal Expenditure/Renewal Demand Ratio (%)	N/A	N/A	N/A	N/A	N/A	
Debt Ratios						
Debt Service/Total Income	0.7%	0.6%	0.5%	0.4%	0.3%	
Debt Commitment Ratio	4.1%	4.8%	1.9%	1.8%	1.7%	
Debt Management Ratio (Total Debt/Rate Revenue)	18.1%	13.0%	11.1%	9.3%	7.6%	
Financial Performance						
Operating Result per Assessment	(125)	390	519	557	608	
Financial Position						
Total Assets per Assessment	33,092	33,455	35,240	35,448	37,326	
Total Liabilities per Assessment	1,001	1,051	1,050	1,023	991	