



Yarriambiack SHIRE COUNCIL

Budget 2011-2012

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Mayor's Introduction

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

We will increase rates by 6.0 percent in the 2011/12 financial year. This level allows us to maintain existing service levels, fund a number of new initiatives and continue to allocate additional funds to renew the Council's infrastructure.

The rate increase has been kept in line with the rating strategy despite a number of significant budget impacts including the flood events in September 2010 and January 2011. The defined benefits superannuation call has also impacted on Council's financial position.

The proposed budget includes a number of new initiatives:

- \$150,000 for an additional second hand grader;
- \$125,000 for year 1 development for the new Hopetoun depot;
- \$60,000 for additional weir gates at Warracknabeal;
- \$10,000 for installation of 8 600mm pipes at the north weir at Brim;
- \$50,000 for installation of culverts on the northern weir at Beulah on Luna Park Road;
- Employment of an Assistant Works Supervisor / OHS inspector;
- Improvements to underground drainage and an additional pump in Gardiner Street Warracknabeal;
- \$180,000 for redevelopment of the Hopetoun Swimming Pool;
- \$400,000 for major upgrade of community facilities at Warracknabeal, Brim and Beulah weir pools and at Lake Lascelles Hopetoun;
- \$56,000 for Minyip Tennis Courts Upgrade
- \$170,000 for new change rooms at the Murtoa Football Club
- \$23,400 for upgrade of the Woomelang Netball Club
- \$90,000 for construction of Hopetoun Skate Park

The total Capital Works program will be \$8.81 million, of which \$685,000 relates to projects carried over from the 2010/11 year. Of the \$8.81 million in Capital funding required, \$1.27 million will come from Council operations, \$2.99 million from external grants and asset sales, and the balance of \$4.55 million from cash and investments.

Highlights of the Capital Works program include:

- Roads (\$6.90 million) – Including reconstructions, roads to recovery projects, resheeting, footpaths and roads to market projects.
- Drains (\$62,000) – Including road drainage replacement works in Gardiner Street and Devereux Street, Warracknabeal.
- Buildings (\$578,000) – Including community facilities and recreation reserve upgrades, and redevelopment works at the Hopetoun swimming pool.
- Plant and equipment (\$1.25 million) – Including information technology, office, sports and playground equipment and scheduled replacement of Council's fleet.

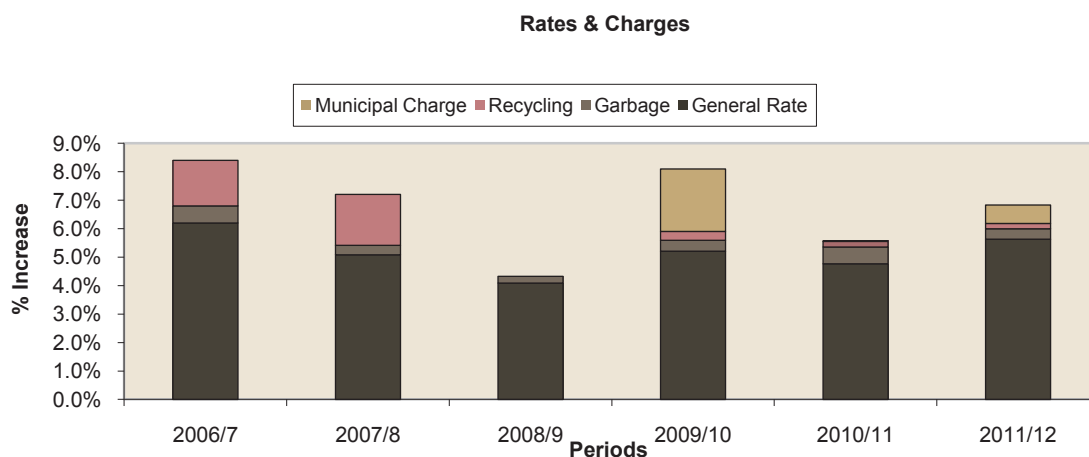
This budget was developed through a rigorous process of consultation and review and Council endorses it as financially responsible.

Cr John Kemfert
Mayor

Chief Executive Officer's summary

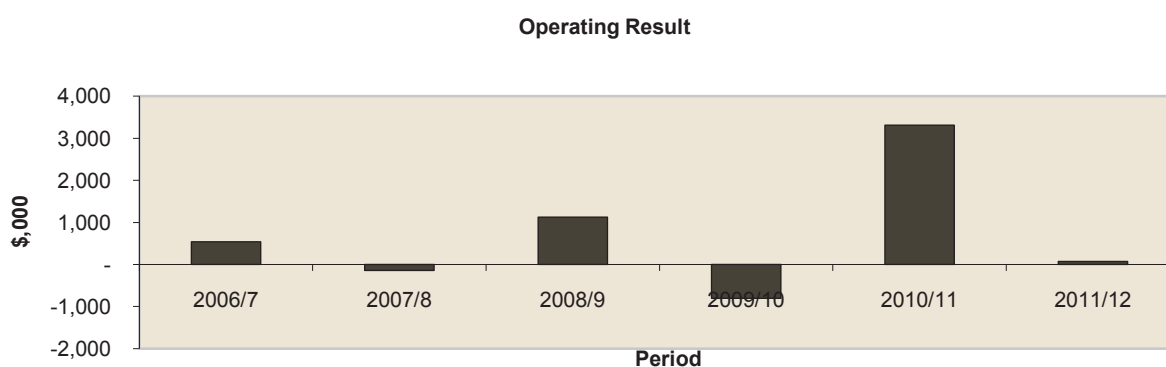
Council has prepared a Budget for the 2011/12 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and key strategic activities of the Council.

1. Rates



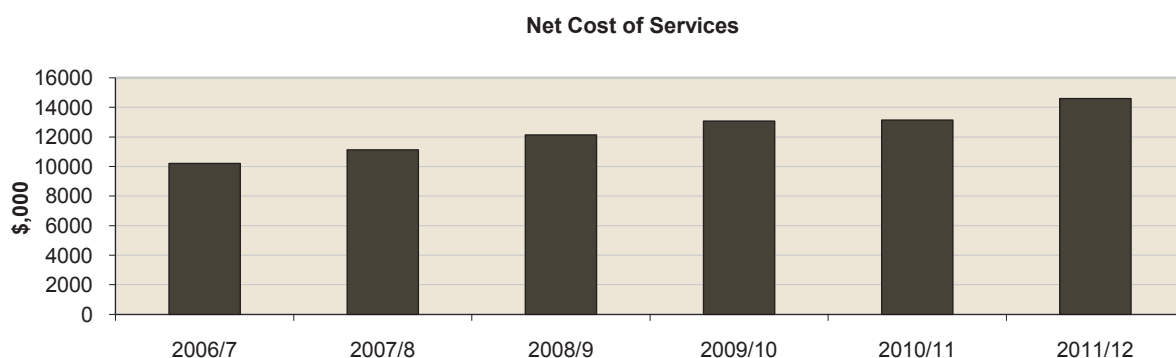
It is proposed that general rates increase by 6.0% for the 2011/12 year, raising total rates of \$8.61 million, including supplementary rates. The extra \$550,000 raised by the increase will go toward maintaining service levels and meeting the cost of a number of external influences affecting the operating budget. The increase will also go toward capital works to address the asset renewal needs of the Council. This rate increase is in line with Council's rating strategy. (The rate increase for the 2010/11 year was 6.0%).

2. Operating result



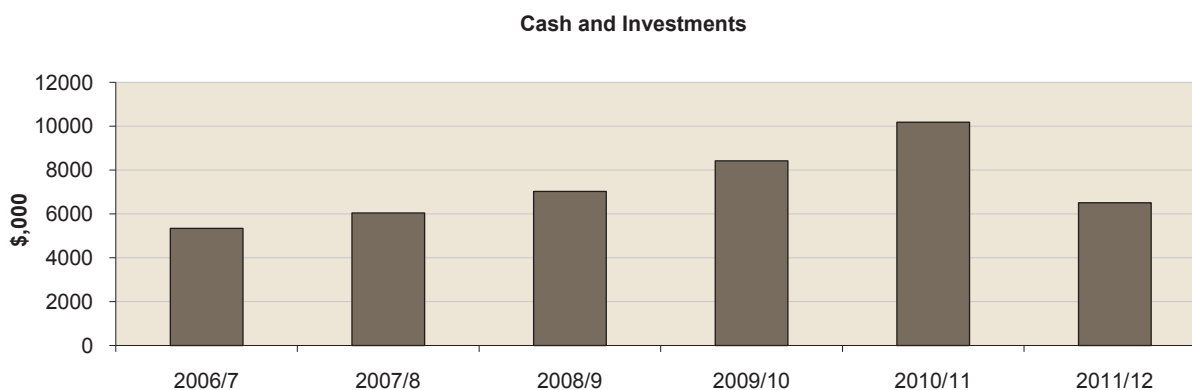
The expected operating result for the 2011/12 year is a surplus of \$71,000, which is a decrease of \$3.09 million over 2010/11. The improved operating result in 2010/11 is due mainly to unexpended grants for natural disaster works (\$3.17 million). The expenditure for these projects has been carried forward into 2011/12. The underlying result, which excludes items such as capital grants and non-cash contributions is a deficit of \$2.71 million, which is an decrease of \$150,000 over 2010/11 – refer to section 7 of this summary for further information. (The forecast operating result for the 2010/11 year is a deficit of \$3.16 million).

3. Services



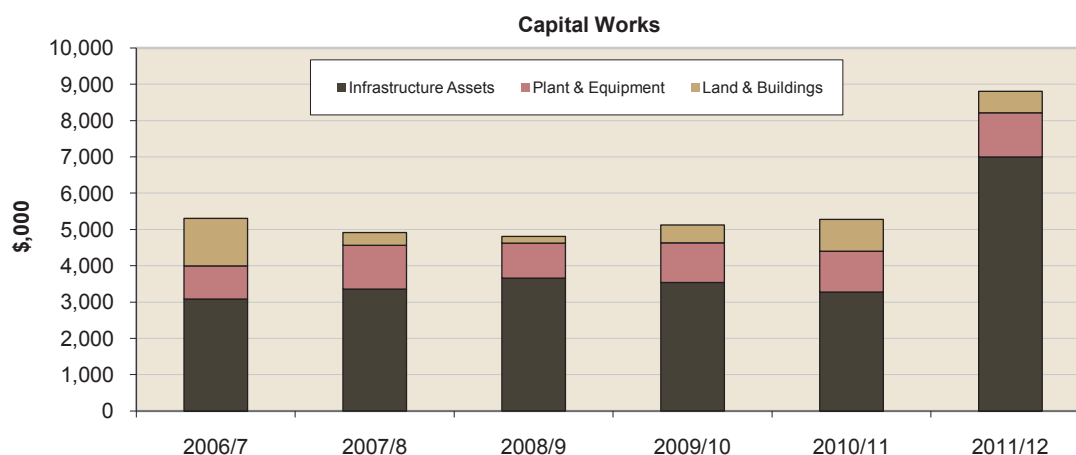
The net cost of services delivered to the community for the 2011/12 year is expected to be \$14.61 million which is an increase of \$1.31 million over 2010/11. A key influencing factor in the development of the 2011/12 budget has been the recently released results of the community satisfaction survey conducted by Council. The survey results show that while there is a relatively high level of satisfaction with most services provided by Council, there are some areas of concern where there is a clear message that ratepayers want improved service levels. For the 2011/12 year, service levels have been maintained and a number of new activities and initiatives proposed. (The forecast net cost for the 2010/11 year is \$13.30 million).

4. Cash and investments



Cash and investments are expected to decrease by \$3.27 million during the year to \$6.47 million as at 30 June 2012. This is due mainly to the carried forward component of the 2010/11 capital works program and the natural disaster clean up projects. The reduction in cash and investments is in line with Council's strategic resource plan. (Cash and investments are forecast to be \$9.74 million as at 30 June 2011).

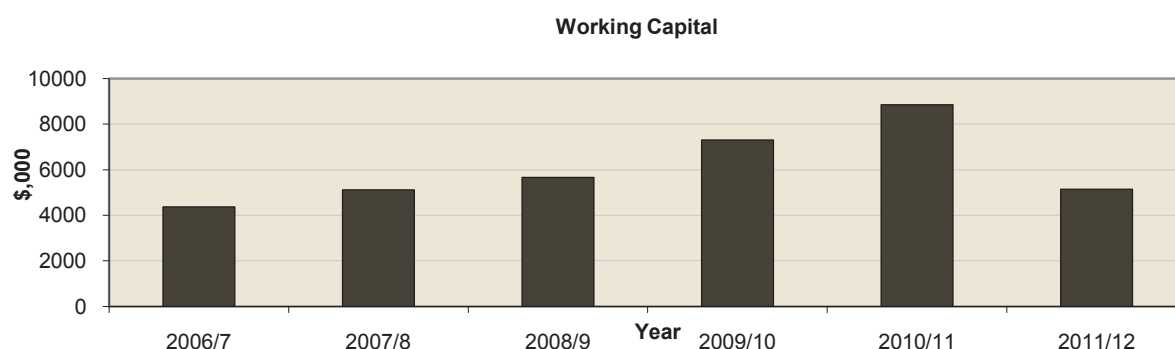
5. Capital works



The capital works program for the 2011/12 year is expected to be \$8.81 million of which \$685,000 relates to projects which will be carried forward from the 2010/11 year. The carried forward component is fully funded from the 2010/11 budget. Of the \$8.81 million of capital funding required, \$1.27 million will come from Council operations, \$2.99 million from external grants and contributions and the balance (including the carried forward component) of \$4.55 million from cash and investments. The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes a number of major projects including the redevelopment of the Hopetoun Swimming Pool and stage 1 of the construction of the new Hopetoun Depot. The program also includes stage 2 of the Roads to Market projects on the Dimboola-Minyip Road and Rainbow-Yaaapeet Road. (Capital works is forecast to be \$5.28 million for the 2010/11 year).

The asset renewal program has been increased to \$6.79 million in the 2011/12 year. However over the rest of the four year period, it is expected to increase as funds are directed toward renewal of asset projects.

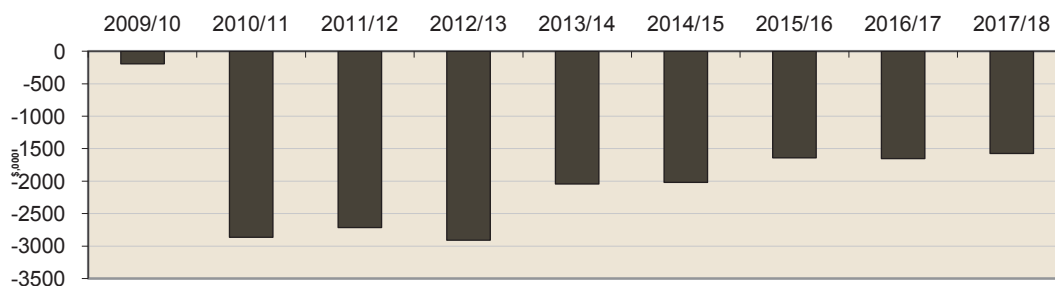
6. Financial position



The financial position is expected to improve with net assets (net worth) to increase by \$871,000 to \$137.59 million although net current assets (working capital) will reduce by \$3.44 million to \$5.01 million as at 30 June 2012. This is mainly due to the use of cash reserves to fund the capital works program. (Total equity is forecast to be \$136.72 million as at 30 June 2011).

7. Financial sustainability

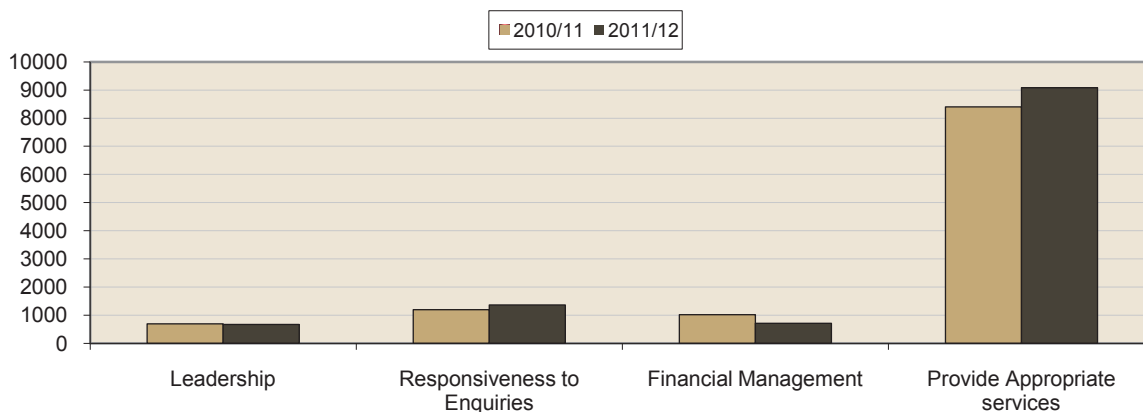
Underlying Result



A high level Strategic Resource Plan for the years 2011/12 to 2014/15 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. While the Plan projects that Council's operating result will almost reach break-even by the 2014/15 year, the underlying result which is a measure of financial sustainability, shows a decreasing deficit over the four year period. This difference is due to substantial capital revenue being received during this period to fund a number of major capital works projects.

8. Strategic objectives

Costs by Activity



The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2011/12 year.

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

Ray Campling
Chief Executive Officer

Budget Processes

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

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

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

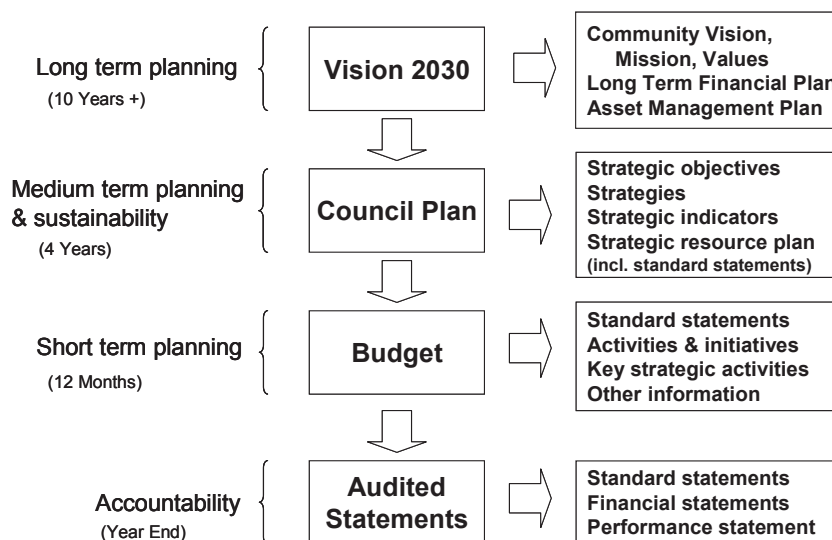
Budget process	Timing
1. Officers prepare operating and capital budgets	Mar/Apr
2. Council considers draft budgets at informal briefings	May
3. Proposed budget submitted to Council for approval	Jun
4. Public notice advising intention to adopt budget	Jun
5. Budget available for public inspection and comment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

1. Linkage to the Council Plan

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

1.1 Strategic planning framework

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



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

1.2 Our purpose

Our vision

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

Our mission

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

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

Our values

Customer Service

- Treat all our customers with courtesy and respect;

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

Continuous Improvement

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

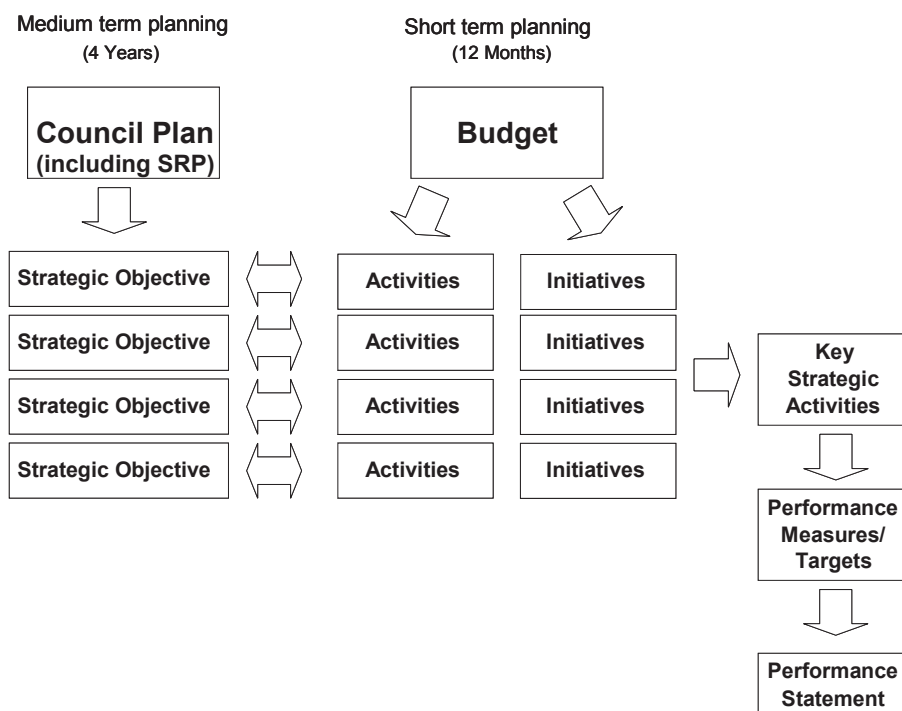
1.3 Strategic objectives

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

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

2. Activities, initiatives and key strategic activities

This section provides a description of the activities and initiatives to be funded in the Budget for the 2011/12 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of key strategic activities and performance targets and measures in relation to these. The 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 is shown below.



2.1 Strategic Objective 1: Overall Performance

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

Activities

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

Initiatives

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

Key strategic activities

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

2.2 Strategic Objective 2: Leadership and Advocacy

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

Activities

Activity	Description	Net Cost (Revenue) \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	565
Councillor Expenses	The costs collected for this service relate to the direct costs of maintaining Councillors corporate responsibilities for Council. This includes the costs associated with meetings, consultants, legal, elections and internal audit activities of Council.	28
General Council Expenses	The costs collected for this service relate to the general costs of running the Council. This includes the costs associated with public liability insurance, publications and subscriptions to Municipal Association of Victoria (MAV) and other professional bodies	74

Initiatives

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

Key strategic activities

Strategic Activity	Performance Measure	Performance Target
Providing leadership and advocacy on key shire issues	Local Government Victoria Annual Community Satisfaction rating for advocacy and representation on key local issues.	≥ 65%

2.3 Strategic Objective 3: Community Engagement

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

Activities

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

Initiatives

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

Key strategic activities

Strategic Activity	Performance Measure	Performance Target
To engage appropriate interest groups and individuals on specific issues	Local Government Victoria Annual Community Satisfaction rating in decision making on key issues	≥ 63%

2.4 Strategic Objective 4: Responsiveness to Enquiries and Requests

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

Activities

Activity	Description	Net Cost (Revenue) \$'000
Information Services	This service provides, supports and maintains reliable and cost effective communications and computing systems, facilities and infrastructure to Council staff enabling them to deliver services in a smart, productive and efficient way.	341
Customer Service and Administration Staff and Municipal Offices	This service provides Council with strategic and operational organisation development support. It present and services meeting rooms and function venues for Council use. It also provides a customer interface for an increasing number of service units and a wide range of transactions. The service is delivered through three customer service centres, a free call number and an emergency after hours service.	929

Initiatives

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

Key strategic activities

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

2.5 Strategic Objective 5: Financial Management

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

Activities

Activity	Description	Net Cost (Revenue) \$'000
Director, Contracts, Design and Asset Management	This area includes the Director and Council Officers and associated costs of supporting these positions.	936

Activity	Description	Net Cost (Revenue) \$'000
Accounting and Finance	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, payments of salaries and wages to Council employees, procurement and contracting of services, raising and collection of rates and charges and valuation of properties throughout the municipality.	677
Financing Costs	This service includes payment to external audit, interest received or paid on investments and loans.	(905)

Initiatives

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

Key strategic activities

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

2.6 Strategic Objective 6: Provide Appropriate Services

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

Activities

Activity	Description	Net Cost (Revenue) \$'000
Law, Order and Public Safety	This service provides support services including fire prevention, animal control, local laws and emergency services.	221
Health, Education Housing	This service provides family oriented support services including kindergartens, maternal & child health, counselling & support, immunization, holiday programs and health & safety.	462

Activity	Description	Net Cost (Revenue) \$'000
Welfare	This service provides a range of services for the family, aged and disabled including home delivered meals, personal care, community transport, dementia care, home maintenance and senior citizens clubs.	304
Community & Economic Development	The service provides a range of services that facilitates an environment that is conducive to sustainable and growing local residential and business sectors. The services include town planning, economic development and building control.	875
Tourism & Area Promotion	This service provides a range of services that facilitates the tourist industry, and the cleaning and maintenance of the tourist centre, caravan parks and public toilets.	73
Public Halls	This service provides for the contributions and insurance for public halls.	107
Library Services	This service provides the contribution to a regional library corporation for the provision of mobile and static services throughout the Shire.	187
Other Heritage & Culture	This service provides a range of services that facilitates the maintenance and development of museums, other heritage buildings and cultures for the enjoyment of future generations.	93
Passive Recreation	This service provides for the maintenance of public parks and gardens.	201
Active Recreation	This service provides for the contributions and maintenance of indoor and outdoor sporting complexes, clubs, amenities and recreation officer.	371
Swimming Areas & Beaches	This service provides for the contributions and maintenance of swimming pools as well as the contribution to the weir pools.	123
Saleyard	This service is responsible for the management and maintenance of the Warracknabeal Municipal Saleyard.	9
Roads, Streets & Footpaths	This service provides ongoing maintenance of the Council's roads, drains and footpaths.	4,709

Activity	Description	Net Cost (Revenue) \$'000
Street Cleaning, Lighting & Beautification	This service provides for the cleaning, lighting and beautification of Council's streets	733
Other Transport Services	This service provides for the works crew administration and plant operations as well as any private works.	66
Waste Management and Environment Services	This service is responsible for garbage, transfer stations, septic tanks, kerbside recycling and landcare operations of Council	637

Initiatives

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

Key strategic activities

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

2.7 Performance statement

The Key Strategic Activities (KSA) detailed in the preceding pages, are summarised again in Appendix D. The KSA's, their performance measures, targets and results are audited at the end of the year and are included in the Performance Statement as required by section 132 of the Act. The Annual Report for 2011/12 will include the audited Performance Statement which is presented to the Minister for Local Government and the local community.

2.8 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Leadership and Advocacy	668	668	0
Community Engagement	0	0	0
Responsiveness to Enquiries	1,271	1,283	12
Financial Management	709	1,739	1,030
Provide Appropriate Services			
Community Services	988	2,818	1,830
Future Development	949	1,380	431
Community Facilities	1,226	1,706	480
Transport	6,499	9,897	3,398
Waste Management	637	1,505	868
Total activities and initiatives	12,947	20,996	8,049
Other non-attributable	0		
Deficit before funding sources	12,947		
General rates	7,632		
Grants Commission	4,260		
Capital grants	1,126		
Total funding sources	13,018		
Surplus for the year	71		

3. Budget Influences

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

3.1 Snapshot of Yarriambiack Shire Council

Yarriambiack Shire Council is located in the north west of Victoria approximately 40 minutes drive from the regional centre of Horsham. The Council, covering an area of 7,158 square kilometres, comprises the former shires of Karkarooc, Warracknabeal, Dunmunkle and part of the former Wimmera Shire. At the time of amalgamation in 1995, the newly formed Council adopted the official name of Yarriambiack Shire Council. The Council operates its main administrative office in the township of Warracknabeal and service centres in the townships of Rupanyup and Hopetoun. Other towns within the municipality include Murtoa, Lubeck, Minyip, Brim, Beulah, Woomelang, Lascelles, Speed, Tempy, Turriff, Patchewollock, .Yaaapeet.

Population

In June 2001, the resident population of the Shire was 8,311 people. In the 9 years from 2001 to 2010, the population dropped by about 854 with the population still in decline. (Source: Department of Planning and Community Development, Estimated Resident Population).

Ageing population

The population is ageing and the Council has a greater proportion of older people than the Victorian average however the age profile is similar to the rural shire average (Source: Department of Planning and Community Development, Population and Households).

Births

Despite an ageing population, approximately 73 babies have been born each year since 2005. In the 2010/11 financial year 67 babies were born in the municipality. (Source: Maternal and Child Health database).

Agriculture

The Yarriambiack Shire Council is the centre of grain production and handling for the Wimmera Mallee region and produces approximately 25% of Victoria's wheat and barley. Legumes, oilseed crops, lambs and wool are also significant products and agriculture as a whole provides the area with a major source of income and employment.

Workforce

The Council has a workforce of over 131 employees equating to an Effective Full Time (EFT) workforce of 98. The workforce is divided into three major categories with staff operating under the administrative, works and community services departments

Budget implications

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

- The Yarriambiack Shire Council encompasses a large area and this greatly increases transport costs when compared to city Councils. Services cannot be centralised as most residents are unable to reach Council facilities without extensive travel
- Over 14% of ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community.
- Over 78% of capital works relate to road infrastructure.

3.2 External influences

In preparing the 2011/12 budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Consumer Price Index (CPI) increases on goods and services of 2.7% per annum (ABS release 25 January 2011). State-wide CPI is forecast to be 2.25% for the 2011/12 year (Victorian Budget Papers 2010/11)
- The 'Engineering Construction' and 'Non-Residential Building' Indices prepared by Econtech are forecast at 3.2% and 3.5% respectively (MAV Local Government Cost Index Report, 2010)
- An increase to the Victorian Grants Commission funding
- The recognition during the 2010/11 financial year of an expense of \$402,000, being Council's apportioned share of the local authorities defined benefit liability.
- State Government grant funding of \$1.0 million per annum for the next four years for Local Road works.
- Ongoing commitment from the Federal Government's Roads to Recovery Program.
- The January 2011 major floods which have resulted in additional capital expenditure of \$810,000 for 2011/2012 funded from the Federal Government Flood Recovery Grant.

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 2011/12 Budget. These matters have arisen from events occurring in the 2010/11 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2011/12 year. These matters and their financial impact are set out below:

- Storm and flood damage totalling \$640,801 unexpended at the end of the 2010/11 year which will be carried forward in the 2011/12 budget.
- Infrastructure projects being carried forward in the 2010/11 budget.
- A 4.0% increase to salaries and wages effective the first pay period after the 28th May. Council has just negotiated a new Enterprise Bargaining Agreement and has renegotiated a 4% increase.

3.4 Budget principles

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

- Existing fees and charges to be increased in line with additional costs to provide the service.
- Grants to be based on confirmed funding levels
- Service levels to be maintained at 2010/11.
- Construction and material costs to increase in line with the Engineering Construction Index
- New initiatives to be justified with direct links to the Council Plan

3.5 Legislative requirements

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

The 2011/12 budget, which is included in this report, is for the year 1 July 2011 to 30 June 2012 and is prepared in accordance with the Act and Regulations. The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2012 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Accounting Standards. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2011/12 to 2014/15 (section 8.), Rating Strategy (section 9.) and Other Long Term Strategies (section 10.) including borrowings, infrastructure and service delivery.

4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2011/12 year.

4.1 Budgeted income statement

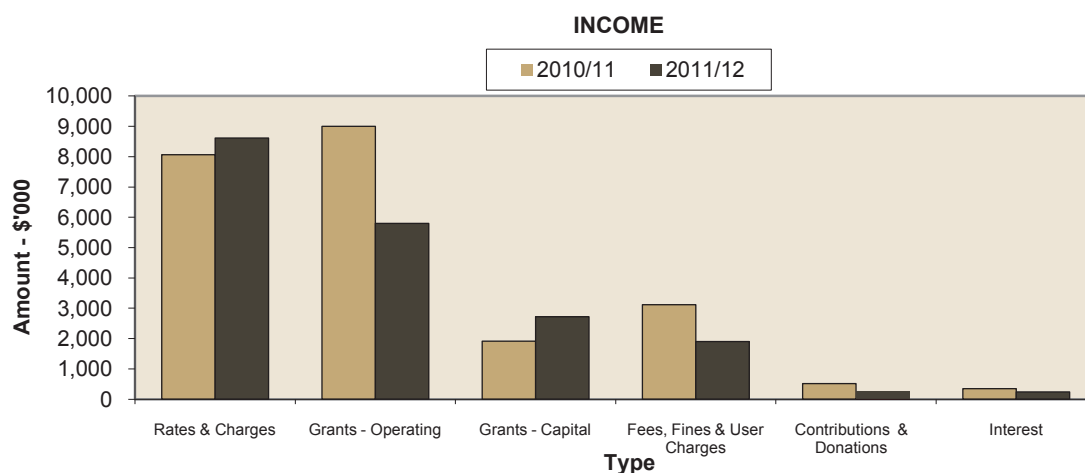
	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Total income	4.2	23,027	19,693	(3,334)
Total expenses	4.3	(19,864)	(19,622)	242
Surplus (deficit) for the year		3,163	71	(3,092)
Community Capital		389	119	(270)
Net gain (loss) on disposal of property, infrastructure, plant and equipment		(83)	(186)	(103)
Grants – capital	4.2.3	(6,332)	(2,717)	3,615
Underlying surplus (deficit)	4.1.1	(2,863)	(2,713)	150

4.1.1 Underlying deficit (\$150,000 decrease)

The underlying result is the net surplus or deficit for the year adjusted for capital grants, contributions of non-monetary assets and other once-off adjustments. It is a measure of financial sustainability as it is not impacted by non-recurring or once-off items of income and expenses which can often mask the operating result. The underlying result for the 2011/12 year is a deficit of \$2.71 million which is an decrease of \$150,000 over the 2010/11 year.

4.2 Income

Income Types	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Rates & Charges	4.2.1	8,062	8,612	550
Grants - Operating	4.2.2	8,998	5,797	(3,201)
Grants - Capital	4.2.3	1,912	2,717	805
Fees, Fines & User Charges	4.2.4	3,115	1,899	(1,216)
Contributions & Donations	4.2.5	512	244	(268)
Interest	4.2.6	345	238	(107)
Net loss from Disposal of Assets	4.2.7	83	186	103
Total income		23,027	19,693	(3,334)



Source: Appendix A

4.2.1 Rates and charges (\$550,000 increase)

It is proposed that general rate income be increased by 6.0% or \$550,000 over 2010/11 to \$8.61 million. Section 9. "Rating Strategy" includes a more detailed analysis of the rates and charges to be levied for 2011/12.

The following table shows the comparison of rates and charges by type. The most significant variance between 20110/11 and 2011/12 is in the area of General Rates, expected to increased by \$454,000.

Income Types	Forecast	Budget 2011/12 \$'000	Variance \$'000
	Actual 2010/11 \$'000		
General Rates	7,178	7,632	454
Garbage	482	512	30
Recycling	245	260	15
Municipal Charge	157	209	52
Total income	8,062	8,613	551

4.2.2 Grants - Operating (\$3.20 million decrease)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards their costs. Overall, the level of operating grants has decreased by 35.6% or \$3.20 million compared to 2010/11.

4.2.3 Grants - Capital (\$805,000 increase)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by 42.1% or \$805,000 compared to 2010/11 due mainly to specific funding for some large capital works projects. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2011/12 year.

4.2.4 Fees, Fines & User Charges (\$1.22 million decrease)

User charges, fees and fines relates mainly to the recovery of service delivery costs through the charging of fees and fines to users of Council's services. These include Vic Roads, health, planning, building, animal control fees and fines, the use of leisure and other community facilities and the provision of human services such as kindergartens and home help services. In 2011/12 Council will not be renewing the roads maintenance contract with Vic Roads. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

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

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

4.2.5 Contributions & Donations (\$268,000 decrease)

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

Contributions are projected to decrease by \$268,000 or 52.4% compared to 2010/11 due mainly to the completion of a number of major capital projects within the municipality during the 2010/11 year.

4.2.6 Interest (\$107,000 decrease)

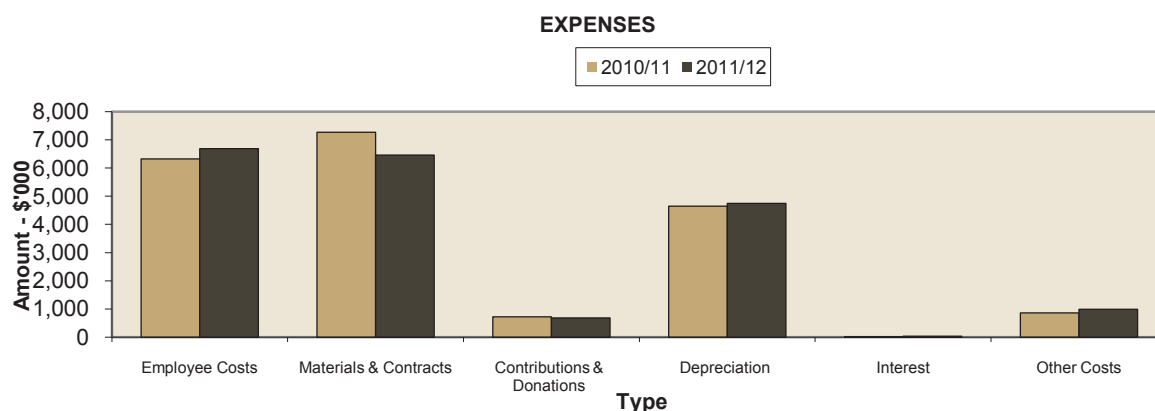
Includes interest revenue on investments and rate arrears. Interest on unpaid rates is forecast to remain static while the reduction working capital will results in less interest earned on investments.

4.2.7 Net loss (or gain) from Disposal of Assets (\$103,000 increase)

The net loss (or gain) on disposal of assets relates to the sale of Council vehicles, including large items of plant. It represents the difference between the amount received for an item of plant and the book value of that item in Council's accounts at the time of sale.

4.3 Expenses

Expense Types	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Employee benefits	4.3.1	6,330	6,693	363
Materials and services	4.3.2	7,276	6,466	(810)
Contributions & donations	4.3.3	723	685	(38)
Depreciation	4.3.4	4,652	4,751	99
Finance costs	4.3.5	20	35	15
Other expenses	4.3.6	863	992	129
Total expenses		19,864	19,622	(242)



Source: Appendix A

4.3.1 Employee benefits (\$363,000 increase)

Employee benefits include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, rostered days off, etc for operating expenditure of Council. It does not include labour costs related to capital works projects.

Employee costs are forecast to increase by 5.7% or \$363,000 compared to 2010/11. Council's current Enterprise Bargaining Agreement (EBA) was renegotiated in May 2011. A 4% wage increase (as per the new EBA) has been used for the purposes of calculating the budget.

In summary, average staff numbers during the budget period are as follows:

Type of employment	Forecast Actual 2010/11 EFT's	Budget 2011/12 EFT's
Full Time	81	82
Part Time	15	16
Total	96	98

4.3.2 Materials and services (\$810,000 decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. They relate to operating expenditure only and do not include the purchases of consumables, or payments to contractors for capital works projects. Materials and services are forecast to decrease by 11.1% or \$810,000 compared to 2010/11.

The most significant decrease is external contracts which are forecast to decrease by 47% or \$1.34 million compared to 2010/11. The main areas contributing to this decrease are the cessation of the tree trimming program of \$150,000 and Vic Roads maintenance contract not continuing in 2011/12.

Materials are forecast to increase by \$164,552 or 7.0% compared to 2010/11 and relates mainly to an increase in fuel costs to operate the Council's plant and vehicle fleet as a result of significant increases in diesel and petrol prices.

External consultants are forecast to increase by 14% or \$63,160 compared to 2010/11. This increase is due mainly to the continuation of the Heritage Study of \$45,000 and \$35,000 has been allocated for a consultant to assist in the transition to the 15 hour Preschool program.

4.3.3 Contributions & donations (\$38,000 decrease)

Contributions and donations is projected to decrease by \$38,000 or 5.3% compared to 2010/11 due mainly to reduction in Council contributions towards community projects generated by sport and recreation grants. Contributions towards community operations have been increased in line with Council policy.

4.3.4 Depreciation (\$99,000 increase)

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of \$99,000 for 2011/12 is due mainly to the completion of the 2011/12 capital works program and the full year effect of depreciation on the 2010/11 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2011/12 year.

4.3.5 Finance costs (\$15,000 increase)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. Council currently has two loans; the first relates to construction of the Warracknabeal Childrens Centre; and the other relates to the purchase of computer equipment. The increase in borrowing costs results from the planned increase in borrowings. It has been proposed that in 2011/12 Council will take out a loan for the Defined Benefits unfunded superannuation of \$402,000 and \$100,000 as a contribution towards the Dooen Freight Hub.

4.3.6 Other expenses (\$129,000 increase)

Other expenses relate to a range of unclassified items including advertising, insurances, subscriptions, audit fees and other miscellaneous expenditure items. Other expenses are forecast to increase by 14.9% or \$129,000 compared to 2010/11.

5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2011/12 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.

5.1 Budgeted cash flow statement

	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
Rates and charges		8,339	8,597	258
Grants and contributions		11,180	8,774	(2,406)
Interest		347	238	(109)
User charges, fees and fines		3,581	2,136	(1,445)
		23,447	19,745	(3,702)
<i>Payments</i>				
Employee benefits		(6,250)	(6,565)	(315)
Materials, contractors and other expenses		(11,014)	(8,492)	2,522
		(17,264)	(15,057)	2,207
Net cash provided by operating activities		6,183	4,688	(1,495)
Cash flows from investing activities	5.1.2			
Proceeds from sales of property, plant and equipment		369	426	57
Repayment of loans and advances		120	70	(50)
Payments for property, plant and equipment		(5,280)	(8,808)	(3,528)
Net cash used in investing activities		(4,791)	(8,312)	(3,521)
Cash flows from financing activities	5.1.3			
Finance costs		22	35	13
Proceeds from borrowings			500	500
Repayment of borrowings		(96)	(182)	(86)
Net cash used in financing activities		(74)	353	427
Net decrease in cash and cash equivalents		1,318	(3,271)	(4,589)
Cash and cash equivalents at the beginning of the period		8,422	9,740	1,318
Cash and cash equivalents at end of the year	5.1.4	9,740	6,469	(3,271)

Source: Appendix A

5.1.1 Operating activities (\$1.49 million decrease)

Operating activities refer to the cash generated or used in the normal service delivery functions of Council.

There can be significant variations between operating activities from year to year, particularly as some activities are undertaken with external funding which may be available one year but not the next. The most significant variations in operating activities from 2010/11 to 2011/12 are

- natural disaster grants being received in the 2010/11 year
- Council's decision not to renew its Vic Roads contract in the 2011/12 year
- a reduction in expenditure of materials, contractors and other expenses of \$2.55 million is expected as a result of the greatly expanded capital works program

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 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Surplus (deficit) for the year	3,162	71	(3,091)
Depreciation	4,652	4,751	99
Loss (gain) on sale of assets	83	186	103
Net movement in current assets and liabilities	(1,714)	(320)	1,394
Cash flows available from operating activities	6,183	4,688	(1,495)

5.1.2 Investing activities (\$3.52 million decrease)

Investing activities refer to cash generated or used in the enhancement or creation of infrastructure and other assets, and include the acquisition and sale of other assets such as vehicles, property, equipment etc. Investing activities also includes the advancement of loans (for road upgrade) to gypsum pit owners and the repayment of those advances.

The large increase in payments for investing activities represents the planned large increase in capital works expenditure disclosed in section 10 of this budget report. Proceeds from sale of assets are forecast to increase by \$57,000 due to settlement of industrial land sales.

5.1.3 Financing activities (\$427,000 increase)

Financing activities refer to cash generated or used in the financing of Council functions and include borrowings from financial institutions. These activities also include repayment of the principal component of loan repayments for the year.

For 2011/12 the total of principal repayments is \$182,000 and the finance charges is \$35,000. It is expected that a \$500,000 loan will be drawn down during the 2011/12 year for the unfunded superannuation liability of \$400,000 and \$100,000 for Council's contribution towards the Dooen Freight Hub project.

5.1.4 Cash and cash equivalents at end of the year (\$3.27 million decrease)

Overall, total cash and investments is forecast to decrease by \$3.27 million to \$6.47 million as at 30 June 2012, reflecting Council's strategy of using excess cash and investments to enhance existing and renew infrastructure. This is consistent with Council's Strategic Resource Plan (see Section 8), which forecasts a reduction in the capital works program from 2012/13 onwards to balance future cash budgets.

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

2012 it will have cash and investments of \$6.47 million, which has been restricted as shown in the following table.

	Ref	Forecast		Variance
		Actual	Budget	
		2011	2012	
		\$'000	\$'000	\$'000
Total cash and investments		9,740	6,469	(3,271)
Restricted cash and investments				
- Discretionary reserves	5.2.1	(15)	(15)	-
- Long service leave	5.2.2	(777)	(800)	(23)
Unrestricted cash and investments	5.2.3	8,948	5,654	(3,294)

5.2.1 Discretionary reserves (\$15,000)

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

5.2.3 Long service leave (\$800,000)

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

5.2.4 Unrestricted cash and investments (\$5.65 million)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants, contributions or carried forward capital works. Of the balance on hand at 30 June 2011, \$685,000 is to be expended to complete capital works carried forward to the 2011/12 year. 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. A high level of unrestricted cash and investments is required as 75% of Council's rate revenue is not received until February each year.

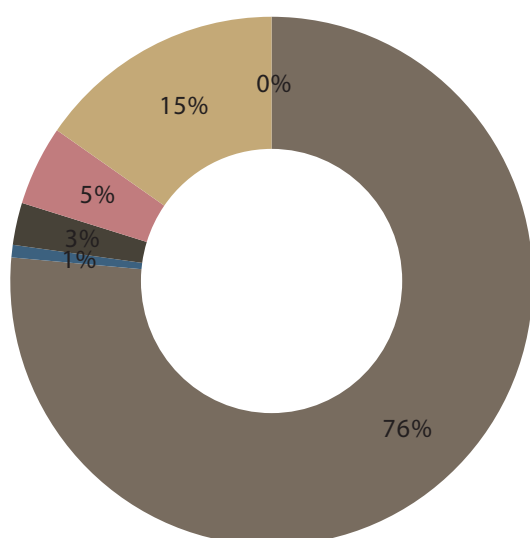
6. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2011/12 year and the sources of funding for the capital budget.

6.1 Capital works

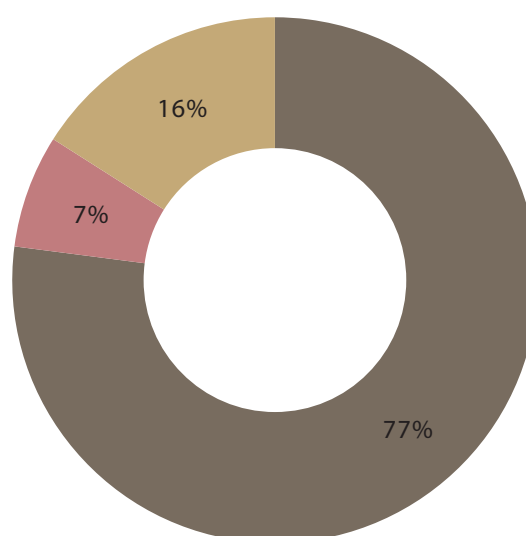
Capital Works Areas	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Works carried forward				
Roads	6.1.1	0	483	483
Buildings	6.1.1	0	202	202
Total works carried forward		0	685	685
New works				
Roads, bridges & footpaths	6.1.2	3,090	6,208	3,118
Drains	6.1.3	40	62	22
Kerb & channel	6.1.4	113	210	97
Buildings	6.1.5	912	397	(515)
Plant, equipment and other	6.1.6	1,125	1,246	121
Total new works		5,280	8,123	2,843
Total capital works		5,280	8,808	3,528
Represented by:				
Asset renewal	6.1.7	3,956	6,787	2,831
New assets	6.1.7	493	615	122
Asset expansion/upgrade	6.1.7	831	1,406	575
Total capital works		5,280	8,808	3,528

Budgeted new capital works 2011/12



- Roads, bridges & footpaths
- Drains
- Kerb & channel
- Buildings
- Plant, equipment and other

Budgeted total capital works 2011/12



- Asset renewal
- New assets
- Asset expansion/upgrade

6.1.1 Carried forward works (\$685,000)

At the end of each financial year there are projects which are either incomplete or not commenced due to floods, weather delays, and unable to get contractors. For the 2010/11 year it is forecast that \$685,000 of capital works will be incomplete and be carried forward into the 2011/12 year. These projects include the redevelopment works at the Hopetoun Swimming Pool (\$202,000) and road works (\$483,000).

6.1.2 Roads, bridges & footpaths (\$6.21 million)

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

For the 2011/12 year, \$6.21 million will be expended on road projects. The more significant projects include local road reconstructions (\$3.98 million), which includes Roads to Market projects for the Minyip Dimboola Road and the Yaapeet Rainbow Road, federally funded Roads to Recovery projects and Natural Disaster funded road works, gravel road resheeting (\$885,000), shoulder resheeting (\$350,000), footpaths (\$234,000), bridges and culverts (\$61,000) and road resealing and preparation (\$697,000).

6.1.3 Drains (\$62,000)

Drains includes drains in road reserves.

For the 2011/12 year, \$62,000 will be expended on drainage projects. The more significant projects include the installation of a secondary pump into the pit at the pumping station in Gardiner Street, Warracknabeal (\$20,000), joining two existing stormwater pipe systems in Gardiner Street (\$25,000) and construction of a new pit and laying of pipes in Devereux Street (\$15,000).

6.1.4 Kerb & channel (\$210,000)

Kerb & channel includes kerb and channelling in town streets.

For the 2011/12 year, \$210,000 will be expended on kerb & channel projects. The more significant projects include renewal and reconstruction of kerbing in Clifford Street, Warracknabeal (\$59,000), Cromie Street, Murtoa (\$33,000), Brock Street, Woomelang (\$30,000), and McLeod Street, Minyip (\$26,000).

6.1.5 Buildings (\$397,000)

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

For the 2011/12 year, \$397,000 will be expended on building projects. The more significant projects include stage 1 of the construction of the Hopetoun Depot (\$125,000), repairs to the west wall of the Warracknabeal Leisure Complex (\$30,000) upgrade of bathroom at the Hopetoun Senior Citizens Club (\$18,000), upgrade of amenities block at the Hopetoun Caravan Park (\$15,000), and replacement of roof at the Minyip Preschool (\$9,000).

6.1.6 Plant, equipment and other (\$1.25 million)

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

For the 2011/12 year, \$1.25 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.15 million), and upgrade and replacement of information technology (\$72,000).

6.1.8 Asset renewal (\$6.79 million), new assets (\$615,000), and expansion/upgrade (\$1.41 million)

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

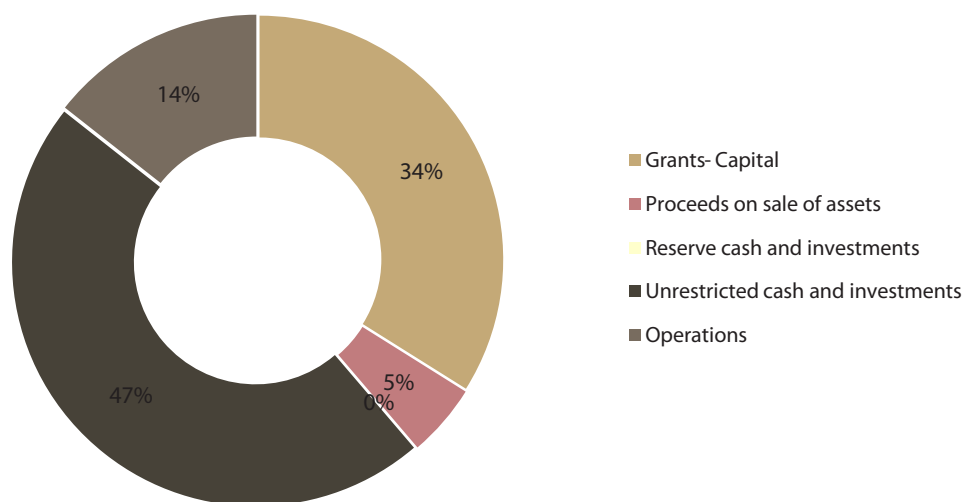
The major projects included in the above categories, which constitute expenditure on new assets, are the purchase of a second hand grader (\$150,000), stage 1 of the construction of a new depot at

Hopetoun (\$125,000), the construction and sealing of several roads (\$217,000), the installation of box culverts on Luna Park Road, Beulah (\$50,000) and laying of pipes on the Brim West Road (\$11,000). The remaining capital expenditure represents renewals and expansion/upgrades of existing assets.

6.2 Funding sources

Sources of Funding	Ref	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Variance \$'000
Works carried forward				
<i>Internal</i>				
Unrestricted cash and investments	6.2.1	0	685	685
Total works carried forward		0	685	685
New works				
<i>External</i>				
Grants - Capital	6.2.2	5,985	2,987	(2,998)
Proceeds on sale of assets	6.2.3	369	426	57
		6,354	3,413	(2,941)
<i>Internal</i>				
Unrestricted cash and investments	6.2.4	(4,660)	3,443	8,103
Operations	6.2.5	3,586	1,267	(2,319)
		(1,074)	4,710	5,784
Total new works		5,280	8,123	2,843
Total funding sources		5,280	8,808	3,528

Budgeted total funding sources 2011/12



Source: Appendix A

6.2.1 Carried forward works (\$685,000)

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2010/11 year it is forecast that \$685,000 of capital works will be incomplete and be carried forward into the 2011/12 year.

6.2.2 Grants - Capital (\$2.99 million)

Capital grants and contributions include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Significant grants and contributions are budgeted to be received for Roads to Recovery projects (\$971,000), Illuka Campbell Street upgrade (\$450,000) and the Hopetoun Swimming Pool redevelopment (\$135,000).

6.2.3 Proceeds from sale of assets (\$426,000)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$426,000.

6.2.4 Unrestricted cash and investments (\$3.44 million)

Council has uncommitted cash and investments which represent unrestricted cash and investments and funds preserved from the previous year mainly as a result of grants and contributions being received in advance. It is forecast that \$3.44 million will be available from the 2010/11 year to fund new capital works in the 2011/12 year.

6.2.5 Operations (\$1.27 million)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$1.27 million will be generated from operations to fund the 2011/12 capital works program. Refer to section 5. 'Budgeted Cash Position' for more information on funds from operations.

7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2010/11 and 2011/12. It also considers a number of key performance indicators.

7.1 Budgeted balance sheet

	Ref	Forecast Actual 2011 \$'000	Budget 2012 \$'000	Variance \$'000
Current assets	7.1.1			
Cash and cash equivalents		9,740	6,469	(3,271)
Trade and other receivables		1,118	1070	(48)
Financial assets		270	328	58
Other assets		284	304	20
Total current assets		11,412	8,171	(3,241)
Non-current assets	7.1.1			
Trade and other receivables		509	435	(74)
Property, infrastructure, plant and equipment		128,111	132,727	4,616
Total non-current assets		128,620	133,162	4,542
Total assets		140,032	141,333	1,301
Current liabilities	7.1.2			
Trade and other payables		948	975	(27)
Interest-bearing loans and borrowings		96	182	(86)
Provisions		1,915	2,004	(89)
Total current liabilities		2,959	3,161	(202)
Non-current liabilities				
Interest-bearing loans and borrowings		109	338	(229)
Provisions		244	243	1
Total non-current liabilities		353	581	(228)
Total liabilities		3,312	3,742	(430)
Net assets	7.1.3	136,720	137,591	871
Equity	7.1.4			
Accumulated surplus		73,848	73,920	72
Asset revaluation reserve		62,872	63,671	799
Total equity		136,720	137,591	871

Source: Appendix A

7.1.1 Current Assets (\$3.24 million decrease) and Non-Current Assets (\$4.54 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 \$3.27 million during the year mainly to fund the capital works program during the year.

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

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

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by the Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$8.81 million of new assets), depreciation of assets (\$4.75 million) and the sale through sale of property, plant and equipment.

7.1.2 Current Liabilities (\$202,000 increase) and Non Current Liabilities (\$228,000 increase)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2010/11 levels.

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

Interest-bearing loans and borrowings are borrowings of Council. The Council is budgeting to repay loan principal of \$185,000 over the year.

7.1.3 Working Capital (\$3.44 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.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Forecast Actual 2011 \$'000	Budget 2012 \$'000	Variance \$'000
Current assets	11,412	8,171	(3,241)
Current liabilities	2,959	3,161	202
Working capital	8,453	5,010	(3,443)

7.1.4 Equity (\$871,000 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 \$72,000 results directly from the surplus for the year.

7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2012 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 95.5% of total rates and charges raised will be collected in the 2011/12 year (2010/11: 93.0% forecast actual)

- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days
- Other debtors and creditors to remain consistent with 2010/11 levels
- Employee entitlements to be increased by the Collective Agreement outcome offset by the impact of more active management of leave entitlements of staff
- Repayment of loan principal to be \$185,000.
- Total capital expenditure to be \$8.81 million

8. Strategic resource plan and key financial indicators

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

8.1 Plan development

Council has prepared a Strategic Resource Plan (SRP) for the four years 2011/12 to 2014/15 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, the Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

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

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

8.2 Financial resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2011/12 to 2014/15. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

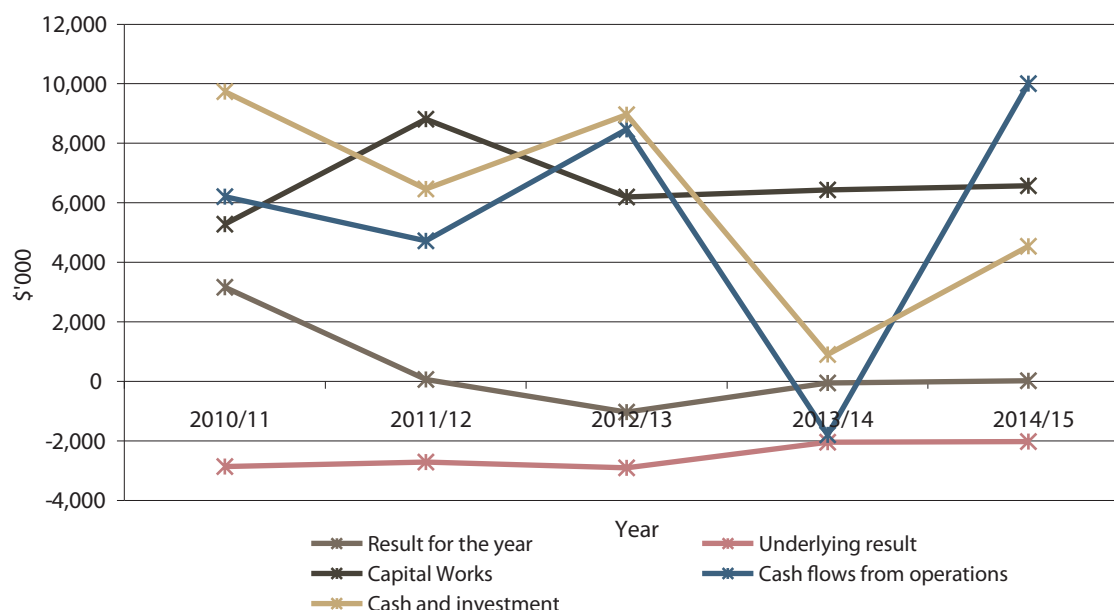
Indicator	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2010/11	2011/12	2012/13	2013/14	2014/15
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating Result	3,162	71	(1,026)	(55)	25
Underlying Operating Result	(2,863)	(2,713)	(2,908)	(2,042)	(2,018)
Cash and investments	9,740	6,469	8,960	905	4,540
Cash flow from operations	6,205	4,722	8,469	(1,795)	10,008
Capital works	5,280	8,808	6,195	6,431	6,574

Definitions of the indicators are as follows:

- **Operating Result** - The Operating Result is the surplus / (deficit) for the year as per the Budget Standard Income Statement (Appendix A).
- **Underlying Operating Result** - the Underlying Operating Result is the surplus / (deficit) for the year, as per the Budgeted Standard Income Statement (Appendix A) less Capital Grants and Contributions, and Net gain / (loss) on Sale of Assets.

- **Cash and investments** – Cash and investments are included under Current Assets in the Budgeted Balance Sheet (Appendix A).
- **Cash flow from operations** – Cash flow from operations are included in the Budgeted Standard Cash Flow Statement (Appendix A).
- **Capital works** – Capital works are included in the Budgeted Standard Capital Works Statement (Appendix A).

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



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 5)** – Cash and investments is forecast to decrease marginally over the four year period from \$6.47 million to \$4.54 million.
- **Rating strategy (section 9)** – Modest rate increases are forecast over the four years at an average of 5.0%, which is comparable with other councils
- **Service delivery strategy (section 10)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast in years 2011/12 and 2014/15 as a result of significant grant revenue being received to fund the natural disaster capital works in 2011/12. Year 2013/14 forecast reducing operating deficit with a view to breaking even. However, excluding the effects of non-operating items such as capital contributions, the underlying result is a deficit reducing over the four year period. The underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result
- **Borrowing strategy (section 10)** – Borrowings are forecast to reduce from \$520,000 to \$117,000 over the four year period. This includes new borrowings of \$500,000 in 2011/12
- **Infrastructure strategy (section 10)** – Capital expenditure over the four year period will total \$28.00 million at an average of \$7.00 million. Excluding the flood damage works, the average is \$6.25 million.

8.3 Key financial indicators

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

Indicator	Notes	Forecast	Budget	Strategic Resource Plan			Trend
		Actual		Projections			
		2010/11	2011/12	2012/13	2013/14	2014/15	+/-
Financial performance							
Underlying result/Underlying rev	1	(17.2%)	(16.4)	(18.1)	(12.3)	(11.6)	+
Expenses/Assessment		\$2,952	2,901	2,861	2,809	2,914	+
Rate revenue/Underlying revenue	2	54.2%	35.1	36.7	36.2	36.3	o
Rate revenue/Assessment		\$1,198	1,273	1,336	1402	1472	+
Debt servicing/Total revenue		0.5%	1.1	1.0	1.0	0.8	o
Grants/Total revenue		47.6%	43.6	43.3	42.6	42.4	o
Fees and charges/Total revenue		13.6%	9.7	4.8	4.8	4.7	o
Financial position							
Indebtedness/Rate revenue	3	2.5%	6.0	4.1	2.6	1.2	+
Underlying result/Total assets		(2.0%)	(1.9)	(2.0)	(1.5)	(1.5)	+
Net realisable assets/Assessment		\$20,807	20,898	21,114	19,752	20,533	+
Current assets/Current liabilities	4	385.8%	258.6	282.9	59	107.8	-
Total liabilities/Assessment		\$492	553	625	641	827	+
Capital expenditure							
Capital works		\$5,280	8,808	6195	6431	6574	-
- Asset renewal / upgrade		\$5,131	8,430	6069	6337	6479	-
- New assets		\$149	378	125	93	95	-
Cash op act/Net capital outlays	5	129.5%	56.8	145.2	(29.3)	160	-
Capital works/Rate revenue		65.5%	102.3	68.6	67.8	66.0	-
Asset renewal/Total depreciation	6	110.3%	177.4	124.0	125.7	124.8	-

Key to Forecast Trend:

+ Forecasts improvement in Council's financial performance/financial position indicator

o Forecasts that Council's financial performance/financial position indicator will be steady

- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators

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

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

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

4 Current Assets/Current Liabilities - Working capital is forecast to decrease significantly in 2013/14 year due to a run down in cash reserves to fund the capital program. The trend in latter years is to remain steady at an acceptable level.

5 Cash Op Act/Net Capital outlays - Except for the 2013/14 year budget trend indicates Council expects to be able to service its capital works expenses from cash generated from operating activities, rather than relying on its existing cash reserves or further borrowings.

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

8.4 Non-financial resources

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

Indicator	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2010/11	2011/12	2012/13	2013/14	2014/15
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee costs	6,913	7,901	7,971	8,083	8,407
Employee numbers	96	98		96	96

9. Rating strategy

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

9.1 Strategy development

In developing the Strategic Resource Plan (referred to in Section 8.), rates and charges were identified as an important source of revenue, accounting for 45.3% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly given the droughts and floods.

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

Year	% Income from Grants	% Income from Rates & Charges	Rates & Charges \$'000	Rates & Charges % Increase
2006/07 Actual	46.9%	40.3%	6,319	8.5%
2007/08 Actual	44.0%	42.8%	6,773	7.2%
2008/09 Actual	47.7%	40.5%	7,064	11.8%
2009/10 Actual	44.1%	44.6%	7,637	12.8%
2010/11 Estimated Actual	47.6%	35.1%	8,062	14.1%
2011/12 Budget	43.2%	45.3%	8,073	5.7%
Average	45.6%	41.2%	7,411	9.7%

9.2 Current year rate increase

It is predicted that 2011/12 operating position will be significantly impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve an almost breakeven operating position by 2014/15 as set out in the Strategic Resource Plan. The \$1.27 million contribution from operations toward capital investment for the 2010/11 year is also much less than the desired level and therefore, unless it can be increased, it will be difficult to maintain robust capital works programs in the future.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, general rates will increase by an average of 6.8% in 2011/12 raising a total rate of \$8.61 million.. The following table sets out future proposed rates and charges increases and total rates and charges to be raised, based on the forecast financial position of Council as at 30 June 2011.

Year	Rate & Charges Increase %	Total Rates & Charges Raised \$'000
2010/11	14.1%	8,062
2011/12	6.8%	8,612
2012/13	4.9%	9,036
2013/14	5.0%	9,484
2014/15	5.0%	9,954

9.3 Rating structure

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

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

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential, commercial or farming purposes.

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

The existing rating structure comprises two differential rates (general and farming). These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. The farm rate is set at 85% of the general rate. Council also has a municipal charge, a kerbside collection charge and a recycling charge as allowed under the Act.

The following table summarises the rates to be determined for the 2011/12 year. A more detailed analysis of the rates to be raised is contained in Appendix B 'Statutory Disclosures'.

Rate type	How applied	2010/11	2011/12
General rates	Cents in \$ of CIV	0.6234	0.6632
Farm rates	Cents in \$ of CIV	0.5298	0.5637
Municipal charge	\$ per property	\$ 30.00	\$ 40.00
Kerbside collection charge			
Residential – 80ltr GST Free	\$ per property	\$ 94.55	\$100.24
Residential – 120ltr GST Free	\$ per property	\$131.25	\$139.12
Residential – 240ltr GST Free	\$ per property	\$255.45	\$270.77
Other – 80ltr GST included	\$ per property	\$104.00	\$110.26
Other – 120ltr GST included	\$ per property	\$144.40	\$153.03
Other – 240ltr GST included	\$ per property	\$281.00	\$297.85
Kerbside Recycling Collection charge			
Residential – 240ltr GST Free	\$ per property	\$ 84.80	\$ 89.89
Other – 80ltr GST included	\$ per property	\$ 93.30	\$ 98.88

Municipal Charge

Section 159(1) of the Local Government Act 1989 (as amended) states that "Council may declare a Municipal Charge to cover some of the administrative costs of the Council".

Other provisions relating to the municipal charge are that "the total revenue from a municipal charge in a financial year must not exceed 20 per cent of the sum total of Council's

- Total revenue from a municipal charge, and;
- Total revenue from general rates – in that financial year S159(2)."

Single farm enterprise exemptions apply to the municipal charge, which means that where farmers own and farm more than one property as a single farm enterprise they can apply for exemption from **all but one** of the properties.

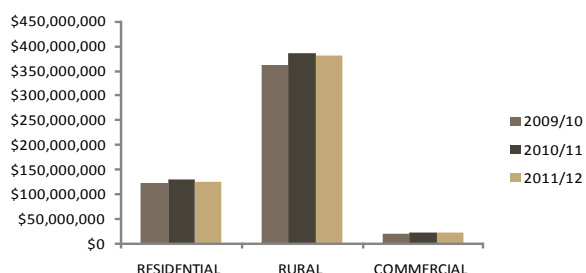
9.4 General revaluation of properties

During the 2009/10 year, a revaluation of all properties within the municipality was carried out and will apply from 1 January 2010 for the 2010/11 and 2011/12 years. At the time of each general revaluation it is necessary to determine the effects of any movements in property values on the total rate to be raised and accordingly the rate in the dollar of Capital Improved Value (CIV).

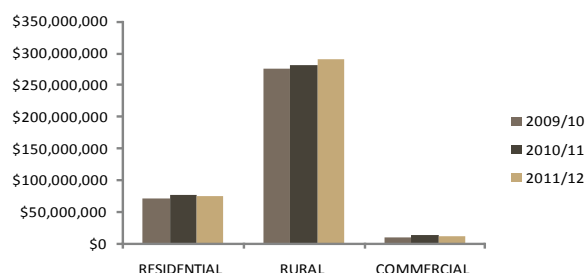
The following table summarises the valuation changes between the 2009/10 to 2011/12 years by ward.

Ward	2009/10 \$'000	2010/11 \$'000	2011/12 \$'000
Residential Properties by Ward			
Hopetoun	41,194	43,912	43,067
Warracknabeal	124,128	130,810	126,474
Dunmunkle	71,864	77,975	75,846
Total Residential	237,186	252,697	245,387
Rural Properties by Ward			
Hopetoun	307,675	334,367	336,474
Warracknabeal	362,784	386,921	381,997
Dunmunkle	276,558	282,000	291,708
Total Rural	947,017	1,003,288	1,010,179
Commercial Properties by Ward			
Hopetoun	13,292	13,815	13,792
Warracknabeal	21,534	23,403	22,801
Dunmunkle	11,452	14,066	11,801
Total Commercial	46,278	51,284	48,394
Total Valuations	1,230,481	1,307,269	1,303,960

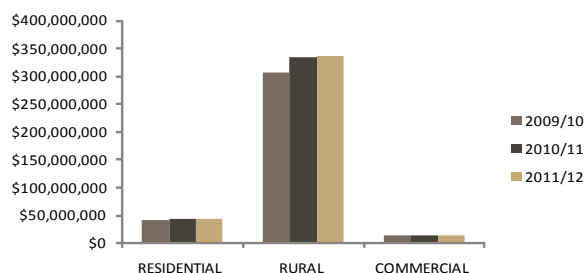
WARRACKNABEAL WARD



DUNMUNKLE WARD



HOPETOON WARD



10. Other Strategies

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

10.1 Borrowings

In developing the Strategic Resource Plan SRP (see Section 8), borrowings was identified as an important funding source for capital works programs. In the past, Council has borrowed strongly to finance large infrastructure projects and since then has been in a phase of debt reduction.

For the 2011/12 year, Council has decided to take out new borrowings of \$500,000 to fund the \$402,000 unfunded superannuation defined benefits liability and for its contribution of \$100,000 towards the Dooen Freight Hub project. After making loan repayments of \$182,000, will reduce its total borrowings to \$523,000 as at 30 June 2011. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2011.

	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2010/11	0	266	20	205
2011/12	500	182	35	523
2012/13	0	152	37	371
2013/14	0	123	38	248
2014/15	0	128	39	120

10.2 Infrastructure

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

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

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

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

In updating the Infrastructure Strategy for the 2011/12 year, the following influences have had a significant impact:

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

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

Year	Total Capital Program \$'000	Grants and Contrib's \$'000	Borrowings \$'000	Working Capital \$'000	Council Operations \$'000
2010/11	5,280	5,985	0	(1,159)	454
2011/12	8,808	2,987	500	3,443	1,878
2012/13	6,195	1,885	0	(1,863)	6,173
2013/14	6,430	2,070	0	8,463	(4,103)
2014/15	6,574	2,135	0	(1,999)	6,438

10.3 Service delivery

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

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

	2011/12 %	2012/13 %	2013/14 %	2014/15 %
Consumer Price Index	2.5	2.5	2.5	2.5
Average Weekly Earnings	4.5	4.5	4.5	4.5
Engineering Construction Index	3.2	3.2	3.2	3.2
Rate increases	5.0	5.0	5.0	5.0
Wages growth	4.5	4.0	4.0	4.0
Government funding	2.0	2.0	2.0	2.0
Statutory fees	2.0	2.0	2.0	2.0
Investment return	5.5	5.0	4.5	4.5

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

Aged and Disability Services

Government funding for aged and disability services is expected to increase in 2011/12. This includes General Home Care, Personal Care, Respite Care and Meals.

Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2010 effective for the 2010/11 year and the next revaluation will be undertaken as at 1 January 2012. An allowance of \$130,000 has been made every two years commencing in 2011/12 to meet the additional cost of the valuation contractor.

Appendices

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

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

The contents of the appendices are summarised below:

Appendix	Nature of information	Page
A	Budgeted Standard Statements	53
B	Statutory disclosures	60
C	Capital works program	65
D	Key strategic activities	70
E	Fees and charges schedule	73

Appendix A

Budgeted Standard Statements

This appendix presents information in regard to the Budgeted Standard Statements. The budget information for the years 2011/12 to 2014/15 has been extracted from the Strategic Resource Plan.

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

The appendix includes the following budgeted information:

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

Budgeted Standard Income Statement

For the four years ending 30 June 2015

	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Strategic Resource Plan Projections		
			2012/13 \$'000	2013/14 \$'000	2014/15 \$'000
Income					
Rates & Charges	8,062	8,612	9,036	9,484	9,954
Grants - Operating	8,998	5,797	5,895	6,017	6,295
Grants - Capital	1,912	2,717	2,011	2,031	2,052
Fees, Fines & User Charges	3,115	1,899	879	905	921
Contributions & Donations	512	244	196	200	205
Interest	345	238	242	247	252
Total income	22,944	19,507	18,259	18,884	19,679
Expenses					
Employee benefits	6,330	6,693	6,902	6,981	7,271
Materials and services	7,276	6,466	5,794	5,146	5,348
Contributions & donations	723	685	712	753	784
Depreciation	4,652	4,751	4,894	5,041	5,192
Finance costs	20	35	37	38	39
Other expenses	863	992	1,009	1,041	1,074
Total expenses	19,864	19,622	19,348	19,000	19,708
Surplus (deficit) for the year	3,080	(115)	(1,089)	(116)	(29)
Net gain (loss) on disposal of Property, infrastructure, plant and equipment	83	186	62	59	55
Comprehensive result	3,163	71	(1,027)	(57)	26

Budgeted Standard Balance Sheet

For the four years ending 30 June 2015

	Forecast Actual 2011 \$'000	Budget 2012 \$'000	Strategic Resource Plan Projections		
			2013 \$'000	2014 \$'000	2015 \$'000
Current assets					
Cash and cash equivalents	9,740	6,469	8,960	905	4,540
Trade and other receivables	1,118	1,070	1,025	909	611
Financial assets	270	328	322	210	220
Other assets	284	304	326	264	282
Total current assets	11,412	8,171	10,633	2,288	5,653
Non-current assets					
Trade and other receivables	509	435	381	377	375
Property, infrastructure, plant and equipment	128,111	132,727	131,780	130,914	132,838
Total non-current assets	128,620	133,162	132,161	131,291	133,213
Total assets	140,032	141,333	142,794	133,579	138,866
Current liabilities					
Trade and other payables	948	975	1,500	1,500	2,500
Interest-bearing loans and borrowings	96	182	143	143	117
Provisions	1,915	2,004	2,116	2,235	2,628
Total current liabilities	2,959	3,161	3,759	3,878	5,245
Non-current liabilities					
Interest-bearing loans and borrowings	109	338	225	102	
Provisions	244	243	244	358	355
Total non-current liabilities	353	581	469	460	355
Total liabilities	3312	3,742	4,228	4,338	5,600
Net assets	136,720	137,591	138,566	129,241	133,266
Equity					
Accumulated surplus	73,848	73,920	72,894	72,839	72,864
Asset revaluation reserve	62,872	63,671	65,672	56,402	60,402
Total equity	136,720	137,591	138,566	129,241	133,266

Budgeted Standard Cash Flow Statement

For the four years ending 30 June 2015

	Forecast Actual 2010/11 \$'000 Inflows (Outflows)	Budget 2011/12 \$'000 Inflows (Outflows)	Strategic Resource Plan Projections		
			2012/13 \$'000 Inflows (Outflows)	2013/14 \$'000 Inflows (Outflows)	2014/15 \$'000 Inflows (Outflows)
Cash flows from operating activities					
<i>Receipts</i>					
Rates and charges	8,339	8,597	8,999	9,477	9,669
Grants and contributions	11,180	8,774	8,579	8,374	8,591
Interest	347	238	242	247	252
User charges, fees and fines	3,581	2,136	1,072	1,032	1,130
	<u>23,447</u>	<u>19,745</u>	<u>18,892</u>	<u>19,130</u>	<u>19,642</u>
<i>Payments</i>					
Employee benefits	(6,250)	(6,565)	(6,743)	(6,806)	(6,821)
Materials, contractors and other expenses	(11,014)	(8,492)	(3,717)	(14,156)	(2,852)
	<u>(17,264)</u>	<u>(15,057)</u>	<u>(10,460)</u>	<u>(20,962)</u>	<u>(9,673)</u>
Net cash provided by operating activities	6,183	4,688	8,432	(1,832)	9,969
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	369	426	310	314	318
Repayment of loans and advances	120	70	50		
Payments for property, plant and equipment	(5,280)	(8,808)	(6,195)	(6,431)	(6,574)
Net cash used in investing activities	<u>(4,791)</u>	<u>(8,312)</u>	<u>(5,835)</u>	<u>(6,117)</u>	<u>(6,256)</u>
Cash flows from financing activities					
Finance costs	22	35	37	38	39
Proceeds from borrowings		500			
Repayment of borrowings	(96)	(182)	(143)	(143)	(117)
Net cash provided by (used in) financing activities	<u>(74)</u>	<u>353</u>	<u>(106)</u>	<u>(105)</u>	<u>(78)</u>
Net increase (decrease) in cash and cash equivalents	1,318	(3,271)	2,491	(8,054)	3,635
Cash and cash equivalents at beg of year	8,422	9,740	6,469	8,960	905
Cash and cash equivalents at end of year	<u>9,740</u>	<u>6,469</u>	<u>8,960</u>	<u>905</u>	<u>4,540</u>

Budgeted Standard Capital Works Statement

For the four years ending 30 June 2015

	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Strategic Resource Plan Projections		
			2012/13 \$'000	2013/14 \$'000	2014/15 \$'000
Capital works areas					
Roads	3,203	6,901	4,724	4,969	5,086
Drains	40	62	64	66	68
Open space	17	21	21	22	23
Buildings	895	578	378	382	390
Plant, equipment and other	1,125	1,246	1,008	992	1,007
Total capital works	5,280	8,808	6,195	6,431	6,574
Represented by:					
Asset renewal	3,956	6,787	6,020	6,288	6,428
New assets	493	615	125	93	96
Asset expansion/upgrade	831	1,406	50	50	50
Total capital works	5,280	8,808	6,195	6,431	6,574

Reconciliation of net movement in property, plant and equipment

	Forecast Actual 2010/11 \$'000	Budget 2011/12 \$'000	Strategic Resource Plan Projections		
			2012/13 \$'000	2013/14 \$'000	2014/15 \$'000
Total capital works	5,280	8,808	6,195	6,431	6,574
Asset revaluation increment / (decrement)	800	800	(2,000)	(2,000)	805
Depreciation and amortisation	(4,652)	(4,751)	(4,894)	(5,041)	(5,192)
Written down value of assets sold	(286)	(241)	(248)	(255)	(263)
Net movement in property, plant and equipment	1,142	4,616	(947)	(865)	1,924

Budgeted Statement of Investment Reserves

For the four years ending 30 June 2015

	Forecast Actual 2011 \$'000	Budget 2012 \$'000	Strategic Resource Plan Projections		
			2013 \$'000	2014 \$'000	2015 \$'000
Discretionary					
Aerodromes	15	15	15	0	0
Total reserves	15	15	15	0	0

Appendix B

Statutory disclosures

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

The appendix includes the following budgeted information:

- Borrowings
- Rates and charges
- Differential rates.

Statutory disclosures

1. Borrowings

	2010/11	2011/12
	\$	\$
New borrowings (other than refinancing)	0	500
Debt redemption	96	182

2. Rates and charges

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

Type of Property	2010/11 cents/\$CIV	2011/12 cents/\$CIV
General rate for rateable residential properties	0.6234	0.6632
General rate for rateable farm properties	0.5298	0.5637

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

Type of Property	2010/11 \$	2011/12 \$
General	1,895,039	1,948,374
Farm	5,315,420	5,694,387

2.3 The estimated total amount to be raised by rates

	2010/11 \$	2011/12 \$
Total rates to be raised	7,210,459	7,642,760

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

Type of Property	2010/11 Change %	2011/12 Change %
General	(0.2)	6.4
Farm	(0.3)	6.4

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

Type of Property	2010/11 \$	2011/12 \$
General	3,771	3,773
Farm	2,959	2,990
Total number of assessments	6,730	6,763

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

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

Type of Property	2010/11 \$	2011/12 \$
General	303,984,400	293,783,700
Farm	1,003,288,000	1,010,180,400
Total	1,307,272,400	1,303,964,100

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

Type of Charge	Per Rateable Property 2010/11 \$	Per Rateable Property 2011/12 \$
Municipal	30.00	40.00
Kerbside collection		
Residential – 80lt bin	94.55	100.24
Residential – 120lt bin	131.25	139.12
Residential – 240lt bin	255.45	270.77
Other – 80lt bin (GST included)	104.00	110.30
Other – 120lt bin (GST included)	144.40	158.85
Other – 240lt bin (GST included)	281.00	297.84
Recycling		
Residential	84.80	89.89
Other – (GST included)	93.30	98.88

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

Type of Charge	2010/11 \$	2011/12 \$
Municipal		
Residential	98,550	131,400
Commercial	14,340	19,120
Rural	43,800	58,400
Total Municipal Charge	156,690	208,920
Kerbside collection		
Residential – 80lt bin	56,175	59,943
Residential – 120lt bin	263,279	279,631
Residential – 240lt bin	18,424	18,412
Other – 80lt bin (GST included)	3,859	4,210
Other – 120lt bin (GST included)	13,994	15,442
Other – 240lt bin (GST included)	124,491	134,842
Total Kerbside Collection	480,222	512,480
Recycling		
Residential	227,264	241,354
Other – (GST included)	14,331	16,359
Other – (GST included)	1,611	2,516
Total Recycling Collection	243,206	260,229
Total	880,118	981,629

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

	2010/11	2011/12
	\$	\$
Rates and charges	8,090,577	8,624,390
Supplementary rates	(15,000)	(10,000)
Total	8,075,577	8,614,390

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

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

3. Differential rates

3.1 Rates to be levied

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

- A general rate of 0.6632% (0.006632 cents in the dollar of CIV) for all rateable residential properties
- A general rate of 0.5637% (0.005637cents in the dollar of CIV) for all rateable farm properties.

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

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

3.2 Business land

Business land is any land which is:

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

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

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

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

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

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

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

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2011/12 financial year.

3.3 Residential land

Residential land is any land, which is:

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

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

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

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

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

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

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

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

The types of buildings on the land within this differential rate are all buildings already on the land or which will be constructed prior to the expiry of the 2011/12 financial year.

Appendix C

Capital Works Program

This appendix presents a listing of the capital works projects that will be undertaken for the 2011/12 year.

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

- New works for 2011/12
- Works carried forward from the 2010/11 year.

Capital works program

For the year ending 30 June 2012

1. New works

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
INFRASTRUCTURE			
Asset renewal			
Local Roads – Urban Construction		121	121
Local Roads – Rural Construction	2,415	139	2,554
Local Roads – Gravel Resheeting	400	485	885
Local Roads – Shoulder Gravel Resheeting		350	350
Local Roads – Rural Bituminous Resealing		620	620
Local Roads – Urban Bituminous Resealing		77	77
Footpaths		234	234
Kerb & Channel		210	210
Drainage		17	17
Total asset renewal	2,815	2,253	5,068
New assets			
Local Roads – Urban Construction		179	179
Local Roads – Rural Construction		75	75
Drainage		20	20
Total asset expansion/upgrade		274	274
Asset expansion/upgrade			
Local Roads – Urban Construction	450	13	463
Local Roads – Rural Construction	458	131	589
Bridges & Culverts		61	61
Drainage		25	25
Total new assets	908	230	1,138
TOTAL INFRASTRUCTURE	3,723	2,757	6,480
LAND & BUILDINGS			
Asset renewal			
Kindergartens		25	25
Municipal offices		31	31
Town Hall		8	8
Swimming Pools		38	38
Leisure Complex		30	30
Other		54	54
Total asset renewal		186	186
New assets			
Transfer Stations / Landfills		50	50
Fire Hydrants		3	3
Depot		125	125
Total new assets		178	178
Asset expansion/upgrade			
Senior Citizens		18	18
Caravan Park		15	15
Total asset expansion/upgrade		33	33
TOTAL LAND & BUILDINGS		397	397

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
PLANT, EQUIPMENT and OTHER			
Asset renewal			
Information technology		39	39
Sports Equipment			
Playground Equipment		21	21
Works vehicles and plant	110	480	590
Staff vehicles	196	204	400
Total asset renewal	306	744	1,050
New assets			
Information technology: Footpath module		5	5
Aerodrome: Sweeper		8	8
Works vehicles and plant		150	150
Total new assets		163	163
Asset expansion/upgrade			
Information technology: Civica Portal		20	20
Information technology: Aerial Photography		8	8
Works vehicles and plant		5	5
Total asset expansion/upgrade		33	33
TOTAL PLANT, EQUIPMENT and OTHER	306	940	1,246
TOTAL NEW CAPITAL WORKS 2011/12	4,029	4,094	8,123
Asset renewal	3,121	3,183	6,304
New assets		615	615
Asset expansion/upgrade	908	296	1,204

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
INFRASTRUCTURE			
Asset renewal			
Local Roads – Urban Construction		20	20
Local Roads – Rural Construction		71	71
Local Roads – Gravel Resheeting		192	192
Local Roads – Shoulder Gravel Resheeting		200	200
Total Asset renewal		483	483
TOTAL INFRASTRUCTURE			483
BUILDINGS			
Asset expansion/upgrade			
Hopetoun Swimming Pool	135		
Total Asset expansion/upgrade	135		
TOTAL BUILDINGS	135		
TOTAL CARRIED FWD WORKS 2010/11	135	550	685
Asset renewal		483	483
Asset expansion/upgrade	135	67	202

3. Summary

	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
Asset renewal	3,121	3,666	6,787
New assets		615	615
Asset expansion/upgrade	1,043	363	1,406
TOTAL CAPITAL WORKS	4,164	4,644	8,808

Appendix D

Key strategic activities

This appendix presents a number of key strategic activities to be undertaken during the 2011/12 year and performance targets and measures in relation to these.

Key strategic activities

For the year ending 30 June 2012

Key Strategic Activity	Performance Measure	Performance Target
Overall Performance		
To promote awareness of Council activities and services	Local Government Victoria Annual Community Satisfaction rating for overall performance generally of the council.	≥ 65%
Advocacy and Leadership		
Providing leadership and advocacy on key Council issues	Local Government Victoria Annual Community Satisfaction rating for advocacy and representation on key local issues.	≥ 65%
Community Engagement		
To engage appropriate interest groups and individuals on specific issues	Local Governemnt Victoria Annual Community Satisfaction rating in decision making on key issues	≥ 63%
Responsiveness to Enquiries		
To be responsive and accountable to the local community	Local Governemnt Victoria Annual Community Satisfaction rating for Council's interaction and responsiveness in dealing with public.	≥73%
Financial Management		
Developing and implementing financial plans for the long term viability of the Shire	Achieve the budgeted operating result. The difference between the budgeted operating result and the actual operating result for the financial year.	> \$0
	Complete the capital works program. The proportion of budgeted Capital Works projects completed at the conclusion of the financial year.	100%
Provide Appropriate Services		
Providing appropriate services to meet community needs	Local Government Victoria Annual Community Satisfaction rating for overall performance in key areas and repsonsibilities.	≥ 67%

Appendix E

Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2011/12 year.

Community Services

HACC	2010/11	2011/12
General Home Care – Low Fee		
Single Pension	\$6.00 per hour	\$6.00 per hour
Double Pension	\$6.50 per hour	\$6.50 per hour
General Home Care – Medium Fee	\$15.00 per hour	\$15.00 per hour
General Home Care – High Fee	\$30.00 per hour	\$30.00 per hour
External Provider of Care (includes respite, personal, home & home maintenance)	\$45.00 per hour (exc GST)	\$45.00 per hour (exc GST)
Personal Care – Low Fee	\$3.00 per hour	\$3.00 per hour
Personal Care – Medium Fee	\$6.00 per hour	\$6.00 per hour
Personal Care – High Fee	\$20.00 to \$25.00 per hour	\$20.00 to \$25.00 per hour
In Home Respite Care – Low Fee	\$3.00 per hour	\$3.00 per hour
In Home Respite Care – Medium Fee	\$6.00 per hour	\$6.00 per hour
In Home Respite Care – High Fee	\$20.00 to \$25.00 per hour	\$20.00 to \$25.00 per hour
Home Maintenance – Low Fee (labour only; client contributes to cost of materials)	\$8.00 per hour	\$8.00 per hour
Home Maintenance – Medium Fee (labour only; client contributes to cost of materials)	\$12.00 per hour	\$12.00 per hour
Home Maintenance – High Fee (labour only; client contributes to cost of materials)	\$25.00 per hour	\$25.00 per hour
Delivered Meals – (Client charge)	\$7.00 per meal	\$7.50 per meal
Delivered Meals – (External)	\$8.50 per meal (inc GST)	(Full cost recovery)
Centre Based Meals	\$7.50 per meal	\$8.00 per meal

Disabled Parking Permits	2010/11	2011/12
Initial permit	no charge	no charge
Additional permit (replacement)	\$5.00	\$5.00

Kindergarten Fees	2010/11	2011/12
Beulah (5 hours per week)	\$ 70.00	\$ 70.00
Hopetoun (10 hours per week)	\$170.00	\$170.00
Minyip (10 hours per week)	\$160.00	\$160.00
Murtoa (10 hours per week)	\$140.00	\$140.00
Rupanyup (10 hours per week)	\$180.00	\$180.00
Warracknabeal (10 hours per week)	\$187.50	\$187.50

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

Environmental Health

Food Act	2010/11	2011/12
Class 1 Food premises High risk ready-to-eat food served to vulnerable groups Must have 3 rd party audited FSP <i>Hospitals, Nursing Homes, Child care Centres</i>	\$250.00	\$250.00
Class 2 Food Premises High risk or unpackaged foods Must have FSP(may be template or 3 rd party audited) <i>Hotels, restaurants cafes, takeaways, supermarkets, manufacturers, caterers, milkbars and some service stations</i>	\$200.00	\$200.00
Class 3 Food Premises Premises selling low risk prepackaged food only eg packaged confectionary, soft drink <i>Newsagents, video stores, some service stations</i>	\$70.00	\$70.00
Class 4 Food Premises	\$70.00	\$70.00
Non profit organizations and Community Groups Food is prepared predominantly for consumption by members, or for fund raising activities <i>Service clubs, most sporting clubs</i>	\$70.00	\$70.00
Premises with limited operation Premises which do not operate for the full year or only produce low volumes of product <i>Swimming pool kiosks, home and hobby businesses</i>	50% of appropriate fee	50% of appropriate fee
Street Stalls / Temporary food vendor permits		
Non profit and community groups <i>(fetes, sausage sizzles, street stalls)</i>		
Single Event Permit	\$20.00	\$20.00
Yearly Permit <i>(up to 12 events per year)</i>	\$20.00	\$20.00
Private individuals and businesses <i>(Markets, private stalls)</i>		
Single Event Permit	\$20.00	\$20.00
Yearly Permit <i>(up to 12 events per year)</i>	\$40.00	\$40.00
Health Act		
Hairdresser/Beauty Parlour/Skin penetration	\$70.00	\$70.00
Prescribed Accommodation Premises providing accommodation for 6 or more persons <i>Hotels, motels, hostels, camps</i>	\$70.00	\$70.00
Residential Tenancies Act		
Caravan Parks \$2.50 per caravan site (camp sites not included)	\$2.50 per site	\$2.50 per site
Environment Protection Act		
Septic Tank		
- new	\$200.00	\$200.00
- alteration to existing	\$150.00	\$150.00

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

Animal control & Local laws

Animal Act	2010/11	2011/12
Pensioner Discount	<i>50% of prescribed fee</i>	<i>50% of prescribed fee</i>
Dogs or Cats registered after the 1 st January	<i>50% of prescribed fee</i>	<i>50% of prescribed fee</i>
Dog	\$ 60.00	\$ 60.00
Dog desexed	\$ 20.00	\$ 20.00
Working dog	\$ 20.00	\$ 20.00
VCA registered	\$ 20.00	\$ 20.00
Microchipped	\$ 20.00	\$ 20.00
Barking Dog Collar	\$10.00 per week	\$10.00 per week
Cat	\$ 60.00	\$ 60.00
Cat desexed	\$ 20.00	\$ 20.00
FCC, CFA, DCC registered	\$ 20.00	\$ 20.00
Microchipped	\$ 20.00	\$ 20.00
Replacement of lost tag	\$ 4.00	\$ 4.00
Pound Fees - Impounded Animal		
<i>First dayRelease fee</i>	\$40.00	\$40.00
<i>Subsequent days</i>	\$12.00 per day	\$12.00 per day
Late payment administration fee Payment not received by 30 April	\$10.00 per invoice	\$10.00 per invoice
Fire Hazard		
Unsightly land administration fee	\$40.00	\$40.00

Waste & Recycling

Tipping Fees	2010/11	2011/12
General Hard Waste	\$8.00 per m3	\$8.00 per m3
Putrescible Waste	\$20.50 per m3	\$20.50 per m3
Household / Kitchen Waste	\$5.50 240lt bin	\$5.50 240lt bin
Clean Green Waste	\$8.00 per m3	\$8.00 per m3
Timber/Wood	\$8.00 per m3	\$8.00 per m3
Builders Waste/Concrete	\$22.00 per m3	\$22.00 per m3
Clean Concrete / Rubble delivered to repositories at Warracknabeal, Murtoa and Hopetoun	\$13.00 per m3 / ton	\$13.00 per m3 / ton
Clean Fill	No charge	No charge
Minimum Charge	\$5.50	\$5.50
Dead Animals	refer attendant	refer attendant
Tyres		
Light (tyre only)	\$ 4.00	\$ 4.00
Light (with rim)	\$ 5.00	\$ 5.00
Medium (tyre only)	\$15.00	\$15.00
Medium (with rim)	\$22.00	\$22.00
Heavy (tyre only)	\$35.00	\$35.00
Heavy (with rim)	\$50.00	\$50.00
Tractor (up to 1.5m diameter) (tyre only)	\$80.00	\$80.00
Tractor (up to 1.5m diameter) (with rim)	\$110.00	\$110.00
Tractor (over 1.5m diameter) (tyre only)	\$160.00	\$160.00
Tractor (over 1.5m diameter) (with rim)	\$220.00	\$220.00
Recyclables		
Reyclables	Free if sorted	Free if sorted
E-Waste	\$2.00 per item	\$2.00 per item
Screens	\$5.00 per screen	\$5.00 per screen
E-Waste		
Gas Cylinders	not accepted	not accepted
Lead Acid Batteries	not accepted	not accepted
Grain	not accepted	not accepted
Hazadous Materials	not accepted	not accepted
Prescribed Waste	not accepted	not accepted

Engineering

Sale Yard Levies	2010/11	2011/12
Producer Levy (per head)	\$0.35	\$0.35
Agent Levy (per head)	\$0.12	\$0.12
NLIS Levy (per head)	\$0.23	\$0.23
Large Shire Map (approx 1200mm x 600mm)		
Colour	\$9.00	\$9.00
Black & White	\$6.00	\$6.00
Plan on A2 sheet		
Colour	\$6.00	\$6.00
Black & White	\$4.00	\$4.00
Plan on A3 sheet		
Colour	\$4.00	\$4.00
Black & White	\$2.00	\$2.00
Plan on A4 sheet		
Colour	\$2.00	\$2.00
Black & White	\$1.00	\$1.00
Part of any of above on A3 sheet		
Colour	\$4.00	\$4.00
Black & White	\$2.00	\$2.00
Road Opening Permits		
Freeway		
Works other than minor works		
On roadway, shoulder or pathway (see note 1)	45 fee units \$549.00	45 fee units \$558.00
Not on roadway shoulder or pathway (see note 2)	32 fee units \$390.40	32 fee units \$396.80
Minor works		
On roadway, shoulder or pathway (see note 1)	25 fee units \$305.00	25 fee units \$310.00
Not on roadway shoulder or pathway (see note 2)	10 fee units \$122.00	10 fee units \$124.00
Arterial Road		
Works other than minor works		
On roadway, shoulder or pathway (see note 1)	45 fee units \$549.00	45 fee units \$558.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$305.00	25 fee units \$310.00
Minor works		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$140.30	11.5 fee units \$142.60
Not on roadway shoulder or pathway (see note 2)	10 fee units \$122.00	10 fee units \$124.00
Other Roads, speed over 50km/hr (see note 3)		
Works other than minor works		
On roadway, shoulder or pathway (see note 1)	45 fee units \$549.00	45 fee units \$558.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$305.00	25 fee units \$310.00
Minor works		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$140.30	11.5 fee units \$142.60
Not on roadway shoulder or pathway (see note 2)	5 fee units \$61.00	5 fee units \$62.00
Other Roads, speed under 50km/hr (see note 3)		
Works other than minor works		
On roadway, shoulder or pathway (see note 1)	20 fee units \$244.00	20 fee units \$248.00
Not on roadway shoulder or pathway (see note 2)	5 fee units \$61.00	5 fee units \$62.00
Minor works		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$140.30	11.5 fee units \$142.60
Not on roadway shoulder or pathway (see note 2)	5 fee units \$61.00	5 fee units \$62.00
As at July 2011: 1 fee unit = \$12.40 (fee units are reviewed annually on 1 July)		

Notes

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

Recreation & Tourism

Caravan Parks (Hopetoun & Murtoa)	2010/11	2011/12
Powered Site	\$18.00 per night (2 persons) \$ 5.00 each extra person	\$18.00 per night (2 persons) \$ 5.00 each extra person
Unpowered Site	\$ 13.00 per night (2 persons) \$ 5.00 each extra person	\$ 13.00 per night (2 persons) \$ 5.00 each extra person
Weekly rate	Daily rate x 6	Daily rate x 6
Permanents (over 28 days)	Daily rate x 5	Daily rate x 5
Permanent Van Sites (Unoccupied)	-	\$20 per week
Gymnasium Memberships		
1 Month	\$40.00	\$42.00
3 Months	\$60.00	\$63.00
6 Months	\$100.00	\$105.00
Assessments (new members)	\$25.00	\$25.00
Casual (per session)	\$9.00	\$10.00
Student Membership		
Bronze Membership (1 month – 1 night per week)	\$15.00	\$16.00
Silver Membership (1 month – 2 nights per week)	\$20.00	\$21.00
Gold Membership (1 month – 5 nights per week)	\$30.00	\$32.00
Gold Membership (3 month – 5 nights per week)	\$50.00	\$53.00
Gold Membership (6 month – 5 nights per week)	\$90.00	\$95.00
Casual (age 13 – 18 years)	\$ 5.00	\$6.00
Leisure Complex Hire Fees		
<i>User Groups utilizing main court area(s)</i>		
Competition		
Per hour per court	\$25.00	-
Per half day per court (9am to 5pm)	\$100.00	-
Per day per court (9am to 5pm)	\$200.00	-
Training (Including Competition 11/12)		
Per hour per court	\$15.00	\$16.00
Casual		
Per person	\$5.00	\$6.00
Table Tennis Room		
Per hour	\$25.00	\$25.00
Per table (Casual)	\$5.00	\$5.00
Fitness Instructor (per session)	\$20.00	\$25.00

Conferences & Special Functions can be negotiated with Leisure Centre Manger

Administration

Function Room (Warracknabeal Office)	2010/11	2011/12
Day (9am to 9pm)	\$ 85.00	\$ 85.00
Night (after 6pm)	\$ 95.00	\$ 95.00
Combined	\$180.00	\$180.00
Photocopying		
A4 Black & White Single Sided		
1 copy	\$0.30	\$0.30
Multiple Copies	\$0.25	\$0.25
A4 Black & White Double Sided		
1 copy	\$0.35	\$0.35
Multiple Copies	\$0.30	\$0.30
A3 Black & White Single Sided		
1 copy	\$0.50	\$0.50
Multiple Copies	\$0.40	\$0.40
A3 Black & White Double Sided		
1 copy	\$0.80	\$0.80
Multiple Copies	\$0.60	\$0.60
Colour Photocopying		
A4 1 copy	\$1.00	\$1.00
A3 1 copy	\$2.00	\$2.00
Coloured Paper		
A4 1 copy	Add 5c per copy	Add 5c per copy
A3 1 copy	Add 10c per copy	Add 10c per copy
Laminating		
A4 1 copy	Add 5c per copy	Add 5c per copy
A3 1 copy	Add 10c per copy	Add 10c per copy
Faxing		
Local Call	\$1.00	\$1.00
STD Call	\$2.00	\$2.00

Building Permit Fees

Development Type Fee Amount	2010/11	2011/12
DWELLINGS		
New Dwellings up to \$0 to \$120,000	\$1,563 Plus Levy	\$1,563 Plus Levy
New Dwellings - \$120,000 to \$200,000	\$1,824 Plus Levy	\$1,824 Plus Levy
New Dwellings - \$200,000 to \$312,000	\$2,084 Plus Levy	\$2,084 Plus Levy
New Dwellings - \$312,000+	\$value/130 Plus Levy	\$value/130 Plus Levy
Re-Erection of Dwellings – Security Deposit	\$5,000	\$5,000
Alternations/Additions/Sheds/Carports/ Garages		
Building Works – Minor \$0 to \$2,500	\$250	\$250
Building Works \$0 to \$5,000	\$351	
Building Works \$2,501 to \$5,000	\$351	\$351
Building Works \$5,001 to \$10,000	\$475	\$475
Building Works \$10,001 to \$20,000	\$652 Plus Levy	\$652 Plus Levy
Building Works \$20,001 to \$80,000	\$795 Plus Levy	\$975 Plus Levy
Building Works \$80,001 to \$120,000	\$1,045 Plus Levy	\$1,563 Plus Levy
Building Works \$120,001 to \$200,000		\$value/75 Plus Levy
Building Works \$200,000+	\$value/100 Plus Levy	\$value/75 Plus Levy
Swimming Pools		
Swimming Pools & Fence – above ground pool	\$350	\$425
Swimming Pools & Fence – in-ground pool	\$675 Plus Levy	\$825 Plus Levy
Commercial Building Work		
Commercial \$0 to \$10000	\$350 Plus Levy	\$350 Plus Levy
Commercial \$10001 to \$20000	\$676 Plus Levy	\$676 Plus Levy
Commercial \$20001 to \$100000	\$v x 1.33% + \$424 Plus Levy	\$v x 1.33% + \$424 Plus Levy
Commercial \$100001 to \$500000	\$v x 0.44% + \$1324 Plus Levy	\$v x 0.44% + \$1324 Plus Levy
Commercial \$500.001+	\$v x 0.25% + \$2249 Plus Levy	\$v x 0.25% + \$2249 Plus Levy
Commercial Building Work		
Multi Unit Development		
Units \$0 to \$200,000	\$1,737 Plus Levy	\$1,824 Plus Levy
Units \$200,001 to \$312,000	\$1,985 Plus Levy	\$2,084 Plus Levy
Units \$312,000+	\$value/140 Plus Levy	\$value/130 Plus Levy
Miscellaneous Items		
Fence	\$200	\$200
Demolitions or Removals \$0 to \$5,000	\$368	\$368
Demolitions or Removals \$5,000+	\$575	\$575
Re-erections of Dwellings – Security Deposit	\$5,000	\$5,000
Extensions of Time Request	\$104	\$104
Amended Plans	\$104	\$104
Private building Surveyor Lodgment Fees	\$32.60	\$33.30
Information Request Reg 326(1) Permit Info, Final Certificates, Current Orders or Notices.	\$43.45	\$44.40
Information Request Reg 326(2) Flooding, Termite, Bushfire, Snowfall, Designated.	\$43.45	\$44.40
Information Request Reg 326(3) Mandatory notification states, Inspection dates.	\$43.45	\$44.40
Information Request with Plan copies (includes 306(1))	\$67.20	\$67.20
Request for search of Building Permit Plans	\$67.20	\$67.20

Report & Consent	2010/11	2011/12
Planning Authority for Demolition Section 29a of the Act	\$54.35	\$55.55
Building over Council Easement Reg 312 (3)	\$52.75	\$55.55
Requests Under Part 4, 5, or 8 of the Reg 604 (4)	\$217.50	\$222.30
Request for Legal point of discharge for stormwater Reg 610 (2)	\$54.35	\$55.55
Levy Payments		
(Applies if development is over \$10,000)		
State Government Levy	0.128% Value	0.128% Value
HIH Levy (Domestic building Only)	0.032% Value	0.032% Value
Inspections		
Addition Inspection	\$109.20	\$120.00
Contract Inspection – Foundations, Reinforcement & Finals	\$165.00	\$180.00
Contract Inspection – Frame	\$220.00	\$220.00
Building Notices/Orders	Building Permit Fee + 25%	Building Permit Fee + 50%
Occupancy Permit/Places of Public Entertainment	\$220.50	\$220.50
Travel time & Vehicle cost where more than 5 km from Warracknabeal Office	\$1.00/km + \$75 hour	\$1.00/km + \$75 hour