

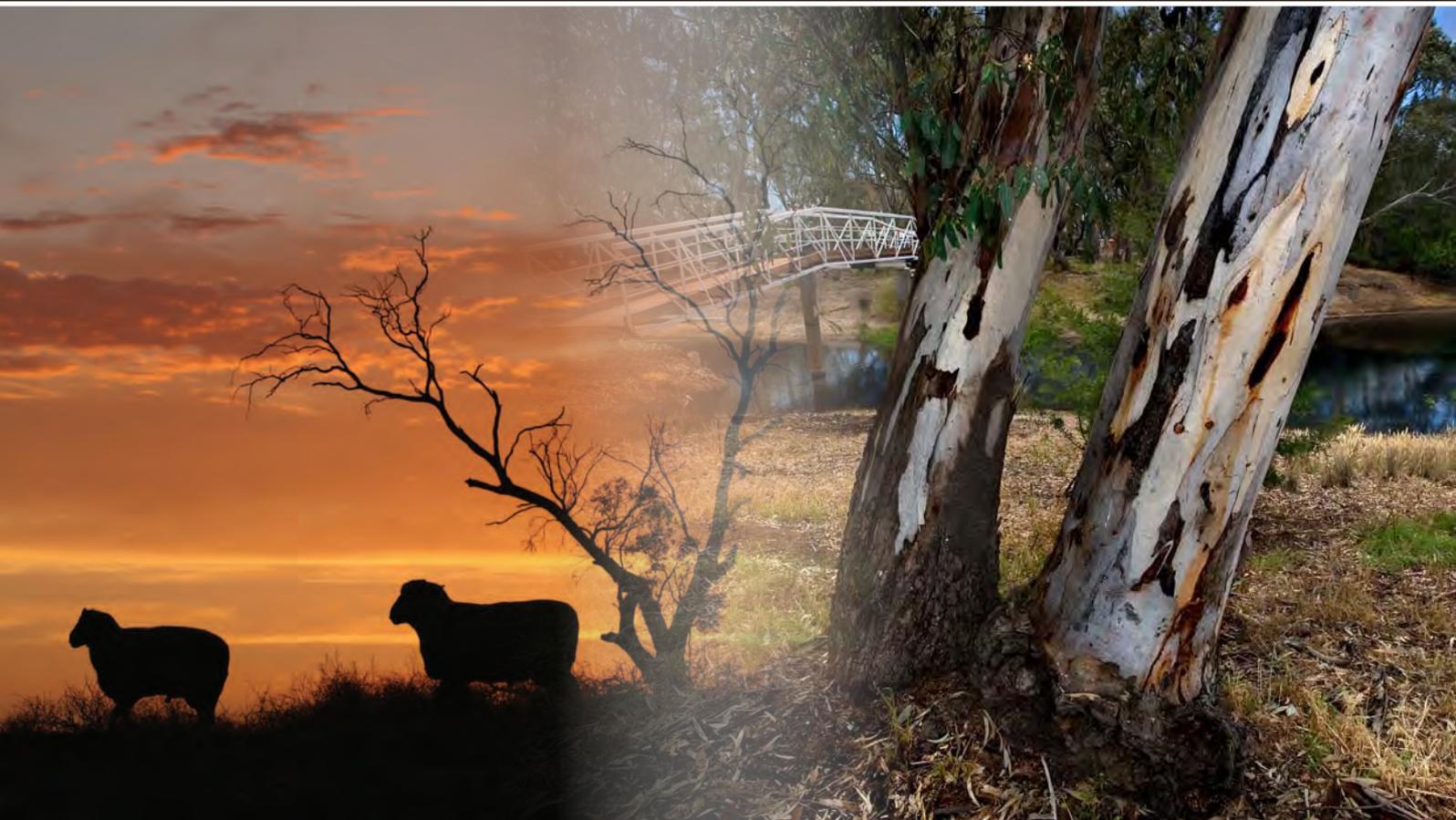


**Yarriambiack**  
SHIRE COUNCIL

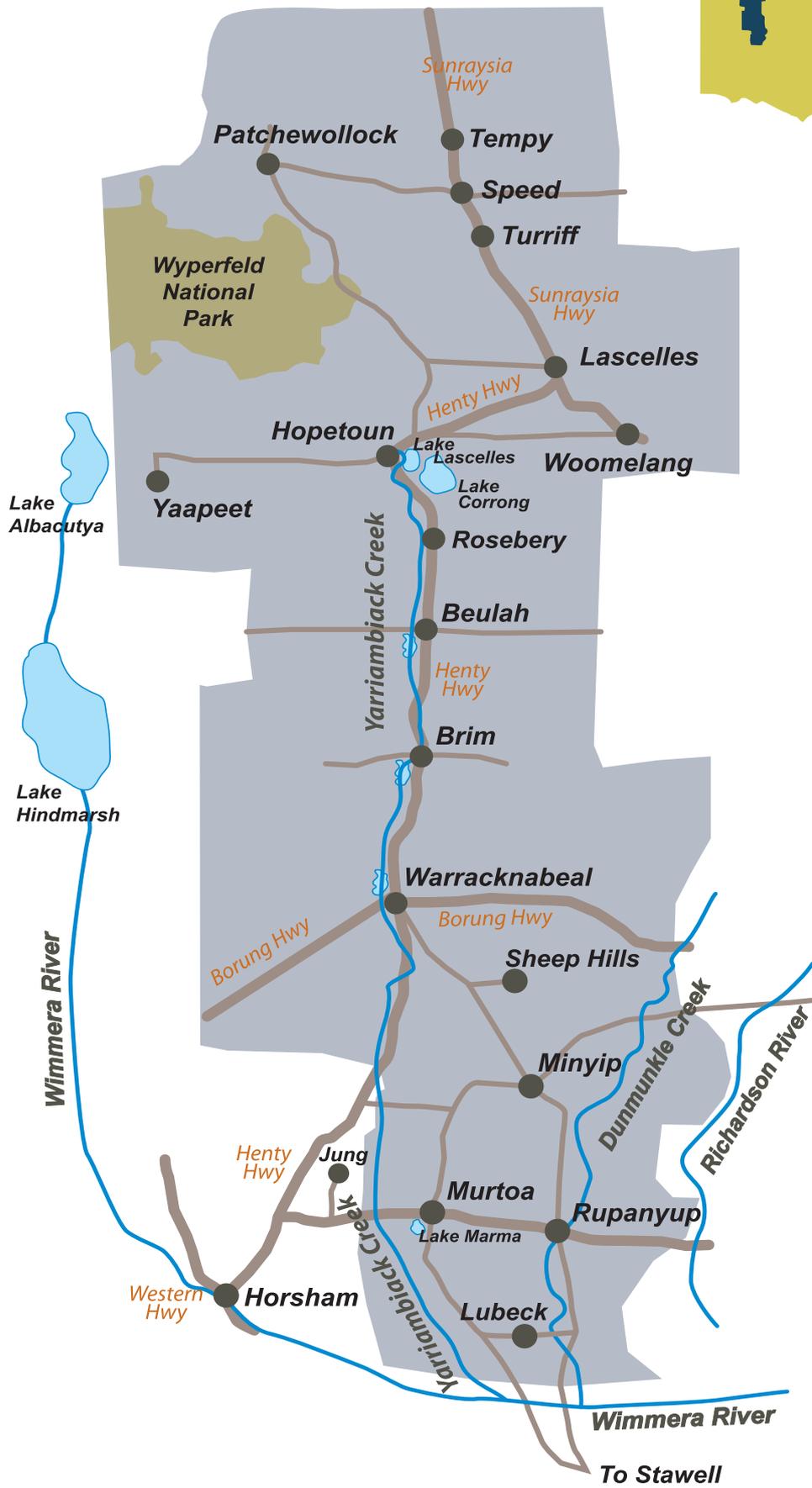
# Budget 2013 / 2014

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

This Budget Report has been prepared with reference to The Institute of Chartered Accountants  
"Victorian City Council Model Budget 2013/2014" a best practice guide for reporting local government budgets in Victoria.



# Our Shire



# Contents

# Page

Mayor's introduction	4
Chief Executive Officer's summary	5
Budget processes	10

## *Overview*

1. Linkage to the Council Plan	11
2. Activities, initiatives and key strategic activities	13
3. Budget influences	19

## *Budget analysis*

4. Analysis of operating budget	21
5. Analysis of budgeted cash position	25
6. Analysis of capital budget	28
7. Analysis of budgeted financial position	31

## *Long term strategies*

8. Strategic resource plan and key financial indicators	34
9. Rating strategy	38
10. Other strategies	40

## *Appendices*

A Budgeted standard statements	43
B Statutory disclosures	49
C Capital works program	54
D Key strategic activities	57
E Fees and charges schedule	59

# Mayors Introduction

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

We will increase the general rates, garbage and recycling rates by 6% and the municipal charge will increase from \$50 to \$60 in the 2013/14 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 is influenced by several factors which impacts on the Council . The capacity of the Council's finances relies upon continued growth of Council's income to deliver and maintain existing services whilst also meeting Council's obligations. Funding of the defined benefits superannuation call has also impacted on Council's financial position, through lost investment income and the need to continue to provide for further possible contributions.

The proposed 2013/14 budget includes a number of new initiatives:

- \$40,000 Community Grants program introduced to replace SHARE program;
- Ongoing support for the Engage Youth Program;
- \$20,000 allocated for a Recreational Strategy;
- \$30,000 allocated for the first stage of energy efficient lighting program;
- Stage 2 of the Heritage Study;
- Contributions towards the Dunmuckle Creek Flood Study and Warracknabeal Creek Flood Review;
- \$70,000 allowed for demolition of derelict buildings;
- an extra \$200,000 allocated to the kerb & channel program for 13/14 year;
- \$50,000 allowed for southern weir at Beulah;
- \$16,000 recurrent funding received from Department of Human Services for Vulnerable people to be used for mapping and planning; and
- Continued support for the ILOP (Improving Liveability for Older People) program

The total Capital Works program will be \$7,557 million. Of the \$7.557 million in capital funding required, \$2.509 million will come from external grants,\$325,000 from asset sales, and the balance of \$4.723 million from Council operations and cash and investments.

Highlights of the Capital Works program include:

- Roads (\$5.444 million) – Including reconstructions, roads to recovery projects, resheeting, footpaths, kerb & channel and bridges & culverts.
- Drains (\$27,000) – Including road drainage replacement works.
- Open space (\$21,000) – Including renewal of playground equipment.
- Buildings (\$868,000) – Including stage 3 of the construction of the Hopetoun Depot (\$270,000), extension of the Hopetoun Kindergarten to accommodate long day Child Care (\$220,000), Minyip Senior Citizens Club upgrade (\$60,000), Beulah Multipurpose Centre verandah (\$25,000), Warracknabeal Maternal & Child Health verandah (\$20,000), upgrade of amenities block and laundry facilities at the Hopetoun Caravan Park (\$35,000), and development of the Hopetoun Industrial Estate (\$155,000).
- Plant and equipment (\$1.198 million) – Including information technology, 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.

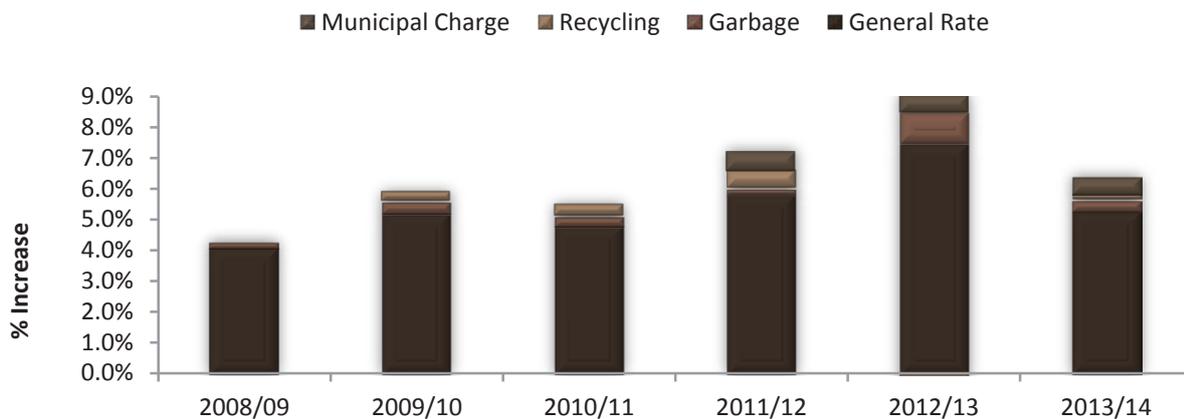


**Kylie Zanker**  
Mayor

# Chief Executive Officers summary

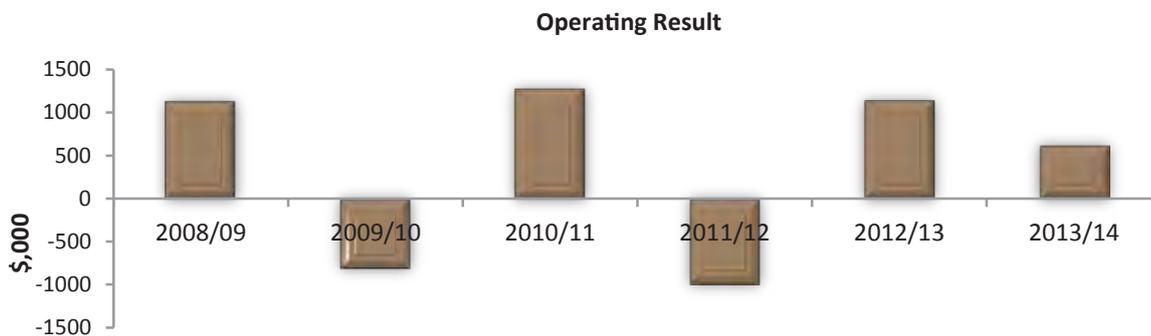
Council has prepared a Budget for the 2013/14 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, service levels, cash and investments, capital works, financial position, financial sustainability and key strategic activities of the Council.

## 1. Rates



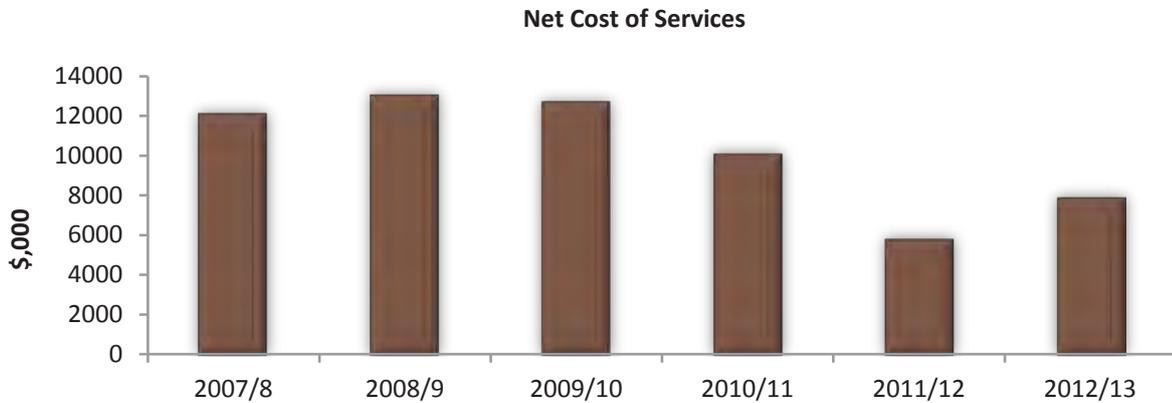
It is proposed that general rates increase by 6.0% for the 2013/14 year, raising total rates and charges of \$10.00 million, including supplementary rates. The extra \$439,000 raised by the increase will go toward maintaining service levels and meeting the cost of a number of external influences affecting the operating budget. The increase will also go toward capital works to address the asset renewal needs of the Council. This rate increase is slightly lower than Council's rating strategy. (The rate increase for the 2012/13 year was 4.9%).

## 2. Operating result



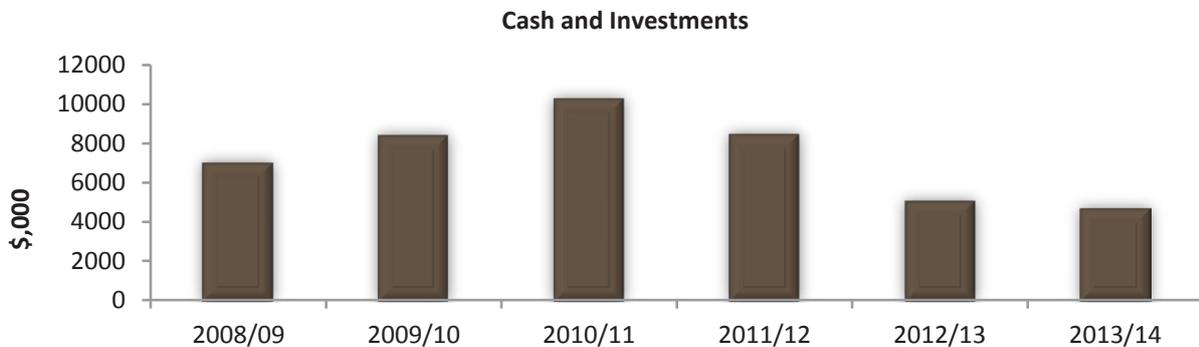
The expected operating result for the 2013/14 year is a surplus of \$617,000, which is a decrease of \$519,000 over 2012/13. This decrease is due to there being a reduction in capital grants. Grants were high in the 2012/13 year as a result of the flood restoration works which have now been completed. Materials and services have also decreased in the 2013/14 year. The underlying result, which excludes items such as capital grants and non-cash contributions is a deficit of \$2.035 million, which is an increase of \$145,000 over 2012/13 - refer to section 7 of this summary for further information. (The forecast operating result for the 2012/13 year is a deficit of \$1.890 million).

### 3. Services



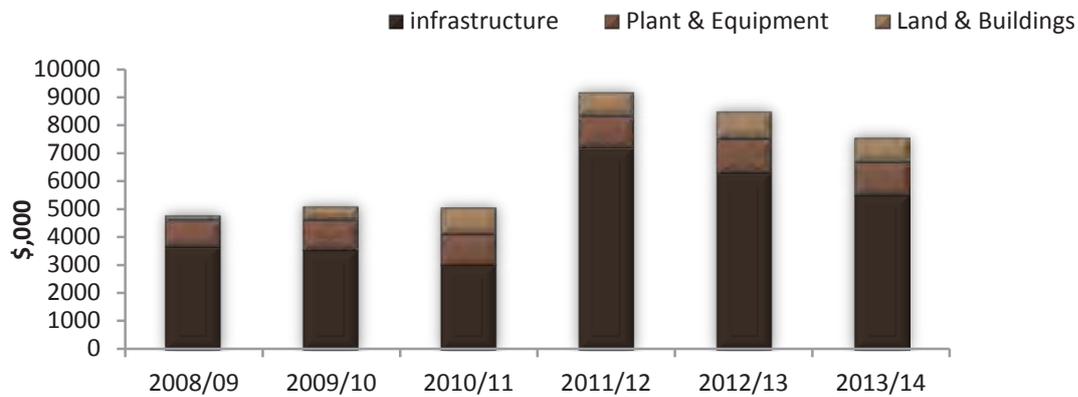
The net cost of services delivered to the community for the 2013/14 year is expected to be \$7.925 million which is an increase of \$2.083 million over 2012/13. A key influencing factor in the development of the 2013/14 budget has been the recently released results of the community satisfaction survey 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 2013/14 year, service levels have been maintained and a number of new activities and initiatives proposed. (The forecast net cost for the 2012/13 year is \$5.842 million)

### 4. Cash and investments



Cash and investments are expected to decrease by \$370,000 during the year to \$4.701 million as at 30 June 2014. (Cash and investments are forecast to be \$5.071 million as at 30 June 2013).

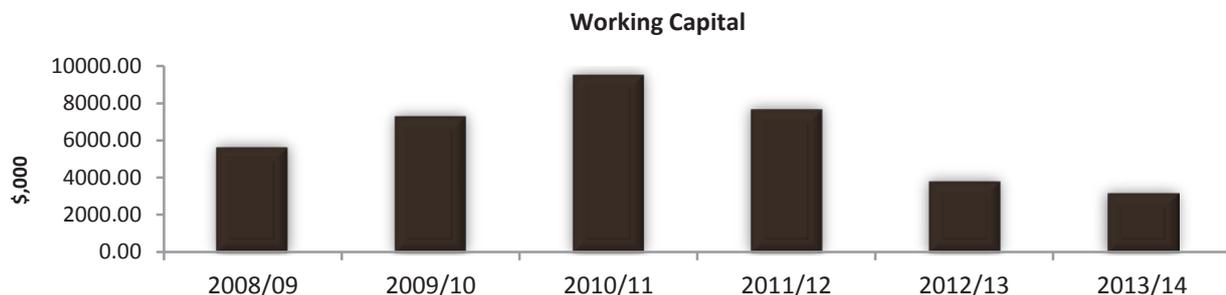
## 5. Capital works



The capital works program for the 2013/14 year is expected to be \$7.557 million. Of the \$7.557 million of capital funding required, \$2.509 million will come from external grants and contributions and the balance of \$5.048 million from Council operations and 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 upgrade, construction and seal on the Banyena Pimpinio Road (\$313,232), Sea Lake Lascelles Road (\$217,460) and Minyip Dimboola Road (\$194,620). (Capital works is forecast to be \$8.486 million for the 2012/13 year).

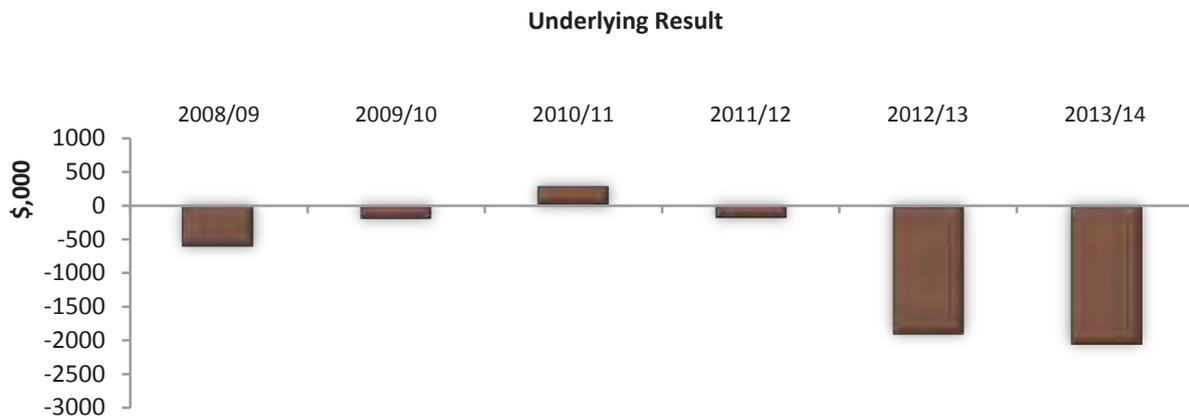
The asset renewal program has decreased to \$6.234 million in the 2013/14 year as a result of the normal capital works program and the additional flood works program being completed. Over the next four year period our asset renewal program is expected to decrease to our normal capital works renewal levels with asset renewal expected to be \$5.786 million at the end of the 2016/17 year.

## 6. Financial position



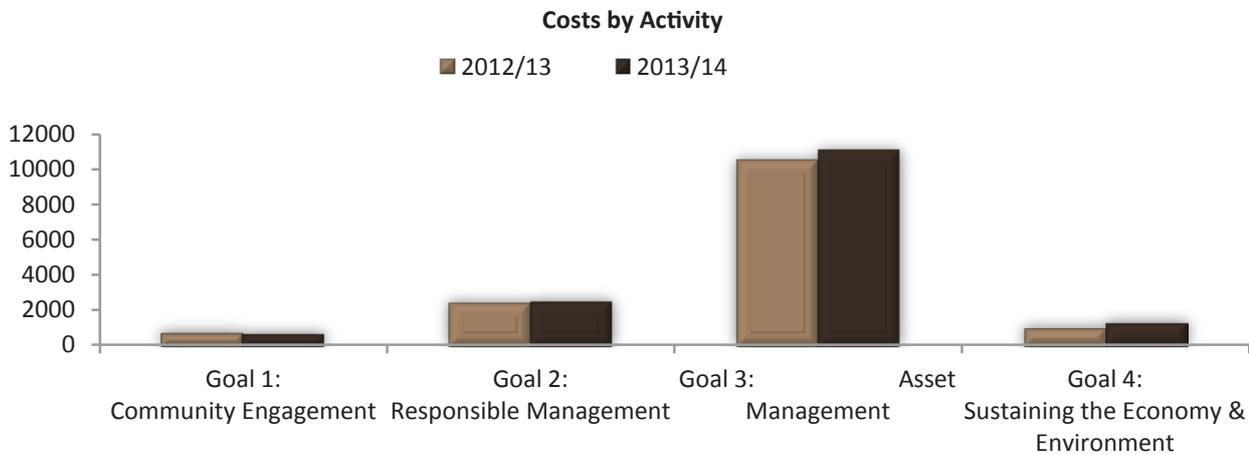
The financial position is expected to improve with net assets (net worth) to increase by \$1.117 million to \$141.095 million although net current assets (working capital) will reduce by \$643,000 to \$3.172 as at 30 June 2014. This is mainly due to the use of cash reserves to fund the capital works program. (Total equity is forecast to be \$139.978 million as at 30 June 2013).

## 7. Financial sustainability



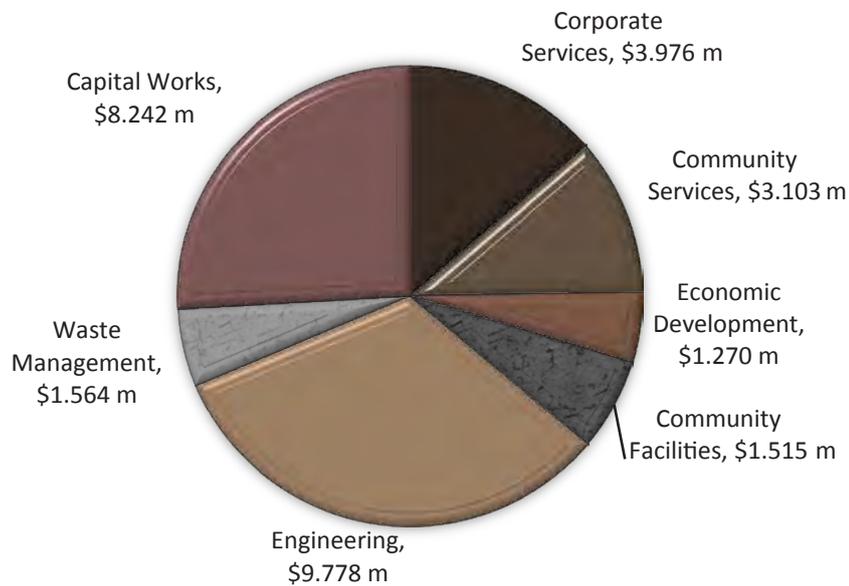
The underlying surplus/(deficit) is calculated by deducting capital grants & contributions and the net gain or loss on disposal of assets from the operating surplus/(deficit). By taking these items from the operating surplus/-deficit those items which recur normally every year are isolated from those items which can occur in some years and not others. Council's underlying deficit for the 2013/14 year is \$2.035 million.

## 8. Strategic objectives



The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2013/14 year.

## 9. Where rates are spent



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

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 Local Government Act 1989 (the Act) and Local Government (Finance and Reporting) Regulations 2004 (the Regulations).

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

The 2013/14 budget, which is included in this report, is for the year 1 July 2013 to 30 June 2014 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 2014 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Accounting Standards. The budget 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.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. The preparation of the budget, within this longer term context, begins with Officers preparing the operating and capital components of the annual budget during February and March. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in 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 update Council's long term financial projections	Jan / Feb
2. Officers prepare operating and capital budgets	Mar / Apr
3. Council considers draft budgets at informal briefings	Apr
4. Proposed budget submitted to Council for approval	June
5. Public notice advising intention to adopt budget	June
6. Budget available for public inspection and comment	June
7. Public submission process undertaken	Jun / Jul
8. Submissions period closes (28 days)	Jul
9. Submissions considered by Council/Committee	Jul
10. Budget and submissions presented to Council for adoption	Jul
11. Copy of adopted budget submitted to the Minister	Aug
12. Revised budget where a material change has arisen	Sep-Jun

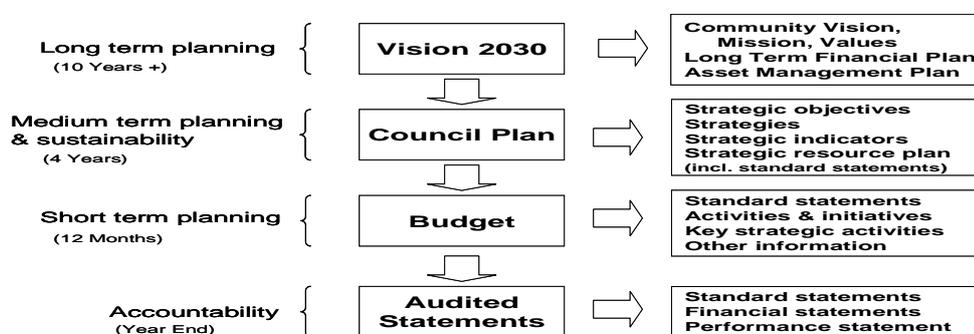
# Overview

## 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 (Vision 2030), 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 & 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 a viable, sustainable and vibrant future.

#### Our mission

Through strong leadership, transparency and strategic planning Councillors and Staff in partnership with community will achieve our vision.

#### 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 relationships with customers;
- Investigate matters thoroughly and objectively;
- Keep our customers informed, in plain language, about the process and outcome;
- Treat people fairly and equitable, with respect and have proper regard for their rights;
- Make decisions lawfully, fairly, impartially, and in the public interest;
- We are honest, trustworthy, and reliable in our dealings;
- We are careful, conscientious and diligent;
- Use public resources economically and efficiently; and
- Actively pursue positive outcomes for the community.

### Continuous Improvement

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

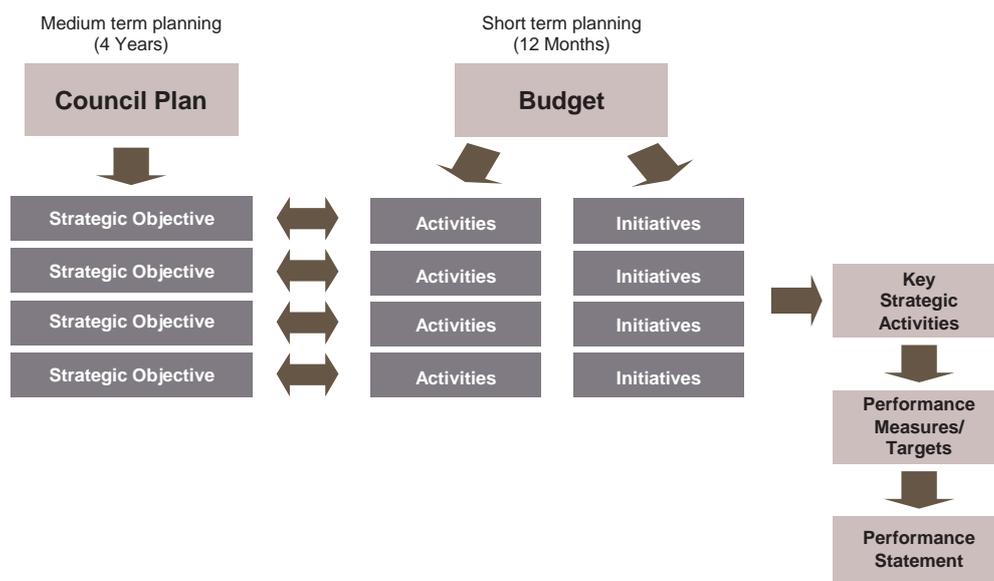
### 1.3 Goals

The Council delivers activities and initiatives under 34 major service categories. Each contributes to the achievement of one of the four goals as set out in the Council Plan for the 2013-17 years. The following table lists the four Goals as described in the Council Plan.

Goals	Description
1. Community Engagement	To engage appropriate interest groups and individuals on awareness of Council activities and services
2. Responsible Management	To provide leadership and advocacy and be accountable to the local community
3. Asset Management	The communities current and future needs for assets and facilities are responsibly managed based on community service needs.
4. Sustaining the Economy and Environment	Lead in sustainable growth and development to meet the community needs.

## 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 2013/14 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.



### Goal 1: Community Engagement

To engage appropriate interest groups and individuals on awareness of Council activities and services

#### 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.	603 0 <b>603</b>
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 0 <b>28</b>
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 0 <b>74</b>

#### OUTCOMES - What we want to achieve

- > Create opportunities to enable people in our community to be supported and involved.
- > A community in which people have access to facilities, services and activities.
- > A community in which people are actively involved in shaping the community to meet its needs.
- > A community that cares.
- > A community that values older people and nurtures children.
- > A community which encourages a healthy and active lifestyle.

- > A community where people can readily access the services they need.
- > A community where people can feel safe as they use and enjoy public spaces and facilities.
- > A community that is well informed and prepared for emergencies and post-emergency recovery.
- > A community where all people are encouraged to engage with each other and participate in the future of our community.
- > A Council which communicates openly with its community.

#### Key Performance Indicators

Performance Measure	Target
Community satisfaction with community consultation and engagement	> 62%
Proportion of infants born that receive primary immunisations.	> 90%
Proportion of registered premises that are inspected annually as required by the Food Act 1984 and the Public Health and Wellbeing Act 2008.	> 100%
Percentage of clients satisfied with Home and Community Care (HACC) services.	> 90%
Review Disability Action Plan and implement activities and recommendations of this review	30-Jun-14

#### Goal 2: Responsible Management

To provide leadership and advocacy and be accountable to the local community

#### 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 Above
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.	317 <u>0</u> <b>317</b>
Customer Service and Administration Staff and Municipal Offices	This service provides Council with strategic and operational organisation development support. It provides 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	991 <u>(73)</u> <b>918</b>
Director, Contracts, Design and Asset Management	This area includes the Director and Council Officers and associated costs of supporting these positions.	1,164 <u>(38)</u> <b>1,126</b>
Accounting and Finance	This service predominately 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.	630 <u>(4)</u> <b>626</b>

Activity	Description	Expenditure
		(Revenue)
		Net Cost
		\$'000
Financing Costs	This service includes payment to external audit, interest received or paid on investments and loans	102
		(559)
		<b>(457)</b>

#### OUTCOMES - What we want to achieve

- > An organisation which displays openness, transparency and fairness in all its decision making.
- > People are seen as our main asset and resource.
- > An organisation that embraces the principles of business excellence, best practice and continuous improvement.
- > Systems and processes which promote in service delivery to both internal and external customers.
- > An organisation which works to reduce risk in all its operations whilst balancing risk with innovation.
- > Responsible leadership through transparent and accountable processes.
- > A community which is informed on Council's matters.
- > Effective advocacy to all levels of government and stakeholders.
- > Legislative compliance.
- > Service levels meeting the needs of the community.

#### Key strategic activities

Performance Measure	Target 2013/2014
Financial indicators (VAGO)	Sustain all yellow or green indicators
Community satisfaction with overall performance of Council	> 60
Community satisfaction with Council's advocacy	> 60
Community satisfaction with customer satisfaction	> 65
Finalise Long Term Financial Plan	Long Term Financial Plan developed and implemented
Adjusted Working Capital - Measures the ability to pay existing liabilities in the next 12	> 1.20 to 1
Indebtedness - Measures total borrowings as a percentage of rates and charges revenue	
An equitable, efficient and transparent rating strategy to be reviewed	To be adopted by 30/06/2014
Further develop the Council's 10 year financial plan	30-Jun-14
Develop and finalise long term Financial Plan	30-Jun-14
Percentage completion of Audit Committee annual plan	95%
Develop an Information Technology Strategy	30-Jun-14

#### Goal 3: Asset Management

The communities current and future needs for assets and facilities are responsibly managed based on community service needs.

#### Activities

Activity	Description	Expenditure
		(Revenue)
		Net Cost
		\$'000
Law, Order and Public Safety	This service provides support services including fire prevention, animal control, local laws and emergency services.	389
		(92)
		<b>297</b>
Health, Education and Housing	This service provides family oriented support services including kindergartens, maternal & child health, counselling & support, immunisation, holiday programs and health & safety.	1,226
		(622)
		<b>604</b>
Welfare	This service provides a range of services for the family, aged and disabled including home delivered meals, personal care, community transport, respite care, home maintenance and senior citizen clubs.	1,562
		(1,279)
		<b>284</b>

Activity	Description	Expenditure
		(Revenue) Net Cost \$'000
Public Halls	This service provides for the contributions insurance for public halls.	167 0 <b>167</b>
Library Services	This service provides the contribution to a regional library corporation for the provision of mobile and static services throughout the Shire.	189 0 <b>189</b>
Other Heritage and Culture	This service provides a rang of services that facilitates the maintenance and development of museums, other heritage buildings and cultures for the enjoyment of future generations.	140 0 <b>140</b>
Passive Recreation	This service provides for the maintenance of public parks and gardens.	192 0 <b>192</b>
Active Recreation	This service provides for the contributions and maintenance of indoor and outdoor sporting complexes, clubs, amenities and recreation officer	796 (370) <b>426</b>
Swimming Areas and Beaches	This service provides for the contributions and maintenance of swimming pools as well as the contribution to the weir pools.	395 (11) <b>384</b>
Roads, Streets and Footpaths	The service provides ongoing maintenance of the Council's roads, drains and footpaths.	10,428 (3,403) <b>7,025</b>
Street Cleaning, Lighting and Beautification	This service provides for the cleaning, lighting and beautification of Council's streets.	860 0 <b>860</b>
Other Transport Services	This service provides for the works crew administration and plant operations as well as any private works	527 (2) <b>525</b>

#### OUTCOMES - *What we want to achieve*

- > Providing and maintaining infrastructure assets in the provision of many services.
- > The effective management of assets is critical to providing a required level of service to the community in the most cost effective manner.
- > Improve asset management knowledge and practices to support future long term sustainability and efficient delivery of services to the community.
- > Maintain assets and infrastructure to meet community and organisational levels of service.
- > Ensure projected financial programs reflect infrastructure needs.
- > Maintain asset management systems that will assist planning asset maintenance and capital renewal.
- > A Community with appropriate infrastructure to provide a diverse range of sporting and recreational activities.
- > Strategic asset management to support the services delivered to meet the needs of the community now and into the future.
- > Essential services and infrastructure projects are delivered on time, to budget and to agreed quality standards.

## Key strategic activities

Performance Measure	Target 2013/2014
Percentage of building permits approved within 30 days.	> 80%
Percentage of planning applications processed within 60 days.	> 60%
Percentage of capital projects completed at the conclusion of the financial year.	100%
Timely completion of annual capital works program	>95% 30-Jun-14
Develop and implement service level plans through direct and indirect feedback from community engagement program	40 plans to be adopted by Asset 30-Jun-14
Complete migration of data into new asset management system	30-Jun-14
Compliance with Asset Management STEP program	Completion of Annual NAMAF

## Goal 4: Sustaining the Economy & Environment

Lead in sustainable growth and development to meet the community needs.

Activity	Description	Expenditure (Revenue) Net Cost \$'000
Community and 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.	1,667 (922) <b>746</b>
Tourism and 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 amenities.	87 (42) <b>45</b>
Saleyard	This service is responsible for the management and maintenance of the Warracknabeal Municipal Saleyard	91 (93) <b>(1)</b>
Waste Management and Environment Services	This service is responsible for garbage, transfer stations, septic tanks, kerbside recycling and land care operations of Council.	1,544 (1,004) <b>541</b>

### OUTCOMES - What we want to achieve

- > A welcoming and inclusive community.
- > Council and community working in partnership.
- > Attracting new businesses and residents whilst continuing to support existing Businesses
- > Pro-active response to a changing economic and business environment.
- > Retention of the local skilled and unskilled workforce.
- > A community that recognises tourism as a key to economic prosperity.
- > Infrastructure in place to support a positive experience by people who visit the area.
- > A balanced approach to land use development to meet existing and future growth.
- > A clean and healthy environment.

Performance Measure	Target 2013/2014
Community satisfaction with waste management	> 65
Increase the number of visitors to Council's caravan parks	Increased revenue from 2012/2013
Support the development of the new Wimmera Mallee Tourism Association with	Attend 4-5 meetings per year
Active involvement in Rural Council's Victoria and the Wimmera Development Association	Attend 8 meetings per year
Continue to support the Yarriambiack Landcare Network and local Landcare groups to help improve extent and quality of native vegetation and promote awareness of sustainable	Involvement in attending Yarrilinks meetings
Continue the upgrade of Hopetoun Caravan Park	30-Jun-14
Increase visitors online visiting the Yarriambiack Tourism/Facebook page	200 Likes by 30/06/2014

## 2.7 Performance statement

The Key Strategic Activities (KSA) detailed in the preceding pages, are summarised again in Appendix D. The KSA's their

## 2.8 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Goal 1: Community Engagement	705	705	0
Goal 2: Responsible Management	2,530	3,203	(673)
Goal 3: Asset Management	11,091	16,869	(5,778)
Goal 4: Sustaining the Economy & Environment	1,330	3,390	(2,060)
<b>Total activities &amp; initiatives</b>	<b>15,656</b>	<b>24,167</b>	<b>(8,511)</b>
Other non-attributable	0		
<b>Deficit before funding sources</b>	<b>15,656</b>		
<b>Funding sources:</b>			
General Rates	8,789		
Grants Commission	4,520		
Capital grants	2,964		
<b>Total funding sources</b>	<b>16,273</b>		
<b>Surplus for the year</b>	<b>617</b>		

## 3. Budget Influences

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

### 3.1 Snapshot of Yarriambiack Shire Council

Yarriambiack Shire Council is located on 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 Karkaroc, Warracknabeal, Dunmunkle and part of the former Wimmera Shire. At the time of amalgamation in 1995, the newly formed Council adopted the official name of Yarriambiack Shire Council. The council operates its main administrative office in the township of Warracknabeal and service centres in the townships of Rupanyup and Hopetoun. Other towns with the municipality include Murtoa, Lubeck, Minyip, Brim, Beulah, Woomelang, Lascelles, Speed, Tempy, Turriff, Patchewollock and Yaapeet.

#### Population

In June 2011, the resident population of the Shire was 7,028 people. In the 7 years from 2006 to 2011, the population dropped by about 492 with the population still in decline. (Source: Australian Bureau of Statistics, Estimated Resident Population).

#### Ageing population

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

#### Births

Despite an ageing population, approximately 73 babies have been born each year since 2005. In the 2013/14 financial year 65 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 100. 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 72% of the capital works program relates to road infrastructure.

### 3.2 External influences

In preparing the 2013/14 budget, a number of external influences have been taken into consideration, because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Consumer Price Index (CPI) increases on goods and services of 2.2% per annum (ABS release 23 January 2013). State-wide CPI is projected to be 2.5% for the 2013/14 year (Victorian Budget Papers 2012/13)
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to May 2012 was 3.6% (ABS release 16 August 2012). Wages growth in Victoria is projected to be 3.25% per annum in 2013/14 increasing to 3.50% in the subsequent two years (Victorian Budget Papers 2012/13). Council must renegotiate a new Collective Agreement during the 2013/14 year for commencement in 2014/15
- The 'Engineering Construction and Non-Residential Building' Indices prepared by Econtech are forecast at 2.4% and 3.8% respectively for 2013/14.
- A slight increase in Victorian Grants Commission funding
- Updated Long Service Leave Regulations which provide for entitlement to long service leave on a pro-rata basis after 7 years (previously 10 years).
- A new fire levy will apply to all private property owners - including persons and organisations who do not currently pay council rates, such as churches, charities, private schools and RSL's - from 1 July 2013. A number of Council properties will also be subjected to the fire levy. Under new legislation, the Fire Services Property Levy Act 2012, introduced as a result of the recommendations by the Victorian Bushfires Royal Commission (VBRC), the new Fire Services Property Levy (FSPL) will be collected by Council on behalf of the state government, to fund operations of the MFB and CFA.

### 3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have an impact on the preparation of the 2013/14 Budget. These matters have arisen from events occurring in the 2012/13 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2013/14 year. These matters and their financial impact are set out below:

- Completion of the expenditure on the 2011 flood restoration works but final Natural Disaster Grant payment not expected until 2013/14. (\$1.0 million)
- Council's decision to draw down a \$500,000 loan in 2012/13 for to be repaid over 5 years for the part payment of the defined benefits unfunded superannuation liability (\$2.1 million).

### 3.4 Budget principles

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

- Existing fees and charges to be increased in line with CPI or market levels
- Grants to be based on confirmed funding levels
- New revenue sources to be identified where possible
- Service levels to be maintained at 2012/13 levels with the aim to use less resources with an emphasis on innovation and efficiency
- Salaries and wages to be increased in line with Average Weekly Earnings
- Contract labour to be minimized
- Construction and material costs to increase in line with the Engineering Construction Index
- Increased awareness of risk exposure to Council
- Real savings in expenditure and increases in revenue identified in 2012/13 to be preserved
- Operating revenues and expenses arising from completed 2012/13 capital projects to be included.

### 3.5 Long term strategies

The budget includes consideration of a number of long term strategies to assist Council in preparing the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2013/14 to 2016/17 (section 8.), Rating Strategy (section 9.) and Other Long Term Strategies (section 10.) including borrowings, infrastructure and service delivery.

# Budget Analysis

## 4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2013/14 year.

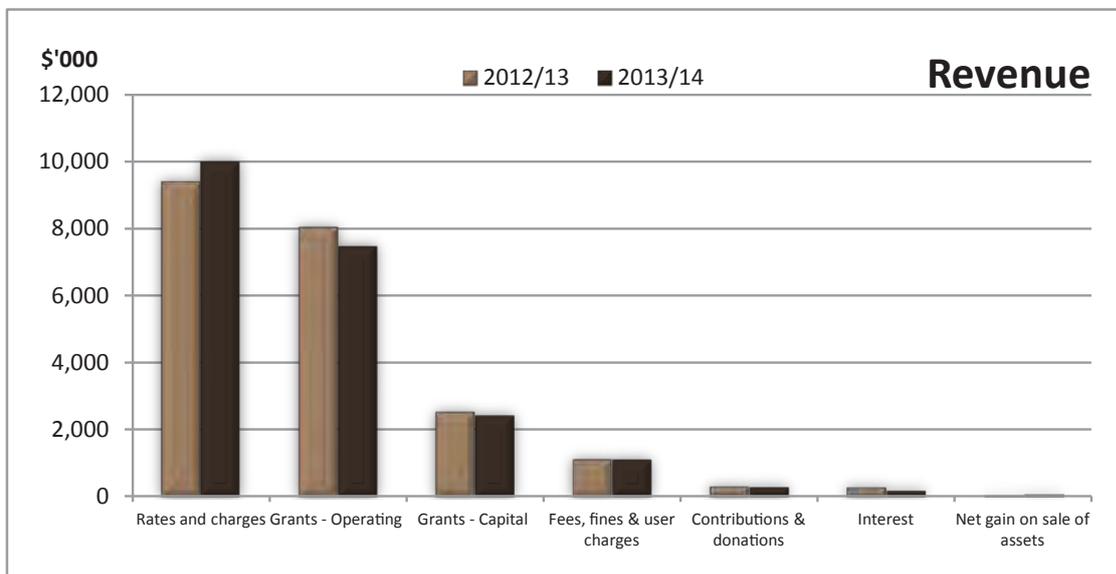
### 4.1 Budgeted income statement

	Ref	Forecast Actual 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
Total income	4.2	21,747	21,555	(192)
Total expenses	4.3	(20,611)	(20,938)	(326)
<b>Surplus (deficit) for the year</b>		<b>1,136</b>	<b>617</b>	<b>(519)</b>
Net Gain on Assets	4.2.7	52	70	18
Capital Grants excluding Community Grants		(3,078)	(2,721)	357
<b>Underlying surplus (deficit)</b>		<b>(1,890)</b>	<b>(2,034)</b>	<b>(144)</b>

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 revenues and expenses which can often mask the operating result. The underlying result for the 2013/14 year is a deficit of \$2.034 million which is an increase of \$143,000 over the 2012/13 year.

### 4.2 Income

Income Types	Ref	Forecast Actual 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
Rates and charges	4.2.1	9,399	10,000	602
Grants - Operating	4.2.2	8,036	7,474	(562)
Grants - Capital	4.2.3	2,544	2,421	(122)
Fees, fines & user charges	4.2.4	1,121	1,111	(10)
Contributions & donations	4.2.5	314	289	(25)
Interest	4.2.6	282	189	(92)
Net gain on sale of assets	4.2.7	52	70	18
<b>Total income</b>		<b>21,747</b>	<b>21,555</b>	<b>(192)</b>



Source: Appendix A

#### **4.2.1 Rates and charges (\$602,000 increase)**

It is proposed that general rate income be increased by 6.4% and the Garbage and Recycling Rate will also be increased by 6.4%. The Municipal Charge will increase \$10 to \$60 for 2013/14. This will result in Council raising total rates and charges of \$10.00 million for 2013/14 which is an increase of \$602,000 over 2012/13. Section 9. "Rating Strategy" includes a more detailed analysis of the rates and charges to be levied for 2013/14.

#### **4.2.2 Grants - operating (\$562,000 decrease)**

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs. Overall, the level of operating grants has decreased by 7.0% or \$562,000 compared to 2012/13.

#### **4.2.3 Grants - capital (\$122,000 decrease)**

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreased by 4.8% or \$122,000 compared to 2012/13 due mainly to fewer specific funded 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 2013/14 year.

#### **4.2.4 Fees, fines & user charges (\$10,000 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 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.

Overall the level of fees, fines & user charges has decreased by 0.9% or \$10,000.

In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI or market levels.

A detailed listing of fees and charges is included in Appendix E and is available on Council's website or can be inspected at Council's customer service centres.

#### **4.2.5 Contributions & donations (\$25,000 decrease)**

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

Contributions are projected to decrease by \$25,000 or 8.1% compared to 2012/13 due mainly to the completion of a number of major capital projects within the municipality during the 2012/13 year.

#### **4.2.6 Interest (\$92,000 decrease)**

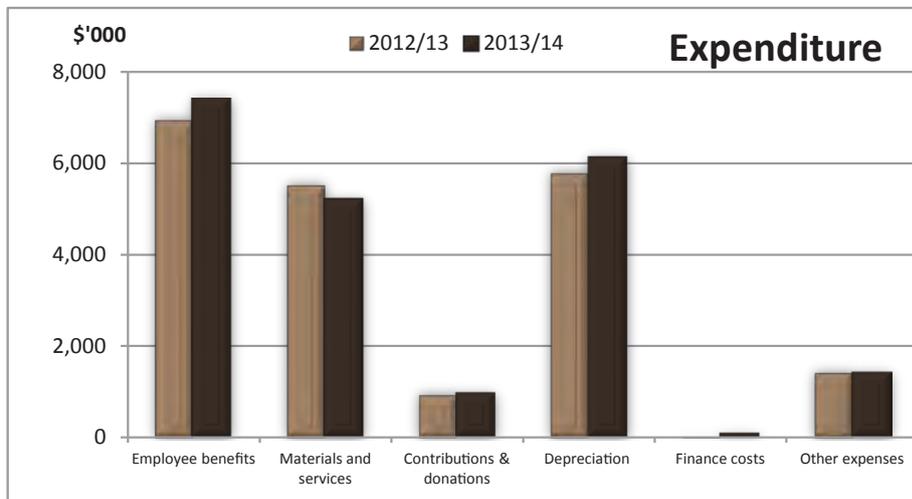
Includes interest revenue on investments and rate arrears. Interest on unpaid rates is forecast to remain static while the reduction in working capital will result in less interest earned on investments.

#### **4.2.7 Net gain on sale of assets (\$18,000 increase)**

The net gain (or loss) 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	Budget	Variance
		Actual 2012/13 \$'000	2013/14 \$'000	\$'000
Employee benefits	4.3.1	6,938	7,367	429
Materials and services	4.3.2	5,520	5,154	(365)
Contributions & donations	4.3.3	939	926	(13)
Depreciation	4.3.4	5,783	6,069	286
Finance costs	4.3.5	16	46	30
Other expenses	4.3.6	1,416	1,375	(41)
<b>Total expenses</b>		<b>20,611</b>	<b>20,938</b>	<b>326</b>



Source: Appendix A

#### 4.3.1 Employee benefits (\$429,000 increase)

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

Employee costs are forecast to increase by 6.2% or \$429,000 compared to 2012/13. Council's current Enterprise Bargaining Agreement (EBA) was renegotiated in May 2011. A 4% wage increase (as per the EBA) has been used for the purposes of calculating the budget.

In summary, average staff numbers (based on monthly averages) during the budget period are as follows:

Type of employment	Forecast	Budget	Variance
	Actual 2012/13 EFT's	2013/14 EFT's	\$'000
Full Time	84	84	0
Part Time	16	16	0
<b>Total</b>	<b>100</b>	<b>100</b>	<b>0</b>

The most increases in employee costs by service unit are summarised below:

Department/Unit	Forecast	Budget	Variance
	Actual	2013/14	
	2012/13	2013/14	
	\$'000	\$'000	\$'000
Community Services	1,594	1,742	149
Corporate Services	1,694	1,787	93
Economic Development	285	333	48
Governance	337	351	14
Waste & Environment	195	218	23

#### 4.3.2 Materials and services (\$365,000 decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by 6.6% or \$365,000 compared to 2012/13.

Materials are forecast to decrease by 12.1% or \$178,000 compared to 2012/13. External contractors are also forecast to decrease by 6.9% or \$199,000 compared to 2012/13. The main areas contributing to this decrease are the completion of natural disaster and flood restoration works.

External consultants are forecast to increase by 16.% or \$65,000 compared to 2012/13. The increase is due mainly to a funding being received for the second stage of the Heritage Study (\$80,000).

#### 4.3.3 Contributions & donations (\$13,000 decrease)

Contributions and donations is project to decrease by \$13,000 or 1.4% compared to 2012/13 due mainly to the reduction in Council contributions towards community projects generated by sport and recreation grants or flood repair infrastructure grants. Annual contributions towards community operations of recreation reserves, swimming pools, halls and weir pools have been increased in line with Council policy.

#### 4.3.4 Depreciation (\$286,000 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 \$286,000 for 2013/14 is due mainly to the completion of the 2013/14 capital works program and the full year effect of depreciation on the 2012/13 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2013/14 year.

#### 4.3.5 Finance costs (\$30,000 increase)

Finance costs relate to interest charged by financial institutions on bank overdraft and funds borrowed. There will be an increase in finance costs for the 2013/14 year which relates to Council borrowing \$500,000 in 2012/13 for part payment of the unfunded superannuation liability. This loan will be repaid over 5 years. Council in 2012/13 also borrowed \$154,000 for the purchase of a roller. This loan will be repaid over 3 years. Council's third loan, which was for the purchase of computer equipment (in 2010) will be fully repaid in February 2014. Council will continue to reduce borrowings in accordance with loan agreements. Council also expects to make use of the overdraft facility in 2013/14.

#### 4.3.6 Other expenses (\$41,000 decrease)

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 decrease by 2.9% or \$41,000 compared to 2012/13.

## 5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2013/14 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.

- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment.

- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

### 5.1 Budgeted cash flow statement

	Ref	Forecast Actual 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	5.1.1			
<i>Receipts</i>				
Rates & charges		9,475	10,066	591
Grants & contributions		10,790	10,312	(478)
Interest		282	189	(93)
User charges, fees & fines		2,781	1,379	(1,402)
		<b>23,328</b>	<b>21,947</b>	<b>(1,381)</b>
<i>Payments</i>				
Employee benefits		(6,739)	(7,239)	(500)
Materials, contractors and other expenses		(12,528)	(7,803)	4,726
		<b>(19,267)</b>	<b>(15,041)</b>	<b>4,226</b>
<b>Net cash provided by operating activities</b>		<b>4,061</b>	<b>6,906</b>	<b>2,845</b>
<b>Cash flows from investing activities</b>	5.1.2			
Proceeds from property, plant and equipment		300	325	25
Repayment of loans and advances		120	70	(50)
Payments for property, plant and equipment		(8,486)	(7,557)	929
<b>Net cash used in investing activities</b>		<b>(8,066)</b>	<b>(7,162)</b>	<b>904</b>
<b>Cash flows from financing activities</b>	5.1.3			
Finance costs		16	46	30
Proceeds from borrowings		654	0	(654)
Repayment of borrowings		(63)	(160)	(97)
<b>Net cash used in financing activities</b>		<b>607</b>	<b>(114)</b>	<b>(721)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(3,398)</b>	<b>(370)</b>	<b>3,028</b>
Cash & cash equivalents at beginning of year		8,469	5,071	(3,398)
<b>Cash and cash equivalents at end of the year</b>	5.1.4	<b>5,071</b>	<b>4,701</b>	<b>(370)</b>

### 5.1.1 Operating activities (\$2.845 million increase)

The increase in cash inflows from operating activities is due mainly to a decrease in payments for materials and contractors of \$4.72 million which reflects the completion of the flood restoration works. Cash inflows from rates and charges are anticipated to increase by \$591,000 as a result of the proposed 6% rate rise to general, recycling and garbage rates.

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 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>1,136</b>	<b>617</b>	<b>(518)</b>
Depreciation	5,783	6,069	286
Gain (loss) on sale of assets	52	70	18
Net movement in current assets and liabilities	(2,910)	149	3,059
<b>Cash flows available from operating activities</b>	<b>4,061</b>	<b>6,906</b>	<b>2,845</b>

### 5.1.2 Investing activities (\$904,000 increase)

Cash outflows from investing activities are expected to increase by \$904,000 in 2013/14 over the forecast 2012/13 result. The increase in payments for investing activities represents the planned decrease in capital works expenditure disclosed in section 10 of this budget report.

### 5.1.3 Financing activities (\$721,000 decrease)

The net cash inflows from financing activities is budgeted to decrease by \$721,000 in 2013/14 over the projected result for 2012/13. This is a result of Council undertaking borrowings in 2012/13 for the part payment of the unfunded superannuation liability (\$500,000) and the other being for the purchase of a roller.

### 5.1.4 Cash and cash equivalents at end of the year (\$370,000 decrease)

Overall, total cash and investments is forecast to decrease by \$370,000 to \$4.701 million as at 30 June 2014, reflecting Council's strategy of using excess cash and investments to enhance or renew existing infrastructure. This is consistent with Council's Strategic Resource Plan (see Section 8), which forecasts a slight reduction in the capital works program from 2013/14 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 2014 it will have cash and investments of \$4.701 million, which has been restricted as shown in the following table.

		Forecast Actual 2012 \$'000	Budget 2013 \$'000	Variance \$'000
<b>Total cash and investments</b>		<b>5,071</b>	<b>4,701</b>	<b>(370)</b>
Restricted cash and investments				
- Discretionary reserves	5.2.1	(15)	(15)	0
<b>Unrestricted cash and investments</b>	5.2.2	<b>5,056</b>	<b>4,686</b>	<b>(370)</b>

### **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.

### **5.2.2 Unrestricted cash and investments (\$4.352 million)**

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

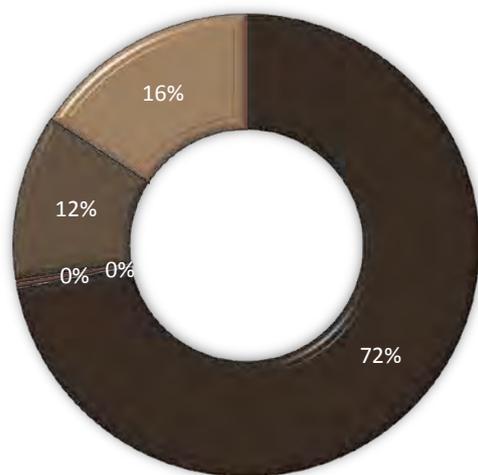
## 6. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2013/14 year and the sources of funding for the capital budget.

### 6.1 Capital works

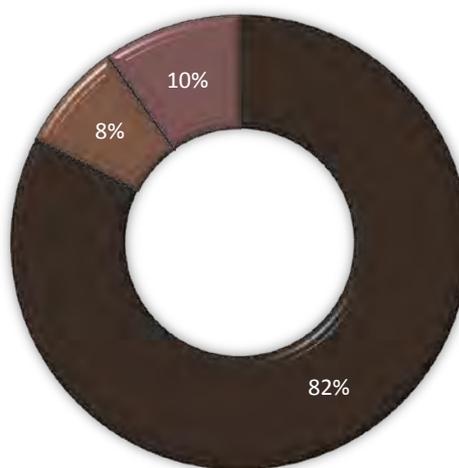
Capital Works Areas	Ref	Forecast	Budget	Variance
		Actual 2012/13 \$'000	2013/14 \$'000	\$'000
<b>New works</b>				
Roads	6.1.1	6,143	5,444	(699)
Drains	6.1.2	62	27	(35)
Open space	6.1.3	83	21	(62)
Buildings	6.1.4	970	868	(102)
Plant, equipment & other	6.1.5	1,228	1,198	(30)
<b>Total capital works</b>		<b>8,486</b>	<b>7,557</b>	<b>(928)</b>
<b>Represented by:</b>				
Asset renewal	6.1.6	6,453	6,234	(219)
New assets	6.1.6	1,164	583	(581)
Asset expansion/upgrade	6.1.6	869	740	(129)
<b>Total capital works</b>		<b>8,486</b>	<b>7,557</b>	<b>(929)</b>

Budgeted new capital works 2012/13



- Roads
- Drains
- Open space
- Buildings
- Plant, equipment & other

Budgeted total capital works 2013/14



- Asset renewal
- New assets
- Asset expansion/upgrade

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

#### **6.1.1 Roads (\$5.444 million)**

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

For the 2013/14 year, \$5.444 million will be expended on road projects. The more significant projects include local road reconstructions (\$2.616 million), which includes federally funded Roads to Recovery projects, road resheeting (\$1.142 million), footpaths (\$248,000), kerb and channel (\$423,000), shoulder resheeting (\$369,000), bridges and culverts (\$32,000) and road reseal and preparation (\$461,000)

#### **6.1.2 Drains (\$27,000)**

Drains includes drains in road reserves. For the 2013/14 year, \$27,000 will be expended on drainage projects.

#### **6.1.3 Open space (\$21,000)**

Open Space includes parks and playground equipment. For the 2013/14 year, \$21,000 will be expended on the upgrade and replacement of playground equipment.

#### **6.1.4 Buildings (\$868,000)**

Buildings includes community facilities, municipal offices, sports facilities, pavilions.

For the 2013/14 year, \$868,000 will be expended on building projects. The more significant projects included are stage 3 of the construction of the Hopetoun Depot (\$270,000), extension of the Hopetoun Kindergarten to accommodate long day Child Care (\$220,000), Minyip Senior Citizens Club upgrade (\$60,000), Beulah Multipurpose Centre verandah (\$25,000) Warracknabeal Maternal & Child Health verandah (\$20,000), upgrade of amenities block and laundry facilities at the Hopetoun Caravan Park (\$35,000), and development of the Hopetoun Industrial Estate (\$155,000)

#### **6.1.5 Plant, equipment and other (\$1.198 million)**

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

For the 2013/14 year, \$1.198 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.115 million), upgrade and replacement of information technology software and hardware (\$71,000).

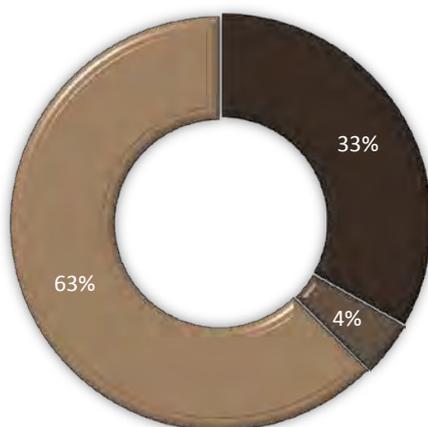
#### **6.1.6 Asset renewal (\$6.234 million), new assets (\$583,000), and expansion/upgrade (\$740,000)**

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 project included in the above categories which constitute expenditure on new assets is the stage 3 construction of the Hopetoun Depot (\$270,000)

## 6.2 Funding sources

Sources of funding	Ref	Forecast Actual 2012/13 \$'000	Budget 2013/14 \$'000	Variance \$'000
<b>New works</b>				
<i>Current year funding</i>				
Grants - Capital	6.2.1	2,940	2,509	(431)
Proceeds on sale of assets	6.2.2	300	325	25
		<b>3,240</b>	<b>2,834</b>	<b>(406)</b>
<i>Internal</i>				
Working capital	6.2.3	5,246	4,723	(523)
		<b>5,246</b>	<b>4,723</b>	<b>(523)</b>
<b>Total funding sources</b>		<b>8,486</b>	<b>7,557</b>	<b>(929)</b>



■ Grants - Capital   ■ Proceeds on sale of assets   ■ Working capital

Source: Appendix A

### 6.2.1 Grants - Capital (\$2.509 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 (\$1.104 million), Local Government Infrastructure Program (\$455,000) and Country Roads and Bridges Initiative Program (\$1.000 million)

### 6.2.2 Proceeds from sale of assets (\$325,000)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$325,000.

### 6.2.3 Working capital (\$4.723 million)

Council generates cash from its operating activities (rates & charges revenue, user fees etc), which is used as a funding source for the capital works program. In addition Council has uncommitted cash and investments from the previous year mainly as a result of grants and contributions being received in advance. It is forecast that \$4.723 million will be generated from operations and uncommitted cash and investments to fund the 2013/14 capital works program.

## 7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2012/13 and 2013/14. It also considers a number of key performance indicators.

### 7.1 Budgeted balance sheet

	Ref	Forecast Actual 2012 \$'000	Budget 2013 \$'000	Variance \$'000
<b>Current assets</b>	7.1.1			
Cash and cash equivalents		5,071	4,701	(370)
Trade and other receivables		1,252	1,286	34
Financial assets		170	180	10
Other assets		1,084	884	(200)
<b>Total current assets</b>		<b>7,577</b>	<b>7,051</b>	<b>(526)</b>
	7.1.1			
Trade and other receivables		384	357	(27)
Property, infrastructure, plant and equipment		136,657	138,390	1,733
<b>Total non-current assets</b>		<b>137,041</b>	<b>138,747</b>	<b>1,706</b>
<b>Total assets</b>		<b>144,618</b>	<b>145,798</b>	<b>1,180</b>
<b>Current liabilities</b>	7.1.2			
Trade and other payables		1,200	1,236	(36)
Interest-bearing loans and borrowings		189	184	5
Provisions		2,373	2,459	(86)
<b>Total current liabilities</b>		<b>3,762</b>	<b>3,879</b>	<b>(118)</b>
<b>Non-current liabilities</b>	7.1.2			
Interest-bearing loans and borrowings		510	452	59
Provisions		368	372	(4)
<b>Total non-current liabilities</b>		<b>878</b>	<b>823</b>	<b>55</b>
<b>Total liabilities</b>		<b>4,640</b>	<b>4,703</b>	<b>(63)</b>
<b>Net assets</b>		<b>139,978</b>	<b>141,095</b>	<b>1,117</b>
<b>Equity</b>	7.1.4			
Accumulated surplus		64,634	65,251	617
Asset revaluation reserve		75,344	75,844	500
<b>Total equity</b>		<b>139,978</b>	<b>141,095</b>	<b>1,117</b>

Source: Appendix A

#### 7.1.1 Current Assets (\$526,000 decrease) and Non-Current Assets (\$1.706 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 \$370,000 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 \$27,000 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 (\$7.557 million of new assets), depreciation of assets (\$6.069 million) and the sale of property, plant and equipment.

#### 7.1.2 Current Liabilities (\$118,000 increase) and Non Current Liabilities (\$63,000 decrease)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2012/13 levels.

Provisions include accrued long service leave, annual leave, sick 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. Council took out a \$500,000 loan in 2012/13 to assist with the payment of the unfunded superannuation liability. Council also took out \$154,000 loan in 2012/13 for the purchase of a roller. The Council is budgeting to repay loan principals of \$160,000 over the year.

#### 7.1.3 Working Capital (\$644,000 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.

	Ref	Forecast		Variance
		Actual	Budget	
		2012	2013	
		\$'000	\$'000	\$'000
Current assets		7,577	7,051	(526)
Current liabilities		3,762	3,879	118
<b>Working capital</b>		3,815	3,172	(644)
Restricted cash and investment current assets				
- Discretionary reserves		(15)	(15)	0
<b>Unrestricted working capital*</b>		3,800	3,157	(644)

#### 7.1.4 Equity (\$1.117 million increase)

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The decrease in accumulated surplus of \$617,000 results directly from the operating surplus for the year.

## 7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2014 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 93.0% of total rates and charges raised will be collected in the 2013/14 year (2012/13: 91.02% 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 2012/13 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 principals to be \$160,000
- Total capital expenditure to be \$7.557 million

# Long Term Strategies

## 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 2013/14 to 2014/17 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 Plan, is financial sustainability in the medium to long term, whilst still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the Long Term Financial Plan, are:

- Maintain existing service levels
- Minimise the operating result
- Maintain a capital expenditure program of at least \$6 million per annum
- Achieve a balanced budget on a cash basis.

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

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

The Plan is reviewed and updated annually through a consultation process with Council.

### 8.2 Financial resources

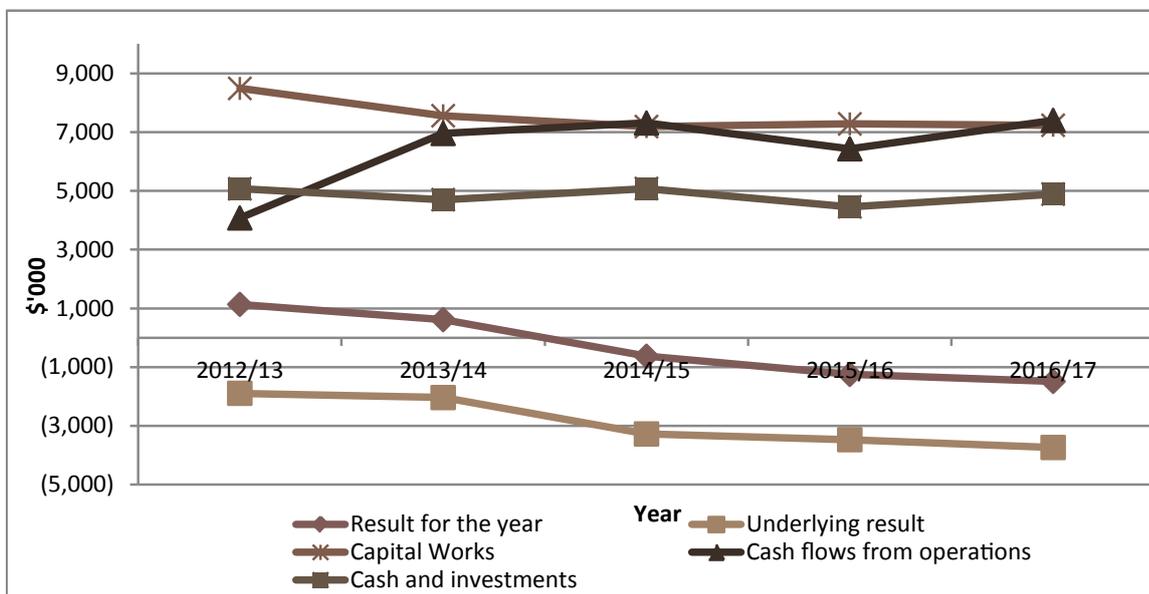
The following table summaries the key financial results for the next four years as set out in the SRP for years 2013/14 to 2016/17. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2012/13	2013/14	2014/15	2015/16	2016/17	+ / o / -
	\$'000	\$'000	\$'000	\$'000	\$'000	
Result for the year	1,136	617	(627)	(1,248)	(1,486)	-
Underlying result	(1,890)	(2,035)	(3,274)	(3,468)	(3,734)	-
Cash and investments	5,071	4,701	5,079	4,457	4,889	o
Cash flows from operations	4,077	6,952	7,309	6,431	7,400	+
Capital works	8,486	7,557	7,188	7,279	7,232	o

Key to Forecast Trend:

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

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



The key outcomes of the Plan are as follows:

- **Financial sustainability (section 5)** - Cash and investments is forecast to remain steady over the four year period from \$4.077 million to \$4.889 million, which indicates a close to balanced budget on a cash basis in each year
- **Rating strategy (section 9)** – Modest rate increases are forecast over the four years at an average of 5%.
- **Service delivery strategy (section 10)** – Service levels have been maintained throughout the four year period. An operating surplus is forecast in years 2013/14 as a result of capital grant revenue being received to fund the annual capital works program and complete flood restoration works. Years 2013/14 to 2015/16 forecast operating deficits.
- **Borrowing strategy (section 10)** – Borrowings are forecast to reduce from \$636,000 to \$85,000 over the four year period.
- **Infrastructure strategy (section 10)** - Capital expenditure over the four year period will total \$29.256 million at an average of \$7.313 million.

### 8.3 Key financial indicators

The following table highlights Council's current and projected performance across a range of key financial indicators (KPIs). KPIs 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	Strategic Resource Plan Projections				Trend + / o / -
		Actual 2012/13	Budget 2013/14	Projections			
		2014/15	2015/16	2016/17			
<b>Financial performance</b>							
Underlying result/Underlying rev	1	(10.2%)	(10.8%)	(18.1%)	(18.5%)	(19.3%)	-
Expenses/Assessment		\$3,039	\$3,068	\$3,151	\$3,286	\$3,415	-
Rate revenue/Underlying revenue	2	43.3%	46.5%	50.5%	52.2%	53.2%	-
Rate revenue/Assessment		\$1,386	\$1,465	\$1,538	\$1,613	\$1,693	+
Debt servicing/Total revenue		0.4%	1.0%	0.8%	0.8%	0.6%	o
Grants/Total revenue		48.8%	46.1%	41.9%	40.1%	39.2%	-
Fees & charges/Total revenue		5.2%	5.2%	5.1%	5.2%	5.1%	o
<b>Financial position</b>							
Indebtedness/Rate revenue	3	7.4%	6.4%	4.5%	3.0%	1.6%	+
Underlying result/Total assets		(1.3%)	(1.4%)	(2.2%)	(2.4%)	(2.5%)	-
Total assets/Assessment		\$21,321	\$21,365	\$21,556	\$21,586	\$21,729	+
Current assets/Current liabilities	4	201.4%	181.8%	184.1%	164.6%	174.1%	-
Total liabilities/Assessment		\$684	\$689	\$679	\$672	\$666	+
<b>Capital expenditure (\$'000)</b>							
Capital works		\$8,486	\$7,557	\$7,188	\$7,279	\$7,232	o
- Asset renewal		\$6,731	\$6,504	\$6,516	\$6,477	\$6,346	-
- Asset Upgrade		\$1,579	\$945	\$540	\$699	\$780	-
- New assets		\$176	\$108	\$132	\$103	\$106	-
Cash op act/Net capital outlays	5	50.5%	97.1%	107.8%	93.0%	107.8%	+
Capital works/Rate revenue		90.3%	75.6%	68.5%	66.1%	62.6%	-
Asset renewal/Total depreciation	6	143.7%	122.7%	111.0%	107.8%	102.3%	-

Key to Forecast Trend:

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

#### Notes to indicators

**1 Underlying result** - decrease in the financial performance expected over the period and 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 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 in the 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** - Council expects to be able to service its capital works expenses from cash generated operating activities and its existing cash reserves without resorting to 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	Strategic Resource Plan Projections			
	Actual	Budget	Projections		
	2012/13	2013/14	2014/15	2015/16	2016/17
Employee costs (\$'000)	7,951	8,288	8,540	8,903	9,281
Employee numbers	100	100	100	99	99

## 9. Rating Strategy

### 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 41.2% 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

Year	% Income from Grants	% Income from Rates & Charges	Rates & Charges \$'000	Rates & Charges % Increase
2008/2009 Actual	47.7%	40.5%	\$ 7,064.00	4.3%
2009/2010 Actual	44.1%	44.6%	\$ 7,637.00	8.1%
2010/2011 Actual	45.8%	35.0%	\$ 8,058.00	5.5%
2011/2012 Actual	56.7%	35.5%	\$ 8,639.00	7.2%
2012/2013 Estimated Actual	48.7%	43.3%	\$ 9,398.81	8.8%
2013/14 Budget	46.1%	43.3%	\$ 10,000.35	6.4%
<b>Average</b>	<b>48.2%</b>	<b>40.4%</b>	<b>\$ 8,466.19</b>	<b>6.7%</b>

### 9.2 Current year rate increase

It is predicted that the 2013/14 operating position will be significantly impacted by wages growth and reductions government funding.

In order to maintain the existing service levels and a strong capital expenditure program, general rates will increase a 6% in 2013/14 raising a total rate of \$10.00 million. The following table sets out future proposed rate increases total rates to be raised, based on the forecast financial position of Council as at 30 June 2012.

Year	Rate & Charges Increase %	Total Rates & Charges Raised \$'000
2012/13	8.8	9,399
2013/14	6.4	10,000
2014/15	4.9	10,495
2015/16	4.9	11,010
2016/17	4.9	11,552

### 9.3 Rating structure

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

- Property values, which will form the central basis of rating under the Local Government Act 1989
- A "user pays" component to reflect usage of services provided by Council.
- A fixed municipal charge per property to cover some of the administrative costs of the 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 every four years.

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 2013/14 year. A more detailed analysis of the rates to be raised is contained in Appendix B "Statutory Disclosures".

Rate type	How applied	2012/13	2013/14
General rates	Cents/\$ CIV	0.6444	0.6825
Farm rates	Cents/\$ CIV	0.5477	0.5801
<b>Municipal charge</b>	\$/ property	\$50.00	\$60.00
<b>Kerbside collection charge</b>			
Residential - 80ltr GST Free	\$/ property	\$107.74	\$114.20
Residential - 120ltr GST Free	\$/ property	\$149.56	\$158.53
Residential - 240ltr GST Free	\$/ property	\$291.09	\$308.55
Other - 80lt GST included	\$/ property	\$118.51	\$125.62
Other - 120lt GST included	\$/ property	\$164.52	\$174.38
Other - 240lt GST included	\$/ property	\$320.20	\$339.41
<b>Recycling charge</b>			
Residential - GST Free	\$/ property	\$96.63	\$102.43
Other - GST included	\$/ property	\$106.29	\$112.67

#### 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." Section 159(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 an exemption from **all but one** of the properties.

## 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 a potentially important funding source for capital works programs. In the past, Council has borrowed for infrastructure projects, plant & equipment and unfunded superannuation liabilities and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs.

For the 2013/14 year, Council has decided not to take out any new borrowings as two new loans were drawn down in the 2012/13 year. One loan was to fund part of Council's portion of the industry's unfunded defined benefits superannuation liability (\$500,000) and the other loan was for the purchase of a roller (\$154,000). By undertaking these borrowings Council has ensured that no undue pressure is placed upon Council's service delivery capacity and that there is minimal impact on the capital expenditure program. In the 2013/14 year after making loan repayments of \$160,000, Council will reduce its total borrowings to \$476,000 as at 30 June 2014. However it is likely that in future years, borrowings will be required to fund future infrastructure initiatives. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2013.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2012/13	654	63	11	636
2013/14	0	160	31	476
2014/15	0	148	22	328

### 10.2 Infrastructure

The Council has developed an Asset Management Plan, 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 long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Plan 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 Asset Management Plan 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 Asset Management Plan for the 2013/14 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 defence 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
2012/13	8,486	2,940	654	3,815	1,077
2013/14	7,558	2,509	0	3,172	1,877
2014/15	7,188	2,507	0	3,327	1,354
2015/16	7,279	2,073	0	2,603	2,603
2016/17	7,232	2,095	0	3,033	2,104

### 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 approximating CPI plus 1%. 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:

	2013/14 %	2014/15 %	2015/16 %	2016/17 %
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	6.0	5.0	5.0	5.0
Wages growth	4.5	3.5	3.5	3.5
Government funding	2.0	2.0	2.0	2.0
Statutory fees	2.0	2.0	2.0	2.0
Investment return	4.0	4.0	4.5	4.5

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

#### *Residential Garbage Collection*

The contract for collection of residential waste expires on 1 July 2013. It is expected that the cost of this service will increase following re-tender in 2012/13. Future increases have been set at CPI.

#### *Kerbside Collection*

The contract for collection of recyclable waste expires on 1 July 2013. It is expected that the cost of this service will increase following re-tender in 2012/13. Future increases have been set at CPI.

#### *Aged & Disability Services*

Government funding for aged and disability services is expected to increase from 2013/14. 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 2012 effective for the 2012/13 year and the next revaluation will be undertaken as at 1 January 2014. An allowance of \$130,000 has been made every two years commencing in 2013/14 to meet the additional cost of resources to complete the revaluation process.

# Appendices

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

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

The contents of the appendices are summarised below:

<b>Appendix</b>	<b>Nature of information</b>	<b>Page</b>
A	Budgeted standard statements	55
B	Statutory disclosures	61
C	Capital works program	66
D	Key strategic activities	71
E	Fees and charges schedule	74

# Appendix A

## *Budgeted standard statements*

This appendix presents information in regard to the Budgeted Standard Statements. The budget information for the years 2013/14 to 2016/17 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 year ending 30 June 2014

	Forecast	<b>Budget</b> 2013/14 \$'000	Strategic Resource Plan		
	Actual		Projections		
	2012/13 \$'000		2014/15 \$'000	2015/16 \$'000	2016/17 \$'000
<b>Income</b>					
Rates and charges	9,399	<b>10,000</b>	10,495	11,011	11,552
Grants - Operating	8,036	<b>7,474</b>	6,541	6,265	6,317
Grants - Capital	2,544	<b>2,421</b>	2,161	2,184	2,208
Fees, fines & user charges	1,121	<b>1,111</b>	1,070	1,096	1,113
Contributions & Donations	314	<b>289</b>	217	222	228
Interest	282	<b>189</b>	300	306	312
<b>Total income</b>	<b>21,695</b>	<b>21,485</b>	<b>20,783</b>	<b>21,084</b>	<b>21,729</b>
<b>Expenses</b>					
Employee benefits	6,938	<b>7,367</b>	7,577	7,901	8,238
Materials and services	5,520	<b>5,154</b>	5,471	5,690	5,840
Contributions & donations	939	<b>926</b>	892	923	956
Depreciation	5,783	<b>6,069</b>	6,355	6,655	6,969
Finance costs	16	<b>46</b>	28	28	29
Other expenses	1,416	<b>1,375</b>	1,181	1,227	1,274
<b>Total expenses</b>	<b>20,612</b>	<b>20,938</b>	<b>21,503</b>	<b>22,424</b>	<b>23,306</b>
<b>Surplus (deficit) for the year</b>	<b>1,084</b>	<b>547</b>	<b>(719)</b>	<b>(1,340)</b>	<b>(1,577)</b>
<b>Other comprehensive income</b>					
Net gain (loss) on disposal of property, infrastructure, plant & equipment	52	<b>70</b>	93	92	91
<b>Total comprehensive income for the year</b>	<b>1,136</b>	<b>617</b>	<b>(626)</b>	<b>(1,248)</b>	<b>(1,486)</b>

## Budgeted Standard Balance Sheet

For year ending 30 June 2014

	Forecast	Budget 2013/14 \$'000	Strategic Resource Plan		
	Actual		Projections		
	2012/13 \$'000		2014/15 \$'000	2015/16 \$'000	2016/17 \$'000
<b>Current assets</b>					
Cash and cash equivalents	5,071	<b>4,701</b>	5,079	4,457	4,889
Trade and other receivables	1,252	<b>1,286</b>	1,125	1,165	1,207
Financial assets	170	<b>180</b>	180	180	180
Other assets	1,084	<b>884</b>	900	832	849
Total current assets	7,577	<b>7,051</b>	7,284	6,634	7,124
<b>Non-current assets</b>					
Trade and other receivables	384	<b>357</b>	357	357	357
Property, infrastructure, plant & equipment	136,657	<b>138,390</b>	139,459	140,312	140,796
Total non-current assets	137,041	<b>138,747</b>	139,816	140,669	141,153
Total assets	144,618	<b>145,798</b>	147,100	147,303	148,277
<b>Current liabilities</b>					
Trade and other payables	1,200	<b>1,236</b>	1,260	1,285	1,310
Interest-bearing loans and borrowings	189	<b>184</b>	170	151	114
Provisions	2,373	<b>2,459</b>	2,527	2,596	2,667
Total current liabilities	3,762	<b>3,879</b>	3,957	4,032	4,091
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	510	<b>452</b>	304	176	75
Provisions	368	<b>372</b>	370	376	377
Total non-current liabilities	878	<b>823</b>	674	552	452
Total liabilities	4,640	<b>4,703</b>	4,631	4,583	4,543
Net assets	139,978	<b>141,095</b>	142,469	142,720	143,734
<b>Equity</b>					
Accumulated surplus	64,634	<b>65,251</b>	64,625	63,376	61,890
Asset revaluation reserve	75,344	<b>75,844</b>	77,844	79,344	81,844
Total equity	139,978	<b>141,095</b>	142,469	142,720	143,734

## Budgeted Standard Cash Flow Statement

For year ending 30 June 2014

	\$'000 Inflows (Outflows)	\$'000 Inflows (Outflows)	\$'000 Inflows (Outflows)	\$'000 Inflows (Outflows)	\$'000 Inflows (Outflows)
<b>Cash flows from operating activities</b>					
<i>Receipts</i>					
Rates and charges	9,475	10,066	10,342	11,060	11,604
Grants & contributions	10,790	10,312	9,214	8,887	8,824
Interest	282	189	300	306	312
User charges, fees & fines	2,781	1,379	1,278	1,309	1,331
	23,328	21,947	21,134	21,562	22,071
<i>Payments</i>					
Employee benefits	(6,739)	(7,239)	(7,464)	(7,775)	(8,114)
Materials, contractors and other expenses	(12,528)	(7,803)	(6,390)	(7,385)	(6,587)
	(19,267)	(15,041)	(13,854)	(15,160)	(14,700)
Net cash provided by operating activities	4,061	6,906	7,281	6,403	7,371
<b>Cash flows from investing activities</b>					
Proceeds from property, plant and equipment	300	325	356	363	370
Repayment of loans and advances	120	70	50		
Payments for property, plant and equipment	(8,486)	(7,557)	(7,188)	(7,279)	(7,232)
Net cash used in investing activities	(8,066)	(7,162)	(6,782)	(6,916)	(6,862)
<b>Cash flows from financing activities</b>					
New Borrowings	654				
Finance costs	16	46	28	28	29
Repayment of borrowings	(63)	(160)	(148)	(137)	(106)
Net cash provided by (used in) financing activities	(607)	(114)	(120)	(109)	(77)
<b>Net decrease in cash &amp; cash equivalents</b>	(3,398)	(370)	379	(622)	432
Cash & cash equivalents at beginning of year	8,469	5,071	4,701	5,079	4,457
<b>Cash &amp; cash equivalents at end of year</b>	5,071	4,701	5,079	4,457	4,889

## *Budgeted Standard Capital Works Statement*

For year ending 30 June 2014

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2012/13		2014/15	2015/16	2016/17
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Capital works areas</b>					
Roads	6,143	<b>5,444</b>	5,607	5,776	5,650
Drains	62	<b>27</b>	33	34	36
Open space	83	<b>21</b>	22	22	23
Buildings	970	<b>868</b>	549	487	501
Plant, equipment & other	1,228	<b>1,198</b>	977	959	1,023
<b>Total capital works</b>	<b>8,486</b>	<b>7,557</b>	<b>7,188</b>	<b>7,279</b>	<b>7,232</b>
<b>Represented by:</b>					
Asset renewal	6,453	<b>6,234</b>	5,750	5,823	5,786
New assets	1,164	<b>583</b>	431	437	434
Asset expansion/upgrade	869	<b>740</b>	1,006	1,019	1,012
<b>Total capital works</b>	<b>8,486</b>	<b>7,557</b>	<b>7,188</b>	<b>7,279</b>	<b>7,232</b>

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

	Forecast	<b>Budget</b>	Strategic Resource Plan		
	Actual		Projections		
	2012/13		2014/15	2015/16	2016/17
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Total capital works</b>	<b>8,486</b>	<b>7,557</b>	<b>7,188</b>	<b>7,279</b>	<b>7,232</b>
Asset revaluation increment / (decrement)	500	<b>500</b>	500	500	500
Depreciation	(5,783)	<b>(6,069)</b>	(6,355)	(6,655)	(6,969)
Written down value of assets sold	(248)	<b>(255)</b>	(263)	(271)	(279)
<b>Net movement in property, plant &amp; equipment</b>	<b>2,955</b>	<b>1,733</b>	<b>1,070</b>	<b>853</b>	<b>484</b>

## *Budgeted Statement of Investment Reserves*

For year ending 30 June 2014

	Forecast		Strategic Resource Plan		
	Actual	Budget	Projections		
	2012/13 \$'000	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000
<b>Discretionary</b>					
Aerodromes	15	15	15	0	0
<b>Total reserves</b>	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

	2012/13	2013/14
	\$	\$
New borrowings (other than refinancing)	654,000	0
Debt redemption	63,000	160,000

### 2. Rates and charges

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

Type of Property	2012/13	2013/14
	cents/\$CIV	cents/\$CIV
General rate for rateable residential and commercial properties	0.6444	0.6825
General rate for rateable farm properties	0.5477	0.5801

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

Type of Property	2012/13	2013/14
	\$	\$
General	2,026,000	2,291,000
Farm	5,930,000	6,508,000

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

	2012/13	2013/14
	\$	\$
Total rates to be raised	7,956,000	8,799,000

#### 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	2012/13	2013/14
	Change	Change
	%	%
General	-2.8	5.9
Farm	-2.8	5.9

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

Type of Property	2012/13	2013/14
	\$	\$
General	3,778	3,793
Farm	3,005	3,031
<b>Total number of assessments</b>	<b>6,783</b>	<b>6,824</b>

**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	2012/13 \$	2013/14 \$
General	314,322,000	335,657,000
Farm	1,082,777,000	1,121,841,000
<b>Total</b>	<b>1,397,099,000</b>	<b>1,457,498,000</b>

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

Type of Charge	Per Rateable Property 2012/13 \$	Per Rateable Property 2013/14 \$
<b>Municipal</b>	<b>50.00</b>	<b>60.00</b>
<b>Kerbside collection</b>		
Residential - 80lt bin	107.74	114.20
Residential - 120lt bin	149.56	158.53
Residential - 240lt bin	291.09	308.55
Other - 80lt bin (GST included)	118.51	125.62
Other - 120lt bin (GST included)	164.48	174.38
Other - 240lt bin (GST included)	320.20	339.41
<b>Recycling</b>		
Residential	96.63	102.43
Other - (GST included)	106.29	112.67

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

Type of Charge	2012/13 \$	2013/14 \$
Municipal	261,150	309,900
Kerbside collection	561,451	600,000
Recycling	282,738	302,000
<b>Total</b>	<b>1,105,339</b>	<b>1,211,900</b>

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

	2012/13 \$	2013/14 \$
Rates and charges	9,061,339	10,010,900
Supplementary rates	-15,000	-10,000
<b>Total</b>	<b>9,046,339</b>	<b>10,000,900</b>

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

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

### 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 0.6825% (0.006825 cents in the dollar of CIV) for all rateable residential and commercial properties; and
- A farm rate of 0.5801% (0.005801 cents in the dollar of CIV) for all rateable farming properties.

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

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

#### 3.2 Farm land

Farm land is any land:

- (a) that is not less than 2 hectares in area; and
- (b) that is used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish-farming, tree-farming, beekeeping, viticulture, horticulture, fruitgrowing or the growing of crops of any kind or for any combination of those activities; and
- (c) that is used by a business—
  - (i) that has a significant and substantial commercial purpose or character; and
  - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
  - (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating;

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; and
- Provision of general support services.

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

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 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 farm land. The vacant land affected by this rate is that which is zoned farming 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 which are now constructed on the land or which are constructed prior to the expiry of the 2013/14 financial year.

### **3.3 Residential and Commercial land (General)**

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.

Commercial land is any land, which is:

- Occupied for the principal purpose of carrying out the manufacture or production of, or trade in, goods or
- Unoccupied but zoned commercial or industrial under the Yarriambiack Shire Council 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; and
- 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 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 and commercial land. The vacant land affected by this rate is that which is zoned residential under the Victorian Local Council Planning Scheme. The classification of land which is improved will be determined by the occupation of that land and have reference to the planning scheme zoning.

The types of buildings on the land within this differential rate are all buildings which are now constructed on the land or which are constructed prior to the expiry of the 2013/14 financial year.

# Appendix C

## *Capital works program*

This appendix presents a listing of the capital works projects that will be undertaken for the 2013/14 year.

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

- New works for 2013/14

## Capital works program

For the year ending 30 June 2014

### 1. New works

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
<b>ROADS</b>			
<b>Asset renewal</b>			
Local Roads - Urban Construction	20	76	96
Local Roads - Rural Construction	650	1040	1,690
Local Roads - Gravel Resheeting	500	592	1,092
Local Roads - Shoulder Gravel Resheeting		367	367
Local Roads - Rural Bituminous Resealing		441	441
Local Roads - Urban Bituminous Resealing		20	20
Footpaths		208	208
Kerb & Channel		423	423
Bridges & Culverts		32	32
Drainage		27	27
<b>Total asset renewal</b>	<b>1,170</b>	<b>3,226</b>	<b>4,396</b>
<b>New assets</b>			
Local Roads - Urban Construction	140		140
Footpaths		40	40
<b>Total new assets</b>	<b>140</b>	<b>40</b>	<b>180</b>
<b>Asset expansion/upgrade</b>			
Local Roads - Urban Construction	90		90
Local Roads - Rural Construction	600		600
Local Roads - Gravel Resheeting		50	50
<b>Total asset expansion/upgrade</b>	<b>690</b>	<b>50</b>	<b>740</b>
<b>TOTAL ROADS</b>	<b>2,000</b>	<b>3,316</b>	<b>5,316</b>
<b>BUILDINGS</b>			
<b>Asset renewal</b>			
Municipal offices		15	15
Halls		5	5
Swimming Pools		25	25
Recycling & Transfer Stations		25	25
Caravan Parks	35		35
Preschools / Infant Welfare Centres	219	86	305
Aerodromes		150	150
Industrial Estate	105	43	148
Other		15	15
<b>Total asset renewal</b>	<b>359</b>	<b>364</b>	<b>723</b>
<b>New assets</b>			
Parks & Reserves		46	46
Pipeline Tanks		4	4
Depots	150	120	270
<b>Total new assets</b>	<b>150</b>	<b>170</b>	<b>320</b>
<b>TOTAL BUILDINGS</b>	<b>509</b>	<b>534</b>	<b>1,043</b>

## Capital works program

For the year ending 30 June 2014

Capital Works Area	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
<b>PLANT, EQUIPMENT and OTHER</b>			
<b>Asset renewal</b>			
Other furniture and equipment			
Motor vehicles and plant	325	790	1,115
<b>Total asset renewal</b>	<b>325</b>	<b>790</b>	<b>1,115</b>
<b>New assets</b>			
Other furniture and equipment		11	11
Information technology		71	71
<b>Total new assets</b>		<b>82</b>	<b>82</b>
<b>TOTAL PLANT, EQUIPMENT and OTHER</b>	<b>325</b>	<b>872</b>	<b>1,197</b>
<b>TOTAL NEW CAPITAL WORKS 2013/14</b>	<b>2,834</b>	<b>4,723</b>	<b>7,557</b>
Asset renewal	1,854	4,380	6,234
New assets	290	293	583
Asset expansion/upgrade	690	50	740
	2,834	4,723	7,557

### 2. Summary

	Externally Funded \$'000	Internally Funded \$'000	Project Cost \$'000
Asset renewal	1,854	4,380	6,234
New assets	290	293	583
Asset expansion/upgrade	690	50	740
<b>TOTAL CAPITAL WORKS</b>	<b>2,834</b>	<b>4,723</b>	<b>7,557</b>

# Appendix D

## *Key strategic activities*

This appendix presents a number of key strategic activities to be undertaken during the 2013/14 year and performance targets and measures in relation to these.

Goals	Performance Measure	Target 2013/2014
<b>Goal 1 - Community Engagement</b> <i>To engage appropriate interest groups and individuals on awareness of Council activities and services.</i>	Community satisfaction with community consultation and engagement	> 62%
	Proportion of infants born that receive primary immunisations.	> 90%
	Proportion of registered premises that are inspected annually as required by the Food Act 1984 and the Public Health and Wellbeing Act 2008.	> 100%
	Percentage of clients satisfied with Home and Community Care (HACC) services.	> 90%
	Review Disability Action Plan and implement activities and recommendations of this review	30 June 2014
<b>Goal 2 - Responsible Management</b> <i>To provide leadership and advocacy and be accountable to the local community.</i>	Financial indicators (VAGO)	Sustain all yellow or green indicators
	Community satisfaction with overall performance of Council	> 60
	Community satisfaction with Council's advocacy	> 60
	Community satisfaction with customer satisfaction	> 65
	Finalise Long Term Financial Plan	Long Term Financial Plan developed and implemented
	Adjusted Working Capital - Measures the ability to pay existing liabilities in the next 12 months	> 1.20 to 1
	Indebtedness - Measures total borrowings as a percentage of rates and charges revenue	
	An equitable, efficient and transparent rating strategy to be reviewed	To be adopted by 30 June 2014
	Further develop the Council's 10 year financial plan	30 June 2014
	Develop and finalise long term Financial Plan	30 June 2014
	Percentage completion of Audit Committee annual plan	95%
	Develop an Information Technology Strategy	30 June 2014

## Key strategic activities

For year ending 30 June 2014

Goals	Performance Measure	Target 2013/2014
<b>Goal 3 - Asset Management</b> <i>The communities current and future needs for assets and facilities are responsibly managed based on community service needs.</i>	Percentage of building permits approved within 30 days.	> 80%
	Percentage of planning applications processed within 60 days.	> 60%
	Percentage of capital projects completed at the conclusion of the financial year.	100%
	Timely completion of annual capital works program	>95% 30 June 2014
	Develop and implement service level plans through direct and indirect feedback from community engagement program	40 plans to be adopted by Asset Management Working Group by 30 June 2014
	Complete migration of data into new asset management system	30 June 2014
	Compliance with Asset Management STEP program	Completion of Annual NAMA Survey
<b>Goal 4 - Sustaining the Economy &amp; Environment</b> <i>Lead in sustainable growth and development to meet the communities needs.</i>	Community satisfaction with waste management	> 65
	Increase the number of visitors to Council's caravan parks	Increased revenue from 2012/2013
	Support the development of the new Wimmera Mallee Tourism Association with representation from the local tourism associations in the Shires of Yarriambiack, Buloke, Hindmarsh and West Wimmera to form the foundations of sustainable tourism growth	Attend 4-5 meetings per year
	Active involvement in Rural Council's Victoria and the Wimmera Development Association	Attend 8 meetings per year
	Continue to support the Yarriambiack Landcare Network and local Landcare groups to help improve extent and quality of native vegetation and promote awareness of sustainable farming practices	Involvement in attending Yarrilinks meetings
	Continue the upgrade of Hopetoun Caravan Park	30 June 2014
	Increase visitors online visiting the Yarriambiack Tourism/ Facebook page	200 Likes by 30 June 2014

# 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 2012/13 year.

# Community Services

HACC General Home Care – Low Fee	2012/13	2013/14
Single Pension	\$7.00 per hour	\$7.00 per hour
Double Pension	\$7.50 per hour	\$7.50 per hour
General Home Care – Medium Fee	\$16.00 per hour	\$16.00 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)	\$47.50 per hour (exc GST)	\$47.50 per hour (exc GST)
Personal Care – Low Fee	\$3.50 per hour	\$3.50 per hour
Personal Care – Medium Fee	\$7.00 per hour	\$7.00 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	\$4.00 per hour	\$4.00 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)	\$9.00 per hour	\$9.00 per hour
Home Maintenance – Medium Fee (labour only; client contributes to cost of materials)	\$13.00 per hour	\$13.00 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)	\$8.00 per meal	\$8.00 per meal
Delivered Meals – (External)	(Full cost recovery)	(Full cost recovery)
Centre Based Meals	\$8.50 per meal	\$8.50 per meal
<b>Disabled Parking Permits</b>		
Initial permit	no charge	no charge
Additional permit (replacement)	\$6.00	\$6.00
<b>Kindergarten Fees</b>		
Beulah (5 hours per week)	\$ 70.00	\$85.00
Hopetoun (10 hours per week)	\$170.00	\$190.00
Minyip (10 hours per week)	\$160.00	\$180.00
Murtoa (10 hours per week)	\$140.00	\$200.00
Rupanyup (10 hours per week)	\$180.00	\$180.00
Warracknabeal (10 hours per week)	\$187.50	\$187.50
Woomelang (5 hours per week)	\$100.00	\$100.00

Less concession subsidy per child per term as set by

Department of Education and Early Childhood Development - \$254.00 annually, where 15 hours \$314.00 per term is offered.

# Environmental Health

Food Act	2012/13	2013/14
<b>Class 1 Food premises</b> High risk ready-to-eat food served to vulnerable groups must have 3rd party audited FSP <i>Hospitals, Nursing Homes, Child care Centres</i>	\$250.00	\$250.00
<b>Class 2 Food Premises</b> High risk or unpackaged foods must have FSP (may be template or 3rd party audited) <i>Hotels, restaurants cafes, takeaways, supermarkets, manufacturers, caterers, milk bars and some service stations</i>	\$200.00	\$200.00
<b>Class 3 Food Premises</b> Premises selling low risk pre-packaged food only eg packaged confectionary, soft drink <i>Newsagents, video stores, some service stations</i>	\$70.00	\$70.00
<b>Non profit organizations and Community Groups</b> Food is prepared predominantly for consumption by members, or for fund raising activities <i>Service clubs, most sporting clubs</i>	\$70.00	\$70.00
<b>Premises with limited operation</b> Premises which do not operate for the full year or only produce low volumes of product <i>Swimming pool kiosks, home and hobby businesses</i>	50% of appropriate fee	50% of appropriate fee
<b>Street Stalls / Temporary food vendor permits</b>		
<b>Non profit and community groups</b> <i>(fetes, sausage sizzles, street stalls)</i> Single Event Permit	\$20.00	\$20.00
Yearly Permit <i>(up to 12 events per year)</i>	\$20.00	\$20.00
<b>Private individuals and businesses</b> <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
<b>Health Act</b>		
<b>Hairdresser/Beauty Parlour/Skin penetration</b>	\$70.00	\$70.00
<b>Prescribed Accommodation</b> Premises providing accommodation for 6 or more persons <i>Hotels, motels, hostels, camps</i>	\$70.00	\$70.00
<b>Residential Tenancies Act</b>		
<b>Caravan Parks</b> Total number of sites not exceeding 25	6 fee units @ \$12.22	6 fee units @ \$12.22
Total number of sites exceeding 25 but not exceeding 50	12 fee units @ \$12.22	12 fee units @ \$12.22
<b>Environment Protection Act</b>		
<b>Septic Tank</b> - new	\$200.00	\$200.00
- alteration to existing	\$150.00	\$150.00
<b>Other Fees</b>		
<b>Transfer Inspection Fee</b> To be paid by potential purchaser of premises	\$50.00	\$50.00
<b>Transfer fee</b> Fee to transfer registration to the new proprietor for the remainder of the registration period. Includes a transfer inspection if requested	50% of listed fee	50% of listed fee
<b>Late payment penalty fee</b> Fee imposed for non payment of renewal fee by 15 February	50% of listed fee up to a max of \$50	50% of listed fee up to a max of \$50
<b>Street Activity Permit</b>		
Single Event	\$20.00	\$20.00
Yearly	\$40.00	\$40.00

# Animal Control & Local Laws

Animal Act	2012/13	2013/14
Pensioner Discount	50% of prescribed fee	50% of prescribed fee
Dogs or Cats registered after the 1st January	50% of prescribed fee	50% of prescribed fee
<b>Dog</b>	\$66.00	\$66.00
Dog desexed	\$ 22.00	\$22.00
Working dog	\$ 22.00	\$22.00
VCA registered	\$ 22.00	\$22.00
Micro chipped	\$ 22.00	\$22.00
<b>Barking Dog Collar</b>	\$10.00 per week	\$10.00 per week
<b>Cat</b>	\$60.00	\$63.00
Cat desexed	\$ 21.00	\$21.00
FCC, CFA, DCC registered	\$ 21.00	\$21.00
Micro chipped	\$ 21.00	\$21.00
Replacement of lost tag	\$ 5.00	\$ 5.00
<b>Pound Fees - Impounded Animal</b>		
<i>First day Release fee</i>	\$60.00	\$60.00
<i>Subsequent days</i>	\$12.50 per day	\$12.50 per day
<b>Late payment administration fee</b> Payment not received by 30 April	\$10.00 per invoice	\$10.00 per invoice
<b>Fire Hazard administration fee</b>	\$40.00	\$40.00
<b>Unightly land administration fee</b>	\$40.00	\$40.00

# Waste & Recycling

<b>Tipping Fees</b>	<b>2012/13</b>	<b>2013/14</b>
General Hard Waste	\$8.80 per m3	\$9.00 per m3
Putrescibles Waste	\$22.50 per m3	\$22.50 per m3
Household / Kitchen Waste	\$6.00 240lt bin	\$6.00 per m3
Clean Green Waste	\$8.80 per m3	\$9.00 per m3
Timber/Wood	\$8.80 per m3	\$9.00 per m3
Builders Waste/Concrete	\$24.00 per m3	\$24.00 per m3
Clean Concrete / Rubble delivered to repositories at Warracknabeal, Murtoa and Hopetoun	\$14.50 per m3 / ton	\$15.00 per m3 / ton
Clean Fill	No charge	No charge
Minimum Charge	\$6.00	\$6.50
Dead Animals	refer attendant	refer attendant
<b>Tyres</b>		
Light (tyre only)	\$4.00	\$4.00
Light (with rim)	\$5.00	\$5.00
Medium (tyre only)	\$15.00	\$15.00
Medium (with rim)	\$22.00	\$22.00
Heavy (tyre only)	\$35.00	\$35.00
Heavy (with rim)	\$50.00	\$50.00
Tractor (up to 1.5m diameter) (tyre only)	\$80.00	\$80.00
Tractor (up to 1.5m diameter) (with rim)	\$110.00	\$110.00
Tractor (over 1.5m diameter) (tyre only)	\$160.00	\$160.00
Tractor (over 1.5m diameter) (with rim)	\$220.00	\$220.00
<b>Recyclables</b>		
Recyclables	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
<b>E-Waste</b>		
Gas Cylinders	not accepted	Free if sorted
Lead Acid Batteries	not accepted	Free if sorted
Grain	not accepted	not accepted
Hazardous Materials	not accepted	not accepted
Prescribed Waste	not accepted	not accepted

# Engineering

Sale Yard Levies	2012/13	2013/14
Producer Levy (per head)	\$0.35	\$0.35
Agent Levy (per head)	\$0.12	\$0.12
NLIS Levy (per head)	\$0.23	\$0.23
<b>Plan Printing Fees</b>		
<b>Large Shire Map (approx 1200mm x 600mm)</b>		
Colour	\$10.00	\$10.00
Black & White	\$7.00	\$7.00
<b>Plan on A2 sheet</b>		
Colour	\$7.00	\$7.00
Black & White	\$5.00	\$5.00
<b>Plan on A3 sheet</b>		
Colour	\$5.00	\$5.00
Black & White	\$3.00	\$3.00
<b>Plan on A4 sheet</b>		
Colour	\$3.00	\$3.00
Black & White	\$2.00	\$2.00
<b>Part of any of above on A3 sheet</b>		
Colour	\$5.00	\$5.00
Black & White	\$2.00	\$2.00
<b>Road Opening Permits</b>		
<b>Freeway</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$585.00	45 fee units \$585.00
Not on roadway shoulder or pathway (see note 2)	32 fee units \$416.00	32 fee units \$416.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	25 fee units \$325.00	25 fee units \$325.00
Not on roadway shoulder or pathway (see note 2)	10 fee units \$130.00	10 fee units \$130.00
<b>Arterial Road</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$585.00	45 fee units \$585.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$325.00	25 fee units \$325.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$150.00	11.5 fee units \$150.00
Not on roadway shoulder or pathway (see note 2)	10 fee units \$130.00	10 fee units \$130.00
<b>Other Roads, speed over 50km/hr (see note 3)</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	45 fee units \$585.00	45 fee units \$585.00
Not on roadway shoulder or pathway (see note 2)	25 fee units \$325.00	25 fee units \$325.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$150.00	11.5 fee units \$150.00
Not on roadway shoulder or pathway (see note 2)	5 fee units \$65.00	5 fee units \$65.00
<b>Other Roads, speed under 50km/hr (see note 3)</b>		
<b>Works other than minor works</b>		
On roadway, shoulder or pathway (see note 1)	20 fee units \$ 260.00	20 fee units \$ 260.00
Not on roadway shoulder or pathway (see note 2)	5 fee units \$ 65.00	5 fee units \$ 65.00
<b>Minor works</b>		
On roadway, shoulder or pathway (see note 1)	11.5 fee units \$150.00	11.5 fee units \$150.00
Not on roadway shoulder or pathway (see note 2)	5 fee units \$65.00	5 fee units \$65.00
As at July 2012: 1 fee unit = \$13.00 (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)	2012/13	2013/14
Powered Site	\$18.00 per night (2 persons) \$ 5.00 each extra person	\$20.00 per night (2 persons) \$ 5.00 each extra person
Unpowered Site	\$ 13.00 per night (2 persons) \$ 5.00 each extra person	\$ 15.00 per night (2 persons) \$ 5.00 each extra person
Weekly rate	Daily rate x 6	Daily rate x 6
Permanents ( <i>over 28 days</i> )	Daily rate x 5	Daily rate x 5
Permanent Van Sites (Unoccupied)	\$20 per week	-
Ensuites		\$25 per night
<b>Gymnasium Memberships</b>		
1 Month	\$46.00	\$46.00
3 Months	\$65.00	\$65.00
6 Months	\$110.00	\$110.00
Assessments (new members)	\$30.00	-
Assessments (students)	\$11.00	-
Casual (per session)	\$12.00	\$12.00
<b>Student Membership</b>		
Bronze Membership (1 month – 1 night per week)	\$18.00	\$18.00
Silver Membership (1 month – 2 nights per week)	\$24.00	\$24.00
Gold Membership (1 month – 5 nights per week)	\$35.00	\$35.00
Gold Membership (1 month – 5 nights per week)	\$55.00	\$55.00
Gold Membership (1 month – 5 nights per week)	\$100.00	\$100.00
Casual (age 13 – 18 years)	\$7.00	\$7.00
<b>Leisure Complex Hire Fees</b>		
<i>User Groups utilizing main court area(s)</i>		
<b>Competition</b> Per hour per court	\$16.00	\$20.00
<b>Training (Including Competition 11/12)</b> Per hour per court	\$16.00	\$20.00
<b>Casual</b> Per person	\$7.00	-
<b>Squash Courts</b> Per hour per court	-	\$8.00
<b>Room bookings for Groups</b> Per hour Per table (Casual)	\$27.00 \$7.00	\$16.00 \$4.00
<b>Room Hire for Individual Trainer</b> (per session)	\$27.00	-

Student Membership

Conferences & Special Functions can be negotiated with Leisure Centre Manger

# Administration

Function Room (Warracknabeal Office)	2012/13	2013/14
Day (9am to 9pm)	\$95.00	\$95.00
Night (after 6pm)	\$100.00	\$100.00
Combined	\$190.00	\$190.00
<b>Photocopying</b>		
<b>A4 Black &amp; White Single Sided</b> 1 copy Multiple Copies	\$0.30 \$0.25	\$0.30 \$0.25
<b>A4 Black &amp; White Double Sided</b> 1 copy Multiple Copies	\$0.35 \$0.30	\$0.35 \$0.30
<b>A3 Black &amp; White Single Sided</b> 1 copy Multiple Copies	\$0.50 \$0.40	\$0.50 \$0.40
<b>A3 Black &amp; White Double Sided</b> 1 copy Multiple Copies	\$0.80 \$0.60	\$0.80 \$0.60
<b>Colour Photocopying</b> A4 1 copy A3 1 copy	\$1.00 \$2.00	\$1.00 \$2.00
<b>Coloured Paper</b> A4 1 copy A3 1 copy	Add 5c per copy Add 10c per copy	Add 5c per copy Add 10c per copy
<b>Laminating</b>		
A4 1 copy	Add 5c per copy	Add 5c per copy
A3 1 copy	Add 10c per copy	Add 10c per copy
<b>Faxing</b>		
Local Call	\$1.00	\$1.00
STD Call	\$2.00	\$2.00

Student Membership  
Conferences & Special Functions can be negotiated with Leisure Centre Manger

# Building

Development Type Fee Amount	2012/13	2013/14
<b>DWELLINGS</b>		
New Dwellings up to \$0 to \$120,000	\$1,563 Plus Levy	\$1,563 Plus Levy
New Dwellings - \$120,000 to \$200,000	\$1,824 Plus Levy	\$1,824 Plus Levy
New Dwellings - \$200,000 to \$312,000	\$2,084 Plus Levy	\$2,084 Plus Levy
New Dwellings - \$312,000+	\$value/130 Plus Levy	\$value/130 Plus Levy
Re-Erection of Dwellings – Security Deposit	\$5,000	\$5,000
<b>Alterations/Additions/Sheds/Carports/ Garages</b>		
Building Works – Minor \$0 to \$2,500	\$250	\$250
Building Works \$0 to \$5,000		
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	\$975 Plus Levy	\$975 Plus Levy
Building Works \$80,001 to \$120,000	\$1,563 Plus Levy	\$1,563 Plus Levy
Building Works \$120,001 to \$200,000	\$value/130 Plus Levy	\$value/130 Plus Levy
Building Works \$200,000+	\$value/130 Plus Levy	\$value/130 Plus Levy
<b>Swimming Pools</b>		
Swimming Pools & Fence – above ground pool	\$425	\$425
Swimming Pools & Fence – in-ground pool	\$825 Plus Levy	\$825 Plus Levy
<b>Commercial Building Work</b>		
Commercial \$0 to \$10000	\$350 Plus Levy	\$350 Plus Levy
Commercial \$10001 to \$20000	\$676 Plus Levy	\$676 Plus Levy
Commercial \$20001 to \$100000	\$v x 1.33% + \$424 Plus Levy	\$v x 1.33% + \$424 Plus Levy
Commercial \$100001 to \$500000	\$v x 0.44% + \$1324 Plus Levy	\$v x 0.44% + \$1324 Plus Levy
Commercial \$500,001+	\$v x 0.25% + \$2249 Plus Levy	\$v x 0.25% + \$2249 Plus Levy
<b>Commercial Building Work</b>		
<b>Multi Unit Development</b>		
Units \$0 to \$200,000	\$1,824 Plus Levy	\$1,824 Plus Levy
Units \$200,001 to \$312,000	\$2,084 Plus Levy	\$2,084 Plus Levy
Units \$312,000+	\$value/130 Plus Levy	\$value/130 Plus Levy
<b>Miscellaneous Items</b>		
Fence	\$200.00	\$200.00
Demolitions or Removals \$0 to \$5,000	\$368.00	\$368.00
Demolitions or Removals \$5,000+	\$575.00	\$575.00
Re-erections of Dwellings – Security Deposit	\$5,000.00	\$5,000.00
Extensions of Time Request	\$104.00	\$104.00
Amended Plans	\$104.00	\$104.00
Information Request with Plan copies (includes 306(1))	\$67.20	\$67.20
Request for search of Building Permit Plans	\$67.20	\$67.20

# Building continued

Report & Consent	2012/13	2013/14
Building over Council Easement Reg 312 (3)	\$52.75	\$52.75
Request for Legal point of discharge for stormwater Reg 610 (2)	\$54.35	\$54.35
<b>Levy Payments</b>		
<b>(Applies if development is over \$10,000)</b>		
State Government Levy	0.128% Value	0.128% Value
<b>Inspections</b>		
Addition Inspection	\$120.00	\$120.00
Contract Inspection – Foundations, Reinforcement & Finals	\$180.00	\$180.00
Contract Inspection – Frame	\$220.00	\$220.00
Building Notices/Orders	Building Permit Fee 50%	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	\$1.00/km + \$75 hour	\$1.00/km + \$75 hour

## PHOTOS

### *Front Page:*

Sheep at Sunset - Speed  
Yarriambiack Creek - Warracknabeal

### *Back Page:*

Grain Harvest - Murtoa  
Lake Corrong - Hopetoun

# Our Vision

In consultation with our community Yarriambiack Shire Council  
will provide a viable, sustainable and vibrant future.



**Yarriambiack**  
SHIRE COUNCIL

34 Lyle Street, Warracknabeal Victoria 3393  
Telephone: (03) 5398 0100 Fax: (03) 5398 2502  
Email: [info@yarriambiack.vic.gov.au](mailto:info@yarriambiack.vic.gov.au)

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