



**BUDGET
2015/2016**

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1 OVERVIEW

1.1 Executive Summary

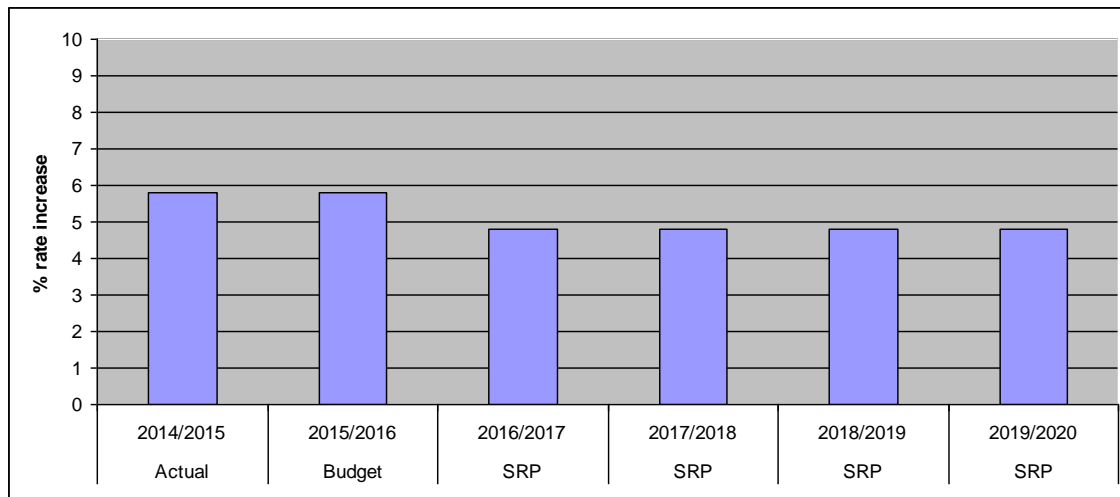
Council has prepared a Budget for the 2015/16 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided within this summary about the rate increase, operating result, cash and investments, capital works, financial position and strategic objectives of the Council.

A high level Long Term Financial Plan for the years 2015/2016 to 2019/2020 (part of the Strategic Resource Plan) has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Financial Plan is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in the Council Plan.

The 2015/2016 budget presented in this report has been developed through a rigorous process of consultation and review with Council and Council officers. It is Council's opinion that the budget is financially responsible and contributes to the achievement of all of the Council Plan strategic objectives and strategies included in the 2013 – 2017 Council Plan. It is also forward looking in that it fits within a longer term framework which seeks to enhance financial sustainability in the long term.

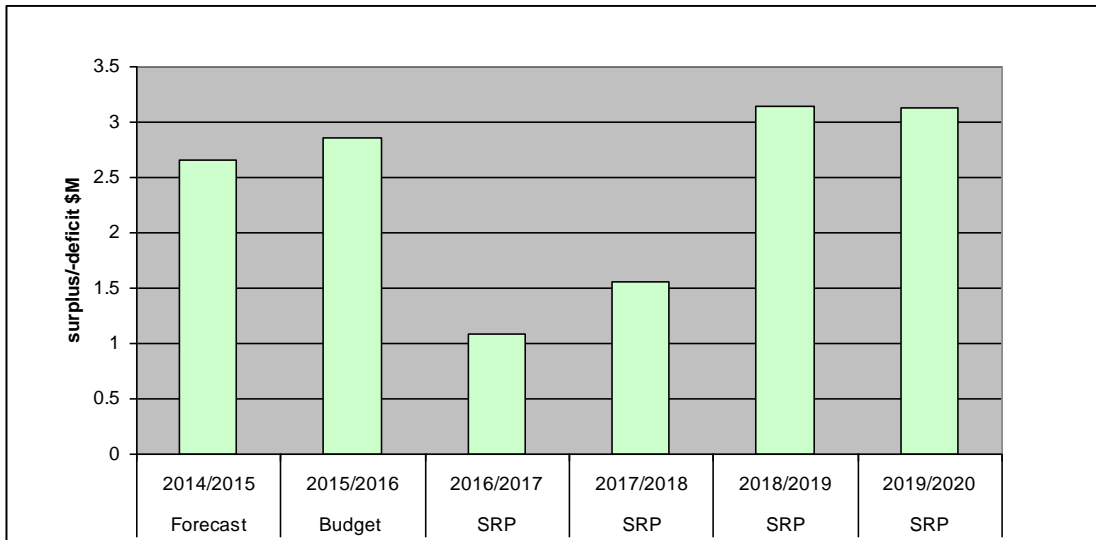
Demand for services has meant Council more than ever is looking to source additional external income. The need to attract investment to the municipality to boost household income and in turn rate income, means Council is very active in the area of economic and community development.

Rates



In order to achieve Council's strategic objectives whilst maintaining service levels and a robust capital expenditure program, it is proposed that general rates increase by 5.8% for the 2015/2016 year, raising total rates and charges (excluding garbage) of \$10.678 million. This rate increase is in line with the level forecast in Council's Strategic Resource Plan adopted in the previous year. (The rate increase for the 2014/2015 year was also 5.8%).

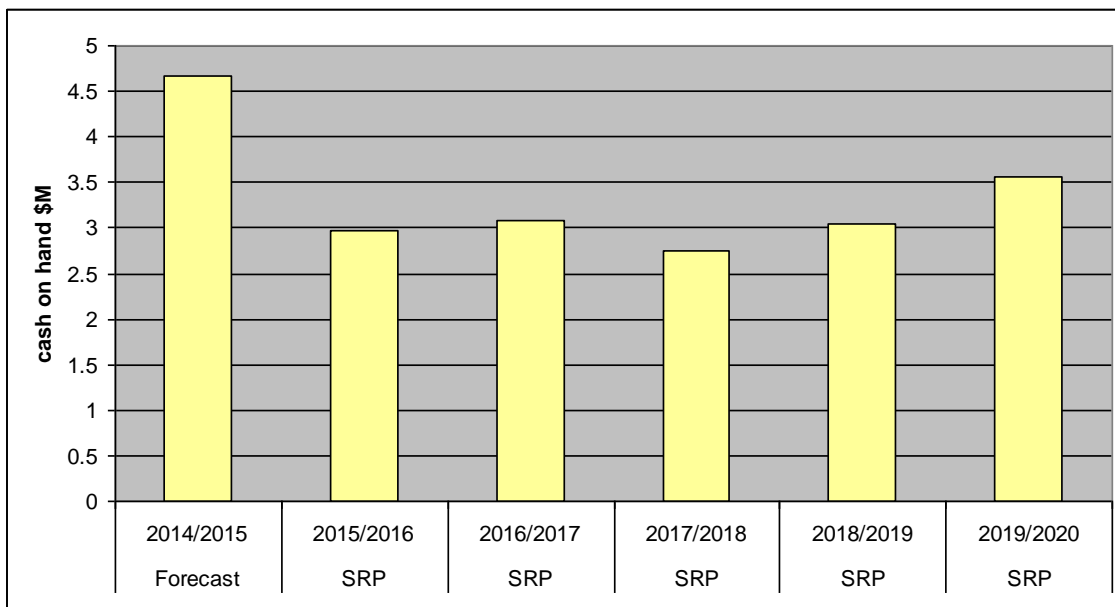
Operating Result



The 2015/2016 Operating Budget forecasts an operating surplus of \$2,862,427, which is an increase of \$1,090,916 over the 2014/2015 forecast. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions, is an operating surplus \$1.097 million.

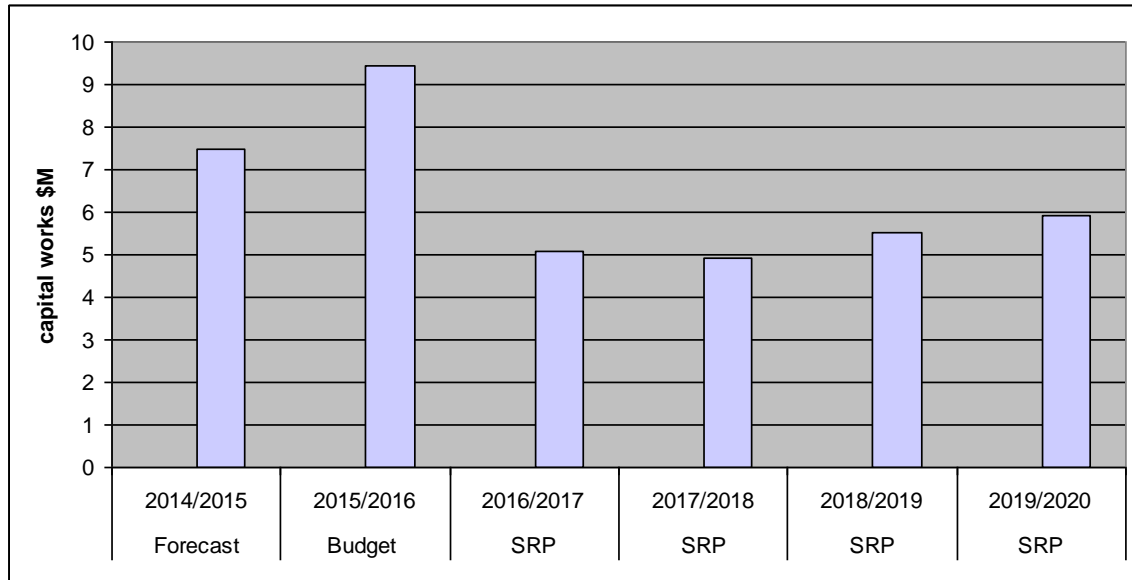
Council operations are expected to continue to be impacted by inflation, wages growth, government funding, increases in the levy payable upon disposal of waste and payment of Council's defined benefits superannuation call. As such, it will be necessary to achieve future revenue growth whilst containing costs in order to achieve a breakeven point.

Cash and Investments



The Council's financial position will continue to maintain a consistent level of funds available for the ongoing provision of services as demanded by its residents. Cash and Investments are expected to decrease by \$1,698,982 during the year to \$2.964 million as at 30 June 2016. This is mainly due to the carried forward component of the 2014/2015 capital works program. The reduction in cash and investments in is line with Council's Strategic Resource Plan (Cash and Investments are forecast to be \$4.663 million as at 30 June 2015).

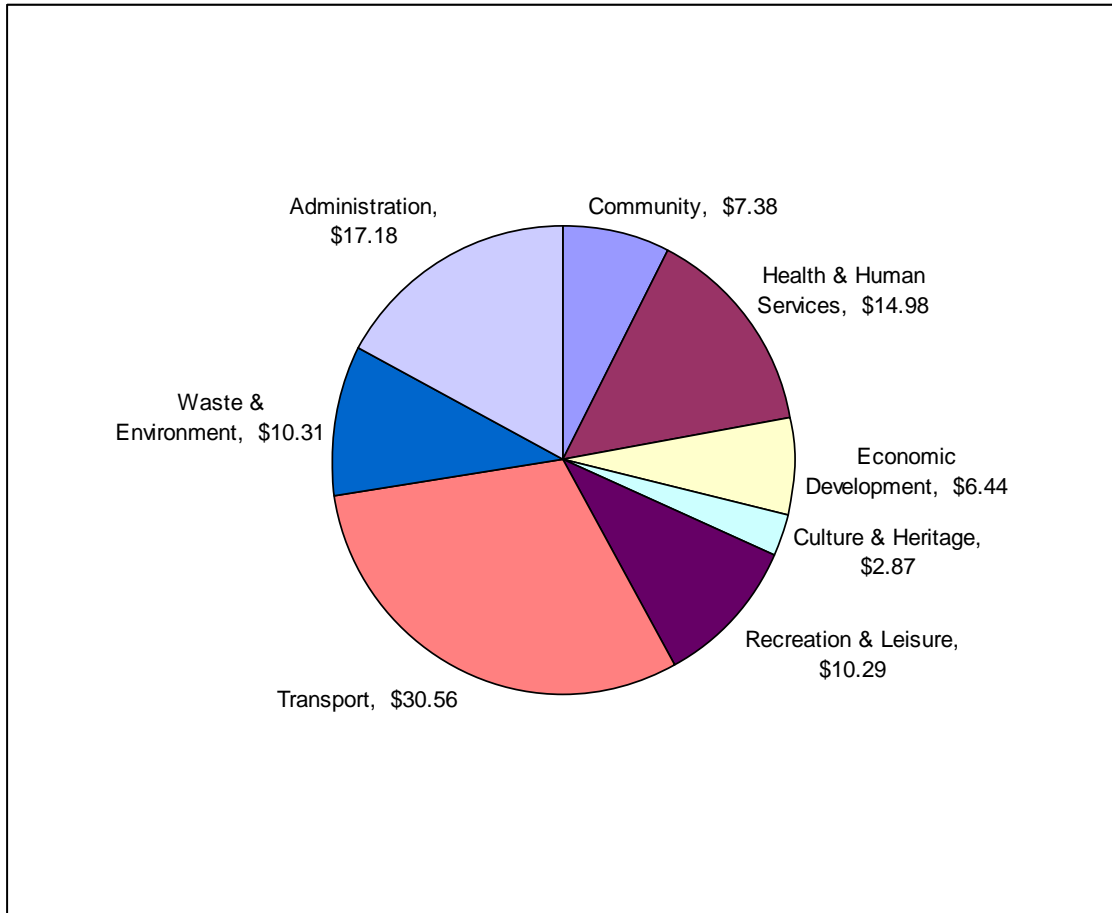
Capital Works



Council has been able to continue to deliver existing service levels in circumstances where cost shifting to local government has continued to put pressure on all of Council's resources.

The total capital expenditure program for 2015/2016 is expected to be \$9.459 million. Of the \$9.459 million of capital funding required, \$0.312 million will come from reserve funds, with the balance of \$9.147 million from external grants, contributions and Council's own sourced revenue. The capital expenditure program has been set and prioritised based on a rigorous process and is intentionally large to continue to close the gap between renewal and depreciation of assets. The program reduces over five years.

Council Expenditure Allocations



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

Whilst the 2015/2016 budget has been prepared on the basis of constraint, it is acknowledged that the Council still needs to fund new projects and maintain existing services. The challenge is to source additional funding to ensure Council meets the needs of its communities into the future.

1.2 Budget Overview

1.2.1 Strategic Planning Framework

The Annual Budget has been developed within an overall planning framework which guides the Council in identifying community needs and aspirations over the long term, converting these into medium (Council Plan) and short term (Annual Budget) objectives, initiatives and activities.

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.

1.2.2 Basis for Budget Preparation

Council is required to prepare and adopt an annual budget for each financial year in accordance with the *Local Government Act 1989* (the Act), and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

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 2015/2016 budget which is included in this report is for the year 1 July 2015 to 30 June 2016 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2016 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required 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. These financial projections are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on an annual basis. The preparation of the budget in this context begins with for the Officers preparing the operating and capital components of the annual budget during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council 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 internet 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.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption.

1.2.3 Annual Plan and Budget Process

The key dates for the annual plan and budget process are:

- | | | |
|-----|---|----------|
| 1. | Officers update Council's long term financial projections | Mar/Apr |
| 2. | Officers prepare operating and capital budgets | Mar/Apr |
| 3. | Councillors consider draft budgets at informal briefings | Apr/May |
| 4. | Draft Budget submitted to Council for approval | May |
| 5. | Public notice advertising intention to adopt budget | May |
| 6. | Budget available for public inspection and comment | May/June |
| 7. | Public submission process undertaken | May/June |
| 8. | Submissions period closes (28 days) | June |
| 9. | Submissions together with budget referred to Council | June |
| 10. | Budget and submissions presented to Council for Adoption | June |
| 11. | Copy of budget submitted to the Minister | July |

1.3 Budget Influences

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

1.3.1 Snapshot of Central Goldfields Shire Council

Physical Attributes

Situated in Central Victoria, and two hours' drive from Melbourne, Central Goldfields Shire is the heart of the Goldfields Region. It is within easy driving distance of the regional centres of Ballarat and Bendigo, and is serviced by train from Ballarat.

The Shire is a major getaway with entrances to and from the Pyrenees, Ballarat, Bendigo and Melbourne. The region is steeped in history, based on gold mining, forestry and agriculture, with historic buildings, access to forest walks and trails, and arts and culture contributing to a growth in tourism.

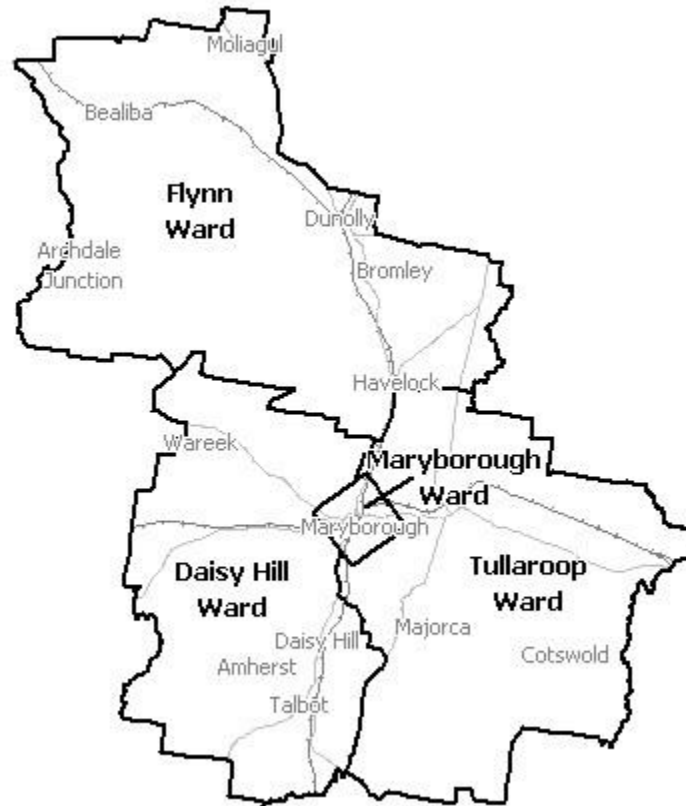
Population

Central Goldfields Shire has a resident population of approximately 13,000 with a current growth rate of .08% per annum. The Shire contains six towns and four settlements including Maryborough, the largest town, which accounts for 60% of the total population. The Shire contains a series of historic towns including Carisbrook, Talbot, Dunolly, Bealiba and Moliagul.

Other localities within the Shire are Adelaide Lead, Alma, Amherst, Archdale, Archdale Junction, Bet Bet, Betley, Bowenvale, Bromley, Bung Bong, Campbelltown, Caralulup, Cotswold, Craigie, Daisy Hill, Dunach, Dunluce, Eddington, Emu, Flagstaff, Glengower, Golden Point, Goldsborough, Havelock, Inkerman, Joyces Creek, Lillicur, Majorca, Moolort, Moonlight Flat, Mount Cameron, Mount Glasgow, Mount Hooghly, Natte Yallock, Rathscar, Red Lion, Rodborough, Simson, Stony Creek, Strathlea, Timor, Timor West and Wareek.

Area

The Central Goldfields Shire Council has an area of 1542 square kilometres and is bordered by Mount Alexander, Loddon, Northern Grampians, Pyrenees and Hepburn Shire Councils. A map of the urban and rural aspects of the Shire is included below



Business in Central Goldfields Shire

The Shire is at the heart of one of the most important historic gold mining districts in Victoria and has rich historic and natural attractions, traditional agriculture and a stable food and wine growing/promotion industry.

There is substantial agricultural activity within the Shire with sheep and cattle grazing and grain production at the forefront. Employment within the Shire is based on agriculture, the service sector (in particular health services), a large printing plant, food processing and growing retail and tourism industries.



Maryborough Railway Station

1.3.2 External Influences

In preparing the 2015/2016 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 around 1.7% through the year to December quarter 2014 (ABS release 28 January 2015, State-wide CPI is forecast to be 2.5% for the 2015/2016 year (Victorian Budget Papers 2014/15).
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to May 2014 was 3.1% (ABS release 14 August 2014). The wages price index in Victoria is projected to be 3.5% per annum in 2015/16 and the subsequent two years (Victorian Budget Papers 2015/16). Council renegotiated a new Enterprise Bargaining Agreement (EBA) during the 2013/2014 year for commencement from July 2014, with a 3.5% wage increase effective from November 2015.
- Cost shifting occurs where Local Government provides a service to the community on behalf of State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost shifting including school crossing supervision, Library services and Home and Community Care. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the Community.
- Reduction in Victoria Grants Commission funding compared to prior years due to the “freezing” of indexation rates.

- The Victorian State Government has announced that Local Government rates will be capped from 2016/17. Depending on the level at which rates are capped Council may need to undertake a review of services that are provide to the Community with the aim of reducing the level of rate payer subsidy for services undertaken by Local Government on behalf of the State and Federal Governments.
- Increase of \$5.30 per tonne (or 10%) in the levy payable to the State Government upon disposal of waste into landfill, resulting in additional waste disposal costs.
- Local economic conditions continue to impact residents thereby reducing household income.
- Prevailing economic conditions which are expected to remain difficult during the budget period, impacting investment and borrowing interest rates.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government to fund the operations of the MFB and CFA. A number of Council properties are also subject to the fire levy.
- The rise in the Superannuation Guarantee rate to 9.5% in 2014/2015, increasing up to 10.5% in 2019/2020

1.3.3 Internal Influences

As well as external influences, there are also a number of internal influences expected to have significant impact on the setting of the budget for 2015/2016. These include:

- Enterprise bargaining increases in salaries and wages.
- Increased costs associated with waste management.
- Large reliance on grant income.

1.3.4 Budget principles

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

- Ensure fees and charges where possible are moving towards a user pays principle and 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 2014/15 levels with the aim to use less resources with an emphasis on innovation and efficiency.
- Salaries and wages to be increased in line with Council's EBA
- New initiatives which are not cost neutral to be justified through a business case.

- Reduce overall borrowings.
- Construction and material costs to increase in line with the Engineering Construction Index.
- Ensure that any new staff positions support the objectives of the Council Plan.
- Real savings in expenditure and increases in revenue identified previously are to be preserved.

1.3.5 Long Term Strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2015/16 to 2019/2020 (section 5), Rating Information (section 5.3) and other long term strategies including Borrowings (section 5.4), and Infrastructure (section 5.5).

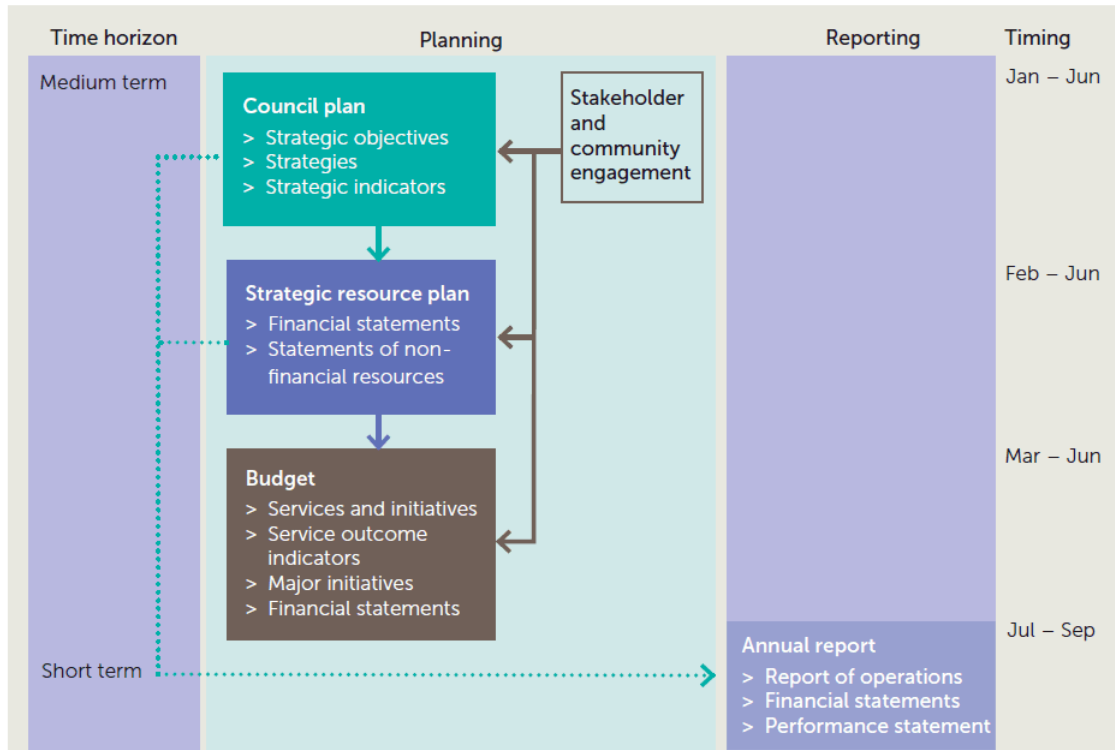


Lake Victoria overlooking Princes Park

2 BUDGET ACTIVITIES AND INITIATIVES

2.1 Planning and Accountability Framework

The Strategic Resource Plan, included in the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Transport, Planning and Local Infrastructure

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

2.2 Our Purpose

Our vision - 'To be a community with choice'

Central Goldfields Shire Council adheres to Section 3C(1) of the Local Government Act 1989, which states that “The primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of decisions”.

Our Values

Three behaviours that support our Vision; are being Accountable, Progressive and Respectful.

Accountable:

- ❖ Responsible for our actions and results and do what we say we will
- ❖ Act with integrity – deal with all people honestly, ethically and transparently

Progressive:

- ❖ Strive for constant improvement
- ❖ Find new and creative ways; focus on the future

Respectful:

- ❖ Listen actively and consider other viewpoints
- ❖ Embrace and respect diversity and inclusion

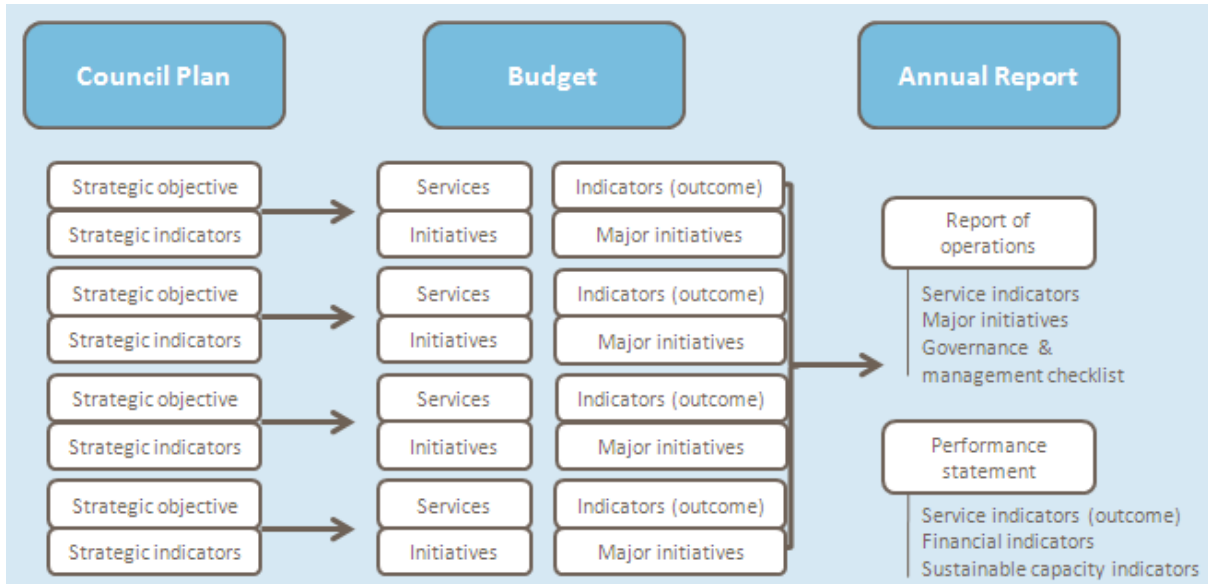
2.3 Strategic Objectives

Council delivers services and initiatives that contribute to the achievement of one of the four strategic themes set out in the Council Plan for the years 2013-17. The following table lists the four Strategic themes as described in the Council Plan.

Strategic Objective	Description
1. Community and Culture	Foster community connectedness and social capital, and services which improve people's health and wellbeing.
2. Economy and Growth	Encourage and support economic activity, particularly that which facilitates employment in the community.
3. Built and Natural Environment	Value, conserve and enhance the rich built and natural heritage and environment.
4. Processes and Governance	Implement strong, clear and transparent corporate governance, strategies and actions.

3. Services, Initiatives and Service Performance Indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2015/16 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, major initiatives and service performance outcome indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



Source: Department of Transport, Planning and Local Infrastructure

3.1 Strategic Theme 1: Community and Culture

Foster community connectedness and social capital, and services which improve people's health and wellbeing.

Services

Initiative	Description of initiative
Community development/Connectedness	Foster community resilience, connectedness and social capital.
Health and Wellbeing	Improve people's health and wellbeing throughout all life stages.
Community Safety	Foster a 'whole of community' approach to community safety.
Arts, Culture and Heritage	Increase community awareness/appreciation of arts, culture and heritage.
Recreation and Sport	Increase participation in physical activity.
Education and Learning	Increase education and learning participation and opportunities across the Shire.

Service Performance Outcome Indicators

Libraries

Indicator	Performance Measure	Computation
Utilisation	Library collection usage	Number of library collection item loans/Number of library collection items.
Resource standard	Standard of Library Collection	Number of library collection items purchased in the last 5 years/number of library collection items.
Service Cost	Cost of Library Service	Direct cost of library service/number of visits.
Participation	Active library members	Number of active library members/Municipal population.

Aquatic Facilities

Indicator	Performance Measure	Computation
Service Standard	Health inspections of aquatic facilities	Number of Authorised Officer inspections/Number of Council aquatic facilities.
Service Standard	Reportable safety incidents at aquatic facilities	Number of WorkSafe reportable aquatic facility safety incidents.
Cost	Cost of indoor aquatic facilities	Direct cost of indoor aquatic facilities less income received/Number of visits to indoor aquatic facilities.
Cost	Cost of outdoor aquatic facilities	Direct cost of outdoor aquatic facilities less income received/Number of visits to outdoor aquatic facilities
Utilisation	Utilisation of aquatic facilities	Number of visits to aquatic facilities/Municipal population.

Food safety

Indicator	Performance Measure	Computation
Timeliness	Time taken to action food complaints	Number of days between receipt and first response action for all food complaints/Number of food complaints.
Service standard	Food safety assessments	Number of registered class 1 and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> /Number of registered class 1 and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>
Service cost	Cost of food safety service	Direct cost of food safety service/Number of food premises registered or given notice of operation in accordance with the <i>Food Act 1984</i>
Health and safety	Critical and major non-compliance outcome notifications	Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance and major non-compliance notifications of food premises.

Home and Community Care

Indicator	Performance Measure	Computation
Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	Number of people that receive a domestic, personal or respite care service/Municipal target population for domestic, personal or respite care services.
Participation	Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who receive a HACC service)	Number of Culturally and Linguistically Diverse people that receive a domestic, personal or respite care service/Municipal target Culturally and Linguistically Diverse population for domestic, personal or respite care services.

Maternal and Child Health

Indicator	Performance Measure	Computation
Participation	Participation in Maternal and Child Health key ages and stages visits	Number of actual Maternal and Child Health key ages and stages visits/Number of expected Maternal and Child Health key ages and stages visits.
Participation	Participation in Maternal and Child Health key ages and stages visits by Aboriginal children	Number of actual Maternal and Child Health key ages and stages visits by Aboriginal children/Number of expected Maternal and Child Health key ages and stages visits by Aboriginal children.

Animal Management

Indicator	Performance Measure	Computation
Timeliness	Time taken to action animal management requests	Number of days between receipt and first response action for all animal management requests/Number of animal management requests.
Service Standard	Animals reclaimed	Number of animals reclaimed/Number of animals collected.
Service Cost	Cost of animal management service	Direct cost of the animal management service/Number of registered animals.
Health and Safety	Animal prosecutions proven in court	Number of successful animal management prosecutions.

3.2 Strategic Theme 2: Economy and Growth

Encourage and support economic activity, particularly that which facilitates employment in the community.

Services

Initiative	Description of initiative
Economic Activity	Support and facilitate activities which contribute to the municipality's economic prosperity.
Tourism and Events	Maintain and grow visitations and the local events stock.

Service Performance Outcome Indicators

Economic Development and Tourism

Indicator	Initiative	Measure
Participation	Economic activity	Review the Economic Development strategy.
Participation	Economic activity	Review Council's Population Growth strategy.
Participation	Tourism and events	Review the Central Goldfields Events Strategy.

3.3 Strategic Theme 3: Built and Natural Environment

Value, conserve and enhance the rich built and natural heritage and environment.

Services

Initiative	Description of initiative
Infrastructure, Assets and Facilities	Protect and enhance our existing amenities
Natural Environment	Value, and, value-add to our natural environment
Strategic Land Use	Achieve outcomes in planning and policy activities to create environments that support public wellbeing and economic success.

Service Performance Outcome Indicators

Statutory Planning

Indicator	Performance Measure	Computation
Timeliness	Time taken to decide planning applications	Median number of days between the receipt of planning application and a decision on the application.
Service standard	Planning applications decided within 60 days	Number of planning applications decisions made within 60 days/Number of planning application decisions made.
Service cost	Cost of statutory planning service	Direct cost of the statutory planning service/Number of planning applications received.
Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	Number of VCAT decisions that did not set aside Council's decision in relation to a planning application/Number of VCAT Council decisions in relation to planning applications.

Roads

Indicator	Performance Measure	Computation
Satisfaction	Sealed local road requests	Number of sealed local road requests/Kilometres of sealed local roads x 100
Condition	Sealed local roads below the intervention level	Number of kilometres of sealed local roads below the renewal intervention level/Kilometres of sealed local roads.
Service cost	Cost of sealed local road reconstruction	Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed.
Service cost	Cost of sealed local road resealing	Direct cost of sealed local road resealing/Square kilometres of sealed local roads resealed.
Service outcome	Satisfaction with sealed local roads	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

Waste Collection

Indicator	Performance Measure	Computation
Satisfaction	Kerbside bin collection requests	Number of kerbside garbage and recycling bin collection requests/Number of kerbside bin collection households x 1,000.
Service standard	Kerbside collection bins missed	Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts x 10,000
Service cost	Cost of kerbside garbage bin collection service	Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins.
Service cost	Cost of kerbside recyclables bin collection service	Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins.
Waste diversion	Kerbside collection waste diverted from landfill	Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins

3.4 Strategic Theme 4: Processes and Governance

Implement strong, clear and transparent corporate governance, strategies and actions.

Services

Initiative	Description of initiative
Organisational processes and systems	Demonstrate good governance and provide quality customer services.
Leadership and Governance	Provide strong leadership in representing the community.
Financial Sustainability	Deliver responsible financial management and business planning to ensure long term sustainability.

Service Performance Outcome Indicators

Governance

Indicator	Performance Measure	Computation
Transparency	Council decisions made at meetings closed to the public	Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors closed to the public/Number of council resolutions made at an ordinary or special meetings of council or at meetings of a special committee consisting only of councillors.
Consultation engagement and	Satisfaction with community consultation and engagement	Community satisfaction rating out of 100 with how council has performed on community consultation and engagement.
Attendance	Councillor attendance at Council meetings	The sum of the number of councillors who attended each ordinary and special council meeting/Number of ordinary and special council meetings multiplied by the number of councillors elected at the last council general election.
Service cost	Cost of governance	Direct cost of the governance service/Number of councillors elected at the last council general election.
Satisfaction	Satisfaction with council decisions	Community satisfaction rating out of 100 with the performance of council in making decisions in the interest of the community.

3.5 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2015/16 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 5.1.1) and sustainable capacity which are not included in this Budget Report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement.



Station Domain Playground

4 BUDGET ANALYSIS

4.1 Analysis of Budgeted Income Statement

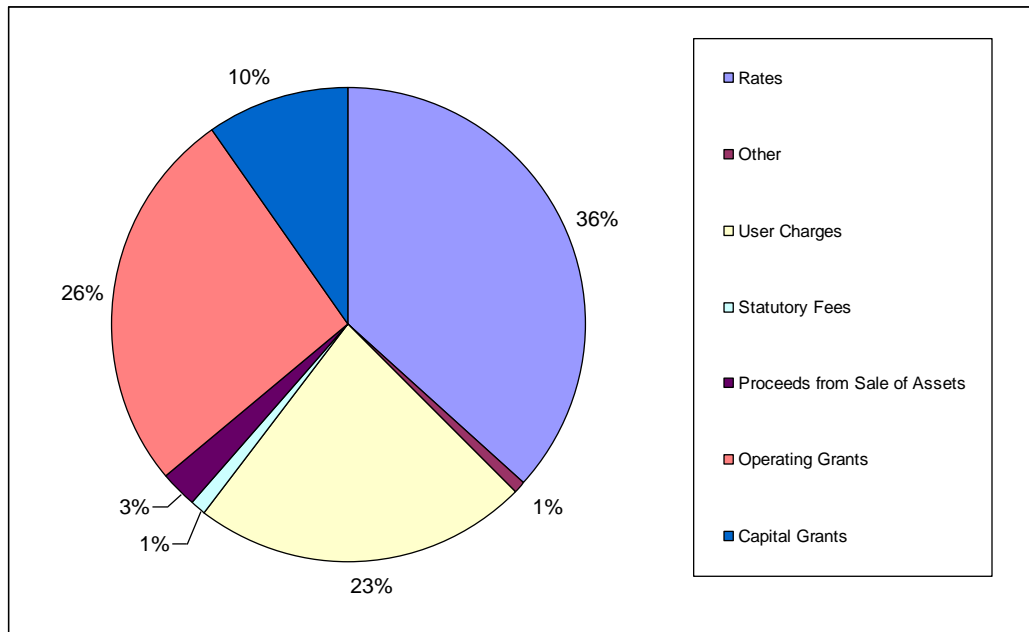
The budgeted Income Statement forecasts a surplus of \$2,862,427 (including non-cash items) for the year ending 30 June 2016.

BUDGETED INCOME STATEMENT

For the year ending 30 June 2016

	Forecast	Budget
	14/15	15/16
	\$	\$
Revenues from Ordinary Activities		
Rates	10,012,595	10,678,071
Operating Grants (recurrent)	8,302,376	7,672,789
Capital Grants (recurrent)	540,000	1,080,000
Capital Grants (non-recurrent)	1,369,815	1,764,990
Interest	177,000	178,000
User Charges	7,211,752	6,664,869
Statutory Fees	342,941	316,935
Reimbursements & Contributions	50,500	52,000
Proceeds from Sale of Assets	304,845	734,000
Total Revenues	28,311,825	29,141,656
Expenses from Ordinary Activities		
Employee Costs	11,816,757	11,457,278
Materials and Servicables	2,439,697	2,365,481
Contract Providers	7,061,405	6,846,589
Bad Debts	24,600	24,300
Depreciation	4,571,431	4,571,431
Written Down Value of Assets Sold	352,228	712,100
Borrowing Costs	274,195	302,050
Total Expenses	26,540,313	26,279,229
Net Surplus(Deficit) from Operations	1,771,512	2,862,427
Movements in Equity		
Net increase(Decrease) in Asset		
Revaluation Reserves	-	-
Total Changes in Equity	1,771,512	2,862,427

Budgeted income 2015/2016



4.1.2 Rates and Charges

It is proposed that rates and municipal charge income be increased to \$10,678,071. Page 42, section 5.3 includes the Rating Strategy which provides a more detailed analysis of rates and charges to be levied for 2015/2016.

4.1.3 Operating Grants

Government grants received from State and Federal sources will decrease by \$629,587. This occurs due to the completion/nearing completion of a number of Government funded programs including Preventive Health and Neighbourhood Renewal.

4.1.4 Capital Grants

Capital grants are expected to increase by \$395,175 in 2015/2016. This increase occurs primarily due to an anticipated \$1.35 million in funding to be received for the Carisbrook Drainage Mitigation works.

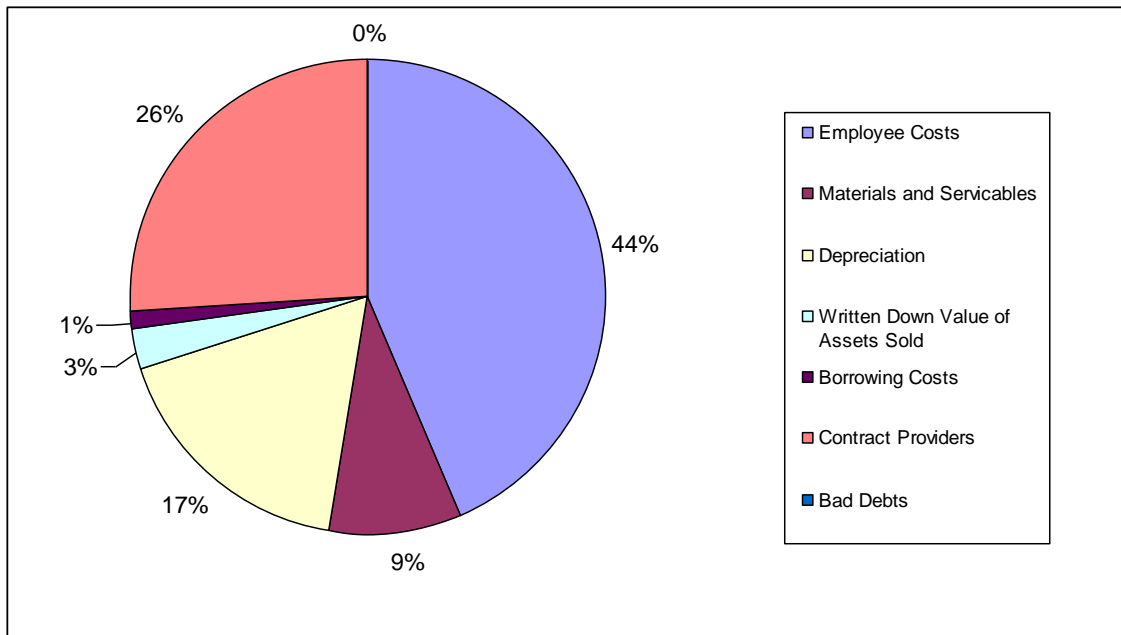
4.1.5 Interest Revenue

Interest revenue includes interest on investments and rate arrears. Interest on investments is expected to be consistent with 2015/2016.

4.1.6 User Charges

User Charges includes \$2.411 million in garbage charges, and \$0.806 million worth of Children's Services usage fees, and \$0.762 million worth of Home and Community Care (HACC) usage fees.

Budgeted expenses 2015/2016



4.1.7 Employee Costs

Employee costs include all labour related expenses such as wages and salaries and oncosts such as superannuation and workcover. Employee costs are expected to decrease by 3% or \$359,479 compared to 2014/2015. This decrease is primarily due to the completion of a number of Government funded programs including Preventive Health and Neighbourhood Renewal.

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

Department	Budget 2015/16 \$	Comprises		
		Permanent Full Time \$	Permanent Part Time \$	Casual \$
Community	1,314,041	338,962	784,131	190,948
Health & Human Services	3,300,908	1,116,725	1,778,877	405,306
Economic Development	1,126,075	341,235	699,531	85,309
Culture & Heritage	320,915	152,092	136,883	31,939
Recreation & Leisure	989,500	890,824	98,676	-
Transport	2,021,875	1,816,905	136,268	68,702
Waste & Environment	500,564	325,042	132,725	42,797
Administration	1,883,400	1,329,940	518,677	34,783
Total operating labour costs	11,457,278	6,311,725	4,285,769	859,784
Capitalised labour costs	679,670			
Total employee costs	12,136,948			

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

Department	FTE	Comprises		
		Permanent Full Time	Permanent Part Time	Casual
Community	11.6	3.0	6.9	1.7
Health & Human Services	50.3	17.0	27.1	6.2
Economic Development	13.2	4.0	8.2	1.0
Culture & Heritage	4.2	2.0	1.8	0.4
Recreation & Leisure	14.4	13.0	1.4	0.0
Transport	35.6	32.0	2.4	1.2
Waste & Environment	9.2	6.0	2.5	0.8
Administration	18.4	13.0	5.1	0.3
Total	157.0	90.0	55.4	11.6

4.1.8 Contract Providers

There is expected to be a slight decrease in the services provided by contractors as a result of the completion of a number of funded programs such as Preventive Health and Neighbourhood Renewal.

4.1.9 Depreciation

Depreciation is an accounting measure which relates to the allocation of the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drainage.

4.1.10 WDV of Assets Sold

The 2015/2016 forecast includes the anticipated written down (depreciated) value of plant and equipment sales, and land sales at the Tullaroop Road Estate (previously referred to as the Goldfields Export Cluster).

4.2 Analysis of Budgeted Cash Position

BUDGETED CASH FLOW STATEMENT

For the year ending 30 June 2016

	Forecast 14/15 \$	Budget 15/16 \$	Variance \$
Cash flows from operating activities			
Receipts from customers	28,008,980	28,439,655	430,675
Payments to suppliers	(21,650,895)	(20,995,696)	655,199
Net cash inflow (outflow) from operating activities	6,358,085	7,443,958	1,085,874
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment	302,845	702,000	399,155
Payments for property, plant and equipment	(7,492,830)	(9,458,850)	(1,966,020)
Other			
Net cash inflow (outflow) from investing activities	(7,189,985)	(8,756,850)	(1,566,865)
Cashflows from financing activities			
Proceeds from borrowings/financing	1,500,000	0	(1,500,000)
Repayment of borrowings	(554,984)	(386,090)	168,894
Net cash inflow (outflow) from financing activities	945,016	(386,090)	(1,331,106)
Net increase (decrease) in cash and cash equivalents	113,116	(1,698,982)	(1,812,098)
Cash and cash equivalents at the beginning of the financial year	4,549,752	4,662,868	113,116
Cash and cash equivalents at the end of the financial year	4,662,868	2,963,886	(1,698,982)

4.2 Analysis of Budgeted Cash Position (Cont'd)

This section of the budget report analyses the expected cash flows for the 2015/2016 year. The analysis is based on three main categories of cash flows. In summary these are:

- **Operating activities** - these activities refer to the cash generated or used in the normal service delivery functions of Council
- **Investing activities** - these activities refer 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, equipment, etc.
- **Financing activities** - these activities refer to cash generated or used in the financing of Council functions and include borrowings from financial institutions and include repayment of borrowings.

The significance of budgeting cash flows for Council is that it is a key factor in setting the level of rates each year.

The budgeted cash flow statement shows a net decrease in cash resources of \$1,698,982 for the year ending 30 June 2016. The forecast for cash assets is \$2.964 million as at 30 June 2016.

4.2.1 Operating Activities

Net cash inflows from operating activities will be \$7.443 million in 2015/2016 the increase is a result of an increase of \$540,000 in Roads to Recovery funding for the 2015/2016 year, offset by reduced expenditure as a result of the completion/nearing completion of the Preventive Health and Neighbourhood Renewal programs.

4.2.2 Investing Activities

The 2015/2016 forecast includes the anticipated sale of land, plant and equipment. The 2015/2016 payments for property, plant and equipment includes some significant works including:

- Carisbrook Flood Mitigation Construction Works (\$2,000,000);
- Jeff Street Special Charge Scheme (\$420,000);
- Havelock St – Clarendon St to Palmerston St works (\$450,000); and
- Child Care Centre redevelopment (\$905,000).

4.2.3 Financing Activities

The net cash outflow in 2015/2016 of \$386,090 represents the repayment of fixed term loans.

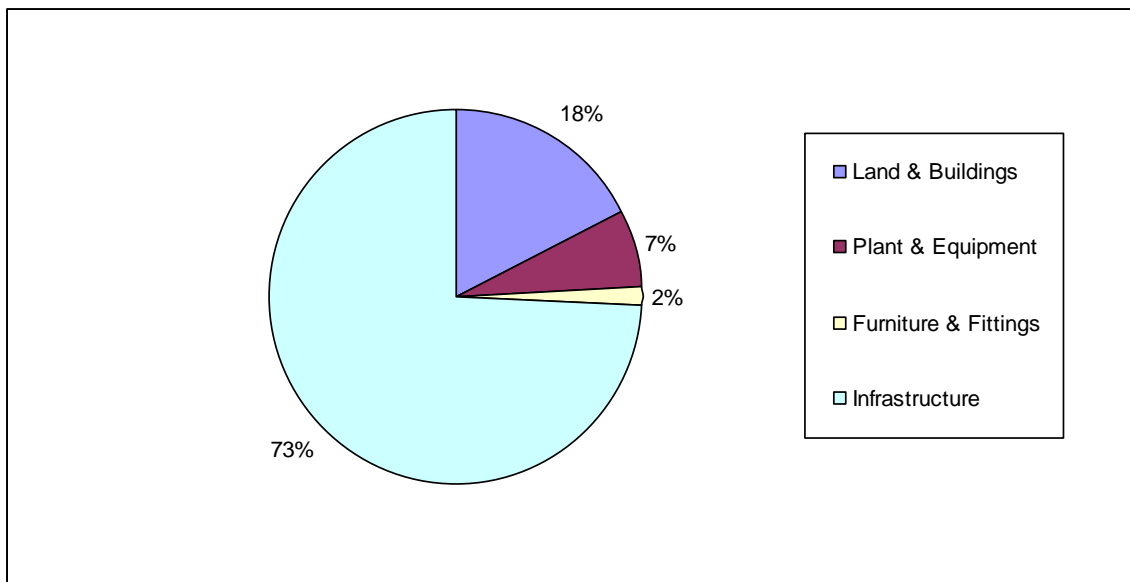
4.3 Analysis of Budgeted Capital Expenditure

The 2015/2016 Budgeted Statement of Capital Works forecasts new capital works of \$9,458,850.

BUDGETED CAPITAL WORKS STATEMENT For the year ending 30 June 2016

	Forecast 14/15 \$	Budget 15/16 \$
Capital Works Areas		
Land & Buildings	1,387,860	1,656,450
Plant & Equipment	963,010	617,000
Furniture & Fittings	120,940	169,400
Infrastructure	5,021,020	7,016,000
	7,492,830	9,458,850
Types of Capital Works		
Renewal	4,269,885	3,543,000
Upgrade	1,259,476	2,864,450
New	1,963,469	3,051,400
Expansion	-	-
Total Capital Works	7,492,830	9,458,850

Budgeted capital works 2015/16



4.3.1 Land & Buildings

Land & Buildings comprises buildings and building improvements including community facilities, and sports facilities.

For the 2015/16 year \$1.656 million will be expended on buildings and buildings projects, which includes \$0.905 million on the Child Care Centre redevelopment, and \$0.213 million on the Carisbrook Market Reserve project.

4.3.2 Plant & Equipment

Plant & Equipment includes plant, machinery and equipment.

For the 2015/16 year, \$617,000 will be expended on plant and equipment, with the most significant items being a new Grader (\$390,000).

4.3.3 Furniture & Fittings

Furniture and Fittings includes computers and telecommunications.

For the 2015/16 year, \$169,400 will be expended on furniture and fittings, including \$60,000 on an Information System Upgrade and \$30,000 on a new IT Strategy.

4.3.4 Infrastructure

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

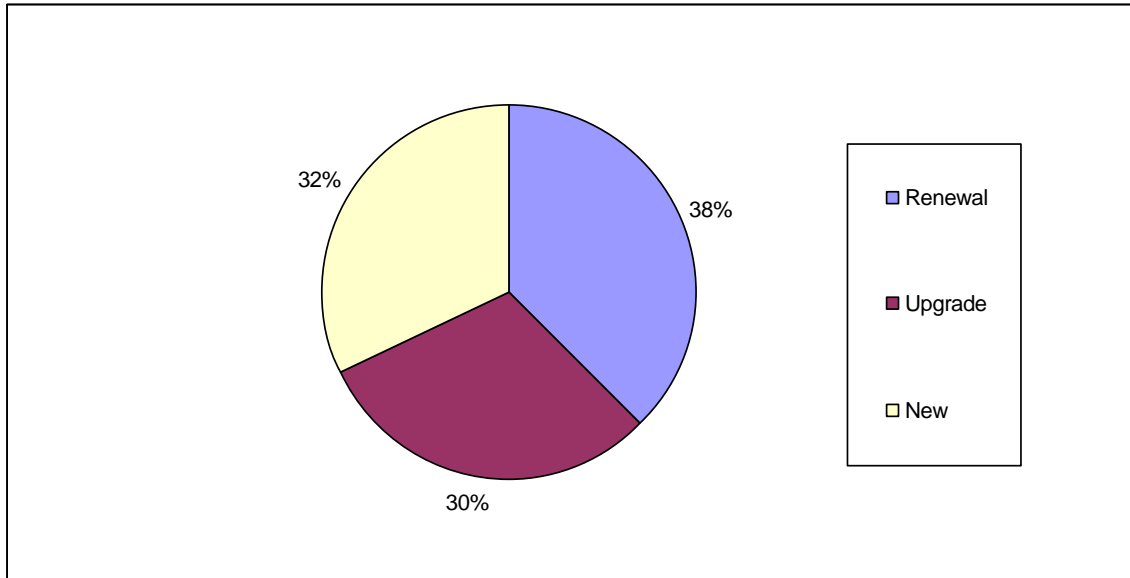
For the 2015/16 year, \$7.016 million will be expended on road related projects (including sealed and unsealed roads, intersections, minor culverts and street furniture). The more significant projects include:

- Havelock St – Clarendon St to Palmerston St Renewal \$0.450 million;
- Jeff Street Scheme \$0.420 million;
- Smeaton Road – Rehabilitation \$0.450 million;
- Dunolly Footpath Upgrade \$0.390 million;
- Clarendon St / Tuaggra St Intersection treatment \$0.228 million;
- Higham St - Gillies St to Railway St Renewal \$0.200 million;
- Possum Gully Road - 600m seal extension \$0.150 million;
- Carisbrook Transfer Station Pavement Rehabilitation \$0.150 million; and
- Moonlight Rd - Adelaide Lead Rd to Possum Gully Rd Renewal \$0.150 million.

\$2.128 million will be expended on drainage projects, the more significant of these include \$2 million on the Carisbrook Drainage Mitigation project.

The spending proposed in the 2015/2016 Budget/Capital Works program is covered in more detail in appendix C of this document.

Budgeted capital works 2015/16



4.3.5 Asset Renewal (\$3.543 million), New Assets (\$3.051 million) and Upgrade (\$2.864 million)

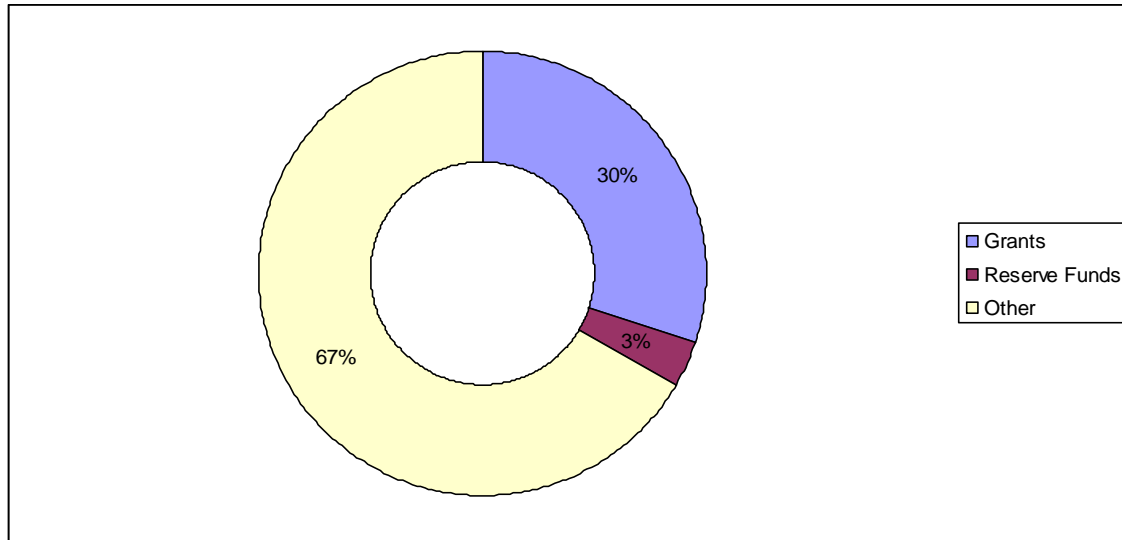
A distinction is also made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not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

The major projects included in the above categories, which constitute expenditure on new assets include the Carisbrook Drainage Mitigation works \$2.0 million and new plant & equipment purchases \$0.617 million.

4.3.6 Funding Sources

Sources of Funding	2014/2015 Forecast	2015/2016 Budget
Grants	1,909,815	2,844,990
Reserve Funds	357,003	311,972
Other Funds	5,226,012	6,301,888
Total Funding Sources	7,492,830	9,458,850

Budgeted total funding sources 2015/16



4.3.7 Grants

Significant grants budgeted for in 2015/2016 include \$1,350,000 towards the Carisbrook Drainage Mitigation project, and Roads to Recovery funding of \$1,080,000.

4.3.8 Reserve Funds

This includes the transfer of funds from the waste management reserve.

4.3.9 Other Funds

Other funds includes Council's own sourced revenue, loans, proceeds on sale of assets, and also includes grant funding which may have been received in advance (ie. paid to Council during previous financial years such as Putting Locals First funding, the Local Government Infrastructure program and Country Roads & Bridges Funding).

4.4 Analysis of Budgeted Balance Sheet

This section of the budget shows the impact of the 2015/2016 budget on Council's assets, liabilities and equity between 2014/2015 and 2015/2016. The Budgeted Balance Sheet shows net assets of \$277,748,680 as at 30 June 2016 which is an increase of \$2,862,427 over 2014/2015.

BUDGETED BALANCE SHEET As at 30 June 2016

	30 June 2015 \$	Budget 30 June 2016 \$	Variance \$
Current Assets			
Cash	4,662,868	2,963,886	(1,698,982)
Receivables	2,796,459	2,796,459	0
Other	1,417,989	1,417,989	0
Non-current assets classified as held for sale	1,059,236	559,236	(500,000)
Total Current Assets	9,936,552	7,737,570	(2,198,982)
Current Liabilities			
Payables	3,373,631	3,373,631	0
Interest Bearing Liabilities	386,090	1,012,583	626,493
Provisions	2,730,205	2,730,205	0
Total Current Liabilities	6,489,926	7,116,419	626,493
Non-Current Assets			
Fixed Assets	277,492,554	282,167,873	4,675,319
Library Bookstock	310,205	310,205	0
Total Non-Current Assets	277,802,759	282,478,078	4,675,319
Non-Current Liabilities			
Interest Bearing Liabilities	6,054,821	5,042,238	(1,012,583)
Provisions	308,310	308,310	0
Total Non-Current Liabilities	6,363,131	5,350,548	(1,012,583)
NET ASSETS	274,886,253	277,748,680	5,687,901
Equity			
Accumulated Surplus	114,287,969	117,412,369	3,124,399
Reserves	160,598,284	160,336,312	(261,972)
TOTAL EQUITY	274,886,253	277,748,681	2,862,427

4.4.1 Current Assets

The \$1,698,982 decrease in current assets is due to a decrease in cash as a result of capital works. In future years the rate and other debtor balances are not expected to change significantly and will remain at acceptable levels, given the projected increase in rates annually.

4.4.2 Current Liabilities

Council does not expect a significant change in current liabilities (that is, obligations council must pay within the next year) due to the completion of Council's flood recovery activities which in previous years resulted in a high level of payables. The increase in current liabilities is due to the repayment of Council's fixed term loans.

4.4.3 Non Current Assets

The increase in non-current assets is as a result of expenditure on the capital works program less the annual depreciation charge and WDV of asset disposals.

4.4.4 Non Current Liabilities

The decrease in non current liabilities (that is, obligations council must pay beyond the next year) results from the budgeted repayment of Council's fixed term loans.

4.4.5 Equity

The equity (or net assets) figures at 30 June 2016 is consistent with the level at 30 June 2015.



Talbot Farmers Market

4.5 Impact of Current Year on 2015/2016

This section outlines the forecast result for 2014/2015 compared to the 2015/2016 budget to assess any impacts on the 2015/2016 Budget.

4.5.1 Operating Performance

The forecast operating performance for the year ending 30 June 2015 is a surplus of \$1,771,512 compared to a budgeted surplus of \$2,862,427 for the year ending 30 June 2016.

Operating	2014/2015 Forecast	2015/2016 Budget
Total Income	28,311,825	29,141,656
Total Expenditure	26,540,313	26,279,229
Operating Surplus (Deficit)	1,771,512	2,862,427

The forecast operating surplus is slightly higher than the budgeted surplus for 2015/2016 as a result of additional Roads to Recovery Funding, offset by reduced expenditure as a result of the completion/nearing completion of the Preventive Health and Neighborhood Renewal programs.

4.5.2 Cash Performance

The forecast cash result for 2014/2015 is expected to produce a variance to the original budget of \$2,046,902 (Original Budget 2014/2015 \$2,615,966, Forecast 2014/2015 \$4,662,868).

Cash Flows	2014/2015 Budget	2014/2015 Forecast
Operating Activities	7,836,610	6,358,085
Investing Activities	(8,786,170)	(7,189,985)
Financing Activities	945,016	945,016
Net Increase/(Decrease) In Cash Held	(4,544)	113,116

The forecast net decrease in cash held is consistent with the budgeted net decrease in cash held for 2014/2015.

4.5.3 Capital Works

Total Capital Works for 2014/2015 are expected to be \$7,492,830 compared to an original budget of \$9,126,670, with the reduction in projected works being due a number of projects being carried forward to the 2015/16 budget.



Part of the Whirakee Rise development within Maryborough

5 STRATEGIC RESOURCE PLAN

5.1 Plan Development

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

Council has prepared a Strategic Resource Plan for the five years 2015/16 to 2019/20 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 five years.

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

- Maintain existing service levels
- Achieve a breakeven operating result within five years
- 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 level of rate burden
- Consider the financial effects of Council decision on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP is updated annually through a rigorous process of analysis to achieve these key financial objectives.

The following table summaries the key financial indicators for the next five years as set out in the Long Term Financial Plan for years 2015/2016 to 2019/2020.

Indicator	Budget		Strategic Resource Plan		
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Operating surplus/(deficit)	2,862	1,079	1,554	2,485	3,125
Cash from operations	7,444	5,673	6,143	7,070	7,708
Cash increase/(decrease)	(1,699)	126	(338)	289	527
Cash and investments	2,964	3,090	2,752	3,041	3,568
Borrowings outstanding	6,055	5,042	3,027	1,500	0
Depreciation	4,571	4,571	4,571	4,571	4,571
Capital expenditure	9,459	5,072	4,914	5,526	5,921
Working capital	1,121	245	395	711	2,738
Net worth	277,749	278,828	280,382	282,866	285,992

5.1.2 Key Assumptions & Performance Indicators

The key assumptions of the Long Term Financial Plan are as follows:

- **Service Delivery** – Service levels to be maintained throughout the five year period.
- **Rating Strategy** - Rates will by an average of 5% p.a through to 2019/2020.
- **Borrowing Strategy** – Borrowings to reduce to \$0 by 30 June 2020.
- **Infrastructure Strategy** – An average \$6.178 million per year will be spent to 2019/2020.
- **Financial Sustainability** – Cash and investments will remain relatively stable during the five year period, increasing in 2019/2020.

Financial Performance Indicators

Indicator	Measure	Notes	Forecast	Budget 15/16	Strategic Resource Plan Projections				Trend +/-
			Actual 14/15		16/17	17/18	18/19	19/20	
Operating Position									
Adjusted underlying result	Adjusted underlying surplus (deficit)/Adjusted underlying revenue	1	1.51%	4.12%	-1.93%	0.00%	3.39%	5.41%	+
Liquidity									
Working Capital	Current assets/current liabilities	2	153%	116%	103%	105%	109%	145%	+
Unrestricted Cash	Unrestricted cash/current liabilities		146%	110%	98%	100%	104%	138%	+
Obligations									
Loans & Borrowing	Interest bearing loans and borrowings/rate revenue	3	64%	57%	45%	25%	12%	0%	+
Loans and borrowing	Interest and principal repayments/rate revenue		8%	6%	11%	19%	13%	12%	+
Indebtedness	Non-current liabilities/own source revenue		37%	30%	19%	10%	2%	2%	+
Asset renewal	Asset renewal expenditure/depreciation	4	93%	78%	59%	62%	50%	76%	-

Indicator	Measure	Notes	Forecast		Strategic Resource Plan Projections				Trend +/-
			Actual 14/15	Budget 15/16	16/17	17/18	18/19	19/20	
Stability									
Rates concentration	Rate revenue/adjusted underlying revenue	5	38%	40%	45%	47%	47%	48%	-
Rates effort	Rate revenue/property values (CIV)		1%	1%	0%	1%	1%	1%	o
Efficiency									
Expenditure level	Total expenditure/no. of assessments		\$ 3,164	\$ 3,089	\$ 3,080	\$ 3,091	\$ 3,095	\$ 3,157	+
Expenditure level	Specific purpose grants expended/Specific purpose grants received		201%	100%	100%	100%	100%	100%	o
Revenue level	Residential rate revenue/no. of residential assessments		\$ 860	\$ 906	\$ 958	\$ 1,013	\$ 1,070	\$ 1,131	+
Workforce turnover	No. of resignations & terminations/average no. of staff		5%	8%	6%	6%	5%	5%	o

Keys to Forecast Trend:

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

Notes to indicators

1 - Adjusted underlying result. An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

2 - Working Capital. The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2015/16 year due to a run down in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.

3 - Debt compared to rates. Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

4 - Asset renewal. 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.

5 - Rates concentration. Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

5.1.3 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 range of services undertaken by Council generally involves the efforts of approximately 250 staff, of which 160 work part time, casual and on contract. Additional staffs have been employed prior to 2015/2016 to run initiatives such as Neighbourhood Renewal, Go Goldfields, Preventive Health and Art Central, with some of these projects either complete, or now nearing completion.

The skill base of Council's workforce is very diverse with staff holding qualifications in specialised areas such as aged care, engineering, accounting, local government, health care, planning, building, public administration, and other fields.

The Local Authorities Award and the Central Goldfields Shire Enterprise Bargaining Agreement (EBA) No.6 (Extension Variation) govern the employment of Council staff.

A statement of Human Resources is included at Appendix A.

	Forecast	Budget	Strategic Resource Plan Projections			
	Actual		2016/17	2017/18	2018/19	2019/20
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$	\$
Employee costs						
- Operating	11,816,757	11,457,278	11,233,773	11,311,187	11,390,116	11,693,118
- Capital	709,005	679,670	674,026	678,671	683,407	701,587
Total	12,525,763	12,136,948	11,907,799	11,989,859	12,073,523	12,394,705

5.2 Rating Strategy

5.2.1 Strategy Development

The Rating Strategy reviewed by Council in 2014/2015 will form the basis for raising rates in the 2015/2016 financial year. It is prefaced on Council's aim to encourage economic development activity and to reflect the cost of infrastructure in achieving employment and commercial opportunities within the shire.

Rates will be raised by the application of differential rates. It is considered that each differential will contribute to the equitable and efficient carrying out of Council's functions. The functions include:

- The construction and maintenance of public infrastructure
- The development and provision of health and community services
- The provision of general support services

In accordance with Councils' Rating Strategy, a municipal charge will be levied for the purpose of covering part of the administrative or "baseline" costs of Council's operations. A municipal charge applies equally to all rateable properties and is found to be an equitable method of distributing a portion of the administrative costs

A service charge will be levied for the purpose of covering the cost of collection, removal and disposal of refuse and rubbish. The charge reflects the volume of rubbish collected, that is a standard (80 litre urban & 140 litre rural) bin service, a 140 litre (urban) bin service or a 240 litre (rural) bin service will be offered to residents. Charges have been set to encourage waste minimisation practices.

5.2.2 Current Year Rate Increase

The 2014/2015 operating position is predicted to be impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth whilst containing costs in order to achieve a breakeven position in the long term.

In achieving these objectives whilst maintaining service levels and a robust capital expenditure program, general rates will increase by 5.8% in 2015/2016 raising a total rate of \$10.678 million (including supplementary rates). The following table sets out future proposed rate increases and total rates to be raised (including supplementary rates).

Year	Rate Income Increase	Total Rates Raised
2015/2016	5.8%	10,678,071
2016/2017	4.8%	11,280,210
2017/2018	4.8%	11,916,374
2018/2019	4.8%	12,588,489
2019/2020	4.8%	13,298,591

5.2.3 Rates and Revaluations

During 2013/2014 a revaluation of all properties within the municipality was carried out and will apply from 1 January 2014 for the 2014/2015 and 2015/2016 rating years. The purpose of the revaluation is to measure how much each property is worth. The outcome of the general revaluation has been an overall reduction in property valuations throughout the municipality.

The revaluation does not generate extra revenue for Council, it redistributes the existing rate revenue across the Shire based on the assessed property values. General rates will raise 36% of all revenue from all sources for 2015/2016.

Council uses the Capital Improved Value (CIV) as its basis for calculating general rates. CIV is the value of the land plus buildings and other improvements, and is based on the sales of similar properties. In some cases properties may be valued higher if significant improvements have recently been completed. Business property valuations are based on how much rent a property can be let for, based on similar properties in the precinct.

Rate type	2014/2015	2015/2016
Maryborough Residential - cents in \$ of CIV	0.005205	0.005506
Residential Other – cents in \$ of CIV	0.004164	0.004405
Commercial Maryborough – cents in \$ of CIV	0.008327	0.008810
Commercial Other – cents in \$ of CIV	0.006245	0.006608
Industrial – cents in \$ of CIV	0.005725	0.006057
Farm – cents in \$ of CIV	0.004164	0.004405
Vacant Land Maryborough – cents in \$ of CIV	0.009368	0.009912
Vacant Land Other – cents in \$ of CIV	0.007807	0.008260
Municipal Charge - \$ per property	\$232.20	\$245.70
Standard Garbage - \$ per property	\$321.60	\$342.50
140 Litre Urban, 240 Litre Rural - \$ per property	\$412.90	\$439.75
Waste Management Fee - \$ per property	\$105.60	\$112.45
Recycling Charge - \$ per property	\$87.60	\$93.30

5.3 Borrowing Strategy

5.3.1 Strategy Development

In the past, Council borrowed to finance large infrastructure projects and since this time 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. With Council reserves now forecast to be \$511,972 at 30 June 2015 it may be necessary in future years for Council to reconsider the issue of additional borrowings.

5.3.2 Current Year Borrowings

For the 2015/2016 year, Council has decided not to take out any new borrowings and therefore, after making loan repayments of \$386,090 will reduce its total interest bearing liabilities to \$6,054,822 as at 30 June 2016. Council intends to make considerable interest bearing liability payments over the Long Term Financial Plan with the intention of reducing its total interest bearing liabilities to \$0 as at 30 June 2020.

5.3.3 Loan Position

The following table sets out the status of Council's interest bearing liability over the coming 2015/2016 to 2019/2020 financial years.

Year	Interest Bearing Liability Paid	Debt Interest Paid	Balance 30 June
2015/2016	386,090	302,050	6,054,822
2016/2017	1,012,583	282,221	5,042,239
2017/2018	2,014,950	233,415	3,027,289
2018/2019	1,527,289	123,600	1,527,289
2019/2020	1,500,000	83,500	0

The table below shows information on borrowing specifically required by the Regulations:

	2014/15 \$	2015/16 \$
Total amount borrowed as at 30 June of prior year	5,495,896	6,440,912
Total amount to be borrowed	1,500,000	-
Total amount projected to be redeemed	554,984	386,090
Total amount proposed to be borrowed at 30 June	6,440,912	6,054,822

5.4 Infrastructure Strategy

Council has developed an Infrastructure Strategy which sets out the capital expenditure requirements of the Council for the next 5 years by class of asset and project 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 Strategy has been developed through a rigorous process with the key aspects of the process as follows:

- Long term capital planning process which integrates with the Council Plan, Long Term Financial Plan and Annual Budget processes
- Identification of capital project through the preparation of asset management plans
- Prioritisation of capital projects within classes on the basis of evaluation criteria.

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

The capital planning process is undertaken annually and used to ensure that the Infrastructure Strategy represents the current capital expenditure requirements of the Council.

A measure of Council's performance in respect to infrastructure management is the proportion of the total asset value consumed (equivalent to the annual depreciation charge), compared to the amount spent in preserving the asset (expenditure aimed at ensuring the asset reaches its intended useful life) on an annual basis.

The Statement of Capital Works shows that Council needs to consider additional sources of income so that it can sustain the current service levels required.

Key Influences for 2015/2016

The following influences have a significant impact on the Infrastructure Strategy for the 2015/2016 year:

- Government funding in real terms for the upgrade of roads and bridges
- Requirements for landfill operation and rehabilitation
- Requirements for flood mitigation works
- Reduced cash and investment reserves to fund future capital expenditure.



**Aerial view of the township of Lake Victoria and surrounds
(Taken during Energy Breakthrough Event)**

Future Capital Works

The following table summarises Council projected capital expenditure program:

BUDGETED CAPITAL WORKS STATEMENT For the year ending 30 June 2016 - 2020

	Budget 15/16 \$	Strategic Resource Plan Projections			
		16/17 \$	17/18 \$	18/19 \$	19/20 \$
Capital Works Areas					
Land & Buildings	1,656,450	447,000	339,500	347,500	279,000
Plant & Equipment	617,000	999,000	899,000	767,000	647,000
Furniture & Fittings	169,400	60,000	41,500	57,000	42,000
Infrastructure	7,016,000	3,566,000	3,634,000	4,355,000	4,953,500
	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500
Types of Capital Works					
Renewal	3,543,000	2,710,000	2,837,000	2,277,500	3,473,000
Upgrade	2,864,450	833,000	1,027,000	2,145,000	1,624,000
New	3,051,400	1,529,000	1,050,000	1,104,000	824,500
Expansion	-	-	-	-	-
Total Capital Works	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500

The following table summaries Council's forward outlook on capital expenditure including funding sources for the next 5 years.

Year	Total Capital Program \$	Summary of funding sources			
		Grants \$	Contributions \$	Council Cash \$	Borrowings \$
2015/2016	9,458,850	2,844,990	198,000	4,915,860	1,500,000
2016/2017	5,072,000	2,102,966	0	2,969,034	0
2017/2018	4,914,000	2,093,876	0	2,820,124	0
2018/2019	5,526,500	2,124,374	350,000	3,052,126	0
2019/2020	5,921,500	2,170,323	430,000	3,321,177	0

Refer to Appendix C (page 59) for the detailed Capital Works program.

6 APPENDICES TO FOLLOW

The following appendices include voluntary and statutory disclosures of information with provide support for the analysis contained in sections 4 & 5 of this report.

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APPENDIX A BUDGETED STATEMENTS

BUDGETED COMPREHENSIVE INCOME STATEMENT For the five years ending 30 June 2020

	Budget	Strategic Resource Plan Projections			
	15/16	16/17	17/18	18/19	19/20
	\$	\$	\$	\$	\$
Revenues from Ordinary Activities					
Rates and charges	10,678,071	11,280,210	11,916,374	12,588,489	13,298,591
Grants (operating recurrent)	7,672,789	6,794,546	6,755,030	6,887,613	7,087,362
Grants (capital recurrent)	1,080,000	540,000	540,000	540,000	540,000
Grants (capital non recurrent)	1,764,990	1,562,966	1,553,876	1,584,374	1,630,323
Interest	178,000	180,350	190,350	195,350	210,350
User fees	6,664,870	5,901,996	5,867,670	5,982,836	6,156,347
Statutory fees and fines	316,935	280,658	279,026	284,502	292,753
Reimbursements	52,000	51,000	53,000	55,000	57,000
Total Revenues	28,407,655	26,591,726	27,155,325	28,118,164	29,272,726
Expenses from Ordinary Activities					
Employee benefits	11,457,278	11,233,773	11,311,187	11,390,116	11,693,118
Materials and services	2,365,481	2,406,309	2,422,891	2,439,798	2,504,702
Contract providers	6,846,588	6,971,581	7,019,624	7,068,607	7,256,647
Depreciation and amortisation	4,571,431	4,571,431	4,571,431	4,571,431	4,571,431
Bad debts	24,300	27,300	27,300	28,300	28,300
Finance costs	302,050	282,221	233,415	123,600	83,500
Total Expenses	25,567,128	25,492,615	25,585,848	25,621,852	26,137,698
Asset revaluations and other adjustments	-	-	-	-	-
Net gain (loss) on disposal of assets	21,900	(19,925)	(15,400)	(11,650)	(10,000)
Total comprehensive result	2,862,427	1,079,186	1,554,077	2,484,662	3,125,028

BUDGETED BALANCE SHEET
For the five years ending 30 June 2020

	Budget 30 June 2016 \$	Strategic Resource Plan Projections			
		30 June 2017	30 June 2018	30 June 2019	30 June 2020
Current Assets					
Cash	2,963,886	3,090,346	2,752,303	3,041,258	3,568,217
Receivables	2,796,459	2,796,459	2,796,459	2,796,459	2,796,459
Other	1,417,989	1,417,989	1,417,988	1,417,989	1,417,992
Non-current assets classified as held for sale	1,059,236	1,059,236	1,059,236	1,059,236	1,059,236
Total Current Assets	8,237,570	8,364,030	8,025,986	8,314,942	8,841,904
Current Liabilities					
Payables	3,373,631	3,373,631	3,373,631	3,373,631	3,373,631
Interest Bearing Liabilities	1,012,583	2,014,950	1,527,289	1,500,000	-
Provisions	2,730,205	2,730,205	2,730,205	2,730,205	2,730,205
Total Current Liabilities	7,116,419	8,118,786	7,631,125	7,603,836	6,103,836
Net Current Assets	1,121,151	245,244	394,861	711,106	2,738,068
Non-Current Assets					
Fixed Assets	281,667,873	281,608,017	281,485,186	282,153,605	283,251,674
Library Bookstock	310,205	310,205	310,205	310,205	310,205
Total Non-Current Assets	281,978,078	281,918,222	281,795,391	282,463,810	283,561,879
Non-Current Liabilities					
Interest Bearing Liabilities	5,042,238	3,027,288	1,499,998	0	0
Provisions	308,310	308,310	308,310	308,310	308,310
Total Non-Current Liabilities	5,350,548	3,335,598	1,808,308	308,310	308,310
NET ASSETS	277,748,680	278,827,866	280,381,943	282,866,605	285,991,635
Equity					
Accumulated Surplus	117,412,368	118,391,554	119,895,631	122,330,293	125,205,321
Reserves	160,336,312	160,436,312	160,486,312	160,536,312	160,786,312
TOTAL EQUITY	277,748,680	278,827,866	280,381,943	282,866,605	285,991,633

BUDGETED STATEMENT OF CHANGES IN EQUITY
For the five years ending 30 June 2020

	Total \$	Accumulated Surplus \$	Revaluation Reserve \$	Other Reserve \$
2016				
Balance at the beginning of the financial year	274,886,253	114,287,969	160,086,312	511,972
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,862,427	2,862,427	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	311,972	-	(311,972)
Balance at the end of the financial year	277,748,680	117,412,368	160,086,312	250,000
2017				
Balance at the beginning of the financial year	277,748,680	117,412,368	160,086,312	250,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	1,079,186	1,079,186	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(100,000)	-	100,000
Transfer from reserves	-	-	-	-
Balance at the end of the financial year	278,827,866	118,391,554	160,086,312	350,000
2018				
Balance at the beginning of the financial year	278,827,866	118,391,554	160,086,312	350,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	1,554,077	1,554,077	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
Balance at the end of the financial year	280,381,943	119,895,631	160,086,312	400,000
2019				
Balance at the beginning of the financial year	280,381,943	119,895,631	160,086,312	400,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	2,484,662	2,484,662	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(50,000)	-	50,000
Transfer from reserves	-	-	-	-
Balance at the end of the financial year	282,866,605	122,330,293	160,086,312	450,000
2020				
Balance at the beginning of the financial year	282,866,605	122,330,293	160,086,312	450,000
Adjustment on change in accounting policy	-	-	-	-
Comprehensive result	3,125,028	3,125,028	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Impairment losses on revalued assets	-	-	-	-
Reversal of impairment losses on revalued assets	-	-	-	-
Transfer to reserves	-	(250,000)	-	250,000
Transfer from reserves	-	-	-	-
Balance at the end of the financial year	285,991,633	125,205,321	160,086,312	700,000

BUDGETED CASH FLOW STATEMENT

For the five years ending 30 June 2020

	Budget 15/16 \$	Budget 16/17 \$	Budget 17/18 \$	Budget 18/19 \$	Budget 19/20 \$
Cash flows from operating activities					
Receipts from customers	28,439,655	26,593,726	27,157,325	28,120,164	29,274,726
Payments to suppliers	(20,995,696)	(20,921,184)	(21,014,417)	(21,050,421)	(21,566,267)
Net cash inflow (outflow) from operating activities	7,443,958	5,672,542	6,142,908	7,069,743	7,708,459
Cash flows from investing activities					
Proceeds from sale of property, plant and equipment	702,000	538,500	448,000	273,000	240,000
Payments for property, plant and equipment	(9,458,850)	(5,072,000)	(4,914,000)	(5,526,500)	(5,921,500)
Other					
Net cash inflow (outflow) from investing activities	(8,756,850)	(4,533,500)	(4,466,000)	(5,253,500)	(5,681,500)
Cashflows from financing activities					
Proceeds from borrowings/financing	0	0	0	0	0
Repayment of borrowings	(386,090)	(1,012,583)	(2,014,950)	(1,527,289)	(1,500,000)
Net cash inflow (outflow) from financing activities	(386,090)	(1,012,583)	(2,014,950)	(1,527,289)	(1,500,000)
Net increase (decrease) in cash and cash equivalents	(1,698,982)	126,459	(338,042)	288,954	526,959
Cash and cash equivalents at the beginning of the financial year	4,662,868	2,963,886	3,090,346	2,752,303	3,041,258
Cash and cash equivalents at the end of the financial year	2,963,886	3,090,346	2,752,303	3,041,258	3,568,217

BUDGETED CAPITAL WORKS STATEMENT
For the five years ending 30 June 2020

	Budget	Strategic Resource Plan Projections			
	15/16	16/17	17/18	18/19	19/20
	\$	\$	\$	\$	\$
Capital Works Areas					
Land & Buildings	1,656,450	447,000	339,500	347,500	279,000
Plant & Equipment	617,000	999,000	899,000	767,000	647,000
Furniture & Fittings	169,400	60,000	41,500	57,000	42,000
Infrastructure	7,016,000	3,566,000	3,634,000	4,355,000	4,953,500
	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500
Types of Capital Works					
Renewal	3,543,000	2,710,000	2,837,000	2,277,500	3,473,000
Upgrade	2,864,450	833,000	1,027,000	2,145,000	1,624,000
New	3,051,400	1,529,000	1,050,000	1,104,000	824,500
Expansion	-	-	-	-	-
Total Capital Works	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500

BUDGETED STATEMENT OF HUMAN RESOURCES
For the five years ending 30 June 2020

	Budget	Strategic Resource Plan Projections			
	2015/16	2016/17	2017/18	2018/19	2019/20
	\$	\$	\$	\$	\$
Employee costs					
- Operating	11,457,278	11,233,773	11,311,187	11,390,116	11,693,118
- Capital	679,670	674,026	678,671	683,407	701,587
Total	12,136,948	11,907,799	11,989,859	12,073,523	12,394,705
	EFT	EFT	EFT	EFT	EFT
Staff numbers					
Employee numbers (EFT)	157.00	156.00	154.00	153.00	153.00

APPENDIX B STATUTORY DISCLOSURES

Section 127 of the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014

The information set out below is required to be disclosed in Council's annual budget.

1 Rates and Charges

Council is required to declare rates and charges pursuant to Section 158 of the Local Government Act 1989. The general rates are to be raised by application of differential rates provided in Section 161. A differential rate be declared for that rateable land having the characteristics specified below which characteristics will form the criteria for this differential rate so declared;

1.1 Rates to be levied

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

- Maryborough Residential rate of 0.5506% (0.005506 cents in the dollar of CIV) for all rateable residential properties situated within the Maryborough District boundary;
- Other Residential rate of 0.4405% (0.004405 cents in the dollar of CIV) for all rateable residential properties situated outside the Maryborough District boundary;
- Maryborough Commercial rate of 0.8810% (0.008810 cents in the dollar of CIV) for all rateable commercial properties situated within the Maryborough District boundary; and
- Other Commercial rate of 0.6608% (0.006608 cents in the dollar of CIV) for all rateable commercial properties situated outside the Maryborough District boundary;
- Farm Land rate of 0.4405% (0.004405 cents in the dollar of CIV) for all rateable farm properties;
- Vacant Land Maryborough rate of 0.9912% (0.009912 cents in the dollar of CIV) for all rateable vacant land properties situated within the Maryborough District boundary;
- Vacant Land Other rate of 0.8260% (0.008260 cents in the dollar of CIV) for all rateable vacant land properties situated outside the Maryborough District boundary; and
- Industrial rate of 0.6057% (0.006057 cents in the dollar of CIV) for all rateable industrial properties.

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

1.1 Rates to be levied (Cont'd)

It is considered that each differential rate will contribute to the equitable and efficient carrying out of Council's functions in that it is likely to achieve an equitable financial contribution to the cost of carrying out the functions of Council, including:

- The construction and maintenance of public infrastructure;
- The development and provision of health and community services;
- The provision of general support services.

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.

1.2 Maryborough Residential

To ensure an equitable contribution towards the total rate income, having regard to the location, use and services available to the land by proximity to the major service centre.

1.3 Other Residential

To ensure an equitable contribution towards the total rate income, having regard to the location, use and services available to the land where the infrastructure cost and service provision has been affected by reason of its distance from the major service centre - Maryborough.

1.4 Maryborough Commercial

To ensure an equitable contribution towards the total rate income which recognises the objective of maintaining an environment which is beneficial to the continuing operation of these properties. As well as the use and services available to the land.

1.5 Other Commercial

To ensure an equitable contribution towards the total rate income, which recognises the objective of maintaining an environment which is beneficial to the continuing operation of these properties where the cost of infrastructure and commercial opportunity differ from Maryborough Commercial. As well as the use and services available to the land.

1.6 Farmland

To ensure an equitable contribution towards the total rate income commensurate with the nature of the land the capital improved value of which has been affected by reason of its abnormally large area and the use to which it is put in comparison to the general land size of the majority of rateable properties within the municipal district.

1.7 Vacant Land Maryborough

To ensure an equitable contribution towards the total rate income and encourage the development of vacant land within the Maryborough District boundary.

1.1 Rates to be levied (Cont'd)

1.8 Vacant Land Other

To ensure an equitable contribution towards the total rate income and encourage the development of vacant land outside the Maryborough District boundary.

1.9 Industrial

To ensure an equitable contribution towards the total rate income which recognises the objective of maintaining an environment which is beneficial to the continuing operation of these properties, reflects the cost of infrastructure and encourages development.

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

Type of Property	2015/16 \$
Residential - Maryborough	3,859,645
Residential - Other	1,826,269
Vacant Land - Maryborough	158,823
Vacant Land - Other	293,605
Commercial -Maryborough	887,979
Commercial - Other	105,756
Industrial	172,057
Farm	1,397,966
Total Rates	8,702,100
Municipal Charge	1,897,541
Rates & Municipal Charge	10,599,641
Anticipated Supplementary Rates & Charges	78,430
Total Rates & Municipal Charge	10,678,071

Additional rating information required under Regulation 8 (c) is provided on page 58.

RATING INFORMATION PURSUANT TO REGULATION 8 OF THE LOCAL GOVERNMENT ACT

Category	Number of Properties			CIV 2015/2016	CIV 2014/2015	% Change	Rate in the \$ on C.I.V.			Revenue Raised	
	2015/2016	2014/2015	% Change				2015/2016	2014/2015	% Change	2015/2016 \$	2014/2015 \$
General Rate											
Residential - Maryborough	3,793	3,741	1.39%	700,935,000	690,263,000	1.55%	0.005506	0.005205	5.80%	3,859,644	3,592,514
Residential - Other	2,207	2,198	0.41%	414,577,000	411,349,000	0.78%	0.004405	0.004164	5.80%	1,826,269	1,712,712
Vacant land - Maryborough	179	188	-4.79%	16,024,000	16,116,000	-0.57%	0.009912	0.009368	5.80%	158,823	150,978
Vacant land - Other	633	603	4.98%	35,547,000	35,000,000	1.56%	0.008260	0.007807	5.80%	293,605	273,239
Commercial											
Maryborough	248	248	0.00%	100,789,000	100,774,000	0.01%	0.008810	0.008327	5.80%	887,979	839,175
Commercial Other	93	95	-2.11%	16,005,000	16,072,000	-0.42%	0.006608	0.006245	5.80%	105,756	100,377
Industrial											
All Industrial	98	95	3.16%	28,406,000	27,797,000	2.19%	0.006057	0.005725	5.80%	172,057	159,138
Farm											
Farm	1,027	1,011	1.58%	317,349,000	315,391,000	0.62%	0.004405	0.004164	5.80%	1,397,966	1,313,177
Total	8,278	8,179	1.21%	1,629,632,000	1,612,762,000	1.05%				8,702,100	8,141,310
Municipal Charge											
	Number of Properties						Charge for Year				
	2015/2016	2014/2015	% Change				2015/2016	2014/2015	% Change		
Charge Per Property	7,723	7,618	1.38%				\$ 245.70	\$ 232.20	5.81%	1,897,541	1,768,900
	7,723	7,618	1.38%							1,897,541	1,768,900
Garbage Charge											
	Number of Properties						Charge for Year				
	2015/2016	2014/2015	% Change				2015/2016	2014/2015	% Change		
Standard	5,548	5,526	0.40%				\$ 136.75	\$ 128.40	6.50%	758,667	709,538
140 Litre Urban, 240 Litre Rural	785	784	0.13%				\$ 234.00	\$ 219.70	6.51%	183,690	172,245
	6,333	6,310	0.36%							942,357	881,783
Waste Management Fee											
Waste Management Fee	7,853	7,709	1.87%				\$ 112.45	\$ 105.60	6.49%	883,070	814,070
	7,853	7,709	1.87%							883,070	814,070
Recycling Charge											
Recycling Charge	6,356	6,267	1.42%				\$ 93.30	\$ 87.60	6.51%	593,015	548,989
	6,356	6,267	1.42%							593,015	548,989
	Total									13,018,082	12,155,052

APPENDIX C CAPITAL WORKS PROGRAM

Capital Works Area	Budget 15/16	Budget 16/17	Budget 17/18	Budget 18/19	Budget 19/20
BUILDINGS & BUILDING IMPROVEMENTS					
Asset Renewal Expenditure					
Childcare Centre Painting	58,000	0	0	0	0
Talbot Museum Internal Wall Repairs and Painting	25,000	0	0	0	0
Essential Safety Measures Buildings Upgrade	8,000	8,000	8,000	8,000	8,000
Art Gallery Air Conditioner Replacement	18,000	0	0	0	0
Air Handling System Indoor Centre	2,000	2,000	2,000	2,000	2,000
Talbot Pool Capital Works	2,000	2,000	2,000	2,000	2,000
Dunolly Pool Capital Works	2,000	2,000	2,000	2,000	2,000
Maryborough Pool Capital Works	6,000	6,000	6,000	6,000	6,000
Heated Swimming Pool	5,000	5,000	5,000	5,000	5,000
Renewal Ovals	26,000	27,000	28,000	29,000	30,000
Renewal Surrounds	43,000	44,000	44,000	45,000	46,000
Phillips Gardens - Replanting the Wetland	0	0	12,000	0	0
Phillips Gardens Implement Strategy Entrances & Lights	10,000	10,000	10,000	10,000	10,000
Princes Park Improvements	5,000	5,000	6,000	6,000	7,000
Rubbish Bins Renewal - General	5,000	5,000	5,500	5,500	6,000
Renewal Playgrounds	52,000	54,000	56,000	58,000	60,000
Princes Park Complex	5,000	5,000	5,000	5,000	5,000
Playground Improvements	20,000	21,000	22,000	23,000	24,000
Depot Admin Block	1,000	1,000	1,000	1,000	1,000
New Groundwater Monitoring Bore Carisbrook	0	0	0	0	25,000
Talbot Rehabilitate Landfill	10,000	30,000	10,000	0	0
Dunolly Rehabilitate Landfill	10,000	30,000	10,000	0	0
Carisbrook Amenities Hut & Worksafe Upgrades T/S	10,000	10,000	10,000	10,000	10,000
Carisbrook Transfer Station Litter Control Fences	0	0	50,000	0	0
Recycled Watermain Replacement	15,000	15,000	15,000	15,000	15,000
Storage Tank Re-lining Princes Park	10,000	0	0	0	0
Total Asset Renewal Expenditure	348,000	282,000	309,500	232,500	264,000
Asset Upgrade Expenditure					
Childcare Centre	847,000	0	0	0	0
Market Reserve Carisbrook	213,000	0	0	0	0
Dunolly Pool Change Rooms/Shade Sails	32,000	0	0	0	0
Talbot Pool Changerooms	101,450	0	0	0	0
Total Asset Upgrade Expenditure	1,193,450	0	0	0	0
New Asset Expenditure					
Bin Roofs Transfer Stations	100,000	150,000	0	100,000	0
Public Place Recycling Bins	15,000	15,000	15,000	15,000	15,000
Talbot Transfer Station Fire Water Tank	0	0	15,000	0	0
Total New Asset Expenditure	115,000	165,000	30,000	115,000	15,000
TOTAL BUILDINGS & BUILDING IMPROVEMENTS	1,656,450	447,000	339,500	347,500	279,000
PLANT & EQUIPMENT					
New Asset Expenditure					
Operational Plant Purchases	395,000	404,000	405,000	403,000	409,000
HACC Plant Purchases	50,000	0	50,000	0	0
Vehicle Purchases	82,000	430,000	171,000	331,000	98,000
Ute Purchases	90,000	165,000	273,000	33,000	140,000
Total New Asset Expenditure	617,000	999,000	899,000	767,000	647,000
Total PLANT & EQUIPMENT	617,000	999,000	899,000	767,000	647,000

Capital Works Area	Budget 15/16	Budget 16/17	Budget 17/18	Budget 18/19	Budget 19/20
FURNITURE & FITTINGS					
Asset Renewal Expenditure					
PC Network/Hardware	20,000	20,000	21,500	22,000	22,000
Aerial Photography (Urban & Rural)	20,000	15,000	0	15,000	0
Total Asset Renewal Expenditure	40,000	35,000	21,500	37,000	22,000
Asset Upgrade Expenditure					
Server Upgrades	20,000	20,000	15,000	15,000	15,000
Information System Upgrade	60,000	0	0	0	0
Total Asset Upgrade Expenditure	80,000	20,000	15,000	15,000	15,000
New Asset Expenditure					
HACC Capital Expenditure	1,000	1,000	1,000	1,000	1,000
Library Microfilm Scanner	12,000	0	0	0	0
Library Shelving	2,400	0	0	0	0
Information Technology Imp	3,000	3,000	3,000	3,000	3,000
General Office Equipment	1,000	1,000	1,000	1,000	1,000
IT Strategy	30,000	0	0	0	0
Total New Asset Expenditure	49,400	5,000	5,000	5,000	5,000
TOTAL FURNITURE & FITTINGS	169,400	60,000	41,500	57,000	42,000
INFRASTRUCTURE					
Asset Renewal Expenditure					
Design Capital Works	10,000	10,000	10,000	10,000	12,000
Major Patches CRBI	100,000	100,000	100,000	100,000	100,000
Scandinavian Crescent Talbot Renewal RG	45,000	0	0	0	0
Tullaroop Rd Superelevation	175,000	0	0	0	0
Rodborough Rd - Tullaroop Res Embankment	80,000	0	0	0	0
Higham St - Gilles St to Railway St Renewal	200,000	0	0	0	0
Smeaton Road - Rehabilitation	240,000	200,000	0	0	0
Havelock Street - Clarendon St to Palmerston St	450,000	0	0	0	0
Tweedale St - Broadway to Inkerman St	0	150,000	0	0	0
Powlett St - Albert St to Birch St	0	150,000	0	0	0
Drive In Court / Wilson St - Park Rd to Ross St	0	0	400,000	0	0
Inkerman St - Palmerston St to Barkly St	0	0	370,000	150,000	0
Dunolly Avoca Rd - Apple Jack to Scent Farm Rd Slurry Seal	0	100,000	0	0	0
Majorca Rd - Gillies St to Nelson St Slurry Seal	0	110,000	0	0	0
Nolan Burns Street Intersection Renewal & Upgrade	0	0	0	0	500,000
Clarendon St from Neill St to Havelock St	0	0	0	0	600,000
Sealed Road Shoulders Renewal	0	90,000	100,000	110,000	120,000
Sealed Roads Shoulders Renewal (RTR)	0	50,000	50,000	50,000	55,000
Unsealed Roads Renewal	455,000	170,000	180,000	190,000	200,000
Unsealed Roads Renewal / Urban	13,000	14,000	15,000	16,000	17,000
Unsealed Roads Renewal (RTR)	0	150,000	150,000	150,000	150,000
Seals Renewal Reseals	530,000	560,000	590,000	620,000	650,000
Seals Renewal Reseals (RTR)	60,000	60,000	60,000	60,000	60,000
Seals Renewal Reseals (RG)	0	0	0	0	200,000
Majorca Rd Slurry Seal	150,000	0	0	0	0
Seals Renewal Final Seals	85,000	90,000	95,000	100,000	105,000
Minor Culverts Renewal	25,000	26,000	27,000	28,000	29,000
Furniture Renewal	20,000	21,000	22,000	23,000	24,000
Furniture Renewal / Urban	25,000	26,000	27,000	28,000	29,000
Signs Renewal	35,000	36,000	37,000	38,000	39,000
Kerb & Channel Renewal	59,000	100,000	80,000	90,000	100,000
Traffic Control Facilities Renewal	0	10,000	12,000	14,000	16,000
Pathways Renewal	0	0	0	50,000	0
Clarendon St / Tuaggra St Intersection Treatment (Part RTR)	228,000	0	0	0	0

Capital Works Area	Budget 15/16	Budget 16/17	Budget 17/18	Budget 18/19	Budget 19/20
Stormwater Drainage Renewal		150,000	160,000	160,000	160,000
Main Drain Maryborough	20,000	20,000	21,000	21,000	21,000
Carisbrook Transfer Station Pavement Rehabilitation	150,000	0	0	0	0
Total Asset Renewal Expenditure	3,155,000	2,393,000	2,506,000	2,008,000	3,187,000
Asset Upgrade Expenditure					
Dunolly Footpath Upgrade	390,000	0	0	0	0
Avoca Rd Widening	56,000	0	0	680,000	0
Sealed Roads New/Upgrade	0	0	0	39,000	0
Moonlight Rd - Adelaide Lead Rd to Possum Gully Rd	150,000	0	0	0	0
Possum Gully Road - 600m Seal Extension	150,000	0	0	0	0
Crameri Rd Upgrade - C/B Havelock Rd to Pryces Rd (RTR)	0	0	0	190,000	0
George St Upgrade - M/B Dunolly Rd to Lees Rd (RTR)	0	0	0	0	75,000
Bucknall St K&C and Parking Carisbrook	0	0	70,000	0	0
Moondarra Crt Upgrade	0	0	67,000	0	0
Sealed Roads Safety New/Upgrade	0	28,000	30,000	32,000	34,000
Betley Rd Dunolly Eddington Rd Y Intersection	0	80,000	0	0	0
Bealiba South Rd Dunolly Avoca Rd Y Intersection	0	55,000	0	0	0
Nuggety Gully Rd Lexton Talbot Rd Y Intersection	55,000	0	0	0	0
Stuart Mill Rd Dunolly Archdale Rd Y Intersection	0	150,000	0	0	0
Railway St / Gillies St Y Intersection	0	0	215,000	0	0
Tweeddale St / Elgin Rd Y Intersection	0	0	40,000	0	0
Norwood Rd / Timor Dunluce Rd Y Intersection	0	40,000	0	0	0
Dundas Rd / Clarendon St Y Intersection	0	0	0	0	250,000
Gordon Rd / Pyrenees Hwy Y Intersection	0	0	0	0	100,000
Tunstalls Ln / St Arnaud Dunolly Y Intersection	0	30,000	0	0	0
Majorca Rodborough Rd / Rodborough Rd Y Intersection	0	0	0	50,000	0
Timor Bromley Rd / Dunolly Timor Rd Y Intersection	0	0	30,000	0	0
Carparks New/Upgrade	0	40,000	0	40,000	0
Bridge / Major Culvert Safety Upgrades (Part RTR)	230,000	145,000	0	90,000	0
Talbot Rd Majorca Bridge Widening	0	0	300,000	0	0
Bet Bet Creek Rd Low Level Major Culvert (Part RTR)	0	0	0	0	280,000
Avoca Rd Major Culvert Widening (Part RTR)	0	0	0	375,000	0
Pathways New/Upgrade	0	0	0	19,000	20,000
DDA Upgrade Vic Roads	10,000	10,000	10,000	10,000	10,000
Broadway -Maude St Footpath Upgrade	0	135,000	0	0	0
Derby Road Ped RLX Design TAC	15,000	0	0	0	0
Jeff Street Special Charge Scheme	420,000	0	0	0	0
Special Charge - Ross Steet Upgrade	0	0	0	430,000	0
Special Charge - Williamsons Crt (Crameri Rd to end)	0	0	0	0	220,000
Special Charge - Wellington St (Lyndhurst to Archer St)	0	0	0	0	420,000
Bealiba Transfer Station Seal	35,000	0	0	0	0
Dunolly Transfer Station Seal Entry Road	80,000	100,000	50,000	0	0
Talbot Transfer Station Seal Entry Road	0	0	200,000	175,000	200,000
Total Asset Upgrade Expenditure	1,591,000	813,000	1,012,000	2,130,000	1,609,000

Capital Works Area	Budget 15/16	Budget 16/17	Budget 17/18	Budget 18/19	Budget 19/20
New Asset Expenditure					
Minor Culverts New	15,000	16,000	17,000	18,000	19,000
Furniture New/Upgrade (Street Bins)	19,000	20,000	21,000	22,000	23,000
Bus Shelters New (DOT)	15,000	0	0	0	0
Bus Shelter Relocations	1,000	0	0	0	0
Streetscapes	12,000	13,000	14,000	15,000	15,500
Signs New	24,000	25,000	26,000	27,000	28,000
Kerb & Channel New	16,000	17,000	18,000	39,000	30,000
Traffic Control Facilities New	0	19,000	20,000	21,000	22,000
Roundabout Nightingale St / Palmerston St	60,000	0	0	0	0
Pathways New/Upgrade Bealiba	0	0	0	10,000	0
Pathways New/Upgrade Talbot	0	0	0	15,000	0
Pathways New/Upgrade Dunolly	0	0	0	0	20,000
Pathways New/Upgrade Maryborough	0	0	0	50,000	0
Dunolly - Design of Flood Mitigation Works	108,000	0	0	0	0
Gladstone St Outfall Drain Stage 3	0	250,000	0	0	0
Carisbrook Drainage Mitigation - Construction	2,000,000	0	0	0	0
Total New Asset Expenditure	2,270,000	360,000	116,000	217,000	157,500
TOTAL INFRASTRUCTURE	7,016,000	3,566,000	3,634,000	4,355,000	4,953,500
TOTAL CAPITAL WORKS	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500
REPRESENTED BY:					
Asset Renewal Expenditure	3,543,000	2,710,000	2,837,000	2,277,500	3,473,000
Asset Upgrade Expenditure	2,864,450	833,000	1,027,000	2,145,000	1,624,000
New Asset Expenditure	3,051,400	1,529,000	1,050,000	1,104,000	824,500
TOTAL CAPITAL WORKS	9,458,850	5,072,000	4,914,000	5,526,500	5,921,500