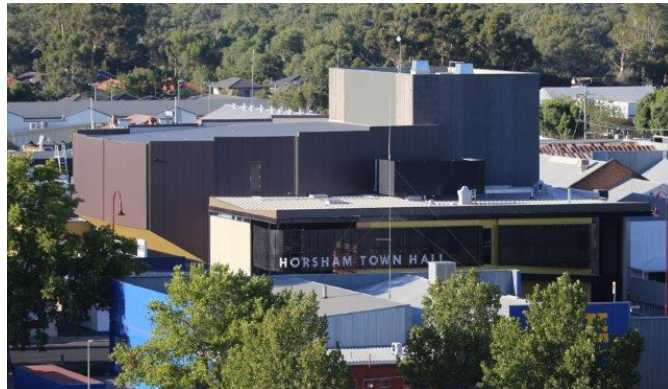


## Horsham Rural City Council Budget – 2016/17



This Budget Report has been prepared with reference to The Chartered Accountants ANZ “Victorian City Council Model Budget 2016/2017” a best practice guide for reporting local government budgets in Victoria.

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## Mayor's introduction

I am pleased to release the proposed 2016/17 Horsham Rural City Council budget to the community for comment and public submissions.

This proposed budget has been written in the context of the 2016-2020 Council Plan. The Council Plan outlines our key strategic objectives and directions, as we work to build a better municipality by delivering improved services, facilities and opportunities for the community under the following four goals:

1. Community and Cultural Development
2. Sustaining the Economy and Environment
3. Asset Management
4. Governance and Business Excellence

The proposed budget details the resources required over the next year to fund the large range of services we provide to the community. It also includes details of proposed capital expenditure allocations to improve and renew our city's physical infrastructure, buildings and operational assets, as well as funding proposals for a range of operating initiatives.

As Councillors, it is our job to listen to the community and understand your priorities. This year, Council has undertaken a number of engagement activities to inform the proposed budget. This has included two community drop-in sessions, individual meetings with a range of community groups and an on-line and hard copy survey, where 201 responses were received. The following word map details the key words that were identified from the survey comments. They help to provide some understanding of some of the issues that respondents felt were important:

Think Laws Rate Rise Pricing Waste Allow  
Rate Payers Lighting Rate Increases  
Assets Money Hard Town Body Council  
Job Properly Horsham Learn Roads  
Registration Staff Track HRCC Compliance Arts Natimuk

This budget proposes a rate increase of 3.5%. The new Fair Go Rates System has capped rates increases at 2.5%. Council has successfully applied to the Essential Services Commission for a further 1% increase to allow for renewal of our ageing infrastructure. This will generate an extra, \$210,000 for Council's asset renewal works program.

In this proposed budget, funding of \$18.90 million has been allocated in capital works. This includes \$3.14 million in works carried forward from 2015/16 and \$15.75 million for the 2016/17 program. Of the 2016/17 program, \$8.88 million is for renewal works, \$0.98 million for asset upgrades and \$5.89 million for new assets. New assets include: \$2.48 million for the development of a Children's and Community Hub in Horsham North, \$2.19 million for further work on the WIFT industrial precinct, with the balance being a range of buildings, drainage, roads and pathways.

This is the first year of the Fair Go Rates System, and whilst Council has increased rates by 3.5%, the actual rate increases experienced by individual ratepayers will be different due to this being a municipal revaluation year. In a revaluation year, rate increases are impacted by the rate increase of 3.5% and the property valuation increases of individual properties relative to the average across the municipality. If your property increased by more in value than the average of 10.8%, your rates will increase by more than 3.5%, whilst if your property value increased by less than the 10.8% average, your rates will increase by less than 3.5% and could in fact reduce from the previous year.

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

**Cr Heather Phillips**  
Mayor

## Executive summary

Council has prepared a Budget for the 2016/17 financial year that maintains service delivery, continues with operational initiatives to become more efficient and effective in the way services are delivered, whilst still investing in new and renewal of ageing infrastructure.

This year has again seen the freeze in Federal Assistance Grants continue for the third year in a row, but hopefully the last. The freeze has resulted in a further \$150,000 loss in Grant Income taking the overall loss to around \$1.0 million cumulative over the last three years. This maintains a great pressure on our service delivery and our rate funded operations.

The State Government for 2016/17 has introduced the “Fair Go Rates System” that places a cap on rates for all 79 Councils across the state. The cap for 2016-17 was set by the Minister in December 2015 at a maximum increase of 2.5% unless a variation is applied for to the Essential Services Commission. Council applied for a 1% variation and this was approved by the Essential Services Commission on the 31 May 2016. This will allow Council to fund an extra \$0.21 million to continue with its initiative of setting aside targeted funds to provide increased allocations for the renewal of ageing infrastructure. Council was one of nine from across the state that made such an application, of which six were successful and three were not.

Council has a range of both internal and external cost pressures to contend with and still recognises the need to play an important role as the regional city for the western area of the state, with the provision of quality services to more than just our own residents.

Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council. Council has continued to deliver a budget that is balanced on a cash basis.

### 1. Key things we are funding:

This year's operations includes \$2.21 million in grants and expenditure to fund the Grampians Peak Trail. This is a project being supported by Council, for which we will receive Federal grants, however these will be passed on in full to Parks Victoria who will have full responsibility for this project.

In terms of ongoing operations and service delivery, Council has not made any cuts to service levels within the community and in fact has continued to fund some new initiatives to drive further efficiencies and improve our effectiveness. These initiatives and more are detailed in Section 2.1 with the full list provided in Appendix C but some of the highlights are:

- \$16,400 for an new advanced ticketing system for the Horsham Town Hall and Performing Arts Centre
- \$20,000 to develop an Open Space strategy for Horsham.
- \$60,000 for the writing of an Economic Development Strategy.
- \$120,000 for a planning consultant to undertake a detailed Horsham South Structure Plan.
- \$120,000 to address the need for Essential Safety Measures determinations, works and inspections on a range of council facilities.
- \$50,000 for a masterplan and enterprise review of the Regional Livestock Exchange to assist with planning for future developments and operations of the site including potentially roofing the facility.
- \$40,000 for hazardous tree removal
- \$30,000 for town entrances streetscape refurbishment works.
- \$25,000 for a Master Plan to be undertaken of the Aquatic Centre and outdoor pool.
- \$56,000 for a range of renewal works at the Aquatic Centre including renewal of the group fitness floor and pipework for the water fountain in the children's play area of the indoor pool
- \$100,000 for detailed design work for the relocation of the Council depot from its current location in Selkirk Drive to an alternative site out of the CBD.
- \$75,000 for the removal of the old football clubrooms from the Quantong Recreational Reserve.

- \$50,000 for initial planning for a pedestrian bridge across the Wimmera River near Hamilton Street.
- \$35,000 to replace lighting in the Civic centre with efficient LED lighting. Expected to have a payback period of four years.
- \$40,000 for the development of detailed designs for the Civic Centre future works re improved customers service area, front foyer and council chambers.
- \$50,000 for initiatives arising from the Aboriginal advisory committee, particularly focused on employment opportunities for aboriginal youth.

The capital works program for the 2016/17 year is expected to be \$18.90 million of which \$3.14 million relates to projects which will be carried forward from the 2015/16 year. The carried forward component is fully funded from the 2015/16 budget, incorporating a mix of grants, contributions, operations and reserves. Of the \$15.75 million of new works capital funding comes from, \$6.82 million external grants, \$0.50 million from borrowings, \$0.20 million from general contributions and donations, with the balance of \$8.22 million from Council cash (\$5.51 million from operations, \$0.36 million from asset sales and \$2.34 million from reserves).

Renewal works total \$9.89 million or 52% of the overall program, \$2.020 million of this is from the tagged rate rises since 2008/09 (\$0.21 million of this is from the 1% rate cap variation applied for). New works total \$7.4 million or 39% and upgrade works \$1.6 million or 8%. Infrastructure makes up the largest segment of works \$11.47 million or 60.7%.

The capital expenditure program has been set and prioritised based on Council's Capital Evaluation Model. More detail on this year's program is provided in Section 2.1 with a full list in Section 6.1, however some highlights are as follows:

#### **Council Plan Goal 1 – Community and Cultural Development**

- \$2.480 million for the staged development of a Children's and Community Hub on Kalkee Road in Horsham's north. The Hub will deliver integrated family services including kindergarten, childcare, Maternal and Child Health, supported playgroup, early intervention services, visiting specialist consulting rooms and have a provision for a community meeting space. This project is funded through grants from the State Government \$1.98 million and council borrowings \$0.50 million and will be completed in the 2017/18 financial year.
- \$180,000 for Upgrade and New works for the Laharum Hall – dependent upon receiving grant funding of \$90,000.
- \$85,000 to replace the roof on the Lapidary Club building in Roberts avenue at the rear of the old police station

#### **Council Plan Goal 2 – Sustaining the Economy and Environment**

- \$2.09 million for roadworks and drainage for the new Wimmera Intermodal Freight Terminal industrial precinct
- \$10,000 for electronic parking enforcement equipment to remove the need for the completion of hand written parking tickets.
- \$90,000 for fencing and water bore monitoring equipment at the Dooen Landfill

#### **Council Plan Goal 3 – Asset Management**

- \$155,000 for the installation of solar panels on the Aquatic Centre to offset electricity costs expected to be funded from grant funds.
- \$130,000 for the renewal of the public toilets at Dudley Cornell park
- \$135,000 for proposed new public conveniences in the Hamilton street area (location yet to be determined)
- \$57,000 for a Wimmera River walking path on the south side of the river adjacent to the Bennett Road area.
- \$1.60 million for CBD revitalisation works including underground power lines within the CBD. This is a part of the ongoing CBD Strategy and is expected to be funded \$1.056 million from a non-recurrent grant and \$0.544 million from the CBD reserve.
- \$277,000 for refurbishment works on the relocated community facility at the Horsham College Oval. \$100,000 of which will be provided from a sport and rec grant.

- \$1.782 million for replacement of council's plant and equipment as part of its regular plant renewal program. New items identified for this year include Landfill GPS Equipment, mobile amenities facilities for councils roads crews and a compost turner for the Livestock Exchange.
- \$500,000 for Pynsent Street / Roberts Avenue/ Wilson Street stage 2 paving works.
- \$149,000 for a community multi-sports court in the Horsham North rail corridor area.
- \$30,000 to reseal the viewing ramp at the city oval from the clubrooms to the grandstand.
- \$0.977 million for repairs to Three Bridges Road McKenzie Creek Bridge - \$0.54 million funded by the Federal Government.

#### Council Plan Goal 4 – Governance and Business Excellence

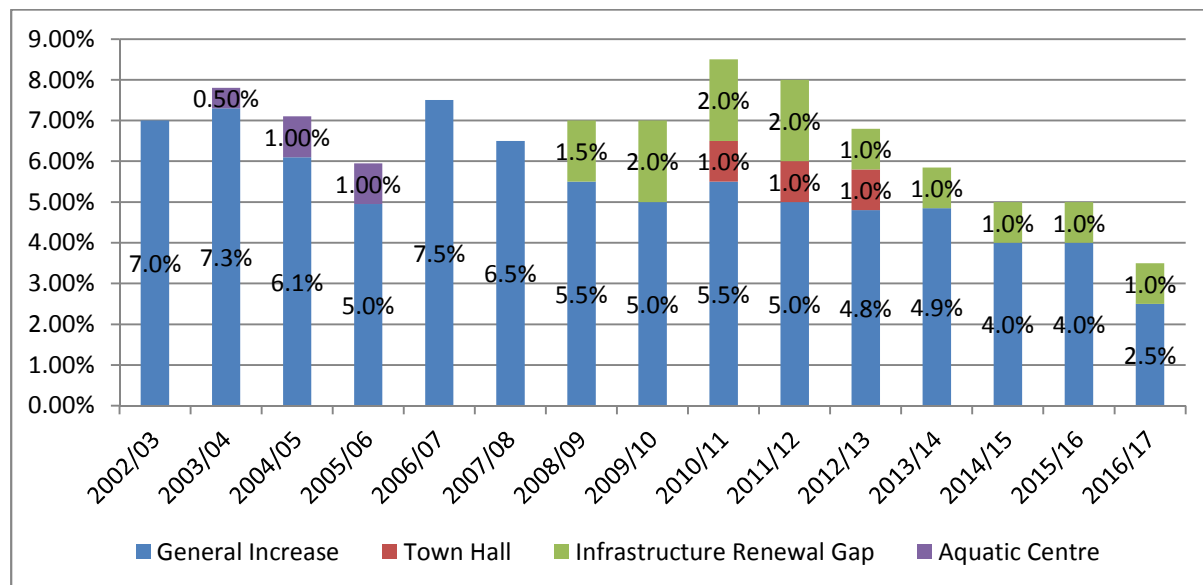
- \$249,800 to fund councils regular replacement program of IT equipment, including wide area networks, servers and desktop and laptop computers.

## 2. Summary of Budget on a Cash Basis

	2015-16 Budget	2016-17 Draft Budget as at 22/3/16	% Change
<b>General Revenue Sources:</b>	-24,835,176	-26,224,968	5.60%
<b>Net Operational Expenditure:</b>			
Community Services	3,562,938	3,574,146	0.31%
Corporate Services	5,274,233	5,336,820	1.19%
Planning & Economic	2,661,273	2,748,357	3.27%
Technical Services	6,894,675	7,111,247	3.14%
All Council Sundry	143,500	143,500	0.00%
<b>Total Operations</b>	<b>18,536,619</b>	<b>18,914,070</b>	<b>2.04%</b>
<b>Operational Initiatives:</b>			
Initiatives	592,000	639,000	7.94%
Less Initiatives shifted to Ongoing {5}	-117,500		
<b>Total Initiatives</b>	<b>474,500</b>	<b>639,000</b>	
<b>Net Garbage Operations:</b>			
Revenue (Charges & Fees)	-5,187,585	-5,124,948	-1.21%
Operational expenditure	5,008,345	4,904,155	-2.08%
Transfer to Reserve	179,240	220,793	23.18%
<b>Total Garbage Operations</b>	<b>0</b>	<b>0</b>	
<b>Capital:</b>			
Total Capital Expenditure	19,284,000	18,897,947	
Less Capital funded from Grants, Reserves etc	-14,307,311	-13,387,203	
Balance - Capital funded from General Revenues	4,976,689	5,510,744	10.73%
Interest Costs {4}	268,808	357,151	32.86%
Loan Redemptions {4}	578,560	807,936	39.65%
<b>Total Capital</b>	<b>5,824,057</b>	<b>6,675,831</b>	<b>14.63%</b>
<b>Total Funded from General Source Income</b>	<b>24,835,176</b>	<b>26,228,901</b>	
<b>Balanced</b>	<b>0</b>	<b>3,933</b>	

Council has again delivered a budget that is balanced on a cash basis in line with its objectives in the Strategic Resource Plan. This means that rate revenues received plus other general revenue are equal to the net cash cost of the provision of services and the delivery of capital works. The net costs (Surplus/(Deficit) are determined as the total expenditure less any specific revenue sources i.e. fees & charges, grants, etc., that may be received to fund specific operating services or capital works. Transfers to reserves are included as expenditure and transfers from reserves are included as revenue in the above analysis.

### 3. The Rate Rise



Council's general rate increases, since 2008/09, have ranged from 4.0% to 5.5% with additional tagged rate increases for infrastructure renewal between 1.0% and 2.0%. For three years a 1.0% rate rise was also included for the new infrastructure project of the Horsham Town Hall and Performing Arts Centre.

2016/17 sees the general increase reduce to 2.5% with the 1.0% Infrastructure Renewal component as a result of the rate cap variation application to the Essential Services Commission.

Council has continued to see minor growth in its rate base with new supplementary rates raising \$0.23 million in the forecast year 2015-16. This is estimated at \$0.15 million for 2016-17. This rates growth helps contribute to the delivery of services for a growing population at 0.6% and helps with servicing new public open spaces arising from new sub-divisions.

2016 is a revaluation year. Valuations will be as per the General Revaluation dated 1 January 2016, and as amended by supplementary valuations. This adds confusion to the rate payer in understanding the change to their individual rate bill as relative valuations will fluctuate across the municipality thereby making it difficult to isolate the exact impact of the rate rise. Other factors that will affect an individual rate payers % change is the impact of the Fire Services Levy which is set by the State and is not subject to the rate cap and the user charge for waste which is increasing on average by 2.3%

Note that for every \$100 in taxes paid by Victorian residents, rates make up approximately \$3.50. The other \$96.50 goes to the State and Federal Governments. ([www.abs.gov.au](http://www.abs.gov.au))

Refer Section 7 for further Rates and Charges details.

#### 4. Key Statistics

- Total Revenue: \$53.4 million (2015/16 = \$44.9 million)
- Rates & Charges % of total Revenue: 46.3% (2015/16 = 52.8%)
- Total Expenditure: \$48.2 million (2015/16 = \$46.8 million)
- Salary Costs % of total excluding depreciation: 45.1% (2015/16 = 46.0%)
- Surplus/(Deficit) for the year or (Accounting Result): \$3.88 million surplus (2015/16 = \$1.9 million deficit)

*(Refer Income Statement in Section 3 and detailed analysis Section 10)*

- Underlying operating result: \$2.33 million deficit (2015/16 = \$5.21 million deficit)

*(Refer Analysis of operating Budget in Section 10.1)*

*(Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital, from being allocated to cover operating expenses)*

- Net Increase/(Decrease) in Cash or Cash Result: \$2.01 million deficit (2015/16 = \$3.7 million deficit)

*(Refer Statement of Cash Flows in Section 3)*

- Total Capital Works Program: \$18.9 million (2015/16 = \$18.1 million)
  - \$3.14 million carried forward
  - \$15.75 million current year works
  - \$5.5 million from Council operations (Funded from rates and other general revenue)
  - \$0.5 million from borrowings
  - \$0.4 million from asset sales
  - \$6.8 million from external grants
  - \$2.34 million from cash reserves
  - \$0.3 million from contributions

- Total Net Asset Values for Property, Infrastructure, Plant & Equipment: \$466,218 million (2015/16 = \$459,328 million)

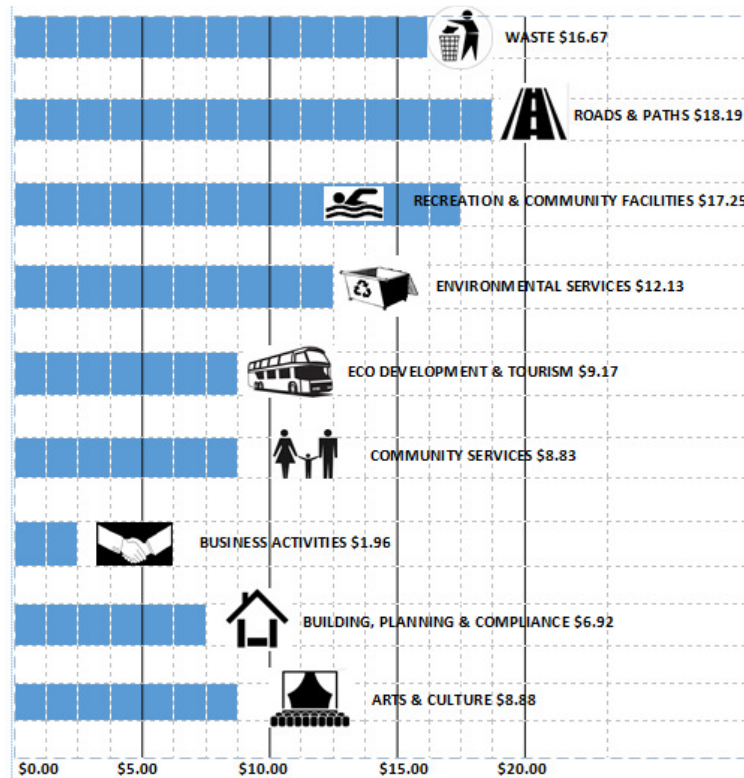
- Staff Numbers

Full-time Equivalents: 192 FTE (2015/16 = 192 FTE)

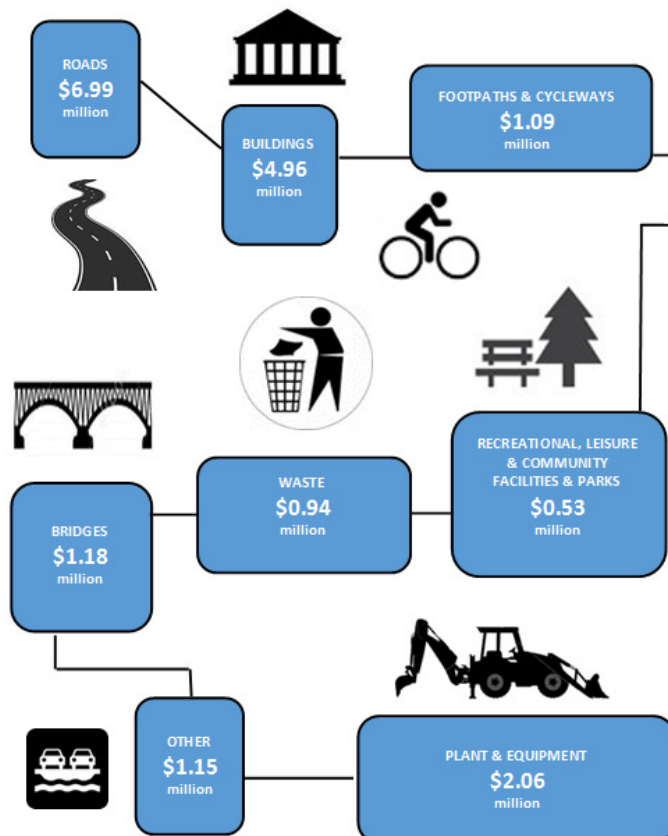
Total Staff Numbers: 242 (2015/16 = 242)



**Net Costs per \$100 of Rates** (Excludes capital works and Council overheads, governance costs and administrative costs. These have been proportionately allocated to external facing services) see pie chart Section 8.9 for a further split including these items separately.



**Summary of Capital Works Program \$18.9 million:**



## 5. Key Budget Influences

### External Influences

The preparation of the budget is influenced by the following external factors:

- The Victorian State Government has introduced a cap on rate increases from 2016/17. The cap for 2016/17 has been set at 2.5%.
- Additional Roads to Recovery funding received from the Federal Government as a once off amount for 2016/17 of \$2,298,217.
- Increases of 3.3% (or \$1 per tonne) in the levy payable to the State Government upon disposal of municipal waste into landfill. Improvements in waste recycling practices will see a reduction in the payment of the waste levy by \$0.081 million in 16/17 financial year. The levy has increased from \$7 per tonne in 2008/09 to \$31.00 per tonne in 2016/17 (442.9% increase in 8 years) and has added an approx. annual cost of \$.447 million each year.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of the all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.
- Dry Seasonal Conditions – 2015 has been an extremely low rainfall year which is having an impact on the general economy of the region and putting financial pressures not only on farming enterprises but all businesses.
- Operating Costs - Local Government Cost Index typically increases by approximately 1% more than CPI. This is because the CPI is based on a weighted basket of household goods and services which are quite different from those of local governments. Consumer Price Index (CPI) is forecast at 2.5% for 2016-17.
- Wage Movement - Australian Average Weekly Earnings (AWE) – growth trend for all sectors full-time adult ordinary time earnings in the 12 months to May 2015 was 2.0%. The council's current EBA expires 30 June 16 and will be re-negotiated in the period leading up to that time.
- Grants Commission - In 2014/15 the Federal Government ceased indexation of the Grants Commission funds thereby locking in a reduction in real terms. The freeze on indexation has applied for the years from 2014/15 to 2016/17. The cumulative impact over the 3 years is close to \$1.0m with an ongoing impact in the order of \$0.45m.
- Statutory Superannuation – Statutory Superannuation contributions now locked in at 9.5% until 2021/22.
- Defined Benefits Superannuation - Council contributed \$2.9m from reserves in 2012/13 towards the defined benefits superannuation shortfall, and we will continue to put aside \$100k for potential further contributions in the 2016/17 budget. The Vested Benefits Index for the fund was 104% of value as at the 30 Sep 2015. Should the Vested Benefits Index fall to 97%, then Councils will be required to make a further contribution.
- Utility Costs – Power and gas costs have steadily decreased during 2015/16 and are projected to remain at existing levels during 2016/17. Water costs are estimated to rise at around 3% in line with Grampians Wimmera Mallee Water cost rises.

- Fuel – Council operates a significant number of vehicles and plant. Fuel costs have remained relatively stable in recent years but pricing movements are very difficult to predict and hence have been factored in a CPI only.
- Insurance costs – At this stage it is not clear what will happen with insurance premiums. However the expectation is that they will rise at least in line with CPI.
- Interest Rates on Investments – Interest rates have slightly fallen over the last 12 months from a short term rate of 2.9% down to latest rates of 2.2%. It is expected this downward trend will not continue this year, an average interest rate (based on a combination of short term and long term investments) of 2.5% has been used in calculating the budget figure.

### **Internal Influences**

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2016/17 Budget:

- Building Unit – Revenue from the provision of building administration services has started to increase. However revenue increases are compensating for the increased costs associated with contractors delivering this service.
- Horsham Town Hall – 2016-17 will be the first full year of operations for the new Horsham Town Hall. During this time the operations will be evaluated/reviewed in relation to the estimates made in the operational business plan with regards to both revenues and expenditure.
- Rating Strategy – The council's rating strategy was extensively reviewed in 2013/14 and no major changes are proposed for 2016/17. The Municipal Charge was held at \$268 for the last 2 years but from 2016/17 will again be increased by the same percentage as the overall rate increase.
- Revaluation – 2016 is a revaluation year and the first year with the new Council Valuer, engaged through the Valuer General. At this stage valuations have not been signed-off but initial information shows higher increases for the farm sector of 14.8%, Residential 9.6% and overall 10.8%. The exact impact of valuation changes on rates is not yet known but the expectation is that there may be some significant impact for some individual ratepayers which may lead to a higher number of objections than have been experienced in the past.
- Council is renegotiating its Enterprise Bargaining Agreement with staff, with the current agreement due to expire 30 June 16. At this stage a wage outcome is unknown although the budget has been put together based on a 2% rise with a further 0.5% allowed for band movements.
- Asset Renewal Funds – Council is responsible for a range of ageing infrastructure. There is however a shortfall between the required spend to maintain all assets to an appropriate standard and the available funds. This is known as the asset or infrastructure renewal gap and is currently approximately \$4 million per annum. Our current Asset Management Policy calls for an annual rate increase of up to 2.0% to specifically contribute to this shortfall. A 2% rate increase was tagged for the years from 2008/09 to 2011/12. For the years from 2012/13 to 2015/16 only a 1% rate increase was tagged to contribute to the renewal gap. Council applied to the Essential Services Commission for a rate variation of 1% that has been tagged towards further infrastructure renewal works.

## 6. Budget wish list

Each year Council prepares its budget with the inclusion of grants from both the Federal and State Governments where it believes there is a reasonable opportunity of success. The following table details the projects that are dependent upon successfully obtaining grants for them to proceed and the status of the relevant grant funding in March 2016:

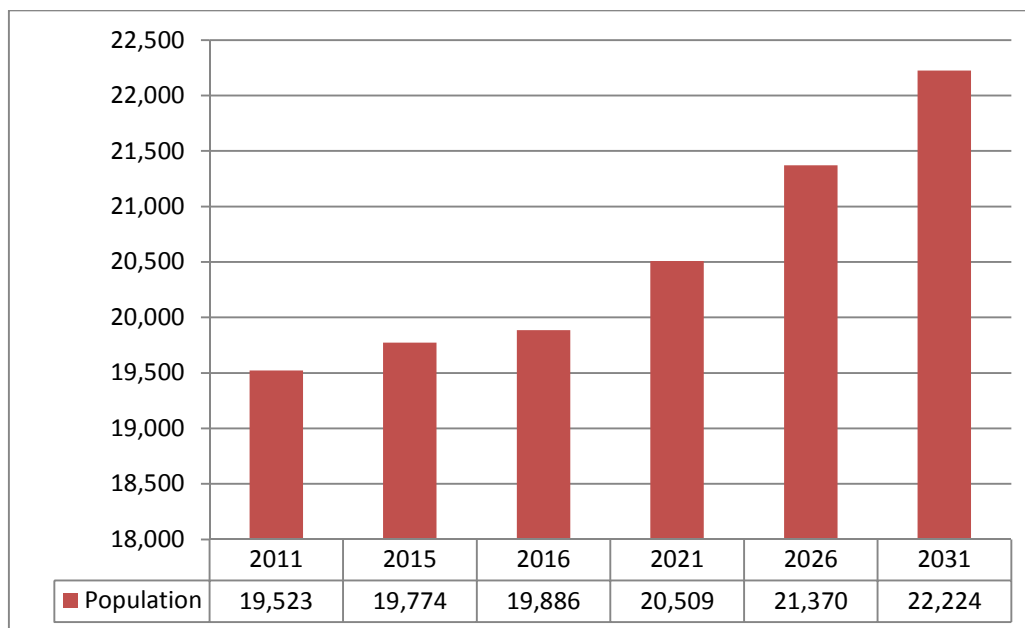
Project Description	Total Costs	Grant Certain	Grant not yet obtained
Aquatic Centre Boiler System - renewable energy	250,000		125,000
Aquatic Centre Solar Panels	155,000		154,614
CBD Power Undergrounding	1,600,000		1,600,000
Horsham College Oval - Sports pavilion	277,000	100,000	
Horsham North Children's Hub 16/17 works	3,120,000	1,980,000	
Horsham North Rail corridor outdoor sports court	149,000		70,000
Laharum Hall renovations	180,000		90,000
Livestock Exchange - Compost Turner	45,000		22,500
Pynsent St/Roberts Ave/Wilston St Stage 2 paving and trees	500,000		330,000
Three Bridges Rd McKenzies Creek	977,000	538,500	
Tree Surrounds Rehabilitation - Urqhart Street	50,000		33,000
WIFT precinct establishment Roadworks & Drainage	2,089,170		1,200,000
<b>Total</b>	<b>9,392,170</b>	<b>2,618,500</b>	<b>3,625,114</b>

## 7. Cost Shifting

Cost shifting by state government continues to add pressure to Council's budget, libraries, SES, school crossings, Maternal and Child Health and Home care are all areas where the State Government has handed over services and then progressively withdrawn funding. Community expectations are high with respect to these services.

Fair and reasonable cost increases for the services provided to Council by State Government e.g. Victorian Electoral Commission costs of running elections, VAGO annual audit costs, EPA Landfill levies, Fire Services Levy. These costs have been increasing at a much higher rate than the 2.5% imposed cap on Local Government rates.

## 8. Population Growth



### How are we travelling against population projections?

Horsham's role as a regional City for the Wimmera continues to provide opportunities for growth in population numbers and expansion of the rate base, however as some of this growth is from those retiring from surrounding farm areas it brings with it the need to maintain our levels of service and in some cases grow services to meet the increasing demands.

Horsham is a service centre for the surrounding agricultural region and is the centre for grains research within the state which has seen continued growth in agriculture research and development investment in the municipality.

The need to provide an appealing and vibrant centre to attract professionals to live and stay is an important consideration for Council when planning services. The new Estimated Resident Population (ERP) data for Horsham Rural City Council to June 2016 have just been released. The new figure for Horsham's ERP is 19,886 which is a net increase of 363 people since June 2011 or an increase of 0.4% for the period.

In the next 5 years (2021) Horsham is predicted to have increased in population by a further 623 residents or 0.6%. By 2026 this is set to increase at a slightly higher rate of 0.8% or 861 residents and continuing at that rate of 0.8% or a further 853 residents by 2031.

In all there is a predicted population change for Horsham Rural City of 2,701 residents over the 20 year period of 2011-2031 or an average annual of 0.6%.

# Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 15 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

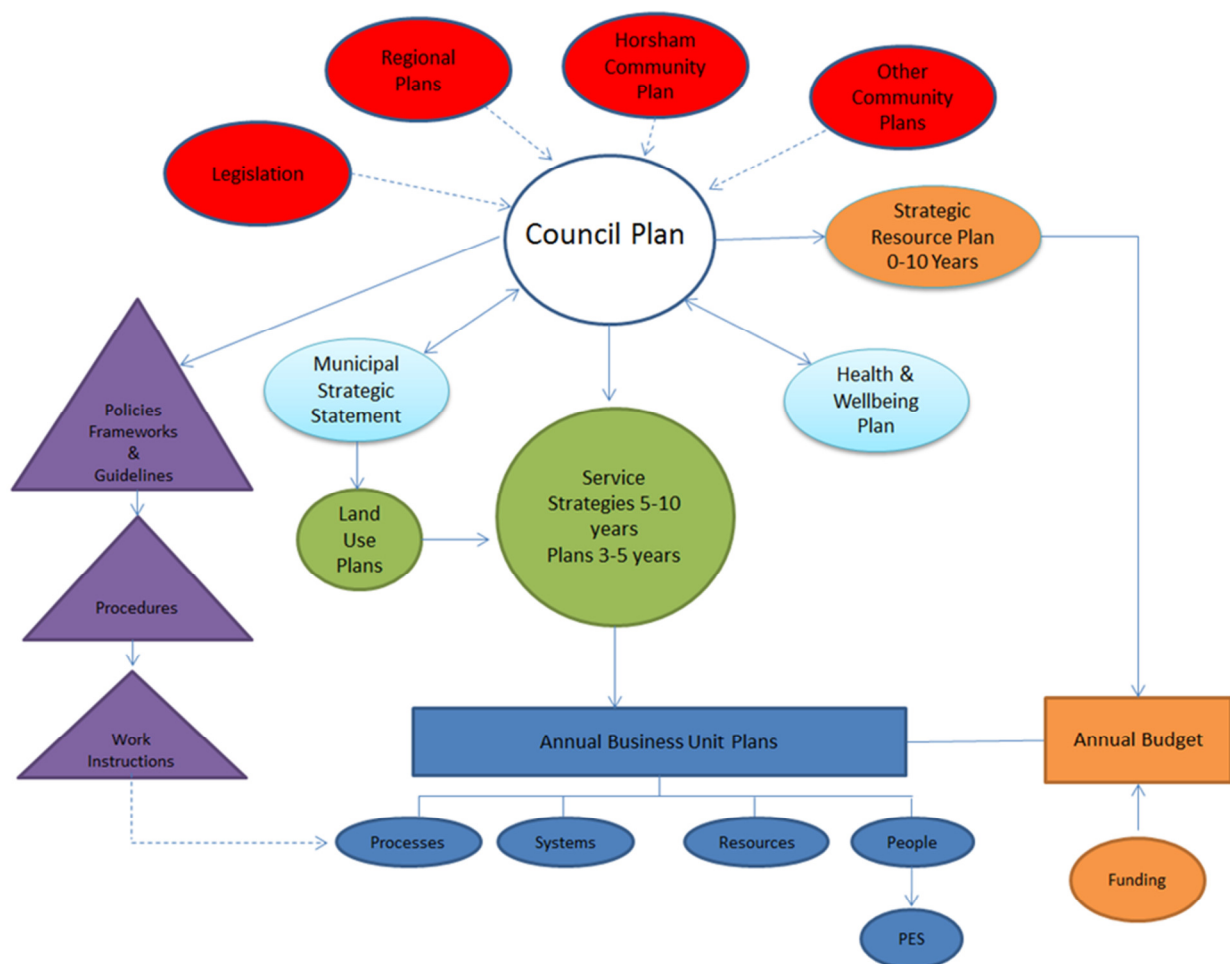
- 1 Links to Council Plan
- 2 Services and service indicators
- 3 Financial statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

## 1. Linkage to the Council Plan

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

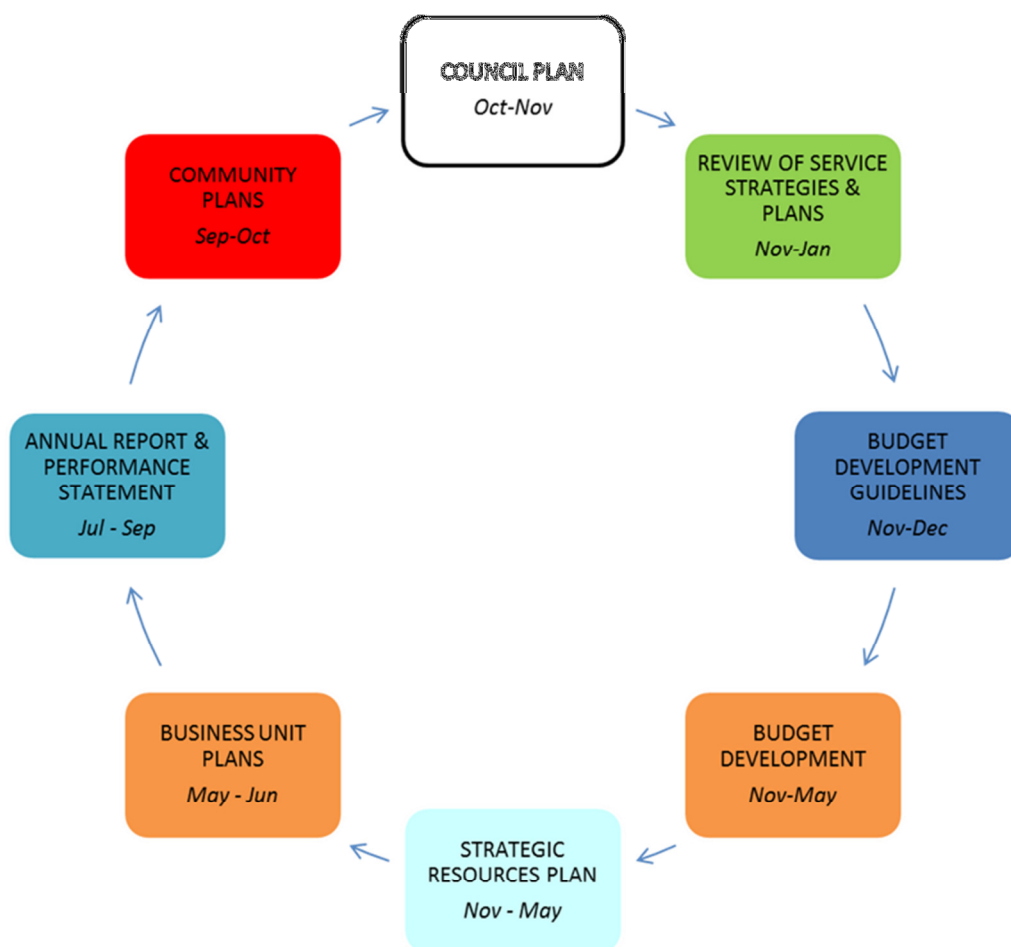
### 1.1 Planning and accountability framework

The Strategic Resource Plan, included in the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the Goals (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 for Council.



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

Councils planning cycle is broadly as depicted in the following diagram:



## 1.2 Our purpose

### Our vision

Horsham Rural City is a great place to live – vibrant, inclusive and welcoming.

### Our mission

Horsham Rural City Council, working with the community, will develop the municipality through strong leadership, vision, good governance, responsive services and quality infrastructure, whilst enhancing our liveability and natural environment.

### Our core values

In pursuing its strategic objectives, Horsham Rural City Council believes in, and is committed to, the following values:

- We are accountable to our community for our decisions and actions
- We will seek creative, innovative solutions for continuous improvement in line with our vision for the future
- We will work with our community, government and agencies to deliver quality outcomes
- We will work together to lead our community in a professional manner
- We will be transparent in our work



## 1.3 Strategic objectives

Council delivers services and initiatives under 9 major Service Groups and 31 service categories. Each contributes to the achievement of one of the four Goals as set out in the Council Plan for the years 2016-20. The following table lists the four Goals as described in the Council Plan.

Goals (Strategic Objectives)	Description
1. Community and Cultural Development	<b>Develop Horsham and the municipality as a diverse, inclusive and vibrant community.</b> We support our diverse community by developing an environment that aims to cater to the shifting needs of our residents. We support innovation and encourage artistic and cultural expression to develop our municipality as a great place to live.
2. Sustaining the Economy and Environment	<b>Lead in sustainable development and enhance the environment.</b> As our community grows, so our region grows. We welcome new development and we aim to support enterprise, small and large whilst advocating for the community to shop locally. We continue to promote and develop sustainable projects and encourage environmental practice within Council and the community.
3. Asset Management	<b>Meet community and service needs through provision and maintenance of infrastructure.</b> We strive to ensure infrastructure is in place to support our growing community as well as upgrading facilities to attract more visitors to our municipality.
4. Governance and Business Excellence	<b>Excel in communication, consultation, governance, leadership and responsible use of resources.</b> Our goal is to excel in what we deliver and how we deliver it, both within Council and to our community. Our staff are our greatest asset so their wellbeing is key to learning and high performance.

## 2. Services, and service performance indicators

This section provides a description of the services and initiatives (including some initiatives carried forward from 2015/16) to be funded in the Budget for the 2016/17 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.

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in **bold** and underlined in the below sections.

Councils services are summarised under 9 broad service groupings as follows:

1. Arts & Culture
2. Building, Planning & Compliance
3. Business Activities
4. Community Services
5. Economic Development and Tourism
6. Environmental Services
7. Governance & Administration
8. Recreation & Community facilities
9. Roads & Paths

The following table summarises net service delivery expenditure including initiatives and initiatives carried forward from 2015/16, by the 9 broad service groupings of Council and the 31 Services under each:

	Budget 15-16	Budget 16-17	% Inc/(Dec)
<b>Arts &amp; Culture</b>			
Library	748,589	712,458	-4.8%
Performing Arts	514,104	387,264	-24.7%
Visual Arts	377,896	394,493	4.4%
<b>Arts &amp; Culture Total</b>	<b>1,640,589</b>	<b>1,494,215</b>	<b>-8.9%</b>
<b>Building, Planning &amp; Compliance</b>			
Animal Management	-38,177	-51,458	34.8%
Building Services	419,004	456,995	9.1%
Local Laws	79,109	82,182	3.9%
Planning Services	361,616	481,763	33.2%
Regulatory Health Services	80,225	83,694	4.3%
Traffic Management	107,954	110,730	2.6%
<b>Building, Planning &amp; Compliance Total</b>	<b>1,009,731</b>	<b>1,163,906</b>	<b>15.3%</b>
<b>Business Activities</b>			
Business Activities	242,089	330,482	36.5%
<b>Business Activities Total</b>	<b>242,089</b>	<b>330,482</b>	<b>36.5%</b>
<b>Community Services</b>			
Community Services - Mgt & Admin	383,238	399,050	4.1%
Early Years	342,984	324,196	-5.5%
General Other Community Services	444,677	447,895	0.7%
Home Services	241,417	247,429	2.5%
Environmental Health	69,112	66,971	-3.1%
<b>Community Services Total</b>	<b>1,481,428</b>	<b>1,485,541</b>	<b>0.3%</b>
<b>Economic Development &amp; Tourism</b>			
Economic Development	320,220	403,373	26.0%
Planning and Promotional Services Mgt & Admin	574,595	557,507	-3.0%
Promotions & Tourism	583,598	582,044	-0.3%
<b>Economic Development &amp; Tourism Total</b>	<b>1,478,413</b>	<b>1,542,924</b>	<b>4.4%</b>
<b>Environmental Services</b>			
Environmental Services	148,472	132,825	-10.5%
Street Beautification	1,827,994	1,907,140	4.3%
<b>Environmental Services Total</b>	<b>1,976,466</b>	<b>2,039,965</b>	<b>3.2%</b>
<b>Governance &amp; Administration</b>			
Civic Centre Admin	1,550,273	1,639,575	5.8%
Corp Services Mgt & Admin	2,240,100	2,228,880	-0.5%
Governance & Leadership	1,103,177	1,091,084	-1.1%
Organisational Development	616,183	680,781	10.5%
<b>Governance &amp; Administration Total</b>	<b>5,509,733</b>	<b>5,640,320</b>	<b>2.4%</b>
<b>Recreation &amp; Community Facilities</b>			
Aquatic Service	600,700	640,800	6.7%
Community Facilities	80,848	81,439	0.7%
Environmental Services	65,435	70,928	8.4%
Public Conveniences	256,215	267,155	4.3%
Recreation and Leisure Facilities	1,800,636	1,841,125	2.2%
<b>Recreation &amp; Community Facilities Total</b>	<b>2,803,834</b>	<b>2,901,447</b>	<b>3.5%</b>
<b>Roads &amp; Paths</b>			
Road Infrastructure	948,142	1,003,907	5.9%
Technical Services Mgt & Admin.	2,053,196	2,053,763	0.0%
<b>Roads &amp; Paths Total</b>	<b>3,001,338</b>	<b>3,057,670</b>	<b>1.9%</b>
<b>Waste</b>			
Waste Management Services	2,734,185	2,804,398	2.6%
<b>Waste Total</b>	<b>2,734,185</b>	<b>2,804,398</b>	<b>2.6%</b>
<b>Grand Total</b>	<b>21,877,806</b>	<b>22,460,868</b>	<b>2.7%</b>

**Note:** Excludes one-off abnormal items of Coughlin Park in 2015/16 and Grampians Peak Trail in 2016/17.

## 2.1 Council Plan Goal 1: Community and Cultural Development

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

	Budget 15-16	Budget 16-17	% Inc/(Dec)
<b>Arts &amp; Culture</b>			
Library	748,589	712,458	-4.8%
Performing Arts	514,104	387,264	-24.7%
Visual Arts	377,896	394,493	4.4%
<b>Arts &amp; Culture Total</b>	<b>1,640,589</b>	<b>1,494,215</b>	<b>-8.9%</b>
<b>Community Services</b>			
Community Services - Mgt & Admin	383,238	399,050	4.1%
Early Years	342,984	324,196	-5.5%
General Other Community Services	444,677	447,895	0.7%
Home Services	241,417	247,429	2.5%
Environmental Health	69,112	66,971	-3.1%
<b>Community Services Total</b>	<b>1,481,428</b>	<b>1,485,541</b>	<b>0.3%</b>
<b>Recreation &amp; Community Facilities</b>			
Community Facilities	80,848	81,439	0.7%
<b>Recreation &amp; Community Facilities Total</b>	<b>80,848</b>	<b>81,439</b>	<b>0.7%</b>
<b>Grand Total</b>	<b>3,202,865</b>	<b>3,061,195</b>	<b>-4.4%</b>

### Services

Business area	Description of services provided
<b>Arts &amp; Culture</b>	
Library	This service provides community development and education to enhance the capacity and strength of communities in the municipality by developing community plans that build on strengths and assets and acting as a resource to communities. This service covers a Community Arts Officer and is centred on activities within Public Art, the Cultural Centre (Mibus Centre) and the <b>Wimmera Regional Library</b> .
Performing Arts {1}	This service surrounds the running of public halls, the Hamilton Lamb Hall and Horsham Town Hall and New Performing Arts Centre operations.
Visual Arts {5}	This service provides an important visual art resource for the local community and visitors to Horsham through the Horsham Regional Art Gallery.
<b>Community Services</b>	
Community Services - Mgt & Admin	This service provides administration and support services for the Community Services group.
<b>Early Years</b> {8}	This service provides support to families with parenting, health and development, promotion of health, wellbeing and safety, social supports, referrals and linking with local communities. It offers 10 free Key Ages and Stages consultations where parents are given the opportunity to discuss their concerns, parenting experiences, and how to optimise their child's health, growth and development. Two centres operate through the Horsham Rural City and Council sponsors a Koori Service.
Environmental Health	This service provides health administration, immunization, health vending machines and other preventative measures under the health plan including needle exchange, Tobacco Act reforms and pest control.

Business area	Description of services provided
General Other Community Services	This service provides support surrounding education – preschool and schools, Senior Citizens Centres and volunteer organisations including service clubs and the State Emergency Service. Other general Community Services covered include Emergency Management, Community engagement and development, Disability Access and services and Horsham Youth Centre – Nexus.
Home Services {2}	This service provides care to frail aged and disabled persons with <b><u>Home Care, Personal Care, Respite Care</u></b> and Property Maintenance services and disabled parking permits.
<b>Recreation &amp; Community Facilities</b>	
Community Facilities {4} {7}	This service provides maintenance, insurance and other ongoing costs for the municipalities recreation groups and clubs. Includes community halls, the Guides/Scouts, Cenotaph and War Memorials, Brass and Pipe Bands and the Sawyer Park Soundshell.

### Initiatives

- 1) \$16,400 for an new advanced ticketing system for the Horsham Town Hall and Performing Arts Centre.
- 2) \$50,000 to fund a regional project officer for the Wimmera and Southern Mallee Home Support Care Alliance to review services (Aged Services Sustainability) given changes occurring in this area due to Commonwealth Aged Care reforms. \$25,000 to be funded from contributions from other organisations.
- 3) \$14,000 for the Natimuk Soldiers Memorial Hall to renew windows, lights, fascias and painting funded from the infrastructure renewal levy.
- 4) \$15,000 for works to the Soundshell at Sawyer park with rendering, painting and electrical upgrades.
- 5) \$25,000 as a general allocation to public art projects across the municipality as determined by the public art committee.
- 6) \$180,000 for Upgrade and new works for the Laharum Hall – dependent upon receiving grant funding of \$90,000 and a local community cash contribution.
- 7) \$85,000 to replace the roof on the Lapidiary Club building in Roberts avenue at the rear of the old police station.

### Major Initiatives

- 8) \$2,480,000 for the development of a Children’s and Community Hub on Kalkee Road in Horsham’s north. The Hub will deliver integrated family services including kindergarten, childcare, Maternal and Child Health, supported playgroup, early intervention services, visiting specialist consulting rooms and have a provision for a community meeting space. Further funding in the 2017/18 financial year will see completion of the project.

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community care	Participation	<b>Participation in the HACC service</b> (Percentage of the municipal target population that receive a HACC service)	[Number of people that receive a HACC service / Municipal target population for HACC services] x100
		<b>Participation in HACC service by CALD</b> (percentage of the municipal target population in relation to CALD people who receive a HACC service)	[Number of CALD people that receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	<b>Participation in the MCH service</b> (percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		<b>Participation in the MCH service by Aboriginal children</b> (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Libraries	Participation	<b>Active library members</b> (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100

## 2.2 Council Plan Goal 2: Sustaining the Economy and Environment

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

	Budget 15-16	Budget 16-17	% Inc/(Dec)
<b>Building, Planning &amp; Compliance</b>			
Animal Management	-38,177	-51,458	34.8%
Building Services	419,004	456,995	9.1%
Local Laws	79,109	82,182	3.9%
Planning Services	361,616	481,763	33.2%
Regulatory Health Services	80,225	83,694	4.3%
Traffic Management	107,954	110,730	2.6%
<b>Building, Planning &amp; Compliance Total</b>	<b>1,009,731</b>	<b>1,163,906</b>	<b>15.3%</b>
<b>Economic Development &amp; Tourism</b>			
Economic Development	320,220	403,373	26.0%
Planning and Promotional Services Mgt & Admin	574,595	557,507	-3.0%
Promotions & Tourism	583,598	582,044	-0.3%
<b>Economic Development &amp; Tourism Total</b>	<b>1,478,413</b>	<b>1,542,924</b>	<b>4.4%</b>
<b>Environmental Services</b>			
Environmental Services	148,472	132,825	-10.5%
<b>Environmental Services Total</b>	<b>148,472</b>	<b>132,825</b>	<b>-10.5%</b>
<b>Recreation &amp; Community Facilities</b>			
Environmental Services	65,435	70,928	8.4%
<b>Recreation &amp; Community Facilities Total</b>	<b>65,435</b>	<b>70,928</b>	<b>8.4%</b>
<b>Waste</b>			
Waste Management Services	2,734,185	2,804,398	2.6%
<b>Waste Total</b>	<b>2,734,185</b>	<b>2,804,398</b>	<b>2.6%</b>
<b>Grand Total</b>	<b>5,436,236</b>	<b>5,714,981</b>	<b>5.1%</b>

### Services

Business area	Description of services provided
<b>Building, Planning &amp; Compliance</b>	
Animal Management {14}	This service deals with matters concerning <b>Animal Management</b> services for dogs and cats includes, rehousing, microchipping, and investigation of complaints and registrations.
Building Services {12}	This service provides matters relating to the administration of building control including building approval, inspection fees, easement approval and State Government levies.
Local Laws	This service deals with matters concerning Local Laws including permits and licences, enforcement and fines and fire hazard enforcement.
Planning Services {9} {13}	This provides <b>Statutory Planning</b> Services such as planning permits, notice of applications, information certificates, scheme appeals and subdivision costs along with the preparation of strategies, heritage studies and structure plans for the municipality.
Regulatory Health Services	This service provides a variety of legislative based services and functions around Environmental Health Issues. Health registrations, inspection services, <b>Food Safety</b> , complaint investigation and enforcement.

Traffic Management {15}	This service provides management of parking infringements, maintenance on parking meters, car parking fees, fines and associated costs.
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### **Economic Development & Tourism**

Economic Development {10} {17}	This service provides support to the Wimmera Development Association, maintenance and administration for the Wimmera Business Centre and general economic development and promotion for the municipality. This service also provides Land sales and acquisitions, along with tree plantation and land management costs for the Industrial Estates of, Burnt Creek, Enterprise Estates and the Wimmera Intermodal Freight Terminal.
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Planning & Promotional Services Mgt & Admin	This service provides general administration for all the areas of Planning, Building and Promotional services areas
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Promotions & Tourism {11}	This service provides information and support to visitors accessing the Tourist Information Centre. It provides visitors to the municipality with a comprehensive range of up to date information on tourism products within the Wimmera region. This area also covers tourism marketing and development as well as promotion for major events and festivals.
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School Crossing Supervision	This service provides the supervision of school crossings and school crossing maintenance.
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### **Environmental Services**

Environmental Services	This service provides a mix of environmental services covering fire hazards, fire disaster clean up, grass removal, fire plugs, their replacement and markers, footpath cleaning in the CBD and weir operations.
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### **Recreation & Community Facilities**

Environmental Services	This service provides maintenance and beach cleaning for Green Lake and Lake Toolondo along with maintenance of boat ramps and buoyage systems.
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### **Waste Management**

Waste Management Services {16}	This service manages the Dooen Landfill sites, Kenny Road Transfer Station, rural transfer stations, and <b>Waste Collection</b> and Recyclables Collection across both the urban and rural areas of the municipality. (Costs shown here reflect the net cost of the service ie what is collected from rate payers through the garbage charge).
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### **Initiatives**

- 9) \$20,000 to develop an Open Space strategy for Horsham.
- 10) \$60,000 for the writing of an Economic Development Strategy.
- 11) \$10,000 for signage for the Grampians Way Ring Road project.
- 12) \$120,000 to address the need for Essential Safety Measures determinations, works and inspections on a range of council facilities.
- 13) \$120,000 for a planning consultant to undertake a detailed Horsham South Structure Plan.
- 14) \$6,000 for new works at the Horsham pound to update security
- 15) \$10,000 for electronic parking enforcement equipment to remove the need for the completion of hand written parking tickets.
- 16) \$90,000 for fencing and water bore monitoring equipment at the Dooen Landfill

### **Major Initiatives**

- 17) \$2.09 million for roadworks and drainage at the Wimmera Intermodal Freight Terminal industrial precinct

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
<b>Statutory Planning</b>	<b>Decision making</b>	<b>Council planning decisions upheld at VCAT</b> (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 decisions in relation to planning applications] x100
<b>Waste Collection</b>	<b>Waste diversion</b>	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
<b>Animal Management</b>	<b>Health and safety</b>	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
<b>Food Safety</b>	<b>Health and safety</b>	<b>Critical and major non-compliance notifications</b> (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

### 2.3 Council Plan Goal 3: Asset Management

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

	Budget 15-16	Budget 16-17	% Inc/(Dec)
<b>Business Activities</b>			
Business Activities	242,089	330,482	36.5%
<b>Business Activities Total</b>	<b>242,089</b>	<b>330,482</b>	<b>36.5%</b>
<b>Environmental Services</b>			
Street Beautification	1,827,994	1,907,140	4.3%
<b>Environmental Services Total</b>	<b>1,827,994</b>	<b>1,907,140</b>	<b>4.3%</b>
<b>Recreation &amp; Community Facilities</b>			
Aquatic Service	600,700	640,800	6.7%
Public Conveniences	256,215	267,155	4.3%
Recreation and Leisure Facilities	1,800,636	1,841,125	2.2%
<b>Recreation &amp; Community Facilities Total</b>	<b>2,657,551</b>	<b>2,749,080</b>	<b>3.4%</b>
<b>Roads &amp; Paths</b>			
Road Infrastructure	948,142	1,003,907	5.9%
Technical Services Mgt & Admin.	2,053,196	2,053,763	0.0%
<b>Roads &amp; Paths Total</b>	<b>3,001,338</b>	<b>3,057,670</b>	<b>1.9%</b>
<b>Grand Total</b>	<b>7,728,972</b>	<b>8,044,372</b>	<b>4.1%</b>



## Services

Business areas	Description of services provided
<b>Business Activities</b>	
Business Activities {18}	This includes the Caravan Park which is a leased asset that provides affordable holiday accommodation on the Wimmera River and close to the CBD of Horsham. The Livestock Exchange which provides weekly sheep sales and fortnightly cattle sales at the Burnt Creek Drive facility servicing primary industry across the Wimmera. Horsham Regional Livestock Exchange is the fourth largest sheep selling centre in Victoria. This also includes the operations of the aerodrome which provides a regional airport for commercial and private aircraft. This service also includes maintenance and operations for all of Council's commercial properties and residences.
<b>Environmental Services</b>	
Street Beautification {35}	This service provides Street Tree maintenance, tree planting and removal along with city centre maintenance on lighting, signage and street furniture and Street cleaning. Climate Change initiatives such as the environmental footprint reduction program also fall within this service.
<b>Recreation &amp; Community Facilities</b>	
Aquatic Service {20} {23} {24}	This service provides equitable and affordable access to a diverse range of aquatic and fitness programs and services. The <b>Aquatic Facility</b> includes indoor and outdoor pools, a gymnasium, a multi-purpose group fitness facility, child care and a café.
Public Conveniences {28}	This service provides operations and maintenance of the 6 public conveniences in Horsham, 1 in Natimuk and several rural facilities.
Recreation & Leisure Facilities {19} {20} {25} {26} {27} {32} {33} {34} {38} {41} {36}	This service provides maintenance and operations of indoor and outdoor sports complexes including Racecourse Reserve, City Oval, Dudley Cornell Park, Skate bowl facilities and Basketball Stadium. It also includes the development and maintenance of gardens and major reserves including the Botanic Gardens and May Park along with 23 neighbourhood parks. Management and maintenance of over 8,000 street and 1,500 park trees and maintenance of garden beds in CBD.
<b>Roads &amp; Paths</b>	
Road & Path Infrastructure {21} {30} {31} {37} {40}	This service provides maintenance and construction of <b>Roads</b> , streets, bridges and related assets to the required standards. Maintenance for bicycle tracks, drainage, footpaths and off street car parks.
Technical Services Mgt & Admin {29} {39}	This service provides administration and support services for the Technical Services Department.

## Initiatives

- 18) \$50,000 for a masterplan and enterprise review of the Regional Livestock Exchange to assist with planning for future developments and operations of the site including potentially roofing the facility.
- 19) \$40,000 for hazardous tree removal.
- 20) \$30,000 for town entrances streetscape refurbishment works.
- 21) \$25,000 for a Master Plan to be undertaken of the Aquatic Centre and outdoor pool.
- 22) \$40,000 for Level 2 bridge inspection surveys to be undertaken.
- 23) \$56,000 for a range of renewal works at the Aquatic Centre including renewal of the group fitness floor and pipework for the water fountain in the children's play area of the indoor pool.
- 24) \$155,000 for the installation of solar panels on the Aquatic Centre to offset electricity costs expected to be funded from grant funds.
- 25) \$130,000 for the renewal of the public toilets at Dudley Cornell park.

- 26) \$75,000 for drainage works at Dudley Cornell Park.
- 27) \$75,000 for the removal of the old football clubrooms from the Quantong Recreational Reserve.
- 28) \$135,000 for proposed new public conveniences in the Hamilton street area (location yet to be determined).
- 29) \$100,000 for detailed design work for the relocation of the Council depot from its current location in Selkirk Drive to an alternative site out of the CBD.
- 30) \$57,000 for a Wimmera River walking path on the south side of the river adjacent to the Bennett Road area.
- 31) \$50,000 for initial planning for a pedestrian bridge across the Wimmera River near Hamilton Street.
- 32) \$30,000 for playground equipment replacement program for Horsham and Natimuk.
- 33) \$30,000 for park ground redevelopment works at Jardwa and Langlands parks.
- 34) \$20,000 for off-leash dog exercise areas to provide 2 fully fenced areas.
- 35) \$50,000 for the refurbishment of the tree surrounds in the centre of Urqhart Street.
- 36) \$30,000 to reseal the viewing ramp at the city oval from the clubrooms to the grandstand.

### Major Initiatives

- 37) \$1,600,000 for CBD revitalisation works including underground power lines within the CBD. This is a part of the ongoing CBD Strategy and is expected to be funded \$1,056,000 from a non-recurrent grant and \$544,000 from the CBD reserve.
- 38) \$277,000 for refurbishment works on the relocated community facility at the Horsham College Oval. \$100,000 of which will be provided from a sport and recreation grant.
- 39) \$1,782,000 for replacement of council's plant and equipment as part of its regular plant renewal program. Key items identified for this year include Landfill GPS Equipment, mobile amenities facilities for councils roads crews and a compost turner for the Livestock Exchange.
- 40) \$500,000 for Pynsent Street / Roberts Avenue/ Wilson Street stage 2 paving works. Expected grant funding of \$350,000 and \$170,000 from CBD reserve.
- 41) \$149,000 for a community multi-sports court in the Horsham North rail corridor area, \$70,000 funded from a government grant.

### Service Performance Outcome Indicators

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

## 2.4 Council Plan Goal 4: Governance and Business Excellence

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

	Budget 15-16	Budget 16-17	% Inc/(Dec)
<b>[-] Governance &amp; Administration</b>			
Civic Centre Admin	1,550,273	1,639,575	5.8%
Corp Services Mgt & Admin	2,240,100	2,228,880	-0.5%
Governance & Leadership	1,103,177	1,091,084	-1.1%
Organisational Development	616,183	680,781	10.5%
<b>Governance &amp; Administration Total</b>	<b>5,509,733</b>	<b>5,640,320</b>	<b>2.4%</b>
<b>Grand Total</b>	<b>5,509,733</b>	<b>5,640,320</b>	<b>2.4%</b>

### Services

Business areas	Description of services provided
<b>Governance &amp; Administration</b>	
Civic Centre Admin {42} {43}	This service includes the maintenance and operational costs associated with the day to day operations of the Civic centre building in Roberts Avenue.
Corporate Services Mgt & Admin {44} {45} {48}	This service contains a variety of organisational services that are provided both internally within Council but also to ratepayers. It covers Information Technology, Rates and Information Services, Financial Management, Customer Service and the general Management Support to the Director Corporate Services.
Governance & Leadership <sup>1</sup>	This service manages and facilitates Council's <b>Governance</b> services, the implementation of Council decisions and policies and compliance with legislative requirements. It includes the office of the Mayor and Councillors, the Chief Executive and media.
Organisational Development {46} {47}	This service is responsible for human resources, payroll, OH&S, risk management and organisational performance functions. The Payroll Co-ordinator is also responsible for processing the payroll for three separate Council-related entities, including the Wimmera Regional Library Corporation and Wimmera Development Association.

### Initiatives

- 42) \$35,000 to replace lighting in the Civic centre with efficient LED lighting. Expected to have a payback period of 4 years.
- 43) \$40,000 for the development of detailed designs for the Civic Centre future works re improved customers service area, front foyer and council chambers.
- 44) \$18,000 to improve the broadband service to the Civic Centre until the NBN becomes available.
- 45) \$30,000 to update the aerial photography for Council's GIS system – this is part of a regular 4 year regional update project.
- 46) \$50,000 for initiatives arising from the Aboriginal advisory committee, particularly focused on employment opportunities for aboriginal youth.
- 47) \$12,000 to conduct the bi-annual staff survey.
- 48) \$249,800 to fund councils regular replacement program of IT equipment, including wide area networks, servers and desktop and laptop computers.

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	<b>Satisfaction with Council decisions</b> (community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community

## 2.7 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2016/17 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 4) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

## 2.8 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Community and Cultural Development	2,994	6,599	3,605
Sustaining the Economy and Environment	5,715	10,254	4,539
Asset Management	8,044	13,371	5,327
Governance and Business Excellence	5,640	6,070	430
<b>Total services and initiatives</b>	<b>22,394</b>	<b>36,294</b>	<b>13,901</b>
Depreciation	10,773		
Grampians Peak Trail	0		
Other non-attributable	-4,699		
<b>Deficit before funding sources</b>	<b>28,468</b>		
<b>Funding sources:</b>			
Rates & charges	24,751		
Capital grants	7,591		
<b>Total funding sources</b>	<b>32,342</b>		
<b>Surplus for the year</b>	<b>3,874</b>		

### 3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2017/18 to 2019/20 has been extracted from the Strategic Resource Plan.

#### Comprehensive Income Statement

For the four years ending 30 June 2020

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
<b>Income</b>					
Rates and charges	23,728	24,751	25,773	26,830	27,924
Statutory fees and fines	410	426	446	466	486
User fees	5,557	5,611	5,989	6,228	6,477
Grants - Operating	7,096	11,262	11,338	11,134	9,424
Grants - Capital	4,037	7,591	3,474	3,515	2,889
Contributions - monetary	1,633	407	500	425	270
Contributions - non-monetary	500	500	500	500	500
Net gain/(loss) on disposal of property, infrast, plant and equip	(357)	(504)	(440)	(440)	(440)
Fair value adjustments for investment property	100	20	50	50	50
Share of net profits/(losses) of associates and joint ventures	60	60	60	60	60
Other income	2,160	1,952	2,125	2,175	2,225
<b>Total income</b>	<b>44,924</b>	<b>52,076</b>	<b>49,815</b>	<b>50,943</b>	<b>49,865</b>
<b>Expenses</b>					
Employee costs	16,745	16,910	17,355	17,810	18,277
Materials and services	18,975	19,751	19,948	20,347	19,054
Bad and doubtful debts	63	65	68	72	76
Depreciation and amortisation	10,396	10,773	10,933	11,093	11,253
Borrowing costs	269	357	355	419	533
Other expenses	350	346	353	360	367
<b>Total expenses</b>	<b>46,798</b>	<b>48,202</b>	<b>49,012</b>	<b>50,101</b>	<b>49,560</b>
<b>Surplus/(deficit) for the year</b>	<b>(1,874)</b>	<b>3,874</b>	<b>803</b>	<b>842</b>	<b>305</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods:</b>					
Net asset revaluation increment /(decrement)	10,000	0	0	0	0
<b>Total comprehensive result</b>	<b>8,126</b>	<b>3,874</b>	<b>803</b>	<b>842</b>	<b>305</b>

## Balance Sheet

For the four years ending 30 June 2020

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2015/16	2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	12,759	<b>10,747</b>	12,574	13,460	13,775
Trade and other receivables	2,100	<b>2,058</b>	2,017	1,977	1,937
Other financial assets	5,450	<b>5450</b>	5450	5450	5450
Inventories	600	<b>612</b>	624	637	649
Non-current assets classified as held for sale	0	<b>350</b>	350	350	350
Other assets	900	<b>918</b>	936	955	974
<b>Total current assets</b>	<b>21,809</b>	<b>20,135</b>	<b>21,951</b>	<b>22,829</b>	<b>23,135</b>
<b>Non-current assets</b>					
Trade and other receivables	180	<b>158</b>	136	114	92
Investments in associates and joint ventures	2,400	<b>2420</b>	2470	2520	2570
Investments in regional organisations	1,221	<b>1281</b>	1341	1401	1461
Property, infrastructure, plant & equipment	459,328	<b>466,218</b>	466,390	469,537	472,303
Intangible assets	0	<b>0</b>	0	0	0
<b>Total non-current assets</b>	<b>463,129</b>	<b>470,077</b>	<b>470,337</b>	<b>473,572</b>	<b>476,426</b>
<b>Total assets</b>	<b>484,938</b>	<b>490,212</b>	<b>492,288</b>	<b>496,401</b>	<b>499,561</b>
<b>Liabilities</b>					
<b>Current liabilities</b>					
Trade and other payables	4,230	<b>4,318</b>	4,405	4,458	4,546
Trust funds and deposits	650	<b>680</b>	714	787	827
Provisions	4,985	<b>5,086</b>	5,657	5,737	5,647
Interest-bearing loans and borrowings	438	<b>451</b>	481	481	477
<b>Total current liabilities</b>	<b>10,303</b>	<b>10,535</b>	<b>11,257</b>	<b>11,463</b>	<b>11,497</b>
<b>Non-current liabilities</b>					
Provisions	1,386	<b>2,504</b>	1,711	2,033	2,655
Interest-bearing loans and borrowings	6,322	<b>6,372</b>	7,716	10,459	12,658
<b>Total non-current liabilities</b>	<b>7,708</b>	<b>8,876</b>	<b>9,427</b>	<b>12,492</b>	<b>15,313</b>
<b>Total liabilities</b>	<b>18,011</b>	<b>19,411</b>	<b>20,684</b>	<b>23,955</b>	<b>26,810</b>
<b>Net assets</b>	<b>466,927</b>	<b>470,801</b>	<b>471,604</b>	<b>472,446</b>	<b>472,751</b>
<b>Equity</b>					
Accumulated surplus	226,102	<b>231,909</b>	230,604	230,348	230,071
Reserves	240,825	<b>238,892</b>	241,000	242,098	242,680
<b>Total equity</b>	<b>466,927</b>	<b>470,801</b>	<b>471,604</b>	<b>472,446</b>	<b>472,751</b>

**Statement of Changes in Equity**  
For the four years ending 30 June 2020

	<b>Total</b>	<b>Accum.</b>	<b>Reval.</b>	<b>Other</b>
	<b>\$'000</b>	<b>Surplus</b>	<b>Reserve</b>	<b>Reserves</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>2017</b>				
Balance at beginning of the financial year	466,927	226,102	228,102	12,723
Surplus/(deficit) for the year	3,874	3,874	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(3,846)	0	3,846
Transfer from other reserves	0	5,779	0	(5,779)
<b>Balance at end of the financial year</b>	<b>470,801</b>	<b>231,909</b>	<b>228,102</b>	<b>10,790</b>
<b>2018</b>				
Balance at beginning of the financial year	470,802	231,909	228,102	10,790
Surplus/(deficit) for the year	802	802	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(4,056)	0	4,056
Transfer from other reserves	0	1,948	0	(1,948)
<b>Balance at end of the financial year</b>	<b>471,604</b>	<b>230,603</b>	<b>228,102</b>	<b>12,898</b>
<b>2019</b>				
Balance at beginning of the financial year	471,604	230,604	228,102	12,898
Surplus/(deficit) for the year	842	842	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(4,203)	0	4,203
Transfer from other reserves	0	3,105	0	(3,105)
<b>Balance at end of the financial year</b>	<b>472,446</b>	<b>230,346</b>	<b>228,102</b>	<b>13,996</b>
<b>2020</b>				
Balance at beginning of the financial year	472,446	230,348	228,102	13,996
Surplus/(deficit) for the year	305	305	0	0
Net asset revaluation increment/(decrement)	0	0	0	0
Transfer to other reserves	0	(4,517)	0	4,517
Transfer from other reserves	0	3,935	0	(3,935)
<b>Balance at end of the financial year</b>	<b>472,751</b>	<b>230,071</b>	<b>228,102</b>	<b>14,578</b>

## Statement of Cash Flows

For the four years ending 30 June 2020

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Strategic Resource Plan Projections		
			2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	23,653	24,676	25,698	26,755	27,849
Statutory fees and fines	390	406	426	446	466
User fees	5,457	5,511	5,889	6,128	6,377
Grants - operating	6,696	10,863	10,637	10,433	8,625
Grants - capital	4,537	7,762	3,274	3,316	2,689
Contributions - monetary	1,593	367	460	385	230
Interest received	445	595	615	645	685
Other receipts	4,152	3,915	4,032	4,074	4,107
Employee costs	(16,045)	(16,210)	(16,655)	(17,110)	(17,577)
Materials and services	(18,575)	(19,018)	(19,248)	(19,647)	(18,354)
Other payments	(2,050)	(2,046)	(2,053)	(2,060)	(2,067)
<b>Net cash provided by/(used in) operating activities</b>	10,253	16,821	13,075	13,365	13,030
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(17,264)	(18,897)	(12,668)	(15,203)	(14,777)
Proceeds from sale of property, infrastructure, plant and equipment	545	360	400	400	400
<b>Net cash provided by/ (used in) investing activities</b>	(16,719)	(18,537)	(12,268)	(14,803)	(14,377)
<b>Cash flows from financing activities</b>					
Finance costs	(269)	(357)	(355)	(419)	(533)
Proceeds from borrowings	3,475	500	1,825	3,225	2,676
Repayment of borrowings	(467)	(438)	(451)	(481)	(481)
<b>Net cash provided by/(used in) financing activities</b>	2,739	(295)	1,019	2,325	1,662
<b>Net increase/(decrease) in cash &amp; cash equivalents</b>	(3,727)	(2,011)	1,826	887	315
Cash and cash equivalents at the beginning of the financial year	16,486	12,759	10,748	12,574	13,461
<b>Cash and cash equivalents at the end of the financial year</b>	12,759	10,748	12,574	13,461	13,776



## Statement of Capital Works

For the four years ending 30 June 2020

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2015/16	2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>					
Land	1,050	102	0	0	0
Land improvements	0	0	0	0	0
Buildings	6,077	4,969	3,023	3,962	4,411
<b>Total property</b>	<b>7,127</b>	<b>5,071</b>	<b>3,023</b>	<b>3,962</b>	<b>4,411</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,686	2,062	1,190	1,190	1,190
Computers and telecommunications	203	290	100	100	100
<b>Total plant and equipment</b>	<b>1,889</b>	<b>2,352</b>	<b>1,290</b>	<b>1,290</b>	<b>1,290</b>
<b>Infrastructure</b>					
Roads	5,670	6,988	5,692	4,650	4,977
Bridges	390	1,184	210	210	220
Footpaths and cycleways	400	1,092	400	450	500
Drainage	100	153	100	100	100
Recreational, leisure and community facilities	176	344	200	343	1,720
Waste management	907	942	500	935	885
Parks, open space and streetscapes	80	182	160	2,120	260
Aerodromes	0	0	0	0	0
Off street car parks	17	0	15	15	15
Other infrastructure	1,296	589	1,078	1,128	400
<b>Total infrastructure</b>	<b>9,036</b>	<b>11,474</b>	<b>8,355</b>	<b>9,951</b>	<b>9,077</b>
<b>Total capital works expenditure</b>	<b>18,052</b>	<b>18,897</b>	<b>12,668</b>	<b>15,203</b>	<b>14,778</b>
<b>Represented by:</b>					
New asset expenditure	3,857	7,406	3,153	4,226	3,433
Asset renewal expenditure	10,445	9,887	8,506	8,031	9,510
Asset expansion expenditure	0	0	0	0	0
Asset upgrade expenditure	3,750	1,604	1,009	2,946	1,834
<b>Total capital works expenditure</b>	<b>18,052</b>	<b>18,897</b>	<b>12,668</b>	<b>15,203</b>	<b>14,777</b>

## Statement of Human Resources

For the four years ending 30 June 2020

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
<b>Staff expenditure</b>					
Employee costs - operating	16,745	<b>16,910</b>	17,355	17,810	18,277
Employee costs - capital	880	<b>1061</b>	975	886	793
<b>Total staff expenditure</b>	<b>17,625</b>	<b>17,971</b>	<b>18,330</b>	<b>18,696</b>	<b>19,070</b>
	EFT	<b>EFT</b>	EFT	EFT	EFT
<b>Staff numbers</b>					
Employees	190	<b>192</b>	192	192	192
<b>Total staff numbers</b>	<b>190</b>	<b>192</b>	<b>192</b>	<b>192</b>	<b>192</b>

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

Department	Budget 2016/17 \$'000	Comprises	
		Permanent	Permanent
		Full Time \$'000	Part Time \$'000
Community Services	<b>3,958</b>	1,737	2221
Corporate Services	<b>3,139</b>	2,718	421
Planning & Economic	<b>2,095</b>	1,879	216
Technical Services	<b>8,779</b>	8,637	142
<b>Total permanent staff expenditure</b>	<b>17,971</b>	<b>14,971</b>	<b>3,000</b>

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

Department	Budget FTE	Comprises	
		Permanent	Permanent
		Full Time	Part Time
Community Services	41	15	26
Corporate Services	30	26	4
Planning & Economic	22	18	4
Technical Services	99	97	2
<b>Total</b>	<b>192</b>	<b>156</b>	<b>36</b>

#### 4. Financial performance indicators <sup>6-7</sup>

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

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend +/-
			Actual 2015/16	2016/17	Projections			
					2017/18	2018/19	2019/20	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-12.3%	-5.0%	-3.5%	-5.4%	-4.9%	-
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	211.7%	191.1%	195.0%	199.2%	201.2%	+
Unrestricted cash	Unrestricted cash / current liabilities	3	165.5%	144.8%	183.5%	204.7%	224.3%	+
<b>Obligations</b>								
Interest Paid to Rates	Interest bearing loans and borrowings / rate revenue	4	30.4%	27.6%	31.8%	40.8%	47.0%	-
Debt Repayments to Rates	Interest and principal repayments / rate revenue	5	3.3%	3.2%	3.3%	3.5%	3.8%	-
Indebtedness (Longterm Obligations)	Non-current liabilities / own source revenue	4	24.2%	27.1%	27.5%	35.0%	41.3%	-
Asset renewal	Asset renewal expenditure / depreciation	6	100.5%	91.8%	77.8%	72.4%	84.5%	-
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	7	56.7%	53.4%	53.9%	55.9%	58.5%	-
Rates effort	Rate revenue / property values (CIV)		0.67%	0.62%	0.59%	0.62%	0.64%	-
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of assessments		\$3,909	\$4,012	\$4,038	\$4,086	\$4,003	+
Revenue level	Residential rate revenue / No. of residential assessments		\$1,328	\$1,361	\$1,387	\$1,414	\$1,441	o
Workforce turnover	No. of resignations & terminations / average no. of staff		10.1%	8.0%	8.0%	8.0%	8.0%	o

Key to Forecast Trend:

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

## Notes to indicators

**1 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. This indicator shows a negative trend over the 4 year SRP in part influenced by the introduction of rate capping and the restrictions this places on council to be able to raise revenue to meet both service delivery needs and asset renewal.

**2 Working Capital** – The proportion of current liabilities represented by current assets. An expected level is between 120% and 200%. Working capital is improving over the period of the SRP although this is in part due to operating a sinking fund for the interest only loans taken out in 2015/16.

**3 Unrestricted Cash** – Unrestricted cash ratio is increasing over the period of the SRP due to council maintaining a cash reserve as a sinking fund for the repayment of the principle for the Interest Only loans taken out during 2015/16 \$4.305 million, through the MAV funding vehicle.

**4 Debt compared to rates** – Following a sharp increase from 2014/15 the trend is that debt levels will continue to rise but at a much slower rate as a result of Councils reliance on debt to fund some of its new capital works program. This will increase our indebtedness ratio to 27.1% (16.9% in 14/15) which is still below the upper limit recommended by the Auditor General of 60%. This measure and the indebtedness ratio will be over-stated due to the new MAV Funding Vehicle arrangements that will see Councils borrowings being taken out on an interest only basis with principal repayments being provided for internally by way of a reserve account. This reserve account will not directly be offset against the loan liability.

**5 Debt Repayments to Rates** – Debt Servicing and redemption as a percentage of rates remains consistent around the 3.2% to 3.8% level however this measure is under stated from the impact of the new MAV Funding Vehicle where loans are interest only and Council is designating a specific reserve transfer to put aside funds for loan redemption at the end of the term of the loan. Councils maximum level for this indicator is 12%.

**6 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. The improvement in this indicator will be possible to achieve if Council can continue with at least an additional 1% infrastructure renewal rate rise over and above the expected Cap on Rates.

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

## 5. Other budget information (required by the Regulations)

### 5.1.1 Grants - operating (\$4.17 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers and contributions from other parties towards property development costs. Overall, the level of operating grants has increased by 58.7% or \$4.17 million compared to 2015/16.

Operating Grant Funding Type and Source	Forecast		
	Actual	Budget	Variance
	2015/16 \$'000	2016/17 \$'000	\$'000
<b>Recurrent - Commonwealth Government</b>			
Grants Commission - General alloc.	1,867	3,653	1,786
Grants Commission - Road Const. & Maint.	1,027	2,040	1,013
Early Years	30	30	0
<b>Recurrent - State Government</b>			
School Crossing Supervisors	24	24	0
Administration Services	0	45	45
Community Services	13	13	0
Early Years	308	336	28
Senior Citizen centres	15	15	0
Food services	54	50	(4)
Home Services	919	956	37
Disability Services	128	129	1
General Other Community Services	50	120	70
Performing Arts	80	90	10
Library	163	170	7
Visual Arts	116	145	29
<b>Total recurrent grants</b>	<b>4,794</b>	<b>7,817</b>	<b>3,023</b>
<b>Non-recurrent - Commonwealth Government</b>			
Grampians Peak Trail	715	2,215	1,500
<b>Non-recurrent - State Government</b>			
Environmental Health	5	5	0
Environmental Services	50	68	18
General Other Community Services	220	76	(144)
Recreation Services	1,025	0	(1,025)
Road Infrastructure	87	25	(62)
Street Beautification	200	1,056	856
<b>Total non-recurrent grants</b>	<b>2,302</b>	<b>3,445</b>	<b>1,143</b>
<b>Total grants operating</b>	<b>7,096</b>	<b>11,262</b>	<b>4,166</b>

The \$4.17 million variance is largely influenced by Grants Commission payments that were brought forward early by the Federal Government and paid in 2014-15. The actual dollar amount of the Grants Commission funding is expected to stay fixed at the 2015-16 levels due to the Federal Governments freeze on idexation of these grants.

The balance then relates to movements in a few large non-recurrent grants. The first of these is \$2.21 million for the Grampians Peak Trail which is a project that is being auspiced by Council but is not a Council asset and all works are being carried out through Parks Victoria, hence the revenue is not a capital receipt. The second is \$1.025 million received in 2015-16 for the redevelopment of Coughlin Park which is a project that is auspiced by council but is not a council asset so again the revenue is not a capital receipt. The third item is a grant for \$1.056 million for CBD Revitalisation works. These works may involve some degree of capital expenditure but the exact works are not yet known and most will relate to the under-grounding of electricity supply for which Council does not own the assets.

### 5.1.2 Grants - capital (\$3.55 million increase)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has increased by 88.0% or \$3.55 million compared to 2015/16 due mainly to funding for the construction of the Horsham North Children's Hub.

Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2016/17 year.

Capital grants by type and source, classified into recurrent (received each year) and non-recurrent (received as a once-off or short-term basis) is shown in the following table:

Capital Grant Funding Type and Source	Forecast		
	Actual	Budget	Variance
	2015/16 \$'000	2016/17 \$'000	\$'000
<b>Recurrent - Commonwealth Government</b>			
Roads to Recovery	2,826	2,298	(528)
<b>Total recurrent grants</b>	<b>2,826</b>	<b>2,298</b>	<b>(528)</b>
<b>Non-recurrent - Commonwealth Government</b>			
Buildings	0	600	600
<b>Non-recurrent - State Government</b>			
Buildings	480	2,489	2,009
Other structures	731	103	(628)
Plant & Equipment	0	32	32
Roadworks	0	2,069	2,069
<b>Total non-recurrent grants</b>	<b>1,211</b>	<b>5,293</b>	<b>4,082</b>
<b>Total Grants</b>	<b>4,037</b>	<b>7,591</b>	<b>3,554</b>

### 5.1.3 Statement of Borrowings

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

	2015/16 \$	2016/17 \$
Total amount borrowed as at 30 June of the prior year	3,760,000	6,760,421
Total amount to be borrowed	3,475,000	500,000
Total amount projected to be redeemed	(474,579)	(438,000)
Total amount proposed to be borrowed as at 30 June	6,760,421	6,822,421

## 6. Detailed list of Capital Works

### Capital works program For the year ending 30 June 2017

#### 6.1 New works

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY				
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.
	\$	\$	\$	\$	\$				\$	\$	\$	\$	\$	\$	\$	\$
<b>PROPERTY</b>																
<b>Land</b>																
AERODROME LAND PURCHASE, LEGAL FEES, COSTS	102,000			102,000							102,000					
<b>Sub-Total - Land</b>	<b>102,000</b>	<b>0</b>	<b>0</b>	<b>102,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>102,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Buildings</b>																
COUNCIL CHAMBERS REFIT ADDITIONAL FUNDING	31,000		31,000								31,000					
HSM NORTH CHILDRENS HUB DESIGN, PLANS ETC	2,480,000			2,480,000	1,980,000			500,000								
POUND SECURITY UPGRADES	6,000			6,000							6,000					
DISABILITY ACCESS PROVISION	20,000		20,000								20,000					
LAHARUM HALL RENOVATIONS	180,000		126,000	54,000	90,000		40,000				50,000					
NATIMUK SOLDIERS MEMORIAL HALL REFURBISHMENT	14,000	14,000									14,000			14,000		
AQUATIC CENTRE MISC PROVISION	10,000			10,000							10,000					
AQUATIC CENTRE SOLAR PANELS	155,000			155,000	154,614						386					
AQUATIC CENTRE GROUP FITNESS FLOOR RENEW	21,000	21,000									21,000			21,000		
AQUATIC INDOOR WATER FOUNTAIN PIPEWORK REPAIR	25,000	25,000									25,000			25,000		
CORNELL PARK BUILDING DRAINAGE	75,000	37,500	37,500								75,000					37,500
CORNELL PARK PUBLIC TOILETS	130,000	130,000									130,000			130,000		
HSM COLLEGE OVAL - ROSEBROOK REFURBISHMENT	277,000			277,000	100,000						177,000					
QUANTONG FOOTBALL SHED OLD CLUBROOMS RENOVATION	75,000	75,000									75,000			75,000		
BASKETBALL STADIUM NEW STOREROOM ADDITION	33,500		33,500								25,500					
SOUND SHELL RENDERING, PAINTING, ELECTRICAL	15,000		15,000				8,000				15,000					
NATIMUK COURT HOUSE RESTORATION	5,000	5,000									5,000					5,000
THEATRE GENERAL ALLOCATION	5,000	5,000									5,000					5,000
WIMMERA BUSINESS CENTRE DOOR HARDWARE	9,000	9,000									9,000			9,000		
GENERAL PROPERTIES MINOR MTCE	18,000	18,000									18,000					18,000
HORSHAM LAPIDARY CLUB ROOF & FLOOR	85,000	85,000									85,000			85,000		
PUBLIC CONVENIENCES HAMILTON ST	135,000			135,000							135,000					
PUB CONVEN DISABILITY AUDIT ACTIONS PROGRAM	20,000	20,000									20,000					20,000
DEPOT LUNCHROOM AIR CONDITIONER REPLACEMENT	12,000	12,000									12,000			12,000		
DEPOT RELOCATION STAGE 1 DESIGN & DETAILED BIDDING	100,000		50,000	50,000							100,000					
<b>Sub-Total - Buildings</b>	<b>3,936,500</b>	<b>456,500</b>	<b>313,000</b>	<b>3,167,000</b>	<b>2,324,614</b>	<b>0</b>	<b>48,000</b>	<b>500,000</b>	<b>0</b>	<b>135,000</b>	<b>928,886</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>371,000</b>	<b>85,500</b>
<b>TOTAL PROPERTY</b>	<b>4,038,500</b>	<b>456,500</b>	<b>313,000</b>	<b>3,269,000</b>	<b>2,324,614</b>	<b>0</b>	<b>48,000</b>	<b>500,000</b>	<b>0</b>	<b>135,000</b>	<b>1,030,886</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>371,000</b>	<b>85,500</b>

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY				
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>PLANT AND EQUIPMENT</b>																
<b>Plant and Machinery</b>																
LANDFILL GPS EQUIPMENT (waste reserve)	136,000			136,000						136,000						
MOBILE STAFF FACILITIES X1 (plant reserve)	25,000			25,000						25,000						
MOBILE STAFF FACILITIES X1 (plant reserve)	20,000			20,000						20,000						
PLANT	1,556,000	1,241,000		315,000					360,000	1,196,000			360,000	881,000		
HRLE PTO COMPOST TURNER	45,000			45,000	22,500					22,500						
PUBLIC ART PROJECTS	25,000			25,000							25,000					
ART GALLERY ART COLLECTIONS	20,000			20,000			20,000									
<b>Sub-Total - Plant &amp; Machinery</b>	<b>1,827,000</b>	<b>1,241,000</b>	<b>0</b>	<b>586,000</b>	<b>22,500</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>360,000</b>	<b>1,399,500</b>	<b>25,000</b>	<b>0</b>	<b>0</b>	<b>360,000</b>	<b>881,000</b>	<b>0</b>
<b>Furniture, Computers and Telecommunications</b>																
LASER PRINTER REPLACEMENT	4,000	4,000								4,000						
REPLACEMENT PC SYSTEMS	110,000	110,000								110,000					110,000	
TABLETS FOR NEW COUNCILLORS	15,000	15,000								15,000					15,000	
DEPOT UPS	10,000			10,000						10,000						
SERVER REPLACEMENT	47,000	47,000								47,000					47,000	
COUNCIL WIDE AREA NETWORK REDEVELOPMENT	35,000	17,500		17,500						35,000					17,500	
IT HARDWARE UPGRADES	7,800			7,800							7,800					
IT SOFTWARE UPGRADES	21,000			21,000							21,000					
ELECTRONIC PARKING ENFORCEMENT EQUIPMENT	10,000			10,000						10,000						
BOTANIC GARDEN ETCHING LABELLING MACHINE	10,000			10,000							10,000					
AERODROME WEATHER SERVICE - VHF RADIO SERV	20,000	20,000			10,000						10,000	10,000				10,000
<b>Sub-Total - Furn &amp; Equip</b>	<b>289,800</b>	<b>213,500</b>	<b>46,300</b>	<b>30,000</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>231,000</b>	<b>48,800</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>193,500</b>	<b>0</b>
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>2,116,800</b>	<b>1,454,500</b>	<b>46,300</b>	<b>616,000</b>	<b>32,500</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>360,000</b>	<b>1,630,500</b>	<b>73,800</b>	<b>10,000</b>	<b>0</b>	<b>360,000</b>	<b>1,074,500</b>	<b>0</b>
<b>INFRASTRUCTURE</b>		0	0	0												
<b>Roads</b>																
<b>URBAN ROAD CONSTRUCTION 2016/17 ROAD COMPONENT</b>																
MINOR SEAL EXTENSIONS	10,000			10,000							10,000					
CONSULTANCY/DESIGN	20,000			20,000							20,000					
MATHOURA (PART) KOOYONG TO BANOOL	70,000	70,000									70,000					70,000
JACKSON ST LANDY TO LAUREL	170,000	170,000									170,000					170,000
JENKINSON ST STAGE 3	147,000	147,000									147,000					147,000
LEWIS ST TUCKER TO CARROLL ST	157,000	157,000									157,000					157,000
MATHOURA (PART) KOOYONG TO BANOOL	38,000	38,000									38,000					38,000
MCLACHLAN/URQUHART ST ROUNDABOUT	155,000	155,000									155,000					155,000
HENNESSY ST ALBERT TO BEND	181,000	181,000									181,000					181,000
HENNESSY ST	222,000	222,000									222,000					210,000
URBAN LOCAL RDS FINAL SEALS	159,320	72,192		87,128			87,128				72,192					72,192
INTERSECTION TREATMENTS URBAN	20,000		20,000								20,000					
KERB & CHANNEL		0									0					0
JENKINSON ST SEAL CHANGE TO COLIN ST	28,000			28,000			14,000				14,000					0
LEWIS ST TUCKER TO CARROLL ST	30,000	30,000									30,000					30,000
MATHOURA ST KOOYONG TO BANOOL	41,000	41,000									41,000					41,000
JACKSON ST LANDY TO LAUREL ST	32,000	32,000									32,000					32,000
VALENTINE ST SEAL TO FECHLER	24,000	24,000									24,000					24,000



ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY					
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Roads</b>																	
OTHER																	
WIFT PRECINCT ESTABLISHMENT RDWRKS/DRAINS	1,189,170			1,189,170	1,189,170												
RV PARKING IN PARK DRIVE (ROADWORKS)	50,940			50,940						50,940							
<b>RURAL CONSTRUCTION 2016/17</b>																	
INTERSECTION/TRAFFIC IMPROVEMENT	10,000		10,000								10,000					0	
LOWER NORTON NURRABIEL RD	95,000		95,000								95,000						
CONSULTANTS	5,000			5,000							5,000						
MINOR SEAL EXTENSIONS	10,000			10,000							10,000						
CLEAR LAKE SHEARWOOD DAM TO GEBERTS RD	45,000	45,000									45,000					45,000	
PEELS RD RIVERSIDE RD TO RIVERSIDE EAST	81,500	81,500									81,500					81,500	
RURAL LOCAL RDS FINAL SEALS	290,000	290,000									290,000					290,000	
RURAL GRAVEL EXTENSIONS	16,000		16,000								16,000						
RETAINING WALL PARKING LANE GREEN LAKE - MAJOR MITCHELL CAIRN	22,000	22,000									22,000					22,000	
<b>ROADS TO RECOVERY</b>																	
R2R RURAL ROADS RESHEETING	300,000	300,000					300,000						300,000				
R2R RURAL ROADWORKS -	0	0					0						0			0	
WONWON DADS BRIDGE TO FLAT ROCK RD STH	208,000	124,800	83,200				208,000						124,800				
LOWER NORTON NURRABIEL 0 TO 1.77KM	279,000	167,400	111,600				279,000						167,400				
TELANGTUK EAST ROCKLAND STH OF WILSONS RD	143,000	85,800	57,200				143,000						85,800				
HARROW CLEAR LAKE TO PEPPERTREE LANE	161,000	161,000					161,000						161,000				
NRTH EAST WONWONDAH RD .72 - 1.95KM	185,000	185,000					185,000						185,000				
WONWONDAH TOOLONDO RD 13.73 KM TO 13.90KM	68,641	68,641					68,641						68,641				
CLEARLAKE SHEARWOODS DAM TO GEBERTS RD	157,000	157,000					157,000						157,000				
DIM MINYIP RD	100,000		100,000				100,000						0				
PEELS RD RIVERSIDE RD TO RIVERSIDE EAST RD	78,500	78,500					78,500						78,500				
GRAHAMS BRIDGE RD STH OF HOLES RD	76,000	76,000					76,000						76,000				
SHOULDER RESHEETS	120,000	120,000					120,000						120,000				
													0				
R2R URBAN ROADWORKS -		0					0						0			0	
MATHOURA KOOYONG TO BANCOL	72,000	72,000					72,000						72,000				
HENNESSY ST ALBERT TO BEND	15,000	15,000					15,000						15,000				
VALENTINE ST SEAL CHANGE TO FECHLER	128,000	128,000					128,000						128,000				
<b>REHABILITATION WORKS</b>																	
URBAN RESEALS	90,000	90,000									90,000					90,000	
RURAL RESEALS	400,000	400,000									400,000					400,000	
RURAL RD SHOULDER RESHEETING/RECONSTRUC	105,000	105,000									105,000					105,000	
RURAL RESHEETING	300,000	300,000									300,000					300,000	
		0															
RURAL RDS SHOULDER RESHEETING INFRA GAP	313,000	313,000									313,000				313,000		
<b>Sub-Total - Roads</b>	<b>6,618,071</b>	<b>4,724,833</b>	<b>493,000</b>	<b>1,400,238</b>	<b>1,189,170</b>	<b>2,091,141</b>	<b>101,128</b>	<b>0</b>	<b>0</b>	<b>50,940</b>	<b>3,185,692</b>	<b>0</b>	<b>1,739,141</b>	<b>0</b>	<b>0</b>	<b>1,201,000</b>	<b>1,772,692</b>

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY						
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE	
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Bridges</b>																		
THREE BRIDGES RD - MCKENZIE CREEK	977,000	977,000			538,500							438,500	538,500				360,000	78,500
<b>ROADS TO RECOVERY</b>																		
<b>BRIDGES</b>					0							0						
WAIL POLKEMMET 11.1 REPLACE BOX CULVERT	52,076	52,076					52,076							52,076				
HSM WAL WAL 12.83 APPROACH RAILS	30,000	30,000					30,000							30,000				
HSM WAL WAL 10.53 APPROACH RAILS & BRIDGE RA	50,000	50,000					50,000							50,000				
HSM WAL WAL 10.53 DECK JOINTS	10,000	10,000					10,000							10,000				
DRUNG JUNG RD. 9 DECK JOINTS	25,000	25,000					25,000							25,000				
DRUNG JUNG RD. 9 STEEL BEARINGS	9,000	9,000					9,000							9,000				
LAKE AVE STEEL BEARINGS	5,000	5,000					5,000							5,000				
RIVERSIDE RD STEEL BEARINGS	13,000	13,000					13,000							13,000				
POLKEMMET RD 16.39 STEEL BEARINGS	13,000	13,000					13,000							13,000				
<b>Sub-Total - Bridges</b>	<b>1,184,076</b>	<b>1,184,076</b>	<b>0</b>	<b>0</b>	<b>538,500</b>	<b>207,076</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>438,500</b>	<b>538,500</b>	<b>207,076</b>	<b>0</b>	<b>0</b>	<b>360,000</b>	<b>78,500</b>
<b>Footpaths and Cycleways</b>																		
BIKEPATHS FINAL SEALS	50,000		50,000									50,000						
FOOTPATH HUTCHESSON ALBERT TO WINIFRED	25,000	25,000					12,500					12,500						25,000
FOOTPATH WAVELL ST FREDERICK TO STEWART	13,000			13,000			6,500					6,500						
FOOTPATH WILLIAMS RD SANDERSON ST TO BARTO	32,000			32,000			16,000					16,000						
WIM RIVER WALKING PATH STH SIDE BENNETT RD T	57,000			57,000								57,000						
FOOTPATH MINOR REPAIRS & TRIP REMOVALS	320,000	320,000										320,000						320,000
FOOTPATH REHABIL - DISABILITY STRATEGY UPGRAD	45,000		45,000									45,000						
PYNSENT/ROBERTS AVE/WILSON STAGE 2 PAVING, T	500,000	500,000			330,000						170,000	330,000				170,000		
WIM RIVER PEDESTRIAN BRIDGE EXTENSION OF HA	50,000			50,000								50,000						
<b>Sub-Total - Footpaths and Cycleways</b>	<b>1,092,000</b>	<b>845,000</b>	<b>95,000</b>	<b>152,000</b>	<b>330,000</b>	<b>0</b>	<b>35,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>170,000</b>	<b>557,000</b>	<b>330,000</b>	<b>0</b>	<b>0</b>	<b>170,000</b>	<b>0</b>	<b>345,000</b>
<b>Drainage</b>																		
STAWELL RD OSBORNE RD PIPELINE	90,000			90,000							90,000							
KENNY RD (EAST) TABLE DRAIN	27,000			27,000							27,000							
PLUMPTON KENNY RD BASIN DRAINAGE TRANSFER	36,000			36,000							36,000							
<b>Sub-Total - Drainage</b>	<b>153,000</b>	<b>0</b>	<b>0</b>	<b>153,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>153,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recreational, leisure and community facilities</b>																		
RAIL CORRIDOR REDEVELOPMENT	20,000			20,000							20,000							
HORSHAM NORTH RAIL CORRIDOR OUTDOOR COMMUNITY MULTI-SPORTS COURT	149,000			149,000	70,000						79,000							
CITY OVAL RESEAL VIEWING RAMP FROM CLUBROOMS TO GRANDSTAND	30,000	30,000									30,000							30,000
<b>Sub-Total - Recreational, leisure and community facilities</b>	<b>199,000</b>	<b>30,000</b>	<b>0</b>	<b>169,000</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>129,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>30,000</b>

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY					
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	
<b>Parks, open space and streetscapes</b>																	
BOTANIC GARDEN GENERAL ALLOCATION IN ACCOR	5,000			5,000							5,000						
SPRINKLER RENEWAL	20,000	20,000									20,000				20,000		
FENCING, GATE ENTRANCE & PATHWAY	21,000	10,500	10,500														
TABLES & CHAIRS X3	6,000			6,000							6,000						
PLAYGROUND EQUIPMENT REPLACEMENT HSM & N	30,000	30,000									30,000					30,000	
JARDWA PARK REDEVELOPMENT	15,000	9,000	6,000								15,000					9,000	
LANGLANDS PARK REDEVELOPMENT	15,000	9,000	6,000								15,000					9,000	
OFF LEASH DOG EXERCISE AREAS X2 FULLY FENCE	20,000			20,000							20,000						
TREE SURROUNDS REHAB URQUHART (O'CALLAGH	50,000	50,000			33,000						17,000	33,000				17,000	
<b>Sub-Total - Parks, open space and streetscapes</b>	<b>182,000</b>	<b>128,500</b>	<b>22,500</b>	<b>31,000</b>	<b>33,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,000</b>	<b>111,000</b>	<b>33,000</b>	<b>0</b>	<b>0</b>	<b>27,500</b>	<b>20,000</b>	<b>48,000</b>
<b>Waste Management</b>																	
WATER BORE MONITORING	80,000			80,000							80,000						
DOOEN LANDFILL LITTER FENCING	10,000		10,000								10,000						
TRANSFER STATION SKIP BIN	20,000			20,000							20,000						
<b>Sub-Total - Waste Management</b>	<b>110,000</b>	<b>0</b>	<b>10,000</b>	<b>100,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>110,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other Infrastructure</b>																	
WIFT HANDSTAND SLAB REPAIRS	8,000	8,000									8,000				8,000		
DEPOT CHEMICAL/FUEL WASTE RETENTION & TREA	50,000	50,000									50,000				50,000		
<b>Sub-Total - Other Infrastructure</b>	<b>58,000</b>	<b>58,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>58,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>58,000</b>	<b>0</b>	<b>0</b>
				0													
<b>TOTAL INFRASTRUCTURE</b>	<b>9,596,147</b>	<b>6,970,409</b>	<b>620,500</b>	<b>2,005,238</b>	<b>2,160,670</b>	<b>2,298,217</b>	<b>136,128</b>	<b>0</b>	<b>0</b>	<b>579,940</b>	<b>4,421,192</b>	<b>901,500</b>	<b>1,946,217</b>	<b>0</b>	<b>255,500</b>	<b>1,581,000</b>	<b>2,274,192</b>
<b>TOTAL NEW CAPITAL WORKS 2016/17</b>	<b>15,751,447</b>	<b>8,881,409</b>	<b>979,800</b>	<b>5,890,238</b>	<b>4,517,784</b>	<b>2,298,217</b>	<b>204,128</b>	<b>500,000</b>	<b>360,000</b>	<b>2,345,440</b>	<b>5,525,878</b>	<b>911,500</b>	<b>1,946,217</b>	<b>360,000</b>	<b>1,330,000</b>	<b>1,952,000</b>	<b>2,369,692</b>

## 6.2 Works carried forward from 2015/16 year

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY					
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE
	\$	\$	\$	\$	\$				\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>PROPERTY</b>																	
<b>Buildings</b>																	
HSM NORTH CHILDRENS HUB DESIGN, PLANS ETC	640,000		624,000	16,000	640,000												
LAC RENEWABLE ENERGY PROJECT BOILER SYSTEM	250,000			250,000	125,000					125,000							
MAY PARK ENHANCEMENT	75,000			75,000							75,000						
CITY OVAL SCORE BOARD FLOOR REPLACEMENT	5,000	5,000								5,000							5,000
CITY OVAL CANTEEN MAJOR REFURB	20,000	20,000								20,000							20,000
CITY OVAL TICKET BOX EAST MINOR REFURB	5,000	5,000								5,000							5,000
CITY OVAL TICKET BOX WEST MINOR REFURB	2,000	2,000								2,000							2,000
BASKETBALL STADIUM STOREROOM	36,000	36,000								0							0
										36,000							36,000
<b>Sub-Total - Land &amp; Buildings</b>	<b>1,033,000</b>	<b>68,000</b>	<b>624,000</b>	<b>341,000</b>	<b>765,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>193,000</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,000</b>
<b>TOTAL PROPERTY</b>	<b>1,033,000</b>	<b>68,000</b>	<b>624,000</b>	<b>341,000</b>	<b>765,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>193,000</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>68,000</b>
<b>PLANT AND EQUIPMENT</b>																	
<b>Plant and Machinery</b>																	
RUBBER KETTLE SEALING UNIT	60,000			60,000						60,000							
SKIDSTEER, PROFILER AND FLOAT TRAILER	175,000			175,000						175,000							
<b>Sub-Total - Plant &amp; Machinery</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>235,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>INFRASTRUCTURE</b>																	
<b>Roads</b>																	
WIFT PRECINCT ESTABLISHMENT RDWRKS	369,480			369,480	10,830					358,650							
<b>Sub-Total - Roads</b>	<b>369,480</b>	<b>0</b>	<b>0</b>	<b>369,480</b>	<b>10,830</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>358,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Recreational, leisure and community facilities</b>																	
APEX ISLAND UPGRADE -											0						0
PATHWAYS, PLAYGROUND, SHADE SAIL, FENCING	145,000	145,000									70,000						
TOILET BLOCK, SHELTERS SHOWN IN BUILDING SECTION																	
<b>-Total - Recreational, leisure and community facilities</b>	<b>145,000</b>	<b>145,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY						
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE	
	\$	\$	\$	\$	\$								\$	\$	\$	\$	\$	
<b>Waste Management</b>																		
TRANSFER STATION IMPROVEMENTS DESIGN PLANT	40,000			40,000							40,000							
CELL 2 PUTRESCIBLE CONSTRUCTION JOHNS	792,500	792,500									792,500				792,500			
<b>Sub-Total - Waste Management</b>	<b>832,500</b>	<b>792,500</b>	<b>0</b>	<b>40,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>832,500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>792,500</b>	<b>0</b>	<b>0</b>	
<b>Other Infrastructure</b>																		
WIFT PRECINCT ESTABLISHMENT RETARD BASIN	230,520			230,520							230,520							
WIFT PRECINCT ESTABLISHMENT POWER/WATER SU	300,000			300,000							300,000							
<b>Sub-Total - Other Infrastructure</b>	<b>530,520</b>	<b>0</b>	<b>0</b>	<b>530,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>530,520</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
				0														
<b>TOTAL INFRASTRUCTURE</b>	<b>1,877,500</b>	<b>937,500</b>	<b>0</b>	<b>940,000</b>	<b>10,830</b>	<b>0</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,721,670</b>	<b>70,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>792,500</b>	<b>0</b>	<b>0</b>
<b>TOTAL CARRIED FORWARD CAPITAL WORKS 2016/17</b>	<b>3,145,500</b>	<b>1,005,500</b>	<b>624,000</b>	<b>1,516,000</b>	<b>775,830</b>	<b>0</b>	<b>75,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,149,670</b>	<b>145,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>792,500</b>	<b>68,000</b>	<b>0</b>

### 6.3 Summary

ASSET DESCRIPTION	TOTAL COST	RENEWAL	UPGRADE	NEW	FUNDING SOURCE FOR ALL CAPITAL PROJECTS							FUNDING SOURCE FOR RENEWAL ASSETS ONLY					
					TIED GRANTS	R2R + R2R Special	SPECIAL RATE/ CHRG/ CONTRIB	LOANS	ASSET SALES	CASH RES.	GENERAL REVENUE	TIED GRANTS	R2R + R2R Special	ASSET SALES	CASH RES.	INFRA-STRUCT. RENEWAL RES.	GENERAL REVENUE
	\$	\$	\$	\$	\$								\$	\$	\$	\$	\$
<b>PROPERTY</b>	<b>5,148,500</b>	<b>524,500</b>	<b>937,000</b>	<b>3,687,000</b>	<b>3,166,614</b>	<b>0</b>	<b>48,000</b>	<b>500,000</b>	<b>0</b>	<b>328,000</b>	<b>1,105,886</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>439,000</b>	<b>85,500</b>
<b>PLANT AND EQUIPMENT</b>	<b>2,351,800</b>	<b>1,454,500</b>	<b>46,300</b>	<b>851,000</b>	<b>32,500</b>	<b>0</b>	<b>20,000</b>	<b>0</b>	<b>360,000</b>	<b>1,865,500</b>	<b>73,800</b>	<b>10,000</b>	<b>0</b>	<b>360,000</b>	<b>1,074,500</b>	<b>0</b>	<b>10,000</b>
<b>INFRASTRUCTURE</b>	<b>12,701,006</b>	<b>8,265,268</b>	<b>1,450,000</b>	<b>2,985,738</b>	<b>2,424,500</b>	<b>3,284,576</b>	<b>211,128</b>	<b>0</b>	<b>0</b>	<b>2,301,610</b>	<b>4,479,192</b>	<b>1,116,500</b>	<b>2,245,576</b>	<b>0</b>	<b>1,048,000</b>	<b>1,581,000</b>	<b>2,274,192</b>
<b>TOTAL CAPITAL WORKS</b>	<b>20,201,306</b>	<b>10,244,268</b>	<b>2,433,300</b>	<b>7,523,738</b>	<b>5,623,614</b>	<b>3,284,576</b>	<b>279,128</b>	<b>500,000</b>	<b>360,000</b>	<b>4,495,110</b>	<b>5,658,878</b>	<b>1,126,500</b>	<b>2,245,576</b>	<b>360,000</b>	<b>2,122,500</b>	<b>2,020,000</b>	<b>2,369,692</b>

## 7. Rates and charges<sup>1-7</sup>

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 46.2% of the total revenue received by Council (Budget 2016/17). Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2016/17 the FGRS cap has been set at 2.5%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

Council has applied for a 1% variation to the rate cap to fund asset renewal works and this has been factored in to the Strategic Resource Plan for 16/17 and future years even though at this stage it is unknown whether this application will be successful.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 3.5% in line with the rate cap plus variation, the kerbside collection charge by 2.0% to 2.3%. This will raise total rates and charges for 2016/17 of \$24.75 million, including \$0.15 million generated from supplementary rates.

### 7.1 Rate in the dollar

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

Type or class of land	2015/16 cents/\$CIV	2016/17 cents/\$CIV	Change
Base Rate (GEN1)	0.5382	0.5044	-6.4%
Culture & Rec. Land (GEN2)	0.0000	0.0000	n/a
Culture & Rec. Land (GEN6)	0.2691	0.2522	-6.3%
Farm Rate (GFM5)	0.4306	0.4035	-6.4%

### 7.2 Total revenue from general rates

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

Type or class of land	2015/16 \$	2016/17 \$	Change
Base Rate (GEN1)	12,936,477	13,473,448	4.2%
Culture & Rec. Land (GEN2)	0	0	n/a
Culture & Rec. Land (GEN6)	27,443	16,037	-41.6%
Farm Rate (GFM5)	5,005,527	5,324,574	6.4%
<b>Total amount to be raised by general rates</b>	<b>17,969,447</b>	<b>18,814,060</b>	<b>4.7%</b>

### 7.3 Assessment Numbers

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

Type or class of land	2015/16 No.	2016/17 No.	Change
Base Rate (GEN1)	9,739	9,903	1.7%
Culture & Rec. Land (GEN2)	77	77	0.0%
Culture & Rec. Land (GEN6)	3	3	0.0%
Farm Rate (GFM5)	2,231	2,156	-3.4%
<b>Total number of assessments</b>	<b>12,050</b>	<b>12,139</b>	<b>0.7%</b>

## 7.4 Basis of valuation

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

## 7.5 Valuation by type

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

Type or class of land	2015/16 \$	2016/17 \$	Change
Base Rate (GEN1)	2,377,725,000	2,668,191,000	12.2%
Culture & Rec. Land (GEN2)	13,667,000	20,352,000	48.9%
Culture & Rec. Land (GEN6)	10,198,000	6,359,000	-37.6%
Farm Rate (GFM5)	1,162,454,000	1,319,597,000	13.5%
<b>Total value of land</b>	<b>3,564,044,000</b>	<b>4,014,499,000</b>	<b>12.6%</b>

## 7.6 Municipal charge per assessment

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

Type of Charge	Per Rateable Property 2015/16 \$	Per Rateable Property 2016/17 \$	Change
Municipal	268	276	3.0%

## 7.7 Total revenue from municipal charge

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

Type of Charge	2014/15 \$	2015/16 \$	Change
Municipal	2,916,368	3,012,540	3.3%

## 7.8 Garbage charges

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

Type of Charge	Per Rateable Property 2015/16 \$	Per Rateable Property 2016/17 \$	Change
GAR1 240L	348.00	355.00	2.0%
GAR2 240L	348.00	355.00	2.0%
GAR5 240L	363.64	372.00	2.3%
GAR6 120L	213.00	218.00	2.3%
GAR7 120L	348.18	355.00	2.0%
GAR8 120L	213.00	218.00	2.3%
COMM RECYC	102.73	105.00	2.2%

## 7.9 Total Revenue from Garbage Charges

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

Type of Charge	No. of Services		2015/16	2016/17	Change
	2015/16	2016/17	\$	\$	
GAR1 240L	4,536	4,543	1,586,835	1,610,420	1.5%
GAR2 240L	1,096	1,124	381,408	399,020	4.6%
GAR5 240L	344	305	125,092	113,460	-9.3%
GAR6 120L	2,573	2,625	548,049	572,250	4.4%
GAR7 120L	73	79	25,417	28,045	10.3%
GAR8 120L	338	346	71,994	75,428	4.8%
COMM RECYC	33	55	3,390	5,775	70.3%
<b>Total</b>	<b>8,993</b>	<b>9,077</b>	<b>2,742,185</b>	<b>2,804,398</b>	<b>2.3%</b>

## 7.10 Rates & Charges - Summary

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

Type of Charge	2015/16	2016/17
	\$	\$
Rates and charges	23,628,000	24,630,998
Plus Rates from Supplementary Valuations	100,000	120,000

Type of Charge	2015/16	2016/17	Change
	\$	\$	
Rates and charges	23,628,000	24,630,998	4.2%
Plus Rates from Supplementary Valuations	100,000	120,000	20.0%

The percentage change of 4.2% is more than the 3.5% rate rise due to the 2015/16 figure not including the full year impact of new supplementary valuations. The rate rise is calculated from a base which includes the annualised value of supplementary rate calculations for 2015/16. When factored in, the base value of rates and charges is increased by a further \$103,963 to \$23,731,963 or a 3.6% increase. (See Section 7.12 re the calculation of the Rate Cap as per the Essential Services Commission's Baseline data)

The supplementary figure here is made up of \$150,000 for supplementary rates during the year less \$30,000 for possible objections that may be given.

## 7.11 Significant changes

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

- The making of supplementary valuations (2016/17 est. \$150,000 2015/16 forecast/actual \$243,951, Full year equivalent for 2015/16 would be \$347,914)
- The variation of returned levels of value (e.g. valuation appeals)
- Changes in use of land such that rateable land becomes non-rateable land and vice versa
- Changes in use of land such that residential land becomes business land and vice versa.



## 7.12 Rate Reconciliation

The following table shows the calculation of the rate cap values as per the Essential Services Commission Budget Baseline data requirements:

### Calculating the Higher Cap

	2015-16	2016-17
<b>Base 2015-16 Adopted Budget</b>		
<b>Rates and charges</b>		
General rates	17,800,934	
Municipal charges	2,901,368	
Waste management charges	2,734,185	
Supplementary rates and rate adjustments	100,000	
Cultural and recreational	27,443	
<b>Total rates and charges</b>	<b>23,563,930</b>	
<b>Rate Cap</b>		2.50% (%)
<b>Base year</b>		
Total value of classes of land as at 1 July 2015		
Base Rate (GEN1)	\$ 2,377,725,000	
Farm Rate (GFMS)	\$ 1,162,454,000	
Cult Rec Land (Gen 2)		
Cult Rec Land (Gen 6)		
Total value of classes of land as at 30 June 2016		
Base Rate (GEN1)	\$ 2,449,261,000	
Farm Rate (GFMS)	\$ 1,148,639,000	
Cult Rec Land (Gen 2)		
Cult Rec Land (Gen 6)		
Rates in the dollar Per \$CIV		
Base Rate (GEN1)	0.0053820	
Farm Rate (GFMS)	0.0043060	
Cult Rec Land (Gen 2)	-	
Cult Rec Land (Gen 6)		
Municipal charge	\$ 268	
Number of assessments as at 1 July 2015	12,001	
Number of assessments as at 30 June 2016	12,139	
Annualised general rates revenue \$		
Base Rate (GEN1)	\$ 385,007	
Farm Rate (GFMS)	-\$ 59,487	
Cult Rec Land (Gen 2)	\$ -	
Cult Rec Land (Gen 6)	\$ -	
Total Annualised General Rates	\$ 325,519	
Annualised Municipal Charges	\$ 36,984	
Base average rates 2015-16	1735.29989	
<b>No higher cap scenario</b>		
<b>Budgeted rates and charges as at 1 July 2016</b>		
Budget Total general rates and charges (as per the Revenue NHC sheet)	\$ 24,545,035	
General Rates	\$ 18,581,979	
Municipal Charges	\$ 2,998,076	
Waste management charges	\$ 2,804,398	
Supplementary rates and rate adjustments	\$ 120,000	
Cultural and recreational	\$ 24,546	
Number of assessments as at 1 July 2016	12,139	
Capped average rates for 2016-17	1,778	
Maximum allowable average rates 2016-17	\$ 1,779	
<b>With higher cap scenario</b>		
<b>Budgeted rates and charges as at 1 July 2016</b>		
Budget total general rates and charges	\$ 24,738,998	
General Rates (as at 1 July 2016)	\$ 18,774,490	
Municipal Charges (as at 1 July 2016)	\$ 3,027,325	
Waste management charges	\$ 2,804,398	
Supplementary rates and rate adjustments	\$ 120,000	
Cultural and recreational	\$ 24,785	
Forecast number of assessments as at 1 July 2016	12,139	
Capped average rates for 2016-17	1,796.01	
Maximum allowable capped average rates 2016-17	1,796.01	
Total increase in rates and charges per assessment applied for	3.50%	
Required increase above the average rate cap	1.00%	

## **7.13 Differential rates**

### **7.13.1 Rates to be levied**

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

- A general rate of 0.4035% (0.4035 cents in the dollar of CIV) for all rateable farm properties
- Each differential rate will be determined by multiplying the Capital Improved Value of rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

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

### **7.13.2 Farm land**

Farm land is any land which, under the Valuation of Land Act 1960 is:

- Not less than 2 hectares in area
- That is used primarily for agricultural purposes
- That is used by a business that has significant and substantial commercial purpose or character, seeks to make a profit on a continuous or repetitive basis and is either making a profit or has reasonable prospect of making a profit from its activities

Council during 2015/16 undertook a review of its data associated with the classification of land as farm land, in order to ensure that all properties below the 60 hectare minimum lot size within the farm zone meet the above definition.

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

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

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

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

The geographic location of the land within this differential rate is wherever it is located within the municipal district. The use of the land within this differential rate, in the case of improved land, is any use of land. The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the 2016/17 financial year.

### **7.13.3 Other Concessional Rates - Culture and Recreational Land**

Culture and Recreational land is any outdoor land, which under the provisions of the Cultural and Recreational Lands Act 1963 is:

- Occupied by a body which exists for cultural or recreational purposes and applies its profits in promoting the furthering of this purpose
- The lands must be owned by the body, by the Crown or by Council to be eligible
- Agricultural showgrounds are specifically included

Council has reviewed its policy in relation to concessions for Cultural and Recreational Organisations and has established two concessions, a 50% concession for those organisations that have significant revenue raising capacity and a 100% concession for those with limited revenue raising capacity.

The objective of this concessional rate is to recognise the large contribution that these community organisations and the volunteers make to the Municipality in the provision of sporting, cultural and recreational activities.

# Budget Analysis

The following reports provide detailed analysis to support and explain the budget reports in the previous section.

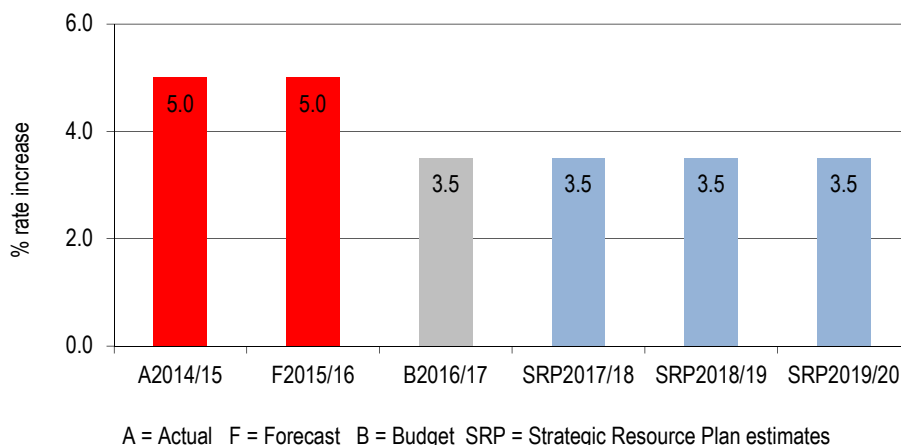
This section includes the following analysis and information:

- 1 Summary of financial position
- 2 Budget influences
- 3 Analysis of operating budget
- 4 Analysis of budgeted cash position
- 5 Analysis of capital budget
- 6 Analysis of budgeted financial position
- 7 Strategic resource plan
- 8 Summary of other strategies
- 9 Rating strategy

## 8. Summary of financial position

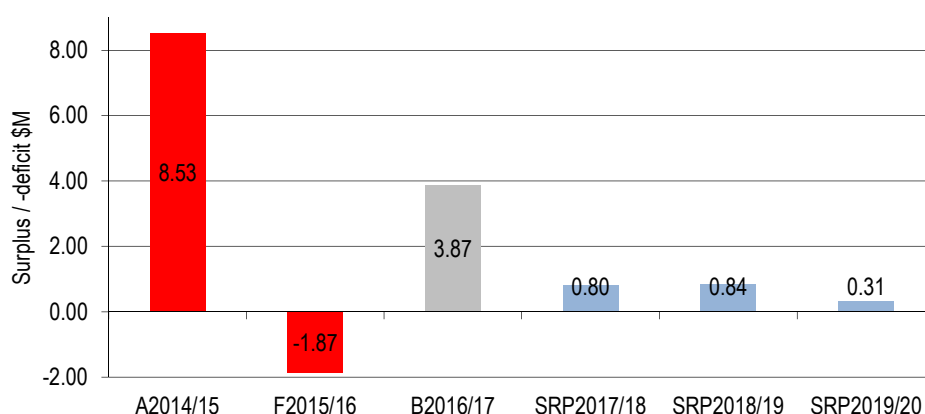
Council has prepared a Budget for the 2016/17 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

### 8.1 Rates & Municipal Charge (Excluding Garbage Charge)



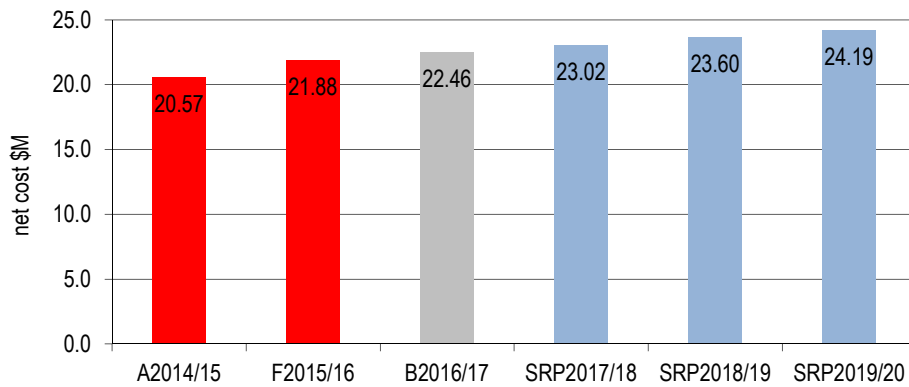
It is proposed that general rates increase by 3.5% for the 2016/17 year, raising total rates of \$21.93 million, including \$0.15 million generated from supplementary rates. Of the 3.5% increase, 2.5% will go toward maintaining existing service delivery levels and commitment to capital works. The remaining 1.0% increase will go toward capital works to address the asset renewal needs of Council and this was the result from a rate cap variation application that was successfully lodged with the Essential Services Commission. Future year's rate increases have been based on a CPI of 2.5% plus continuing a 1% allocation for infrastructure renewal.

### 8.2 Operating result



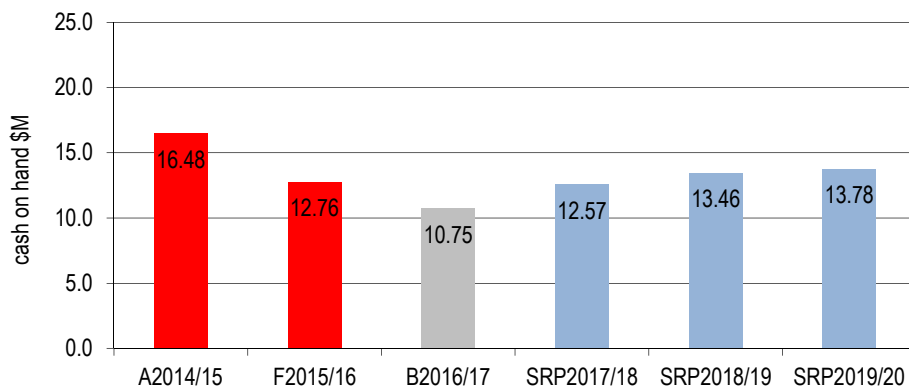
The operating result is the result from Council's yearly operations on an accrual basis. Capital costs are included by way of a depreciation charge, loans are liabilities shown in the balance sheet. The operating result for the 2016/17 year is a surplus of \$3.87 million, which is a significant increase from 2015/16. The significant factors for the increased operating result in 16/17, are the external non-recurrent grants for capital works which are forecast to increase by \$3.55 million.

### 8.3 Services



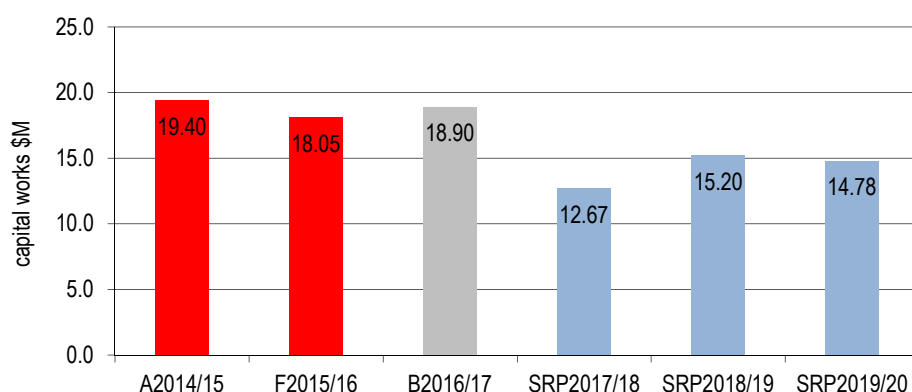
The net cost of services delivered to the community for the 2016/17 year is expected to be \$22.46 million including operational initiatives; this is an increase of 2.7% over the costs for 2015/16. Service levels have been maintained across the board and efficiencies in operations have been implemented to keep costs of service delivery down. Detailed analysis of this is provided in Section 2. Councils Enterprise Bargaining Agreement is currently being negotiated for 2016/17 and the outcome of this may impact on these overall costs.

### 8.4 Cash and investments



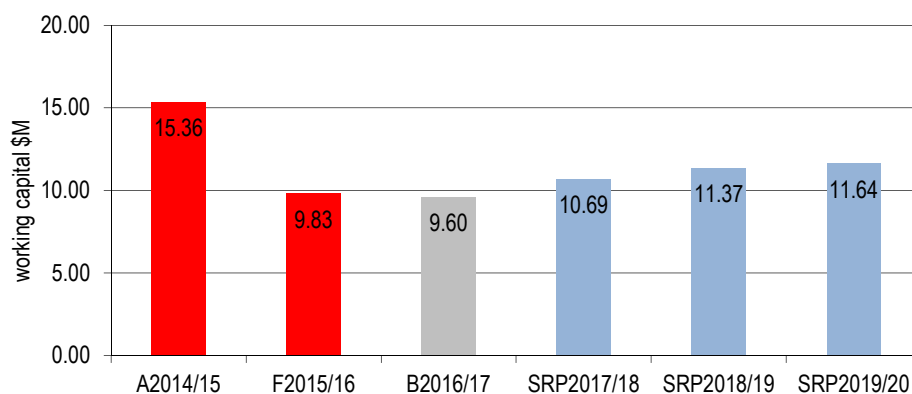
Cash and investments are expected to decrease by \$2.01 million during the year to \$10.75 million as at 30 June 2017. Capital expenditure for 2016-17 is being funded from borrowings of \$0.50 million plus \$7.80 million from grants and \$7.86 million from cash and reserves. Cash inflows from operating will generate \$16.82 million with spending from Investing and Financing activities of \$18.83 million which will result in a net decrease in cash over the year of \$2.01 million. The balance in future years increases due to the new MAV Funding Vehicle arrangements that means councils recent borrowings have been taken out as interest only with the principal being accumulated in a reserve until the end of the borrowing term. (Cash and investments are forecast to be \$12.76 million as at 30 June 2016).

## 8.5 Capital works



The capital works program for the 2016/17 year is expected to be \$18.90 million of which \$3.14 million relates to projects which will be carried forward from the 2015/16 year. The carried forward component is fully funded from the 2015/16 budget, incorporating a mix of reserves, loans, grants and other contributions. Of the \$18.90 million of capital funding required, \$8.58 million will come from external grants, \$0.50 million from borrowings, \$0.27 million from general contributions and donations, with the balance of \$9.55 million from Council cash. The Council cash amount comprises asset sales (\$0.36 million), cash held at the start of the year in reserves (\$4.49 million) and cash generated through operations in the 2016/17 financial year (\$5.51 million). The capital expenditure program has been set and prioritised based on Council's Capital Evaluation Model. This year's program includes the major building project to construct a Children's Hub in Horsham North for \$2.48 million. (Capital works is forecast to be \$18.05 million for the 2015/16 year). The asset renewal program is at \$9.89 million in the 2016/17 year which is down on 2015/16 forecast due to some additional grant funds for the Horsham Town Hall covering some renewal works in 2015/16.

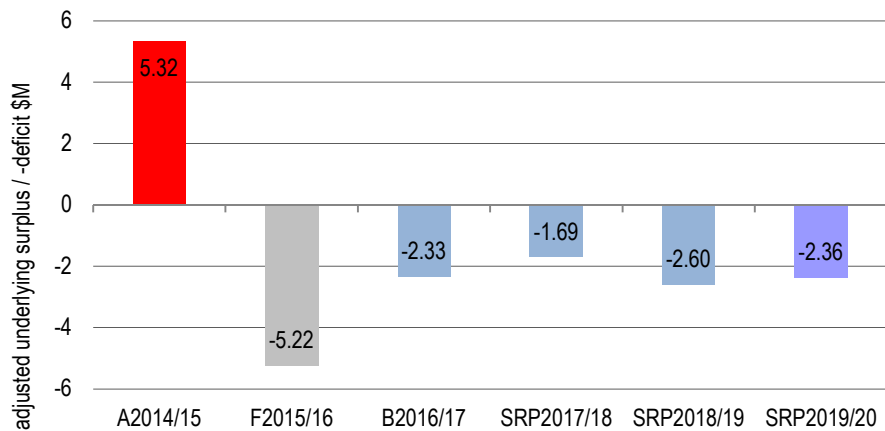
## 8.6 Financial position (Working Capital)



The financial position is expected to remain steady with net assets (net worth) increasing by \$3.87 million to \$470.80 million. Net current assets (working capital) will reduce slightly this year by \$0.23 million to \$9.60 million as at 30 June 2017.

Refer also to section 4 for the Balance Sheet and Section 13 for an analysis of the budgeted financial position.

## 8.7 Financial sustainability (Adjusted Underlying Result)

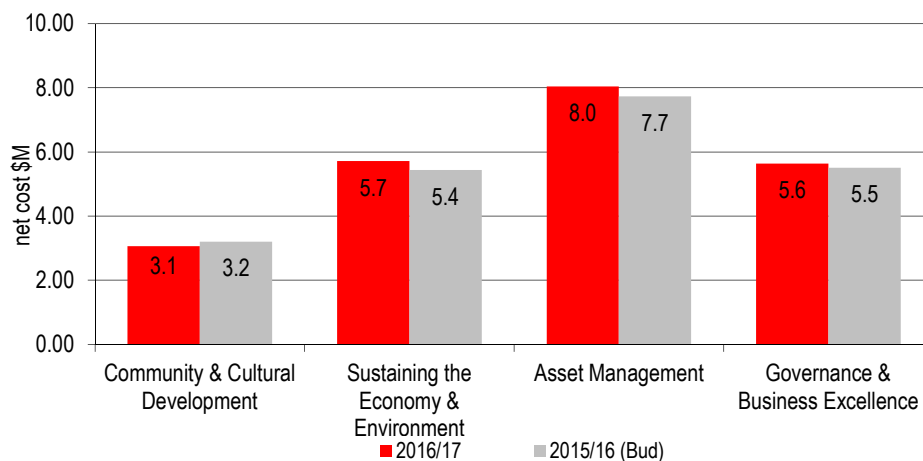


The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a deficit of \$2.33 million, which is an improvement of \$2.89 million over 2015/16.

A high level Strategic Resource Plan for the years 2016/17 to 2019/20 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows a mixed result over the forward years of the strategic resource plan. This measure is impacted by lower planned rate rises due to the introduction of the Fair Go Rates System and the growing infrastructure renewal gap.

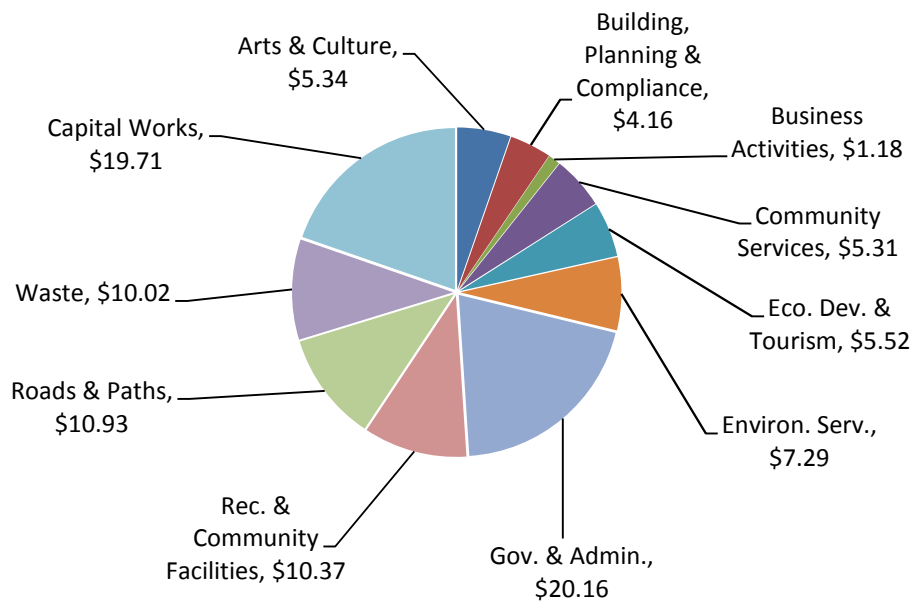
Refer Section 14 for more information on the Strategic Resource Plan.

## 8.8 Strategic objectives



The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated from rates and general revenue to achieve the strategic objectives as set out in the Council Plan for the 2016/17 year. These Services and Initiatives are expanded further in section 2 of this report.

## 8.9 Council Expenditure from General Revenues (Per \$100 spent)



The above chart provides an indication of how Council allocates its general revenues. General Revenues are untied revenue that council receives, largely from rates, garbage charges and the Federal Assistance Grants. It shows how much is allocated to each service area for every \$100 of General Revenues that Council raises.

## 9. Budget influences

### 9.1 Snapshot of Horsham Rural City Council

Horsham Rural City is a vibrant, diverse community situated approximately 300 kilometres north-west of Melbourne and north of the Grampians National Park, in the heart of the Wimmera region of Victoria. Horsham Rural City Council has a population of 19,774 and covers an area of 4,267 square kilometres. Almost three quarters of residents live in the urban area of Horsham.

Horsham is the major provider of retail, community and government services in the Wimmera, with dryland and broad acre agriculture being our major industry. The Grains Innovation Park, a nationally acclaimed agricultural research centre, is based in Horsham. There are a range of quality educational and health care facilities including secondary colleges, a university and an agricultural college. We also have a diverse array of natural assets including recreational lakes, wetlands, the Wimmera River, Mount Arapiles, the Wartook Valley and the Grampians National Park is nearby.

Horsham Rural City Council includes the major centres of Horsham and Natimuk, and the localities of Arapiles, Blackheath, Brimpaen, Bungalally, Clear Lake, Dadswells Bridge, Dooen, Douglas, Drung, Duchembegarra, Grass Flat, Green Lake, Greenland Dam, Haven, Jilpanger, Jung, Kalkee, Kanagulk, Kewell, Laharum, Longerenong, Lower Norton, McKenzie Creek, Mitre, Mockinya, Mount Talbot, Murra Warra, Noradjuha, Nurrabiell, Pimpinio, Quantong, Riverside, St Helens Plains, Telangatuk East, Tooan, Toolondo, Vectis, Wail, Wartook and Wonwondah.

### Population

In June 2011, the preliminary estimated resident population of the municipality was 19,523 people. In the past 4 years the municipality has seen a slight increase in population with the figure at June 2015 being 19,774 people and a projection for June 2016 of 19,886 people. The municipality has seen an annual average increase of 0.4% over the 2011-2016 period.



The municipality is forecast to grow at an average of 0.6% per annum between 2016-2021 and a further 0.8% between 2021-2031 which is in contrast to surrounding municipalities in the Wimmera all of which are forecast to have a population decline of between -0.2 and -0.7% over the next 5 years. Horsham is projected to have nearly 46% of the population of the Wimmera by 2031 with an estimated population at this time of 22,223 compared to the current level of nearly 42%. Whilst Horsham will experience growth, overall the region as a whole is forecast to experience a slight population loss.

(Source: Victoria in Future 2015 - Population and Household Projections to 2031)

### **Ageing population**

The Wimmera's population is ageing. In 2011 23.5% of the population in Horsham was over 60. The 2016 projected figure is 24.6% and by 2031 the projected figure is 29%. This ageing population will lead to a higher demand for health services.

(Source: Victoria in Future 2015 - Population and Household Projections to 2031).

### **Births**

Despite an ageing population, approximately 242 babies were born each year between 2008-2012. The 2013 figure was slightly higher with 282 babies registered whilst in 2014 there was a slight decrease on the previous year's figure yet still higher than average with 254 births. The 2015 statistics show the average is remaining consistent with approximately 240 births registered in Horsham.

(Source: Australian Bureau of Statistics, Census of Population and Housing).

### **Cultural diversity**

Growth in Horsham occurs from internal migration in the Wimmera, natural increase as well as some people moving to the region from other parts of Victoria and a small percentage of skilled migrants from overseas.

Whilst still a small percentage, the municipalities' cultural diversity is growing. As well as those born in Australia, the municipality is home to people born in over 35 countries. Of the stated countries of birth in the 2011 census, the top ten in order of the number of people, were from United Kingdom, New Zealand, India, Italy, Netherlands, Philippines, South Africa, Germany, Turkey and China. There are 20 languages, including English spoken in the municipality.

The most predominant "other languages" spoken at home are Italian, Indo-Aryan languages (inc. Bengali, Hindi, Sinhalese, Punjabi, Urdu), Chinese languages (inc. Mandarin, Cantonese), Arabic, Dutch, French, German, Greek, Hungarian, Persian and Japanese.

(Source: Australian Bureau of Statistics, Census of Population and Housing).

### **Occupation and Unemployment**

The Health Care and Social Assistance sector is the largest sector of employment in the municipality employing 15.5% of the workforce closely followed by the retail sector with nearly 13%.

In December 2015 the unemployment rate was 4.8% for the Horsham municipality. Surrounding Shires within the Grampians ranged between 4-6.3% unemployment.

(Source: Australian Bureau of Statistics; Department of Employment Small Area Labour Markets).

### **Education**

At the time of the 2011 census 26% of the Horsham population were in some form of education. 38% pre-school and primary education, 26% secondary education and 36% further education, University or other educational institution.

In 2011 41.9% of people aged 20-64 within the municipality had completed Year 12 or equivalent, which is up from the 2006 figure of 38.1% - this is however lower than the regional Victorian and Victorian average. In the Wimmera Southern Mallee region a higher percentage of early school leavers take up apprenticeships and traineeships and full time / part time work compared to the Victorian average.

In 2013, 50 training providers delivered Government subsidised vocational training in the Wimmera Southern Mallee region compared with 42 in 2012. 65% of enrolments are in industry-specific training, broadly in line with the Victorian average of 69%. Horsham accounts for the majority of training delivery accounting for 70% of the total.

(Sources: Australian Bureau of Statistics - 2011 Census of Population and Housing; Department of Education and Early Childhood Development – Vocational Training: Victoria's Regions 2013).

## **9.2 External influences**

See point 4 in the Executive Summary.

## **9.3 Internal influences**

See point 4 in the Executive Summary.

## **9.4 Budget principles**

In response to these influences, guidelines are to be applied in the preparation of the budget. These guidelines set out the key budget principles upon which officers have prepared their budgets:

- Grants are to be based on confirmed funding levels if known or informed estimates.
- All revenue sources should be identified wherever possible and estimated based on known available information.
- Revenue from miscellaneous fees and charges will be reviewed individually with consideration to costs, rate % increase, CPI and other factors. (Except for those which are set by legislation).
- Service and activity levels are being assessed through a Service Review process which may lead to some changes in service delivery levels.
- Any increases to Service levels (including increases in staff FTE's) should be made via the separate "Budget Submission" process to initiatives, (even if they are being funded from some specific identified savings).
- New initiatives for recurrent programs will be kept to a minimum and should ideally only be approved with an offset by efficiency gains in other areas
- There is always the over-arching aim to use less resources with an emphasis on innovation and efficiency.
- Increases in contract charges are based on actual contracted agreements wherever these are known.
- Salaries and Wages to be increased by 2.5% to allow for the 2.0% EBA increase plus an allowance for within band progressions.
- The cost of all salaries & wages including on-costs will be factored in to the budget either through recurrent or capital.
- Operating budgets for ongoing functions and services should not increase by more than 2% in total (3% Local Govt Cost Index less a 1% efficiency reduction).
- Borrowing costs are factored in at 4.1% interest rate with principal to be repaid over a 10 year period.
- All budget movements greater than 10% or greater than \$5,000 per line item will require an explanation for the variance.

## 10. Analysis of operating budget

### 10.1 Budgeted income statement

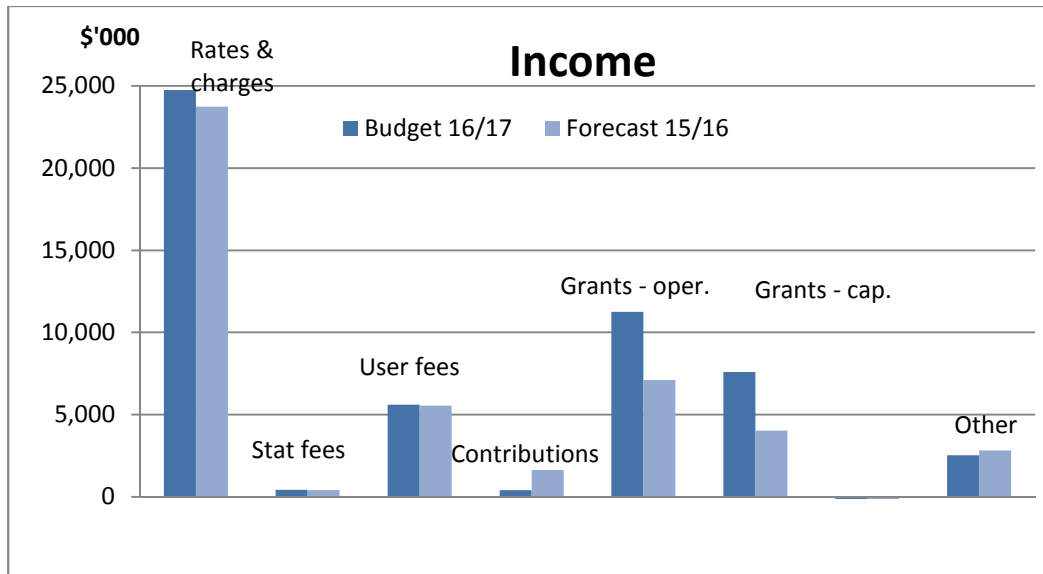
	Ref	Forecast	Budget	Variance
		Actual 2015/16 \$'000	2016/17 \$'000	\$'000
Total income	10.2	44,924	52,076	7,152
Total expenses	10.3	(46,798)	(48,202)	(1,404)
<b>Surplus (deficit) for the year</b>		<b>(1,874)</b>	<b>3,874</b>	<b>5,748</b>
Grants – capital non-recurrent	5.1.2	(1,211)	(5,293)	(4,082)
Contributions - non-monetary assets		(500)	(500)	
Capital contributions - other sources	10.2.4	(1,633)	(407)	1,226
<b>Adjusted underlying surplus (deficit)</b>	<b>10.1.1</b>	<b>(5,218)</b>	<b>(2,326)</b>	<b>2,892</b>

#### 10.1.1 Adjusted underlying deficit (\$2.89 million decrease)

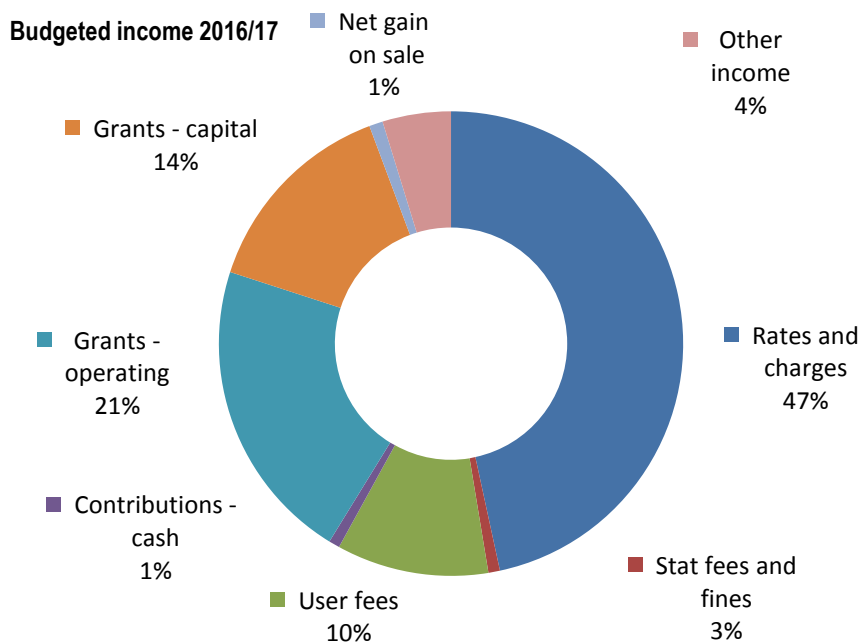
The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2016/17 year is a deficit of \$2.33 million which is an improvement of \$2.89 million from the 2015/16 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year. In reality Victorian Councils have an expectation that capital grants will be made available from the state on an ongoing basis.

### 10.2 Income

Income Types	Ref	Forecast	Budget	Variance
		Actual 2015/16 \$'000	2016/17 \$'000	\$'000
Rates and charges	10.2.1	23,728	24,751	1,023
Statutory fees and fines	10.2.2	410	426	16
User fees	10.2.3	5,557	5,611	54
Contributions - cash	10.2.4	1,633	407	(1,226)
Grants - operating	5.1.1	7,096	11,262	4,166
Grants - capital	5.1.2	4,037	7,591	3,554
Net gain on sale of assets	10.2.5	(357)	(504)	(147)
Other income	10.2.6	2,820	2,532	(288)
<b>Total income</b>		<b>44,924</b>	<b>52,076</b>	<b>7,152</b>



Source: Section 3 Comprehensive Income Statement



**10.2.1 Rates and charges (\$1.02 million increase)**

It is proposed that general rate income be increased by 3.5% or \$1.02 million over 2015/16 to \$24.75 million. Of the 3.5% increase, 1% will contribute to the funding of the Council's Infrastructure gap, 2.5% will go toward maintaining service levels and meeting the cost of general operations, and capital works. This increase in rates is in line with our Strategic Resource Plan. Supplementary rates have been budgeted at \$0.15 million which is an increase of \$0.05 million on 2015/16 budget. (Forecast supplementary rates for 2015/16 are \$0.24 million).

Garbage costs have not increased to the same extent as they have in previous years which reflects the fact that current regulations and EPA charges are now adequately provided for. As a result the Garbage rates have increased by 2.7% in total. Residential charges for a 240 Litre bin (will be \$355) which is an increase of 2.0% and for a 120 litre bin (will be \$218) which is also a 2.3% increase. Charges to commercial operators have also increased by 2.2% and other councils by 1.8%. Section 7. "Rates and Charges" includes a more detailed analysis of the rates and charges to be levied for 2016/17 and the rates and charges specifically required by the Regulations.

### 10.2.2 Statutory fees and fines (\$0.02 million increase)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include *Public Health and Wellbeing Act 2008* registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to increase slightly by 3.9% or \$0.02 million compared to 2015/16. A detailed listing of statutory fees is included in Appendix A.

### 10.2.3 User fees (\$0.05 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. User charges are projected to increase by only 1% or \$0.05 million over 2015/16.

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

### 10.2.4 Contributions - cash (\$1.20 million decrease)

Contributions relate to monies paid by developers in regard to infrastructure developments in accordance with planning permits issued for property development. In 2015/16 also includes a significant amount \$1.0 million, relating to fund raising/donations for the construction of the Horsham Town Hall and \$540,000 as contribution to Coughlin Park project.

### 10.2.5 Net loss on sale of assets (\$0.15 million decrease)

Net loss on the sale of Council assets is forecast to be \$0.04 million for 2016/17 and relate mainly to the planned cyclical replacement of part of the plant and vehicle fleet (\$1.88 million) and sale of other minor assets and write down of road infrastructure prior to renewal.

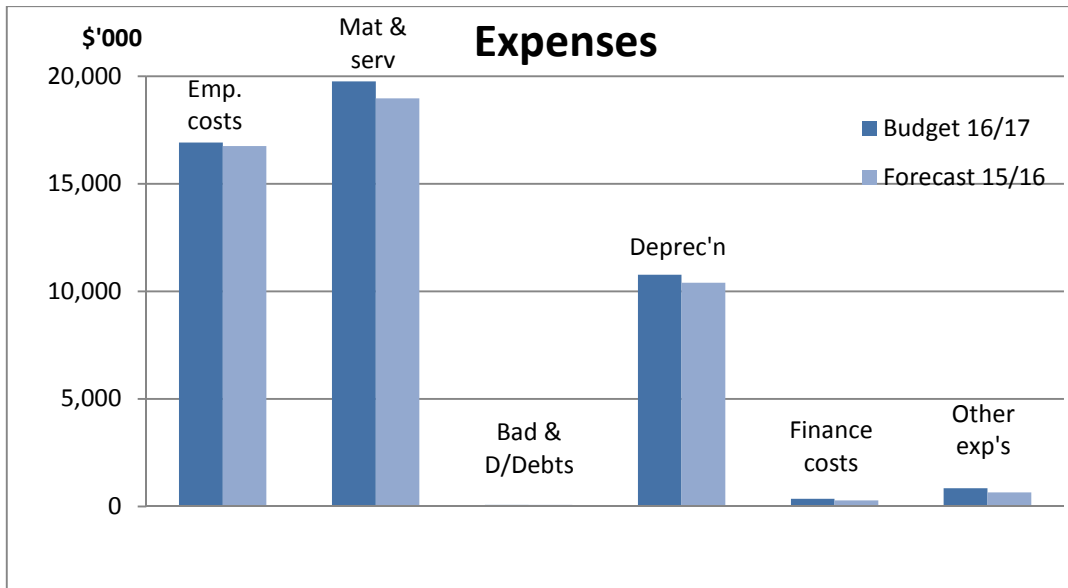
### 10.2.6 Other income (\$0.20 million decrease)

Other income relates to a range of items such as private works, cost recoups and other miscellaneous income items. It also includes interest revenue on investments and rate arrears.

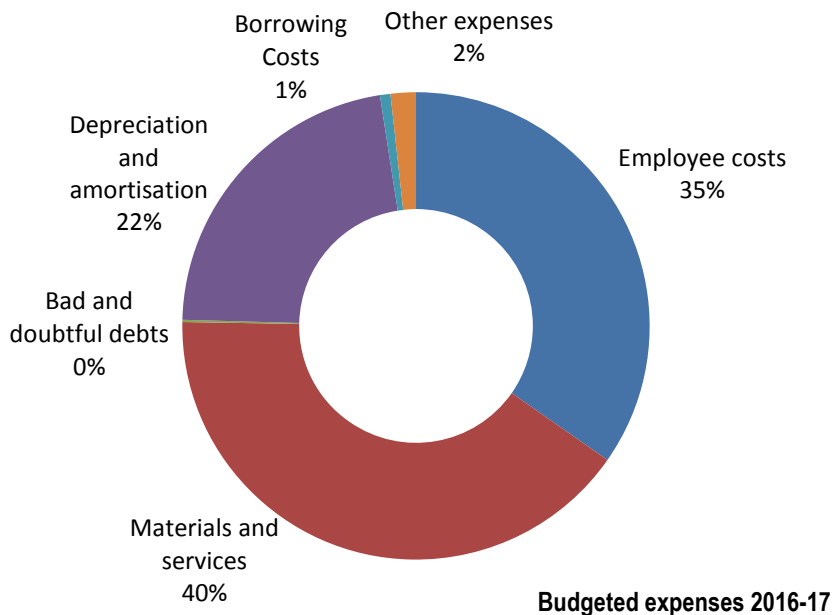
Other income is forecast to decrease by 10.2% or \$0.29 million compared to 2015/16. Significant items in this area include reductions in income for Vicroads sub-contracted works and private works income.

## 10.3 Expenses

Expense Types	Ref	Forecast		Variance
		Actual 2015/16 \$'000	Budget 2016/17 \$'000	
Employee costs	10.3.1	16,745	16,910	165
Materials and services	10.3.2	18,975	19,751	776
Bad and doubtful debts	10.3.3	63	65	2
Depreciation and amortisation	10.3.4	10,396	10,773	377
Borrowing Costs	10.3.5	269	357	88
Other expenses	10.3.6	350	346	(4)
<b>Total expenses</b>		<b>46,798</b>	<b>48,202</b>	<b>1,404</b>



Source: Section 3 Comprehensive Income Statement



### 10.3.1 Employee costs (\$0.16 million increase)

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

Employee costs in operations are forecast to increase by 0.98% or \$0.16 million compared to 2015/16. The increase can be broken down as follows:

- The Enterprise Bargaining Agreement has not yet been finalised by a 2.0% allowance has been included in the budget
- Band increases account for approximately another 0.5%
- Employee costs have increased by 1% in capital area as staff will be utilised in additional Roads to Recovery road construction projects

See section 3 for the statement of Human Resources which shows staff numbers and expenditure by groups.

### **10.3.2 Materials and services (\$0.78 million increase)**

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to increase by 4.1% or \$0.78 million compared to 2015/16.

Material & Services in 2016/17 include a one-off abnormal item of \$2.215 million for the Grampians Peak Trail. This is a project where Council has auspiced the grant and is managing the funds. However as the asset is not a Council asset the expenditure is of an operational nature and hence is reflected in the materials and services figure. A similar situation is included in the 2015-16 comparative in relation to the Coughlin Park redevelopment project.

### **10.3.3 Bad and doubtful debts (\$0.00 million increase)**

Bad and doubtful debts is projected to remain relatively constant at \$0.06 million largely due to monitoring and movement of outstanding debtors.

### **10.3.4 Depreciation and amortisation (\$0.38 million increase)**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2016/17 year.

### **10.3.5 Borrowing costs (\$0.09 million increase)**

Borrowing costs relate to interest charged by financial institutions on funds borrowed for new capital works.

### **10.3.6 Other expenses (\$0.00 million increase)**

Other expenses relate to audit fees, mayoral allowances and operating lease rentals. Other expenses are forecast to remain constant during 2016/17.

## **11. Analysis of budgeted cash position**

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016/17 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

## 11.1 Budgeted cash flow statement

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	11.1.1			
<i>Receipts</i>				
Rates and charges		23,653	24,676	1,023
User fees and fines		5,847	5,917	70
Grants - operating		6,696	10,863	4,167
Grants - capital		4,537	7,762	3,225
Interest		445	595	150
Other receipts		5,745	4,282	(1,463)
		<b>46,923</b>	<b>54,095</b>	7,172
<i>Payments</i>				
Employee costs		(16,045)	(16,210)	(165)
Other payments		(20,625)	(21,065)	(440)
		<b>(36,670)</b>	<b>(37,275)</b>	(605)
<b>Net cash provided by operating activities</b>		<b>10,253</b>	<b>16,820</b>	6,567
<b>Cash flows from investing activities</b>	11.1.2			
Proceeds from sales of property, infrastructure, plant & equip		545	360	(185)
Payments for property, infrastructure, plant and equipment		(17,264)	(18,897)	(1,633)
<b>Net cash used in investing activities</b>		<b>(16,719)</b>	<b>(18,537)</b>	(1,818)
<b>Cash flows from financing activities</b>	11.1.3			
Finance costs		(269)	(357)	(88)
Proceeds from borrowings		3,475	500	(2,975)
Repayment of borrowings		(467)	(438)	29
<b>Net cash used in financing activities</b>		<b>2,739</b>	<b>(295)</b>	(3,034)
<b>Net decrease in cash and cash equivalents</b>		<b>(3,727)</b>	<b>(2,012)</b>	1,715
Cash and cash equivalents at the beg of the year		16,486	12,759	(3,727)
<b>Cash and cash equivalents at end of the year</b>	11.1.4	<b>12,759</b>	<b>10,747</b>	(2,012)

### 11.1.1 Operating activities (\$6.57 million increase)

The increase in cash inflows from operating activities of \$6.57 million results from increases in receipts of \$4.1 million in operating grants associated with early payment by the Federal Government of Grants Commission funds in 2015/16 and additional capital grants of \$4.8 million for the Horsham North Children's Hub. (See Section 5 for more information on grants).

The net cash flows from operating activities does not equal the surplus (deficit) for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.



	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>(1,874)</b>	<b>3,874</b>	5,748
Depreciation	10,396	10,773	377
Loss (gain) on sale of assets	(57)	(4)	53
Net movement in current assets and liabilities	1,788	2,177	389
<b>Cash flows available from operating activities</b>	<b>10,253</b>	<b>16,820</b>	6,567

### 11.1.2 Investing activities (\$1.82 million increase)

There is an increase in payments for investing activities for 2016/17 of \$1.82 million which reflects a slight increase in the capital works program for 2016/17 in comparison to 2015/16 forecast. This is in part due to the carry forward works of \$3.14 million (See section 12 for further summary information or section 6 for the detailed list of works)

### 11.1.3 Financing activities (\$3.03 million increase)

For 2016/17 the total of principal repayments is \$0.44 million and finance charges is \$0.36 million with additional borrowings of \$0.50 million. This year will see the second year of borrowings from the MAV Funding Vehicle which will see Council take out interest only loans under the conditions of these arrangements. There will be approximately a 0.5% to 1.0% savings in financing costs under this arrangement but council will transfer appropriate cash to a capital reserve to meet the loan redemption at the finalisation of the term. For 2016-17 the amount transferred to reserve is \$0.41 million.

### 11.1.4 Cash and cash equivalents at end of the year (\$2.01 million decrease)

Overall, total cash and investments is forecast to decrease by \$2.01 million to \$10.75 million as at 30 June 2017, reflecting Council's funding some of this year's capital works program from cash reserves. This is consistent with Council's Strategic Resource Plan (see Section 14).

## 11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2017 it will have cash and investments of \$10.75 million. Council has always taken a strong stance to maintain cash backed reserves with the exception of the Industrial Estates Reserve. The analysis of the unrestricted cash position is depicted in the following table:

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
<b>Total cash and investments</b>		<b>12,759</b>	<b>10,747</b>	(2,012)
<b>Financial Assets</b>		<b>5,450</b>	<b>5,450</b>	
Restricted cash and investments				0
- Statutory reserves	11.2.1	(265)	(265)	0
- Cash held to carry forward capital works	11.2.2	(246)	0	246
- Trust Funds and Deposits		(650)	(680)	(30)
<b>Unrestricted cash and investments</b>	11.2.3	<b>17,048</b>	<b>15,252</b>	<b>(1,796)</b>
- Discretionary cash reserves	11.2.4	(9,829)	(7,811)	2,018
<b>Unrestricted cash adjusted for discretionary reserves</b>	11.2.5	<b>7,219</b>	<b>7,441</b>	<b>222</b>

### **11.2.1 Statutory reserves (\$0.26 million)**

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes. The balance within these funds is not expected to change substantially.

### **11.2.2 Cash held to fund carry forward capital works (\$0.00 million)**

An amount of \$0.25 million is forecast to be held at 30 June 2016 to fund capital works budgeted but not completed in the 2015/16 financial year. Section 6.2 contains further details on capital works funding. There is no amount shown as cash held to fund carry forward works at 30 June 2017, as it is expected that the capital works budget in the 2016/17 financial year will be fully completed.

### **11.2.3 Unrestricted cash and investments (\$15.25 million)**

The amount shown here is in accordance with the definition of unrestricted cash included in Section 3 of the Regulations. These funds are free of statutory obligations and cash used to fund capital works expenditure from the previous financial year.

### **11.2.4 Discretionary cash reserves (\$7.81 million)**

These funds are shown as discretionary cash backed reserves as, although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. During the 2016/17 year \$3.85 million is budgeted to be transferred to and \$5.78 million from Discretionary Reserves. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan. (Section 11.2.6 below describes the purpose and balance of each reserve in detail)

### **11.2.5 Unrestricted cash adjusted for discretionary reserves (\$7.44 million)**

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds. This balance also approximately equals the total of current and non-current provisions which are largely made up of employee entitlements and other cash obligations relating to landfill rehabilitation.

### **11.2.6 Purposes for reserves**

Although not restricted by statutory purpose, Council has made decisions regarding the future use of Reserve funds as described below. Unless there is a Council resolution these funds should be used for these earmarked purposes:

#### **CBD and Car Park Development Reserve (30 Jun 17 Balance \$1.52 million)**

This reserve is funded mostly by the annual transfer of the profit in the operation of council's parking meters. Contributions from developers in lieu of car parking spaces are also transferred to this reserve. Parking meters fines generally cover the cost of employing parking officers. The account is maintained to develop car parking in the CBD; to purchase new and replacement meters; and has been to generally develop the CBD area with major road-works and improvements. The rationale for the reserve is that the shopping public who contribute through the parking meters see their contributions going to improve the CBD area where they have an interest, regardless of whether they are residents of Horsham. Council has limited expenditure from this reserve since 2012 to provide for any investment that may be required as a consequence on the new Performing Arts Centre's impact on parking.

#### **Wimmera Business Centre Reserve (30 Jun 17 Balance \$0.11 million)**

This reserve was established in 2011 to hold any annual operating surpluses generated by the Wimmera Business Centre. These can be utilised to offset any future deficits or applied to works that benefit the Centre's operations as approved by their Committee of Management.

#### **Information Technology Reserve (30 Jun 17 Balance \$0.12 million)**

The Information Technology reserve is held to allow purchasing of computer related hardware items and related software and IT Initiatives. Any under expenditure in the computer area annually is placed

in this reserve and is held to be expended on forecast or unexpected expenditure in the IT area during any particular year.

**Plant Replacement Reserve (30 Jun 17 Balance \$2.43 million)**

This reserve is maintained in conjunction with the plant operating account to fund Council's purchases of replacement plant and equipment. Plant and equipment are charged out on an hourly rate to council operations and the income from this activity is transferred to the plant operating account. General maintenance and operating expenditure on plant is debited to that account and the net profit or surplus on an annual basis is transferred to this reserve for expenditure on purchases of plant and equipment.

The rationale for this account is that often the purchases of plant equipment are unevenly spread across a number of years, and by maintaining this reserve, it allows Council to ensure that there is always a sum of money available to purchase plant when required and that the uneven spread of expenditure has no effect on the annual budget. This account is dependent upon plant operating charge-out rates being matched to the plant operating costs and the annualised cost of replacement of plant. An ongoing five-year plant program is prepared in Council's Fleet Management Program which clearly shows that this reserve account does not fall in value in the long term.

**Waste Management Reserve (30 Jun 17 Balance \$0.32 million)**

The waste management reserve is created to provide a sum of money to rehabilitate landfills at the end of their useful life and to provide funds for other major capital expenditure in the waste management area. The account is mainly utilised for the continued expansion and compliance of the regional landfill at Dooen. Given the limited funds available and the increasing costs of waste management, this account from time to time is utilised to fund other waste management capital works. It is important in the long term, not to overdraw this account to the detriment of the establishment or expansion of the landfill and that processes are put in place to ensure that there is sufficient monies in the waste management reserve to meet the obligations at that time.

**Contingency Reserve (30 Jun 17 Balance \$0.06 million)**

With the introduction of Council elections every four years and their significant cost, Council allocates an annual sum into this reserve to spread this cost. Also included are the costs for Road & Bridge asset surveys required under the Road Management Act.

**Wimmera Regional Library Corporation Asset Replacement Reserve (30 Jun 17 Balance \$0.05 million)**

The Wimmera Regional Library Corporation has moved responsibility for asset replacement requirements to each member Council to provide funds at the point which assets need to be replaced. Council budgets for the replacement of these assets using the reserve system.

**Major Capital Projects Reserve (30 Jun 17 Balance \$0.04 million)**

This reserve is to provide for future asset replacements for major strategic projects. The balance previously related to the Horsham Caravan Park which has now been commercially leased. Part of the balance relates to funds for the new Children's Hub.

**Town Hall Development Reserve (30 Jun 17 Balance \$0.00 million)**

In 2010/2011 to 2012/2013 Council have allocated each year 1% of the rate rise to be applied to the Town Hall Redevelopment and future operational costs. No further funds will be transferred in to this reserve as the rate increases will now be utilised to fund the ongoing financing costs of borrowings for the Horsham Town Hall project. All remaining balances in this reserve were utilised in 2015/16 to fund the capital works program for the Horsham Town Hall and Performing Arts Centre.

**Infrastructure Gap Reserve (30 Jun 17 Balance \$0.00 million)**

Council's Asset Management Plan, through the MAV's STEP program has identified a significant infrastructure renewal funding gap. One of the strategies to address this gap has been to levy an additional percentage rate rise in its budget which is then specifically targeted to fund asset renewal on identified priority Council assets. This process began in 2007/2008 when a 0.5% rate rise was set. A further 1.5% was set the following year and then an additional 2% annual rate rise to 2011/2012, 1% in 2012/13, 2013/14, 2014/15, 2015/16 and 2016/17. These funds are placed in this reserve and the total funds raised are to be expended within the financial year on asset renewal to improve the overall condition of Council's asset stocks.

**Recreation Contribution Reserve Account (30 Jun 17 Balance \$0.27 million)**

The recreation contribution reserve is comprised mainly of developer contributions in lieu of land, when subdividing residential areas. There is a statutory requirement that any developers contributions to this fund be spent on capital works in relation to purchase of recreation land or development of recreation land.

**Road Construction Reserve (30 Jun 17 Balance \$0.03 million)**

This reserve is maintained with contributions from developers of rural residential subdivisions. The intention of the reserve is that monies contributed by developers will be expended on roads adjoining the rural residential subdivision.

**Commercial Properties (Firebrace Street) Reserve (30 Jun 17 Balance \$0.58 million)**

Council owns commercial properties in Firebrace Street which were the former Shire of Wimmera Offices. In association with our appointed real estate agent, the Council regularly reviews the rental income and has determined that any increase rental income that resulted should be placed in a reserve. The long term intention of this reserve is to build up sufficient funds to make significant improvements to Council's commercial properties in Firebrace Street.

**Aquatic Centre Reserve (30 Jun 17 Balance \$0.47 million)**

This reserve has been established to set aside funds to meet future asset renewal requirements at the Centre in accord with its Business Plan.

**Industrial Estate Reserve (30 Jun 17 Balance \$5.30 million total - \$0.23 million cash overdrawn)**

The industrial estate reserve comprises cash, debtors and the value of both undeveloped and developed land. All costs in relation to purchase of undeveloped land and the development of land into industrial lots are paid from this reserve and the proceeds of the sale or lease of this land to developers is returned to the reserve, together with any government grants which may be attracted for development of industrial estates.

**Loan Fund Reserves (30 Jun 17 Balance \$0.75 million)**

Funds of \$162,162 held in this reserve are to assist offset of repayments for projected borrowings for major projects in the next 1-2 years. Council has identified this reserve in the mix of funds to complete the Town Hall Project. Other balances to this reserve are sinking fund instalments for the interest only loans now been sourced through the MAV Funding Vehicle.

**Aerodrome Reserve (30 Jun 17 Balance \$0.17 million)**

This reserve was created to provide for the large resealing program at the aerodrome. The reserve is also used to accumulate any landing fees and property lease fees and the funds in the reserve are used for development works at the aerodrome.

**Regional Livestock Exchange Reserve (30 Jun 17 Balance \$0.08 million)**

The regional livestock exchange reserve was created by the former City of Horsham to accumulate funds towards the redevelopment of the saleyards. This reserve has been used in the construction of the new livestock exchange at Burnt Creek and the clean-up of the old City Gardens site. The sums accumulated in the reserve are now retained to provide for capital developments which may occur at the livestock exchange and also to commence a replacement and refurbishment fund to be accumulated over future years.

**Drainage Head-works Reserve (30 Jun 17 Balance \$0.32 million)**

This reserve is funded by developer contributions in consideration of the amount of drainage run off land that they cause as a result of development, and are a contribution to the existing and future stormwater drainage head-works of the municipality. The funds of this reserve are expended on major drainage head-works.

**Wimmera Intermodal Freight Terminal (WIFT) (30 Jun 17 Balance \$0.30 million)**

This new reserve has been established to meet programmed asset renewal commitments as approved by the Committee of Management for the WIFT.

**Unfunded Superannuation Reserve (30 Jun 17 Balance \$0.50 million)**

This reserve has been created to hold funds for possible future contributions towards Councils unfunded superannuation liabilities.

**Long Service Leave Provision (30 Jun 17 Balance \$3.61 million)**

This is a statutory reserve maintained to fund the long service leave entitlements accrued by Council employees.

**Annual and Other Leave Provision (30 Jun 17 Balance \$1.69 million)**

Annual leave and other leave accrued is shown as a liability in the balance sheet for the accrued annual leave of employees. While there is no statutory requirement, there are accounting standards that require for local government to fund this provision, Council allocate an annual sum to ensure this liability is funded.

**Quarry Restoration Provision (30 Jun 17 Balance \$0.14 million)**

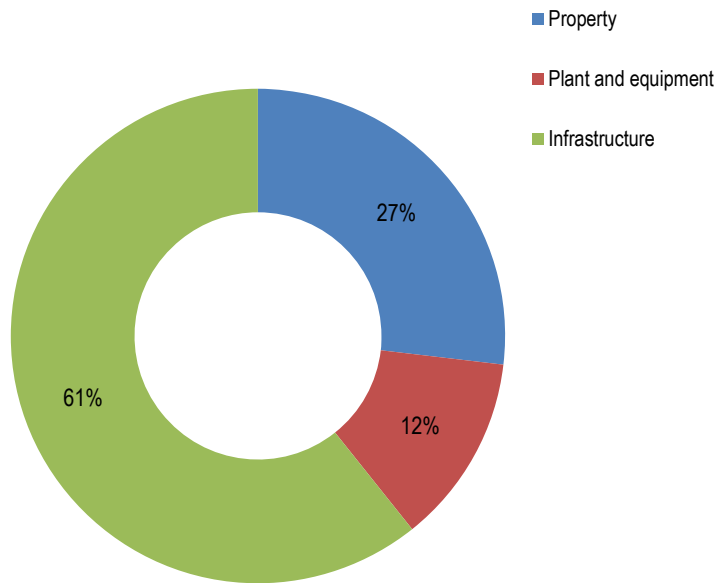
This provision is maintained to restore Council operated quarries. A royalty on each tonne of material is collected by Council and transferred to the reserve. Money should only be transferred out of this provision for the restoration of quarries or immediately adjacent roads. The level of provision held should closely equate to the level of restoration that will be required. \$34,000 has been allocated for restoration works this year.

## 12. Analysis of capital budget

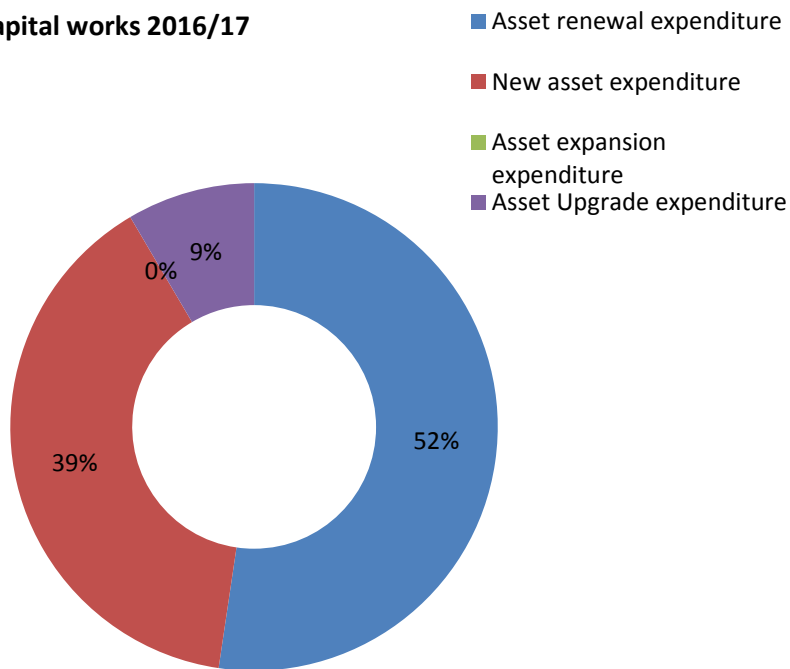
### 12.1 Capital works expenditure

Capital Works Areas	Ref	Forecast		Variance
		Actual 2015/16 \$'000	Budget 2016/17 \$'000	
<b>Works carried forward</b>	12.1.1			
<b>Property</b>				
Buildings		4,475	1,033	(3,442)
Total property		4,475	1,033	(3,442)
<b>Plant and equipment</b>				
Plant, machinery and equipment		0	235	235
Computers and telecommunications		100	0	(100)
Total plant and equipment		100	235	135
<b>Infrastructure</b>				
Roads			369	369
Rec, leisure and community facilities			145	145
Waste Management			833	833
Other infrastructure			531	531
Total infrastructure		0	1,878	1,878
<b>Total works carried forward</b>		4,575	3,146	(1,429)
<b>New works</b>				
<b>Property</b>	12.1.2			
Buildings		1,602	3,937	2,335
Land		1,050	102	(948)
Total property		2,652	4,039	1,387
<b>Plant and equipment</b>	12.1.3			
Plant, machinery and equipment		1,686	1,827	141
Computers and telecommunications		103	290	187
Total plant and equipment		1,789	2,117	328
<b>Infrastructure</b>	12.1.4			
Roads		5,670	6,618	948
Bridges		390	1,184	794
Footpaths and cycleways		400	1,092	692
Drainage		100	153	53
Rec, leisure and community facilities		176	199	23
Waste management		907	110	
Parks, open space and streetscapes		80	182	102
Aerodromes		0	0	
Off street car parks		17	0	(17)
Other infrastructure		1,296	57	(1,239)
Total infrastructure		9,036	9,595	1,356
<b>Total new works</b>		13,477	15,751	3,071
<b>Total capital works expenditure</b>		18,052	18,897	1,642
<b>Represented by:</b>				
Asset renewal expenditure	12.1.5	10,445	9,887	3,549
New asset expenditure	12.1.5	3,857	7,406	(558)
Asset expansion expenditure	12.1.5	0	0	0
Asset Upgrade expenditure	12.1.5	3,750	1,604	(2,146)
<b>Total capital works expenditure</b>		18,052	18,897	845

**Budgeted capital works 2016/17**



**Budgeted capital works 2016/17**



Source: Section 6 Detailed Capital Works listing.

### **12.1.1 Carried forward works (\$3.15 million)**

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2015/16 year it is forecast that \$3.15 million of capital works will be incomplete and carried forward into the 2016/17 year. The more significant projects include the Horsham North Childrens Hub (\$0.64 million), WIFT Precinct works (\$0.90 million), Renewable Energy Boiler at the Aquatic Centre (\$0.25 million), Dooen landfill cell construction(\$0.79 million) and the Apex Island upgrade (\$0.15 million).

### **12.1.2 Property (\$4.04 million)**

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

For the 2016/17 year, \$4.04 million will be expended on building and building improvement projects. The most significant projects include \$2.48 million on the Horsham North Children's Hub, \$0.18 million for the Laharum Hall, \$0.28 million for the sports pavilion at the college oval, \$0.14 million for a proposed new public convenience in Hamilton Street area and \$0.15 million for solar panels on the Aquatic Centre.

### **12.1.3 Plant and equipment (\$2.12 million)**

Plant and equipment includes plant, machinery and equipment, computers and telecommunications.

For the 2016/17 year, \$2.12 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.78 million) and upgrade and replacement of information technology (\$0.25 million).

### **12.1.4 Infrastructure (\$9.59 million)**

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 2016/17 year, \$9.59 million will be expended on infrastructure projects. By category, roads reconstruction is the most significant at \$6.62 million, with other expenditure as follows: Bridges \$1.18 million and footpath and cycleways \$1.09 million. (Full details Section 6.1 summary above in table 12.1).

### **12.1.5 Asset renewal (\$9.89 million), new assets (\$7.41 million) and upgrade (\$1.60 million)**

A distinction is made between expenditure on new assets, asset renewal and upgrade. 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.

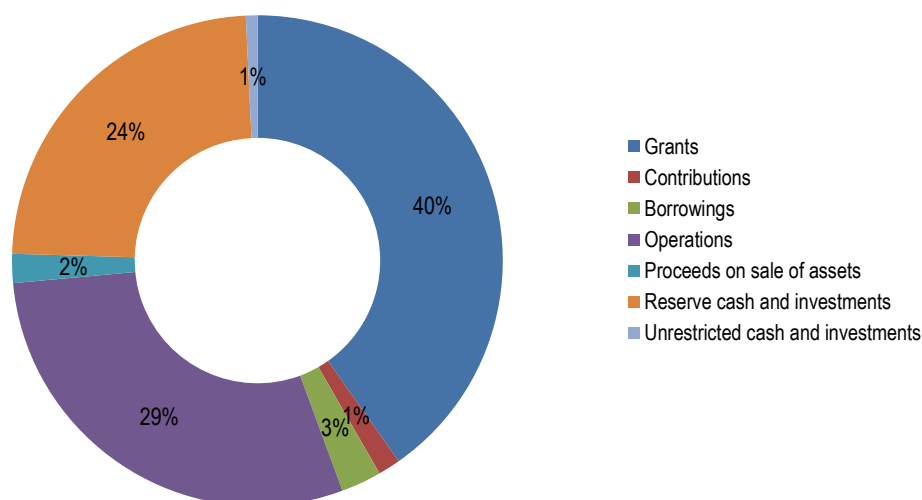
The major projects included in the above categories, which constitute expenditure on new assets, are the Horsham North Children's Hub \$2.48 million, College Oval sports pavilion \$0.28 million, Plant and Equipment (\$0.54 million), IT Equipment \$0.19 million and the WIFT Precinct establishment works \$1.19 million. The remaining capital expenditure represents renewals and upgrades of existing assets (See section 6 for full details)



## 12.2 Funding sources

Sources of funding	Ref	Forecast	Budget	Variance
		Actual 2015/16 \$'000	2016/17 \$'000	\$'000
<b>Works carried forward</b>				
<b>Current year funding</b>				
Grants			776	776
Contributions		1,000	75	(925)
Borrowings		3,475		(3,475)
Council cash				
- reserve cash and investments		100	2,149	2,049
- unrestricted cash and investments			145	145
<b>Total works carried forward</b>	12.2.1	<b>4,575</b>	<b>3,145</b>	<b>(1,430)</b>
<b>New works</b>				
<b>Current year funding</b>				
Grants	12.2.2	4,037	6,828	2,791
Contributions		320	204	(116)
Borrowings			500	500
Council cash				
- operations	12.2.3	6,445	5,514	(931)
- proceeds on sale of assets	12.2.4	263	360	97
- reserve cash and investments	12.2.5	2,412	2,346	(66)
<b>Total new works</b>		<b>13,477</b>	<b>15,752</b>	<b>2,275</b>
<b>Total funding sources</b>		<b>18,052</b>	<b>18,897</b>	<b>845</b>

### Budgeted total funding sources 2016/17



Source: Section 3 and a more detailed list of works in is included in section 6.

### **12.2.1 Carried forward works (\$3.15 million)**

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2015/16 year it is forecast that \$3.15 million of capital works will be incomplete and be carried forward into the 2016/17 year. The more significant funding includes \$1 million grants for Horsham North Childrens Hub \$0.64 million, Aquatic Centre boiler \$0.12 million and Apex island \$0.15 million. Plus \$2.0 million from reserves for Aquatic Boiler \$0.13 million, WIFT \$0.89 million and Dooen Landfill \$0.79 million.

### **12.2.2 Grants & Contributions (\$7.03 million)**

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program, contributions come from developers or other contributors to the capital works program. Significant grants and contributions are budgeted to be received for Roads to Recovery (\$2.30 million), \$1.18 million for WIFT Precinct Drainage works, Horsham North Children's Hub \$1.98 million), \$0.33 million for CBD paving and \$0.54 million for McKenzie Creek Road Bridge.

### **12.2.3 Council cash - operations (\$5.51 million)**

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$5.51 million will be generated from operations to fund the 2016/17 capital works program which is a decrease of \$0.93 million or 14.4% from the 2015/16 forecast.

### **12.2.4 Council cash - proceeds from sale of assets (\$0.36 million)**

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.36 million.

### **12.2.5 Council cash - reserve cash and investments (\$2.35 million)**

Council has significant cash reserves, which it is currently using to fund its annual capital works program. The reserves include monies set aside for specific purposes such as the Dooen Landfill (\$0.32 million), Plant & Equipment (\$2.43 million), CBD Reserve (\$1.52 million) and various other specified projects such as for parking, industrial estates, and sundry equipment.

## 13. Analysis of budgeted financial position

### 13.1 Budgeted balance sheet

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
<b>Current assets</b>	13.1.1			
Cash and cash equivalents		12,759	10,747	(2,012)
Trade and other receivables		2,100	2,058	(42)
Financial assets		5,450	5,450	0
Other assets		1,500	1,880	380
<b>Total current assets</b>		<b>21,809</b>	<b>20,135</b>	<b>(1,674)</b>
<b>Non-current assets</b>	13.1.1			
Trade and other receivables		180	158	(22)
Property, infrastructure, plant and equipment		462,949	469,919	6,970
<b>Total non-current assets</b>		<b>463,129</b>	<b>470,077</b>	<b>6,948</b>
<b>Total assets</b>		<b>484,938</b>	<b>490,212</b>	<b>5,274</b>
<b>Current liabilities</b>	13.1.2			
Trade and other payables		4,230	4,318	88
Trust funds and deposits		650	680	30
Interest-bearing loans and borrowings		438	451	13
Provisions		4,985	5,086	101
<b>Total current liabilities</b>		<b>10,303</b>	<b>10,535</b>	<b>232</b>
<b>Non-current liabilities</b>	13.1.2			
Interest-bearing loans and borrowings		6,322	6,372	50
Provisions		1,386	2,504	1,118
<b>Total non-current liabilities</b>		<b>7,708</b>	<b>8,876</b>	<b>1,168</b>
<b>Total liabilities</b>		<b>18,011</b>	<b>19,411</b>	<b>1,400</b>
<b>Net assets</b>		<b>466,927</b>	<b>470,801</b>	<b>6,674</b>
<b>Equity</b>	13.1.4			
Accumulated surplus		226,102	231,909	5,807
Asset revaluation reserve		228,102	228,102	0
Other reserves		12,723	10,790	(1,933)
<b>Total equity</b>		<b>466,927</b>	<b>470,801</b>	<b>3,874</b>

Source: Appendix A

#### 13.1.1 Current Assets (\$1.67 million decrease) and Non-Current Assets (\$5.27 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$2.01 million during the year mainly to fund the capital works program.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are expected to decrease by \$0.42 million. Other assets includes items such as inventories or stocks held for sale or consumption in Council's services. Prepayments and accrued income are expected to increase by \$0.38 million.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$18.90 million of new, upgraded and renewed assets), depreciation of assets (\$10.77 million), the sale of property, plant and equipment (\$0.36 million) and an increase associated with the revaluation of land and buildings during 2015/16.

### 13.1.2 Current Liabilities (\$0.23 million decrease) and Non-Current Liabilities (\$1.17 million increase)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to increase slightly by \$0.12 million.

Provisions include accrued long service leave and annual leave and quarry and landfill restorations. Employee entitlements are budgeted to increase by \$0.20 million.

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to repay loan principal of \$0.45 million over the year but will also be taking out new loans of \$0.50 million during the year. Further information on borrowings is shown under section 16.

### 13.1.3 Working Capital (\$1.91 million decrease)

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

	Forecast		
	Actual	Budget	Variance
	2015/16	2016/17	
	\$'000	\$'000	\$'000
<b>Current assets</b>	21,809	20,135	1,674
<b>Current liabilities</b>	10,303	10,535	(232)
<b>Working capital</b>	11,506	9,600	1,906
Restricted cash and investment current assets			
- Statutory reserves	(265)	(265)	0
- Cash held to carry forward capital works	(246)	0	(246)
- Trust Funds and Deposits	(650)	(680)	30
<b>Unrestricted working capital</b>	<b>10,345</b>	<b>8,655</b>	<b>1,690</b>

In addition to the restricted cash shown above, Council is also projected to hold \$7.81 million in cash backed discretionary reserves at 30 June 2017. Although not restricted by statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes as defined in Section 11.

### 13.1.4 Equity (\$3.87 million increase)

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The balance of \$231.91 million reflects the accumulated surplus for the year plus the usage of investment cash reserves to partly fund the capital works program (this is a transfer between equity balances only and does not impact on the total balance of equity) and the asset revaluations for the year.

## 13.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2017 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- Trade creditors to be based on total capital and operating expenditure. Payment cycle is 30 days
- Employee entitlements to be increased by 2.5%
- Repayment of loan principal to be \$0.45 million
- Total capital expenditure to be \$18.90 million
- A total of \$2.35 million to be transferred from reserves to accumulated surplus, representing the internal funding of the capital works program for the 2016/17 year
- \$3.429 million transferred from reserves for other non-capital works ie upgrading underground street lighting and landfill rehabilitation works.
- New borrowings of \$0.50 million to be drawn down.

## LONG TERM STRATEGIES

### 14. Strategic resource plan and financial performance indicators

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

#### 14.1 Plan development

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

Council has prepared a Strategic Resource Plan (SRP) for the four years 2016/17 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 four years.

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

- Maintain existing range and level of service provision
- Maintain a strong cash position ensuring Council remains financially sustainable in the longterm
- Trend towards an underlying operating surplus
- Maintain debt levels below prudential guidelines
- Continue to pursue recurrent grant funding for strategic capital funds from government
- Provide a rate increase that establishes a sustainable funding level
- Increasing capital funding for asset renewal and ensure that critical renewal items are funded
- Achieve a balanced budget on a cash basis.

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

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

#### 14.2 Financial resources

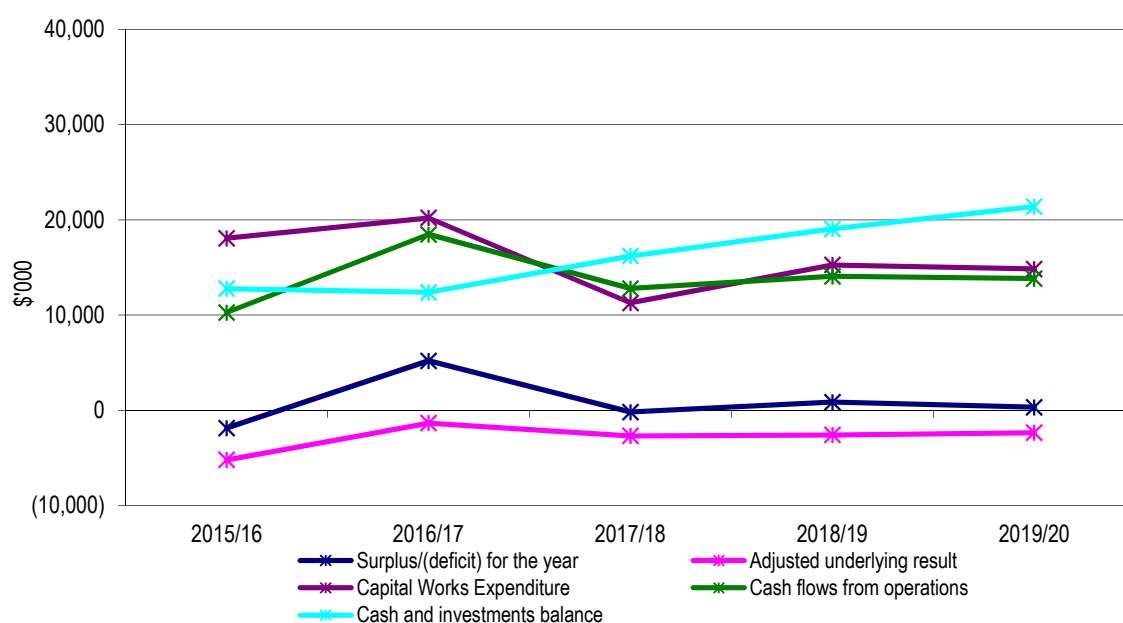
The following table summarises the key financial results for the next four years as set out in the SRP for years 2016/17 to 2019/20. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2015/16	2016/17	2017/18	2018/19	2019/20	+ / o / -
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	(1,874)	3,874	803	842	305	-
Adjusted underlying result	(5,218)	(2,326)	(1,689)	(2,603)	(2,359)	+
Cash and investments balance	12,759	10,747	12,574	13,460	13,775	+
Cash flows from operations	10,253	16,821	13,075	13,365	13,030	-
Capital works expenditure	18,052	18,897	12,668	15,203	14,777	-

Key to Forecast Trend:

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

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



The key outcomes of the SRP are as follows:

- **Financial sustainability (section 11)** - Cash and investments is forecast to increase by \$3.02 million over the four year period from \$10.75 million to \$13.78 million, which indicates a balanced budget on a cash basis in each year plus accumulation of additional reserve funds, which is significantly impacted upon by the shift to interest only loans and Council's approach to establish a cash backed reserve to accumulate the principle for repayment at the end of the term of loan.
- **Rating levels (section 15)** – Modest rate increases are forecast over the four years of 3.5% each year. This is on the assumption that under the State Governments Rate Capping policy Council will have a rate increase equal to CPI of 2.5% plus council will continue to be successful in applying for a variation of a further 1% for infrastructure renewal.
- **Service delivery strategy (section 16)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast in all years as a result of significant capital grant revenue being received to fund the annual capital works program. However, excluding the effects of capital items such as capital grants and contributions, the adjusted underlying result is a deficit reducing over the four year period. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result.

- **Borrowing strategy (section 16)** – Borrowings are forecast to increase from \$6.82 million to \$13.13 million over the four year period. This includes new borrowings of \$0.50 million in 2016/17, \$1.82 million in 2017/18, \$3.23 million in 2018/19 and \$2.68 million 2019/20. As of 2015/16 borrowings have been taken out through the MAV Funding Vehicle where loans are on an interest only basis but at a lower than market interest rate. Council will manage the principal repayments by annually transferring to a Reserve an appropriate amount to cover the planned principal repayment at the end of the term. Overall this will reduce costs to Council for borrowings over the life of a loan (when factoring interest earned on the principal balances held in reserve).
- **Infrastructure strategy (section 16)** - Capital expenditure over the four year period will total \$61.55 million at an average of \$15.39 million, although there will be a cumulative negative impact here if the additional 1% rate variation requests are not approved by the Essential Services Commission in subsequent years.

## 15. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy which is available on Council's website.

### 15.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 14), rates and charges were identified as an important source of revenue, accounting for 48% of the total revenue received by Council in 2016/17. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Horsham Rural City Council community.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly given recent changes to property valuations and subsequently rates for some properties in the municipality. Council has also needed to consider: the State Governments Fair Go Rates system which introduces a rate cap effective 2016/17 and beyond, plus the need to continue to address the growing gap between investment required for ageing infrastructure and funds available to maintain assets

### 15.2 Current year rate

The 2016/17 operating year is impacted greatly by the introduction of the Fair Go Rates Policy by the State Government. This has created both uncertainty around councils ability to manage its own affairs in terms of setting a rate that it believes is necessary to deliver the services and infrastructure that the community needs and demands. It has however encouraged further review of all of councils operations and services to look for efficiencies and cost savings. Some cost reductions have been achieved in 2016/17 but it is considered that further cost reductions may only be possible through reductions in service levels into the future.

Council has, in 2016-17 successfully applied to the Essential Services Commission for a 1% rate variation. Council would prefer to tag 2% towards the Infrastructure Gap but Council has not felt that this was achievable given the current economic conditions in the municipality following the dry seasonal conditions. A 2% rate increase was applied towards the Infrastructure Gap in the financial years 2009/10 to 2011/12 and a 1.5% increase in 2008/09. During the term of this current Council from 2012/13 to the present it has only been 1%. The combined effect of these rate increases now generates approximately \$1.9m for the Asset Renewal Reserve. This amount is spent annually on assets above condition 8. The amount is still insufficient to cover the growing infrastructure funding gap.

Future proposed increases in rates have been factored in to the forward Strategic Resource Plan at 3.5% for 2016/17 and beyond. The increases in the Municipal Charge will be reviewed each year.

Year	General Rate Increase %	Municipal Charge Increase %	Garbage Charge Increase %
2015/16	5.00	0.00	3.90
2016/17	3.50	3.50	2.20
2017/18	3.50	3.50	2.50
2018/19	3.50	3.50	1.60
2019/20	3.50	3.50	2.00

### 15.3 Rating structure

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

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

Striking a proper balance between these elements provides equity in the distribution of the rate burden across residents. However, issues of equity are judgemental in nature, complex, subjective and often in conflict. There are a number of key aspects of equity that Council must consider:

Horizontal equity (ratepayers in similar situations should pay similar amounts), Vertical equity (the view that those better off should pay more than those worse off), Benefit principle (some groups may have more or less access to Council services) and Capacity to Pay principle (some will have a greater or lesser capacity to pay, particularly as property value is unrealized wealth and a ratepayer may be asset rich and cash poor).

Having reviewed the various valuation bases for determining the property value component of rates, Council has determined to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, and Council has recently conducted an extensive review of its Rating Strategy in 2013/14.

The current rating strategy provides a differential rate for the farm sector of 80% of the general rate, which Council will continue to apply in 2016/17, and a rate concession of either 0% or 50% for cultural and recreational land.

Councils rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act and the Ministerial Guidelines as issued in 2013. There are no further differential applied to commercial properties or any other sector. Council also levies a municipal charge and a kerbside collection charge.

The following table summarises the rates to be determined for the 2016/17 year. A more detailed analysis of the rates to be raised is contained in Section 7 'Statutory Disclosures'.

Rate type	How applied	2015/16	2016/17
Base Rate (GEN1)	Cents/\$ CIV	0.5382	0.5044
Culture & Rec. Land (GEN2)	Cents/\$ CIV	0.0000	0.0000
Culture & Rec. Land (GEN6)	Cents/\$ CIV	0.2691	0.2522
Farm Rate (GFM5)	Cents/\$ CIV	0.4306	0.4035
Garbage Charge (240 Litre)	\$/ property	\$348	\$355
Garbage Charge (120 Litre)	\$/ property	\$213	\$218
Municipal Charge	\$/ property	\$268	\$276



## 15.4 General revaluation of properties

During the 2015/16 year, a revaluation of all properties within the municipality was carried out and will apply from 1 July 2016 for the 2016/17 year. The outcome of the general revaluation has been a change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 10.8%. Of this increase, residential properties have increased by 9.6%, commercial properties by 6.8% and industrial properties by 7.7%.

The following table summarises the valuation changes between the 2014 and 2016 general revaluations for each rate sector, together with the resulting rating changes.

Classification	Average Valuation Increase (Decrease)	Average Rates Increase (Decrease)
Residential	9.6%	2.8%
Farm	14.8%	7.6%
Cult/Rec/Other	(11.3)%	(33)%
Commercial	6.8%	0.1%
Industrial	7.7%	0.9%
<b>Overall Average</b>	<b>10.8%</b>	<b>3.5%</b>

In deliberating over the setting of the differential rate structure for the 2016/17 year, Council has been mindful of the greater increase in farm property valuations compared to those in other sectors. Without the farm rate differential, the change in property values would result in an overall increase of 26% in farm rates and a reduction in all other rates for the 2016/17 year.

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2015/16 year, Council has chosen not to make any changes to the existing rate differential. In aggregate, total rates and charges will increase by 3.7% compared to 2015/16. This will be achieved by reducing the rate in the dollar to offset the 10.8% increase in property valuations across the municipal district following the general revaluation.

## 16. Summary of other strategies

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

### 16.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see Section 8), borrowings were identified as an important funding source for capital works programs. In the past, Council has borrowed to mainly finance large infrastructure projects such as the Aquatic Centre, Intermodal Freight Terminal and the Livestock Exchange.

The following table sets out Council's historical loan borrowings and 2016/17 predicted loan borrowings as at 30<sup>th</sup> June 2017:

Commencement Year	Original Sum \$'000	Principal Remaining \$'000	Interest Rate %	Final Date
2016	3,995	3,995	4.06%	01-Jun-26
2015	830	830	4.60%	01-Jun-26
2012	1000	571	5.73%	20-Jun-22
2011	1000	490	7.57%	20-Jun-21
2010	250	96	7.88%	01-Jun-20
2007	140	0	7.46%	25-Jun-17
2006	2,195	803	6.44%	19-Jun-21
2005	400	58	3.59%	01-Jul-18

In prior years, borrowing peaked in 2005/06 at \$6.02 million when a large \$2.19 million loan was taken out for the construction of the Aquatic Centre, which gave a debt management ratio of 8.2% (interest and principal repayments as a percentage of rate revenue).

With the construction of the Horsham Town Hall and Performing Arts Centre project during 2014/15 and 2015/16 further borrowings of \$3.47 million have been taken out plus \$0.50 million for the construction of a pedestrian bridge across the Wimmera River, \$0.23 million for clubrooms purchase and \$0.10 million for the Horsham North Childrens Hub. Further loans are also planned for the Horsham North Children’s Hub of \$0.50 million in 2016/17

Our debt repayments to rates ratio will drop to 3.2% during the 16/17 year and steadily increase to 3.7% of the period of the Strategic Resource Plan. This measure is however distorted due to Council taking out loans through the MAV Funding Vehicle effective from 2015/16. Loans are being taken out on an interest only basis but at a lower than market interest rate. Council will manage the principal repayments by annually transferring to a Reserve an appropriate amount to cover the planned principal repayment at the end of the term. Overall this will reduce costs to Council for borrowings over the life of a loan (when factoring interest earned on the principal balances held in reserve), but it will distort all of the “obligations” measures.

The Interest paid to rates ratio increases from 27.6% in 2016/17 rising to 47.0% by the end of 2019/20, this is at the middle of the preferred range, and is just in the medium risk category for the Victorian Auditor General.

The financial performance “obligations” indicators in Section 4 detail a number of other measures with respect to Council’s indebtedness all of which are currently well within expected parameters, but do rise to higher levels over the period of the Strategic Resource Plan.

The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2015/16	3,475	467	269	6,760
2016/17	500	438	352	6,822
2017/18	1,825	451	355	8,197
2018/19	3,225	481	419	10,941
2019/20	2,676	481	533	13,136

## 16.2 Infrastructure

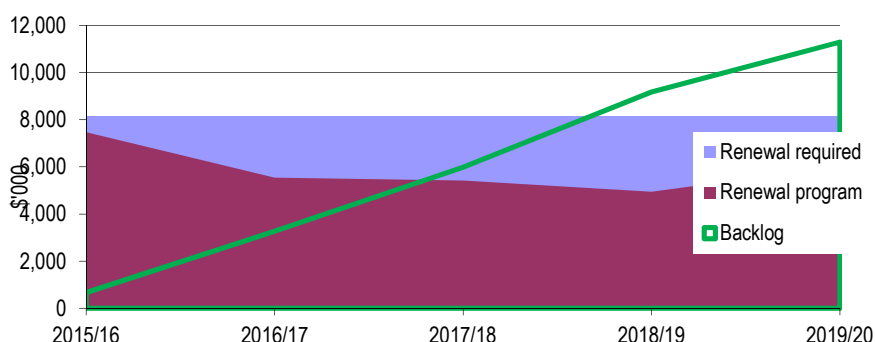
Council based on the knowledge provided by various Asset Management Plans, predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The renewal strategy has been developed through consultation and evaluation. The key aspects of the process are as follows:

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

A key objective 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 graph below sets out the Renewal required, the current and planned Renewal program and the accumulative Renewal backlog (or accumulated Asset Renewal Gap) arising from the programmed

renewal being less than the required renewal. Renewal spending has been assisted through additional one-off Roads to Recovery funding from the Federal Government in 2015-16 and 2016-17.



At present, Council is similar to many municipalities in that it is presently unable to fully fund asset renewal requirements identified. While Council is endeavouring to provide a sufficient level of annual funding to meet ongoing asset renewal needs, the above graph indicates that in later years the required asset renewal is not being addressed creating an asset renewal gap and increasing the level of backlog. Backlog is the renewal works that Council has not been able to fund over the past years and is equivalent to the accumulated asset renewal gap. In the above graph the backlog at the beginning of the five year period was \$0.66 million and \$11.29 million at the end of the period.

Backlog accumulated prior to 15/16 has not been factored into the Strategic Resource Plan. It is expected that during the period from 16/17 to 19/20 the backlog will continue to increase much higher than was originally estimated in the 2015/16 Strategic Resource Plan. This may possibly occur as a consequence of the State Governments Rate Capping Policy although the exact impact will depend on Council successfully gaining an additional rate rise through the rate variation application with the Essential Services Commission in the years beyond 2016-17.

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

Summary of funding sources					
Year	Total Capital Program	Grants	Contributions	Council Cash	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000
2015/16	18,052	5,670	265	12,882	3,475
2016/17	18,897	7,604	279	10,514	500
2017/18	12,668	3,473	300	7,070	1,825
2018/19	15,203	3,510	704	7,804	3,225
2019/20	14,778	2,838	66	9,198	2,676

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public resort and recreation. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

## Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 16 of this report.

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

The contents of the appendices are summarised below:

<b>Appendix</b>	<b>Nature of information</b>	<b>Page</b>
A	Budget processes	85
B	Non-capital Initiatives	87
C	Community Grants	88
D	Fees and Charges	91

## Appendix A Budget processes

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

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

The 2016/17 budget, which is included in this report, is for the year 1 July 2016 to 30 June 2017 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 2017 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during January and February. An initial community consultation process has been undertaken this year during February and March to both inform and seek input from the community with respect to the framing of council's budget.

The budget preparation has been brought forward to allow for a rate variation application to be lodged with the Essential Services Commission. This has put significant pressure on council staff to undertake a full and complete process within the required timeframes of the Local Government Act and the Essential Services Commission. It has also meant duplication in processes as the approval of the variation is not provided within an adequate timeframe to allow for Section 223 consultation to be undertaken on the final draft budget, in a genuine manner.

A draft consolidated budget is then prepared and considered by Council at informal briefings during March and April. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May 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.

To assist interested persons to understand the budget and make a submission if they wish, Council officers undertake a community engagement process including a public information session. 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. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers update Council's long term financial projections	Dec
2. Officers prepare operating and capital budgets	Jan/Mar
3. Councillors consider draft budgets at informal briefings	Mar/Apr
4. Application Lodged with ESC re rate Cap variation	Mar
5. Draft Budget submitted to Council for approval and Public notice advising intention to adopt budget	May
6. Budget available for public inspection and comment	May

7. ESC advised of outcome from rate cap variation application	May
8. Submissions period closes (28 days)	May/Jun
9. Submissions considered by Council	Jun
10. Budget and submissions presented to Council for adoption	Jun
11. Copy of adopted budget submitted to the Minister	Jun
12. Revised budget where a material change has arisen	Sep-Jun

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## Appendix B Non-capital Initiatives

	Expenditure	Specific Income or Reserves	Funded from General Revenue
<b>Goal 1 - Community and Cultural Development</b>			
<b>Arts &amp; Culture</b>			
Town Hall Ticketing System	16,400		16,400
<b>Community Services</b>			
Early Activation Childrens HUB Site	5,000		5,000
Aged Services Sustainability Review Project Officer	50,000	-25,000	25,000
<b>Goal 2 - Sustaining the Economy and Environment</b>			
<b>Building, Planning &amp; Compliance</b>			
Animal Enrichment Items	2,500		2,500
Animal Health Management Plan	2,500		2,500
ESM Compliance Works	50,000		50,000
ESM Initial Determinations and Documents by Contractor	35,000		35,000
ESM Inspections Re-occurring	35,000		35,000
Scanning Historic Building/Planning Records	3,000		3,000
Heritage advisor part time consultancy	10,000		10,000
Horsham South Structure Plan	120,000		120,000
Strategic Planning Allocation	10,000		10,000
Strategy for Open Space Contributions	20,000		20,000
<b>Economic Development &amp; Tourism</b>			
Economic Development Strategy	60,000		60,000
Grampians Way Ring Road Signage Project	10,000		10,000
Redevelopment WBC Website	5,000		5,000
Hsm/West Wimmera/Hindmarsh Collaborative Project	5,000		5,000
<b>Waste</b>			
Rehabilitate Dooen Landfill Johns Cell 1 Putrescible	430,000	-430,000	0
<b>Goal 3 - Asset Management</b>			
<b>Business Activities</b>			
Asbestos Labelling	10,000		10,000
Council Properties 2nd Year Trainee Position	13,000		13,000
Livestock Exchange Enterprise Review	20,000	-20,000	0
Livestock Exchange Masterplan	30,000	-30,000	0
<b>Environmental Services</b>			
CBD Revitalisation relocate powerlines underground	1,600,000	-1,056,000	544,000
Hazardous Tree Removal	40,000		40,000
Lighting the Regions Sustainability St Lighting	0		0
Town Entrances Streetscape Refurbishment	30,000		30,000
(blank)		-544,000	-544,000
<b>Recreation &amp; Community Facilities</b>			
Aquatic Centre Master Plan	25,000		25,000
Showgrounds Realignment Shed Buildings River Roundabout	10,000		10,000
<b>Roads &amp; Paths</b>			
Level 2 Bridge Inspection Surveys	40,000		40,000
<b>Goal 4 - Governance and Business Excellence</b>			
<b>Governance &amp; Administration</b>			
Civic Centre LED Lighting Replacement	35,000		35,000
Civic Centre Refurbishment Detailed Design	40,000		40,000
Civic Centre Switchboard Replacement x2	8,000		8,000
Faster Broadband Service	18,000		18,000
GIS Update Aerial Photography	30,000		30,000
Global Search Data Scoping	6,000	-6,000	0
IT Consultancy	50,000	-50,000	0
IT Intranet Workflow and Forms	30,000	-30,000	0
<b>Governance &amp; Leadership</b>			
Vec Electoral Representation Review of Municipality	0	-35,000	-35,000
Web Page Mtce/Upgrade/Enhancement	20,000	-20,000	0
<b>Organisational Development</b>			
Aboriginal Advisory Committee Initiatives	50,000		50,000
Staff Survey	12,000		12,000
<b>Grand Total</b>	<b>2,986,400</b>	<b>-2,246,000</b>	<b>740,400</b>

## Appendix C Community Grants

<b>COMMUNITY GRANTS and DONATIONS FOR 2016/17</b>			
		<b>Council Donations \$</b>	<b>Council Grants \$</b>
<b>SPORT AND RECREATION</b>			
Horsham Amateur Basketball Association	Scoring equipment		5,980
Horsham Flying Club - mobiles and radio event controller	Radios and mobile equipment		3,000
Horsham Golf Bowls Club	Plinth installation		2,500
Horsham Lawn Tennis Club	Ground drive spreader		415
Horsham Little Athletics Centre	Upgrade 2nd long jump pit		3,800
Horsham Motorcycle Club	Safety fencing and water tank		7,390
Horsham Riding for the Disabled	Skillion roof over container		1,694
Horsham Saints Cricket Club	Upgrade of practice nets		1,930
Horsham Croquet Club	Laser levelling		4,900
Laharum Sports Inc	Playground and precinct plan		8,473
Natimuk Lake Water Ski club	Portable slalom course		1,652
Noradjuha Recreation Reserve	Digitise and frame old photos		900
Pimpinio Sports and Community Centre	New ovens (2)		2,773
Wimmera Kart Racing Club	Safety improvements		3,210
Annual allocation to assist S&R funding applications		10,000	
- Kalkee Tennis Netball club S&R application	2nd court upgrade	10,000	
Sport & Recreation Advisory Committee Contingency		5,000	
Rural Recreation Reserves Turf Maintenance Allocation			
Haven		890	
Dooen		890	
Dock Lake		5,465	
Laharum		5,465	
Jung		0	
Kalkee		5,465	
Pimpinio		5,465	
Quantong		5,465	
Riverside		890	
Noradjuha		2,733	
Natimuk Show Grounds		9,895	
Toolondo		2,733	
Coughlin Park - Day labour in lieu of cash		8,825	
<b>TOTAL FOR SPORTING/RECREATION CLUBS</b>		<b>79,181</b>	<b>48,617</b>
<b>HALLS</b>			
Clear Lake Recreation Reserve	Toilets	515	
Brimpaen Recreation Reserve	Floor levelling		6,820
Dadswell Bridge Hall	Equipment		2,500
Old Riverside School Recreation Reserve	Storage Shed		5,000
Riverside Recreation Reserve	Decking		10,000
Taylor's Lake Hall	New oven		1,000
Insurance and fire services levy for all Council Public Halls		15,000	
<b>TOTAL FOR HALLS</b>		<b>15,515</b>	<b>25,320</b>
<b>KINDERGARTENS</b>			
Bennett Road Kindergarten	Develop external play area		5,100
Green Park Kindergarten	Landscaping		900
Roberts Avenue Kindergarten	Blinds		1,156
Maintenance Grants of \$795 for Council's 6 Kindergartens		4,770	
<b>TOTAL FOR KINDERGARTENS</b>		<b>4,770</b>	<b>7,156</b>
<b>GENERAL WELFARE/COMMUNITY SERVICES</b>			
Horsham College Chaplaincy Committee		5,250	
Christian Emergency Food Centre		2,140	
Wimmera River Improvement Committee		7,800	
Wimmera River Improvement Committee Police Paddock		2,300	
Wimmera Toy Library	IT equipment and toys	1,916	
<b>TOTAL FOR WELFARE/COMMUNITY SERVICES</b>		<b>19,406</b>	<b>0</b>



		Council Donations \$	Council Grants \$
<b>ORGANISATIONS</b>			
2nd Horsham Scouts	Fencing		7,000
3rd Horsham Brownie Guides	Blinds		603
4th Horsham Scout Group	BBQ		630
Arapiles Historical Society	Compactus storage		7,264
Christian Emergency Food Centre	Volunteer training		1,000
Clear Lake Cemetery Trust	Signage		350
Dadswells Bridge CFA	BBQ		356
Horsham Agricultural Society	2 disabled ramps		5,864
Horsham Branch CWA	Painting eaves, guttering		2,960
Horsham City Pipe Band	New chanters		2,000
Horsham College - Alternate Programs	Breakfast program		700
Horsham Healy Minds	2 public forums		1,600
Horsham Historical Society	Digitising		900
Horsham Masonic Centre	Air-conditioning to main hall		6,500
Horsham RSL	New WW1 memorial		8,000
Horsham Salvation Army	Community piano		1,000
Natimuk Community Energy - auspiced by Natimuk A&P	Application support		5,000
North West Grampians Newsletter	Newsletter	1,416	
OASIS Wimmera	Program support		1,500
Sunnyside Independent Living Units Social Committee	Indoor bowls mat		1,295
U3A Horsham & District	Excursion support		500
Wimmera Mobility Group	Excursion support		500
Wimmera Association for Geneology Inc	Program support	300	
Wimmera Mental Health Peer Support Group	Equipment		1,000
Wonwondah North Hall	Newsletter		300
Voices of the Wimmera	Street Choir		2,000
Horsham Rural City Brass Band	Support of council events	1,630	
Horsham City Pipe Band	Support of council events	1,630	
Natimuk Brass Band	Support of council events	1,630	
Natimuk and District Progress Association	Program support	1,120	
Dadswells Bridge - support of newsletter	Newsletter		200
Charitable Organisations - refund of rates		5,369	
(Red Cross, St Vincent de Paul, Salvation Army, Axis Worx, Jacobs Well)			
Longerenong Citizenship Prize		300	
Federation Uni Hsm Campus, Nursing Achievement Award		300	
Horsham Secondary College Senior Achievement Award		200	
St Brigid's College Snr Achievement Award		200	
General Contingency			3,391
<b>TOTAL FOR ORGANISATIONS</b>		<b>14,095</b>	<b>62,413</b>
<b>EVENTS</b>			
Art Is			6,600
Horsham & District Orchid Society			600
Horsham Calisthenics College	Tied to Trophies		1,000
Horsham Christian Ministers Association Inc	Carols by Candlelight		3,000
Horsham Country Music Association			1,550
Horsham Fishing Competition	General Support not event manager		5,000
Horsham Mother's Day Classic			1,000
Horsham Patchwork Quilters Inc.			2,400
Horsham Rockers Inc.			2,100
Horsham Urban Landcare	Fork to Fork Event		4,000
Kannamaroo Committee of Management			4,000
Natimuk A&P Society	Support 125th show not fireworks		5,000
Operation 19:14			2,700
Tri State Games Committee			5,000
Wimmera Rockers Danceworld			2,100
Wimmera Eisteffod Committee			800
Wimmera and Southern Mallee Careers Expo			1,700
<b>TOTAL FOR EVENTS</b>		<b>0</b>	<b>48,550</b>
<b>SUB TOTAL COMMUNITY GRANT AND DONATIONS 2016/2017</b>		<b>132,967</b>	<b>192,056</b>
<b>TOTAL COMMUNITY GRANT AND DONATIONS 2016/2017</b>			<b>325,023</b>

## **Appendix D**

### **Fees and Charges Schedules**

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2016/17 year.

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**REGIONAL LIVESTOCK EXCHANGE**

Associated agents general fee	Annual	57,400.00	<b>59,000.00</b>	<b>2015/16</b>
Truck wash- Purchase Avdata Key		40.00	<b>40.00</b>	<b>2010/11</b>
Occasional users - tray trucks/trailers	per 3 mins min charge 3 mins	6.60	<b>7.20</b>	<b>2014/15</b>
Coin in the slot	2 minutes	2.00	<b>2.00</b>	<b>2002/03</b>
Occasional users - semi-trailers		20.00	<b>20.00</b>	<b>2010/11</b>
General Sale Dues as Follows :-				
Cattle (not bulls)	Per Head/Day	11.00	<b>11.50</b>	<b>2015/16</b>
Bulls	Per Head/Day	11.00	<b>11.50</b>	<b>2015/16</b>
Calves	Per Head/Day	4.10	<b>4.30</b>	<b>2015/16</b>
Sheep	Per Head/Day	0.71	<b>0.75</b>	<b>2015/16</b>
Goats	Per Head/Day	0.71	<b>0.75</b>	<b>2015/16</b>

**Note: For Private Sales, General Sales Dues apply.**

**Note: Additional Fee for Mob Selling pending if applicable.**

**Holding Fees**

Every person who rents or uses pens or other accommodation for cattle for any purpose other than the sale of cattle at any market provided by the Council, for any of the following :-

Sheep	Per Head/Day	0.27	<b>0.28</b>	<b>2015/16</b>
Goats	Per Head/Day	0.27	<b>0.28</b>	<b>2015/16</b>
Cattle	Per Head/Day	3.20	<b>3.30</b>	<b>2015/16</b>

**Weighing Fee**

Cattle (Other than for sale)	Per Head	5.20	<b>5.40</b>	<b>2015/16</b>
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**Holding Paddock Fee**

sheep and lambs	Per Head/Day	0.27	<b>0.28</b>	<b>2015/16</b>
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there is no charge on stock held in yards on the first night

All stock is to be removed from selling yards by the lunchtime Friday

after a sale or stock will be placed on agistment where a fee is applicable

Disposal Fee	Per Head	28.70	<b>30.00</b>	<b>2015/16</b>
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Eartagging	Per Head	28.70	<b>30.00</b>	<b>2015/16</b>
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COUNCIL CHARGES & RENTALS 2016/17

	Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**CITY OVAL**  
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Ground Rentals

Horsham Cricket Association (For cricket season)		Annual	4,920.00	<b>5,100.00</b>	<b>2015/16</b>
Horsham Football Club		Annual	9,600.00	<b>10,000.00</b>	<b>2015/16</b>
One-off usage charge		Per event	520.00	<b>540.00</b>	<b>2015/16</b>
Horsham District Football League Wimmera Football League	Ord Final Ord Final	Charge now levied by Recreation Reserve Committee of Management			
Horsham District Football League Wimmera Football League	Grand Final Grand Final		10% of gate 10% of gate	<b>10% of gate</b> <b>10% of gate</b>	

\*\* 15% of gate applies if League does not provide clean-up

**33% of finals gate commission paid to Committee of Management**

Clubroom Cleaning Charges

Horsham Football Club (cleaning new showers & toilet facilities - bond \$250)					
Football Season		F/night	170.00	<b>180.00</b>	<b>2015/16</b>
Cricket Season		F/night	75.00	<b>80.00</b>	<b>2015/16</b>
Other bodies using facilities by arrangement		Each time	170.00	<b>180.00</b>	<b>2015/16</b>

**Horsham Recreation Reserve Committee of Management sets and retains casual hiring fees**

Advertising on Ground Fence (**Paid to Committee of Management**)

**RESIDENCES**  
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Botanic Gardens (rental set at market value)		Weekly	210.00	<b>220.00</b>	<b>2015/16</b>
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**AERODROME**  
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Hangar Site Rental - Non Commercial (as per current lease 3.0% increase)		Annual	765.14	<b>788.09</b>	<b>2015/16</b>
Hangar Site Rental - Commercial (as per current lease 3.0% increase)		Annual	1,275.21	<b>1,313.47</b>	<b>2015/16</b>
Refuelling rights ( Air BP) - as per current lease 3.0% increase		Annual	1,883.83	<b>1,940.34</b>	<b>2015/16</b>

**Council is required to give notice of rental increase no later than seven days prior to the commencement of each rental period that increase is to apply to.**

**User Charges**

Western Ag Supplies (formally Western Aerial Pty Ltd)		Annual	420.00	<b>435.00</b>	<b>2015/16</b>
Air Ambulance Victoria		Annual	1,680.00	<b>1,740.00</b>	<b>2015/16</b>
Horsham Flying Club		Annual	840.00	<b>870.00</b>	<b>2015/16</b>
Horsham Aviation Services		Annual	1,319.94	<b>1,367.06</b>	<b>2015/16</b>
Stewart Aviation		Annual	4,200.00	<b>4,350.00</b>	<b>2015/16</b>
Horsham Aero Club		Annual	840.00	<b>870.00</b>	<b>2015/16</b>
Regular non-hangar site user fee		Annual	180.00	<b>190.00</b>	<b>2015/16</b>
Occasional Landing Fee		Intermittent	15.00	<b>15.00</b>	<b>2010/11</b>

COUNCIL CHARGES & RENTALS 2016/17

	Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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NOTE: All charges listed do not include gst unless otherwise stated.

**MECHANICS INSTITUTE**

Historical Society Rooms	Lease to be reviewed	Annual	235.00	<b>245.00</b>	<b>2015/16</b>
Legacy Rooms	Lease to be reviewed	Annual	2,280.00	<b>2,380.00</b>	<b>2015/16</b>
Genealogy Society	Lease to be reviewed	Annual	205.00	<b>215.00</b>	<b>2015/16</b>

**COMMERCIAL PROPERTIES**

Horsham Basketball Stadium					
Horsham Amateur Basketball Association	1.7.12 - 30.6.17	Annual	15,500.00	<b>15,500.00</b>	<b>2007/08</b>
	Fixed Charge for 5 years				
WRLC Mclachlan St - Mibus Centre		Annual	9,375.00	<b>9,850.00</b>	<b>2015/16</b>
The Makers' Gallery & Studio		Annual	915.45	<b>960.00</b>	<b>2015/16</b>
Roberts Ave -Old Police Station					
- Booking Agency	Lease to be reviewed	Monthly	230.00	<b>240.00</b>	<b>2015/16</b>
- Lapidary Club	Lease to be reviewed	Annual	215.00	<b>225.00</b>	<b>2015/16</b>
-Community Radio Station#	Lease to be reviewed	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
-Wimmera Hearing Society	Lease to be reviewed	Annual	825.00	<b>860.00</b>	<b>2015/16</b>

#in addition Community Radio Station also pay rates of approx. \$410

**COMMERCIAL PROPERTIES continued**

Main Street Shops - total rental revenue (managed by Horsham Real Estate)			162,677.00	<b>164,946.00</b>	
Other premises					
28 Kalkee Road (rental set at market value)		Annual			
* Properties managed by Horsham Real Estate. Commercial properties shown as GST inclusive.					
43 Firebrace Street -Art Is occupy small area and pay rental		Annual	800.00	<b>830.00</b>	<b>2015/16</b>
45 Firebrace Street - Horsham PAWS		Monthly	800.00	<b>800.00</b>	<b>new 12/13</b>
Art Is occupation not covered by formal lease					
Notice Board - Horsham & District Funerals		Annual	60.00	<b>65.00</b>	<b>2015/16</b>
Notice Board- Wimmera Funerals		Annual	60.00	<b>65.00</b>	<b>2015/16</b>

**BURNT CREEK INDUSTRIAL ESTATE**

For agistment purposes (approx 90 ha, Lease fixed to 30/6/2015, HRLE)		Annual	<b>new lease</b>	<b>new lease</b>	<b>2012/13</b>
Lease of Real Estate - Lot 7 Burnt Creek Dve (approx. 1.45 ha - exp 12/17)		Annual	15,163.00	<b>*15163.00</b>	<b>2014/15</b>
*cpi adjustment every 2 years					

**HORSHAM ENTERPRISE ESTATE**

For agistment purposes (approx 40 ha, Lease fixed to 30/6/2015, Kenny Rd)		Annual	<b>new lease</b>	<b>new lease</b>	<b>2012/13</b>
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COUNCIL CHARGES & RENTALS 2016/17

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**OTHER PROPERTIES**

Miscellaneous Rental - Annual Fee

Grazing Licence Rental over allotment N of 159A Bungalally (approx. 14 ha)		370.00	<b>385.00</b>	<b>2015/16</b>
Grazing Licence Rental over allotments adj 195B, 195C Bung. (approx 5 ha)		225.00	<b>235.00</b>	<b>2015/16</b>
Lease of Dam Site (C/A 249A) NW Corner allot 249 Vectis East (0.82 ha)		95.00	<b>100.00</b>	<b>2015/16</b>

NC2 Multipurpose Room rental

Group A	Daily	150.00	<b>160.00</b>	<b>new 11/12</b>
- Businesses, government agencies and other users	Half Day	80.00	<b>85.00</b>	<b>new 11/12</b>
	Nightly	50.00	<b>55.00</b>	<b>new 11/12</b>
Group B	Daily	50.00	<b>55.00</b>	<b>new 11/12</b>
- Not-for-profit community groups and Natimuk businesses	Half Day	25.00	<b>27.50</b>	<b>new 11/12</b>
	Nightly	10.00	<b>11.00</b>	<b>new 11/12</b>

**BUILDING AND ASSET MANAGEMENT**

Council System Key - Key issue	Each		<b>37.00</b>	<b>new 16/17</b>
Council Lock System – Change of Locks. Plus 20% Administration Fee.	Each		<b>At Cost</b>	<b>new 16/17</b>
Building and Asset Management Administration Fee. Plus costs.	Each		<b>65.00</b>	<b>new 16/17</b>
Contractor Induction (Single Department)	Each		<b>35.00</b>	<b>new 16/17</b>
Contractor Induction (Multiple Departments)	Each		<b>60.00</b>	<b>new 16/17</b>
Replacement Induction Card	Each		<b>20.00</b>	<b>new 16/17</b>
Security Alarm Response (False Alarm / Accidental Activation)	Each		<b>70.00</b>	<b>new 16/17</b>
Fire Alarm Response (False Alarm / Accidental Activation). Plus 20% admin:	Each		<b>At Cost</b>	<b>new 16/17</b>

**DOG/CAT CONTROL**

Dog/Cat Fees to be set for **year commencing 10th April, 2017**

Dogs over three months	- Entire	Annual	114.00	<b>120.00</b>	<b>2015/16</b>
	- Desexed/Microchipped/Over 10 yrs	Annual	38.00	<b>40.00</b>	<b>2015/16</b>
	- Working	Annual	38.00	<b>40.00</b>	<b>2015/16</b>
Pensioner Concession	- Entire	Annual	57.00	<b>60.00</b>	<b>2015/16</b>
	- Desexed/Microchipped/Over 10 yrs	Annual	19.00	<b>20.00</b>	<b>2015/16</b>
	- Working	Annual	19.00	<b>20.00</b>	<b>2015/16</b>
Cats over three months	- Entire	Annual	114.00	<b>120.00</b>	<b>2015/16</b>
	- Desexed/Microchipped/Over 10 yrs	Annual	38.00	<b>40.00</b>	<b>2015/16</b>
Pensioner Concession	- Entire	Annual	57.00	<b>60.00</b>	<b>2015/16</b>
	- Desexed/Microchipped/Over 10 yrs	Annual	19.00	<b>20.00</b>	<b>2015/16</b>
Dog – Dangerous. If first registered in municipality after 1 July 2016.		Annual		<b>200.00</b>	<b>new 16/17</b>
Dog – Restricted Breed. If first registered in municipality after 1 July 2016.		Annual		<b>200.00</b>	<b>new 16/17</b>
Replacement registration tag for dogs and cats. First Replacement Only.		Each		<b>0.00</b>	<b>new 16/17</b>
Replacement registration tag for dogs and cats. Subsequent Replacement.		Each		<b>15.00</b>	<b>new 16/17</b>
Registration tag for dogs and cats not required to be registered in the		Each		<b>15.00</b>	<b>new 16/17</b>

The Domestic (Feral and Nuisance) Animals Act 1994 operative April 1996 requires that Council fix a maximum fee for dogs/cats that applies to all dogs/cats except :-

Desexed Dogs/Cats.

Dogs/Cats over 10 years old.

Dogs kept for working stock.

Dogs/Cats kept for breeding by the proprietor of a domestic animal business conducted on registered premises.

Dogs that have undergone obedience training which complies with the regulation.

Dogs/Cats registered with the Victorian Canine Association/Feline control Council.

(\$2.50 per dog and \$1.00 per cat of fee paid to Bureau of Animal Welfare)

The maximum fee must be three times the reduced fee.

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**DOG/CAT CONTROL (cont)**

Pound - First release fee - Dog/Cat During Normal Working Hours (One per 2-year period - does not apply if dog is involved in attack)		0.00	0.00	2012/13
Pound - First release fee - Dog/Cat Outside Normal Working Hours		85.00	90.00	2015/16
Pound - Second release fee - Dog/Cat		85.00	90.00	2015/16
Pound - Third and subsequent release fee - Dog/Cat		110.00	120.00	2015/16
Additional release fee if dog involved in attack		115.00	125.00	2015/16
Daily feeding and cleaning charges - First 24 hours on weekdays (excl. Public Holidays)		0.00	0.00	new 12/13
Daily feeding and cleaning charges - Per weekday after first 24 hours	per day	22.00	24.00	2015/16
Daily feeding and cleaning charges - Per weekend/public holiday	per day	44.00	48.00	2015/16
Additional charge if animal is required to be kept in quarantine at Pound.	per day		27.00	new 16/17
Additional charge if animal is required to be kept in quarantine with Veterinarian. Plus 30% administration and transport fee.	per day		At cost	new 16/17
Surrendered Animal - If animal surrendered to Pound.	Each		35.00	new 16/17
Surrendered Animal - If animal found at large and subsequently surrendered.	Each		75.00	new 16/17
Veterinary costs for Impounded Animal. Plus 30% administration and transport fee.			At cost	new 16/17
Transport Costs to deliver and retrieve animal from Veterinarian.	Each		25.00	new 16/17
Hire Charge – Cat Trap (Each). First two weeks.	Two Weeks		0.00	new 16/17
Hire Charge – Cat Trap (Each). After first two weeks.	Week		15.00	new 16/17
Transport Charge – Cat Trap. If hirer fails to return trap and requests it be collected by Council officer. Additional fee.	Each		25.00	new 16/17
Hire Charge – Dog Barking Control Device (Each). First two weeks.	Two Weeks		0.00	new 16/17
Hire Charge – Dog Barking Control Device (Each). After first two weeks.	Week		15.00	new 16/17
Transport Charge – Dog Barking Control Device. If hirer fails to return trap and requests it be collected by Council officer. Additional fee.	Each		25.00	new 16/17
Registration/Renewal of a Domestic Animal Business. (\$10.00 of fee paid to Bureau of Animal Welfare)		240.00	250.00	2015/16

**PARKING CONTROL**

Parking Fines ( Set by Act)				
Expired Meter (Minimum \$28 Maximum \$70)*		55.00	55.00	2012/13
On a footpath, etc. (Set by Act)**		91.00	93.00	2015/16
No Stopping Area (Set by Act)**		152.00	156.00	2015/16

\* Council may set a fee of b/n 0.2 & 0.5 Penalty Units      \*\* estimated amount - to increase with CPI

Parking Meter Charges				
<b>*includes GST</b>	Per hour	*1.00	*1.00	2011/12
Allocated on Street Car Parking Fee (per Bay)	Monthly	100.00	100.00	2014/15
Low cost all-day parking	Per day	*1.00	*1.00	new 14/15
Parking Bay Closed Off / Not Available.	Per day.		25.00	new 16/17
Hire charge – Traffic Cones. Bond may be required.			7.00	new 16/17
Hire charge – Traffic Cones. Bond may be required. Non-Profit Organisation.	Per cone		0.00	new 16/17

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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NOTE: All charges listed do not include gst unless otherwise stated.

**HEALTH FEES**

**Food Premises**

*Class One - Premises - Base fee	Annual	350.00	<b>365.00</b>	<b>2015/16</b>
*Class Two - Premises - Base fee	Annual	350.00	<b>365.00</b>	<b>2015/16</b>
Full time equivalent employees - greater than 5	Each	31.00	<b>32.00</b>	<b>2015/16</b>
Class Two Accommodation Meals (B&B)	Annual	115.00	<b>120.00</b>	<b>2015/16</b>
Class Two - School Canteens	Annual	31.00	<b>33.00</b>	<b>2015/16</b>
Class Two - Food Vehicle	Annual	260.00	<b>270.00</b>	<b>2015/16</b>
Class Two - Community Group (unlimited events)/Low volume home caterer	Annual	80.00	<b>85.00</b>	<b>2015/16</b>
Class Two - Temporary Event	Each	40.00	<b>45.00</b>	<b>2015/16</b>
Class Three - Premises	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
Class Three - Accommodation Meals (B&B)	Annual	95.00	<b>100.00</b>	<b>2015/16</b>
Class Three - Community Group (unlimited events)/Low volume home caterer	Annual	75.00	<b>80.00</b>	<b>2015/16</b>
Class Three - Food Vehicle	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
Class Three - Temporary Event	Each	30.00	<b>35.00</b>	<b>2015/16</b>

**Health Premises**

Registered premises - Annual	Annual	260.00	<b>270.00</b>	<b>2015/16</b>
Registered premises - Ongoing Initial	Ongoing/Each		<b>270.00</b>	<b>new 16/17</b>
Registered premises - Ongoing Renewal	Ongoing/Each		<b>80.00</b>	<b>new 16/17</b>
Registered premises - Ongoing Transfer	Each		<b>110.00</b>	<b>new 16/17</b>
Accommodation	Annual	260.00	<b>270.00</b>	<b>2015/16</b>

**\*Maximum fee**

3,100.00      **3,250.00**      **2015/16**

**Transfer of Registration**      50% of full fee

**Late Fees**

After 31 December each year 10% of the full fee is added.

**Septic Tank Fees**

Permit to Instal	Each	420.00	<b>440.00</b>	<b>2015/16</b>
Permit to Alter	Each	210.00	<b>220.00</b>	<b>2015/16</b>
Permit Extension / Amend Permit	Each	50.00	<b>55.00</b>	<b>2015/16</b>

**Service Fee**

Inspection by request	Per hour	110.00	<b>115.00</b>	<b>2015/16</b>
Influenza vaccinations	Per dose	20.00	<b>20.00</b>	<b>new 14/15</b>

**AGED & COMMUNITY CARE**

Meals on Wheels - Horsham	Per Meal	<b>10.00</b>		<b>2013/14</b>
Meals on Wheels - Natimuk	Per Meal	<b>10.00</b>		<b>2013/14</b>
Home Help - Base Charge	Per Hour	<b>10.00</b>		<b>2015/16</b>
Disabled Parking Permit - Issue fee	Per Permit	<b>6.00</b>		<b>2010/11</b>
Home Maintenance Handyman - Home Safety	Per Hour	<b>17.00</b>		<b>2015/16</b>



Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**PLANNING**

Extension of time to Planning Permit		107.50	<b>110.00</b>	<b>2015/16</b>
Extension of time to Planning Permit - Second Extension			<b>190.00</b>	<b>new 16/17</b>
Extension of time to Planning Permit - Third and Subsequent Extensions			<b>260.00</b>	<b>new 16/17</b>
Secondary consent for Planning Permits		107.50	<b>110.00</b>	<b>2015/16</b>
Secondary Consent for Planning Permit - Major. Plus \$30 Application Fee			<b>260.00</b>	<b>new 16/17</b>
Amendment to Planning Permit Not Otherwise Listed			<b>150.00</b>	<b>new 16/17</b>
Planning Permit history		113.00	<b>120.00</b>	<b>2015/16</b>
Notice of Planning Permit - Application in newspaper		185.00	<b>190.00</b>	<b>2015/16</b>
Placing of Planning Permit Application notice on-site		102.50	<b>105.00</b>	<b>2015/16</b>
Notice of Planning Permit - By mail. If more than ten letters must be sent.	Per letter		<b>5.70</b>	<b>new 16/17</b>
CLASS 2A - Application to develop one dwelling or ancillary development - estimated cost \$10,000 or less		118.00	<b>122.50</b>	<b>2015/16</b>
CLASS 2B - Application to develop one dwelling or ancillary development - estimated cost \$10,001 to \$30,000		220.00	<b>225.00</b>	<b>2015/16</b>
CLASS 2C - Application to develop one dwelling or ancillary development - estimated cost \$30,001 to \$100,000				
CLASS 5A - Application to develop land other than dwelling and ancillary development - estimated cost \$10,001 to \$30,000		239.00	<b>245.00</b>	<b>2015/16</b>
CLASS 5B - Application to develop land other than dwelling and ancillary development - estimated cost \$30,001 to \$100,000		490.00	<b>500.00</b>	<b>2015/16</b>
CLASS 5C - Application to develop land other than dwelling and ancillary development - estimated cost \$100,001 to \$250,000		604.00	<b>620.00</b>	<b>2015/15</b>
Copy of Title and Title Plan		41.00	<b>42.00</b>	<b>2015/16</b>
Copy of Covenant/Section 173		25.70	<b>27.50</b>	<b>2015/16</b>
Permit Administration Fee. Additional Fee for all Planning Permit Applications.			<b>30.00</b>	<b>new 16/17</b>
Other Application Administration Fee. Additional fee applies to Certification/Subdivision; Planning Enforcement; Planning Approvals / Consents (where Permit not required); Planning Scheme Amendments; General Enquiry / Pre-Planning Application / Planning Information; Liquor Licence Application.			<b>20.00</b>	<b>new 16/17</b>
Inspection Fee			<b>140.00</b>	<b>new 16/17</b>
Matters of Consent. Where the Planning Scheme specifies that a matter must to be done to the satisfaction of the responsible authority or for approval where no Planning Permit is required. Plus \$30 Permit Administration Fee		123.00	<b>127.00</b>	<b>2015/16</b>
Application for Council signing & sealing of Section 173 agreement		154.00	<b>270.00</b>	<b>2015/16</b>
Request for Planning Information in writing		64.50	<b>67.50</b>	<b>2015/16</b>
Specialist Advice. Where Council is required to obtain specialist advice to assess a Permit or other application. Plus 20% administration fee.			<b>At cost</b>	<b>new 16/17</b>

	Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**RECREATION RENTALS**

Baillie St.

Girl Guides Facilities	no formal lease	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
Scouts Facilities	1.10.01-31.12.11	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
Kalimna Park Croquet Club	1.3.04 - 31.12.11	Annual	230.00	<b>240.00</b>	<b>2015/16</b>

Racecourse Reserve

Horsham & District Racing Club Lease from 1/10/2015		Annual	5,963.00	<b>cpi adjust</b>	<b>2015/16</b>
Horsham West Ladies Bowling Club	no formal lease	Annual	205.00	<b>215.00</b>	<b>2015/16</b>
Hockey/Softball Association	no formal lease	Annual	215.00	<b>225.00</b>	<b>2015/16</b>

Botanic Gardens

Horsham Croquet Club	1.12.39-Indefinite	Annual	230.00	<b>240.00</b>	<b>2015/16</b>
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**SUNDRY CHARGES**

Weddings at Gardens - Hire Charge	GST inclusive	Each Time	65.00	<b>70.00</b>	<b>2015/16</b>
Booking fee for wedding photographs	GST inclusive		65.00	<b>70.00</b>	<b>2015/16</b>

**Emergency Bore Water Charge**

- all water in excess of 20,000 KL per year - \$1.00 per additional KL

			1.00	<b>1.00</b>	<b>2009/10</b>
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**Community Local Law No. 3**

Permit to Burn		each permit	30.00	<b>35.00</b>	<b>2015/16</b>
Permit to collect firewood from Council road/place		each permit	15.00	<b>17.50</b>	<b>2015/16</b>
Permit to display vehicle or goods for sale		each permit	130.00	<b>135.00</b>	<b>2015/16</b>
Footpath Advertising Permit			130.00	<b>135.00</b>	<b>2015/16</b>
Footpath Display Table Permit			130.00	<b>135.00</b>	<b>2015/16</b>
Footpath Table & Chairs Permit - per chairs - unlicensed premise			18.00	<b>20.00</b>	<b>2015/16</b>
Footpath Table & Chairs Permit - per chairs - licenced premise			37.00	<b>40.00</b>	<b>2015/16</b>
Hazard and Unslightly Property Clean Up by Contractor - Council Administration Fee. Plus costs associated with clean up and removal. Failure to adhere to Clean Up or Unslightly Property Notice.		Each		<b>250.00</b>	<b>new 16/17</b>
Clean Up by Contractor - Council Administration Fee. Plus all costs associated with clean up and removal. Clean up of illegally dumped and otherwise not properly disposed of items and refuse.		Each		<b>250.00</b>	<b>new 16/17</b>

**Refer to Appendix 'A' 'Schedule of Application for Local Law Permit Fees' for further permit fees applicable**

Car parking offstreet in lieu of spaces		Space	8,250.00	<b>8,500.00</b>	<b>2015/16</b>
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**Road Opening Fees & Re-Instatement Charges**

Permit Fee			60.00	<b>60.00</b>	<b>2015/16</b>
Opening	Gravelled Surface	per sq m	40.00	<b>45.00</b>	<b>2013/14</b>
Opening	Bitumen or Concrete Footpath	per sq m	65.00	<b>70.00</b>	<b>2013/14</b>
Opening	Removal of Kerb & Channel	per m	65.00	<b>70.00</b>	<b>2013/14</b>
Opening	Sealed Roadways	per sq m	75.00	<b>80.00</b>	<b>2013/14</b>
Opening	Tap into Stormwater drain	Permit Fee	45.00	<b>50.00</b>	<b>2013/14</b>
Boring	Boring Under Road (No disturbance to pavement)	Permit Fee	60.00	<b>65.00</b>	<b>2013/14</b>
Vehicle	Construction of Kerb Crossing - permit fee	Permit Fee	70.00	<b>75.00</b>	<b>2013/14</b>
Crossings					
Public Authorities	Ruling charges as varied from time to time by MAV			To Be Advised	
Special Work	Minimum Charge		45.00	<b>45.00</b>	
	Road closure, etc.				

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**SUNDRY CHARGES**

Builders Footpath Repair & Crossing Deposit (Fixed as per Local Law No. 3)		700.00	<b>700.00</b>	<b>2011/12</b>
Building Services As per Building Dept Fees & Charges Schedule - <b>refer Appendix 'B'</b>				
Roadworks Contribution - Due by Subdivider/Developer - contribution towards upgrading existing roads servicing development - based on estimated cost - project specific				
Drainage Headworks Levy				
- per hectare - Urban areas		17,250.00	<b>17,700.00</b>	<b>2015/16</b>
- per hectare - Rural Residential Areas* *sliding scale applicable		17,250.00	<b>17,700.00</b>	<b>2015/16</b>
Design checking fee 0.75% of approved actuals				
Supervision only - 2.5% of approved actuals				
Design / Supervision / Administration - 7.5% of approved actuals				
Offences Under Local Law No. 3				
2.18 & 6.6 (b) Toy Vehicles				
Impounding Release Fee				
-1st Offence	each time	40.00	<b>45.00</b>	<b>2014/15</b>
-2nd Offence	each time	100.00	<b>110.00</b>	<b>2014/15</b>
-3rd & Subsequent Offences	each time	200.00	<b>210.00</b>	<b>2015/16</b>
2.17 & 6.6 (b) Shopping Trolleys				
Impounding Release fee plus removal costs	each trolley	100.00	<b>105.00</b>	<b>2015/16</b>
Impounded abandoned vehicles release fee plus costs	each vehicle	200.00	<b>210.00</b>	<b>2015/16</b>
Impounded release fee - other Items where permit and fee applies but neither permit obtained nor fee paid and item displayed illegally. Plus costs associated with removal	each item	100.00	<b>110.00</b>	<b>2014/15</b>
Fire Hazard Removal by Contractor - Council Admin. Fee ( Failure to adhere to Fire Prevention Notice)		240.00	<b>250.00</b>	<b>2015/16</b>
Fire Hazard Removal by Contractor - Council Admin Fee. Plus Costs ( Failure to adhere to Fire Prevention Notice)				
VicRoads Search Fee. If required to identify the owner of a motor vehicle.	Each		<b>7.00</b>	new 16/17
Australian Security and Investment Commission Search Fee. If required to identify the proper address or other details of a registered company.	Each		<b>16.00</b>	new 16/17
Regulatory Services Administration Fee. Plus costs.	Each		<b>65.00</b>	new 16/17
Photocopying Charge - per copy				
A4	BW/Colour	*0.50/*0.55	<b>*0.55/*0.60</b>	<b>2015/16</b>
A3	BW/Colour	*0.60/*0.65	<b>*0.65/*0.70</b>	<b>2015/16</b>
A2	BW/Colour	*7.00/*7.50	<b>*7.50/*8.00</b>	<b>2015/16</b>
A1	BW/Colour	*11.00/*12.00	<b>*12.00/*13.00</b>	<b>2015/16</b>
A0	BW/Colour	*17.00/*18.00	<b>*18.00/*19.00</b>	<b>2015/16</b>
			<b>*includes GST</b>	
Provision of sales data to Valuers and Real Estate Agents:-				
Urban & Rural	per property	0.70	<b>0.75</b>	<b>2015/16</b>
Rural Only	per property	0.85	<b>0.90</b>	<b>2015/16</b>

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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NOTE: All charges listed do not include gst unless otherwise stated.

**TOWN HALL**

**Horsham Town Hall Fees**

	Usage Method	Full Charge	Dance School Rate	Community Rate
Auditorium Theatre (500)	8 hrs	1,800.00	1,350.00	655.00
Auditorium Theatre (500)	4 hrs	1,000.00	750.00	400.00
Auditorium Rehearse/Bump In/Out	8 hrs	1,200.00	300.00	280.00
Auditorium Rehearse/Bump In/Out	4 hrs	700.00	150.00	150.00
Auditorium Conference/forum	8 hrs	1,600.00		
Auditorium Conference/forum	4 hrs	900.00		
Foyer	8 hrs	440.00	330.00	176.00
Foyer	4 hrs	220.00	165.00	88.00
Town Hall Seated, Theatre / Expo	8 hrs	1,000.00	750.00	500.00
Town Hall Seated, Theatre / Expo	4 hrs	600.00	450.00	300.00
Town Hall Rehearsals	8 hrs	304.00	250.00	250.00
Town Hall Rehearsals	4 hrs	152.00	150.00	150.00
Town Hall event set up (build day prior)	8 hrs	304.00	250.00	250.00
Town Hall event set up (build day prior)	4 hrs	152.00	150.00	150.00
Education Room Seated (40)	8 hrs	400.00	300.00	160.00
Education Room Seated (40)	4 hrs	200.00	150.00	80.00
Education Room Seated (40)	2 hrs	100.00	75.00	40.00
Green Room Seated (25)	8 hrs	320.00	240.00	128.00
Green Room Seated (25)	4 hrs	160.00	120.00	64.00
Green Room Seated (25)	2 hrs	80.00	60.00	32.00
Art Gallery	4 hrs	280.00		112.00
Art Gallery	2 hrs	140.00		56.00
HTH Other:				
Town Hall Kitchen	8 hrs	320.00	240.00	128.00
	4 hrs	160.00	120.00	64.00
Projector Hire				
Piano Hire	per hire	150.00		
APRA Licence	per event	60.00		
Additional Cleaning	per hour	55.00		

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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NOTE: All charges listed do not include gst unless otherwise stated.

**WASTE MANAGEMENT FEES**

\* All waste management fees listed include GST

**TRANSFER STATIONS AND RURAL LANDFILLS**

**WASTE ITEM**

**CHARGE**

**UNIT**

**General Waste**

Car Boot/240 litre bin	Min. charge	12.50	13.00	2015/16
6 x 4 Trailer, Utility	(approx 1m3)	19.00	19.50	2015/16
6 x 4 Trailer with sides	(approx 1.5m3)	28.50	29.25	2015/16
Tandem Trailer	2m3	38.00	39.00	2015/16
Light Trucks	3m3	57.00	58.50	2015/16

Builders Waste/Concrete/Spoil

-If dumped at Transfer Station **\$148.50\*** per m3 plus **\$11.00\*** per m3 cartage to Dooen - maximum 3 x m3 = **\$478.50**

Dead Animals - <b>per carcass</b>		18.00		2014/15
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**Green Waste (Sorted-Clean)**

Up to 2 cm (loose)	per load	8.00	8.00	2011/12
Trucks/Large Loads/Tandem Trailer	per load	20.00	20.00	2011/12
6 X 4 Trailer (clean, green)	per load	6.00	6.00	2011/12

**Recyclables**

Paper / Cardboard / Polystyrene

Bottles / Glass / Cans

Steel/W. Goods/Fencing/Tanks

} free if sorted

Car Batteries

No Charge

Car Bodies

No Charge

Empty Gas Cylinders

No Charge

Mattresses (Single)

15.00 15.00 2014/15

Mattresses (Double or larger)

30.00 30.00 2014/15

Light Tyres

24.00 24.00 2014/15

Heavy Tyres

42.00 42.00 2014/15

Heavy Tyres (Truck)

77.50 77.50 2014/15

Heavy Tyres (Tractor, etc)

165.00 165.00 2014/15

Waste Oil (non-commercial only)

No Charge

T.V. (monitor) screens, etc.

No Charge 2012/13

Chemical Drums

each No Charge

(must be triple rinsed)

**Sale of chipped greenwaste (if available)**

Trailer 6 X 4	Load	15.00	15.00	2008/09
Tandem Trailer	Load	23.00	23.00	2008/09
Truckload	Load	29.50	29.50	2008/09
Loading (To max. \$5.00*)	per m3	2.00	2.00	2007/08

**Commercial Waste**

Large loads not accepted

**Asbestos Waste**

Not Accepted

**Builders Waste/Concrete/Spoil**

In excess of 3xm3 take to Dooen by arrangement at Dooen

**Builders Waste/Concrete/Spoil**

If dumped at Transfer Station **148.50\*** per m3 plus **\$11.00\*** per m3 cartage to Dooen = **159.50/m3** (ie. For 3 x m3 = **\$478.50**)

All accounts must be authorised by General Manager Technical Services and a bank cheque/guarantee may be requested as security.

Lease Period	Charge Frequency	Adopted Charge 2015/16	Adopted Charge 2016/17	YEAR LAST INCREASED
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**NOTE: All charges listed do not include gst unless otherwise stated.**

**WASTE MANAGEMENT FEES (rates amended for increased EPA charges 2016/17)**

**DOOEN LANDFILL**

**\* All waste management fees listed include GST**

(Based on EPA Landfill levies of **\$31.00** per tonne for Municipal and \$54.40 per tonne for Industrial/Commercial waste, **\$70.00** per tonne for Low Level Contaminated Waste and **\$30.00** for Asbestos)

**WASTE ITEM**

**CHARGE**

**UNIT**

**General Waste**

Not accepted unless by arrangement - use Transfer Station

All Loads (Min. 3 tonne)

Min 3.0 tonne      **356.40**      **363.00**      **2015/16**

Excess above 3.0 tonne

tonne      **118.80**      **121.00**      **2015/16**

**Green Waste (Sorted) & Recyclables**

Not accepted - use Transfer Station

**Putrescible Waste**

Municipal - other Councils within waste group area

tonne      **118.80**      **121.00**      **2015/16**

Municipal - other Councils outside waste group area

tonne      N/A      **148.50**      **new 16/17**

HRCC

**107.80**      **110.00**      **2015/16**

**Hard Waste**

(Builders Rubble, etc.)

tonne      **145.20**      **148.50**      **2015/16**

**Commercial Waste**

(From approved Commercial Waste Operators)

tonne      **145.20**      **148.50**      **2015/16**

**Clean Filling**

(Suitable for Landfill cover)

tonne      **7.70**      **7.70**      **2010/11**

**Sheepskins**

tonne      **65.00**      **65.00**      **2015/16**

**Dead Sheep**

each carcass      **8.80**      **9.00**      **2015/16**

**Animal Carcass**

(Larger than sheep)

each carcass      **18.00**      **18.00**      **2015/16**

**Clean Concrete**

(Suitable for crushing)

tonne      **5.50**      **5.00**      **2008/09**

**Asbestos**

(Only accepted with EPA approval)

tonne      **231.00**      **236.50**      **2015/16**

**Grain Waste**

(GMO waste DNRE approval needed)

tonne      **145.20**      **148.50**      **2015/16**

**Low Level Contaminated Soil (Cat. C)**

tonne      **209.00**      **213.40**      **2015/16**

**Sale of Crushed Concrete (subject to availability)**

Non Council

tonne      N/A           **2010/11**

Council

tonne      **12.00**      **12.00**      **2010/11**

Approved Contributing Recyclers

tonne      N/A           **2010/11**



<b>Domestic Building Work (Class 1 and 10) (Plus \$30 Permit Administration Fee)</b>	
<b>Works value less than \$5,000</b>	\$390 + GST
<b>New Dwelling, Extension, Alterations</b>	
Value of Works \$5001 to \$10,000	\$555 + GST
Value of Works \$10,001 to \$20,000	\$700 + GST
Value of Works \$20,001 to \$50,000	\$900 + GST
Value of Works \$50,001 to \$100,000	\$1,210 + GST
Value of Works \$100,001 to \$150,000	\$1,520 + GST
Value of Works \$150,001 to \$200,000	\$1,825 + GST
Value of Works \$200,001 to \$250,000	\$2,130 + GST
Value of Works \$250,001 to \$300,000	\$2,440 + GST
Value of Works \$300,001 to \$350,000	\$2,740 + GST
Value of Works above \$350,000	Maximum \$3,055 + GST
<b>Garage, Shed, Patio, Verandah, Pergola</b>	\$600 + GST
<b>Swimming Pools Fence Only</b>	\$200 + GST
<b>Swimming Pool and Swimming Pool Fence</b>	\$470 + GST
<b>Restumping</b>	\$615 + GST
<b>Re-erection of dwelling (resiting)</b>	\$1,130 + GST
<b>Demolish / Remove building</b>	\$495 + GST

<b>Commercial Building Work (Class 2-9) (Plus \$30 Permit administration fee)</b>	
<b>New Building, Extension, Alterations</b>	
Value of Works up to \$10,000	\$700 + GST
Value of Works \$10,001 to \$50,000	\$905 + GST
Value of Works \$50,001 to \$100,000	\$1,310 + GST
Value of Works \$100,001 to \$150,000	\$1,730 + GST
Value of Works \$150,001 to \$200,000	\$2,145 + GST
Value of Works \$200,001 to \$250,000	\$2,555 + GST
Value of Works \$250,001 to \$300,000	\$2,970 + GST
Value of Works \$300,001 to \$500,000	\$3,385 + GST
Value of Works above \$500,000 or (negotiated with Council)	Cost + 150 + GST
<b>Minor Works (Refurbishment, Fit out, Change of use, Essential Safety Measures, Minor Alterations)</b>	\$700 + GST
<b>Demolish / Remove Building</b>	\$595 + GST

<b>Levies / Bonds</b>	
Building Administration Fund Levy – All Building Work > \$10,000	0.00128 per \$ of building work value
Bond / Guarantee for re erection of buildings	The lesser of the cost of the building work or \$5,000
Council Infrastructure (Asset) Protection Deposit	\$700

<b>Inspections</b>	
Additional Inspection (failure to pass initial / additional inspection not included in initial building permit fee)	\$140 per inspection + GST
Inspections for Private Building Surveyors	\$260 per inspection / hour + GST
Essential Safety Measure Inspection	\$140 per inspection + GST
Miscellaneous Inspection – for example, reports for relocations, reports for applications for determinations	\$160 per hour + GST
After Hours Inspection (Outside 8:00 am to 5:00 pm, Monday to Friday)	Plus 30% of inspection fee.

<b>Report and Consent</b> Plus \$15 Administration Fee	
Application for report and consent to build over an easement vested in Council pursuant to regulation 310.	As per Prescribed fee (as at July 2015 - \$250.60)
Application for report and consent pursuant to Part 4 – Siting	As per Prescribed fee (as at July 2015 - \$250.60)
Application for report and consent pursuant to regulation 513, 515, 604, 802 and 806.	As per Prescribed fee (as at July 2015 - \$250.60)
Application for report and consent pursuant to regulation 610 – Location of point of stormwater discharge	As per Prescribed fee (as at July 2015 - \$62.60)
Application for report and consent pursuant to s29a – Demolition of Building	As per Prescribed fee (as at July 2015 - \$62.60)

<b>Request for Information</b> Plus \$10 Administration Fee	
Requests for information (Property Information Requests) pursuant to regulation 326(1), 326(2) and 326(3)	As per Prescribed fee (as at July 2015 - \$49.90).

<b>Illegal Building Work</b> Plus \$30 Permit Administration Fee	
Consideration of Approval of Illegal Building Work	Cost of Building Permit + 50% + GST +

<b>File Retrieval / Search</b>	
File Retrieval – Minor Document (for example, Copy of Building / Occupancy Permit/ Plans)	\$10 + Photocopying + GST
File Retrieval / Search (Permit history)	\$60 + Photocopying + GST

<b>Amended Building Permit</b>	
Amended Building Permit – Minor Alterations	\$85 + GST
Amended Building Permit – Major Alterations	\$165 + additional inspections + GST
Extension of time to Building Permit – amended Permit required (First Request)	\$115 + GST
Extension of time to Building Permit – amended Permit required (Second Request)	\$210 + GST
Extension of time to Building Permit – amended Permit required (Third and Subsequent Requests)	\$350 + GST
Amended Plans	\$160.00 per hour + GST Minimum one hour charge. Charged by the hour.



<b>Refunds</b>	
Withdrawn Application – Permit Lodged Not Yet Assessed	\$210 retained
Withdrawn Application – Permit Assessed Not Yet Issued	30% fees retained. Minimum \$310 retained
Permit Cancellation – After Permit Issued	Refund for inspections not carried using inspection fee current at time of issue
Permit Cancellation – After Permit Expired	All fees retained.

<b>Lodgement Fee</b>	
Lodgement fee for Private Building Surveyors (Submission of Section 80, 30 and 73)	As per Prescribed fee (as at July 2015 - \$37.40)

<b>Events</b>	
Place of Public Entertainment (POPE) Occupancy Permit	\$360.00 inc GST. Plus \$20 Permit Administration Fee
Temporary Site Inspection for large Marquees over 100 sqm	\$230.00 inc GST
Temporary Structure Inspection - Site Approval	\$230.00 inc GST
Temporary Structure Inspection	\$230.00 inc GST
Entertainment / Event Consideration, Notification, and Approval - No Permit Required	\$10 inc GST

Note : Fees may be negotiated based on volume and economies of scale and scope, in line with the Building Approvals Fee Policy. Where the max number of inspections is exceeded on a Building Permit, additional inspections will be charged at \$140 Per Insp + GST.

ANGELA MURPHY  
 Director, Planning and Economic  
 1 July 2016

## Schedule of Application for Local Law Permit Fees

Local Law Number	Description	Fee Type (1,2,3, BF)	Department
2.2(a)	Without a permit a person must not on a road or municipal place; <b>occupy or fence off part of any area.</b>	3	TS
2.2(b)	Without a permit a person must not on a road or municipal place; <b>erect scaffolding, hoarding or overhead protective awning.</b>	3	TS
2.2(c)	Without a permit a person must not on a road or municipal place; <b>use a mobile crane or travel tower for any work.</b>	3	TS
2.2(d)	Without a permit a person must not on a road or municipal place; <b>remove or prune any street tree.</b>	1	TS
2.2(e)	Without a permit a person must not on a road or municipal place; <b>plant any tree or shrub or landscape any area.</b>	1	TS
2.2(f)	Without a permit a person must not on a road or municipal place; <b>place a bulk rubbish container.</b>	3	PE
2.5	Without a permit, <b>a person must not construct or remove any kind of vehicle crossing.</b>	BF	TS
2.6	Without a permit, <b>a person must not use a class of vehicle on a road which has been prohibited from use of that road by Council (see Section 3 of Community Local Law guidelines)</b>	3	TS
2.7	Without a permit, <b>a person must not do any work to a vehicle on a road or municipal place, except to enable the vehicle to be removed from the road or municipal place.</b>	2	PE
2.8	Without a permit, <b>a person must not collect wood from a Council managed road or municipal place.</b>	BF	TS
2.11	Without a permit, <b>a person must not organise any rally, procession or demonstration on a road or in a municipal place.</b>	1	TS
2.25	Without a permit, <b>a person must not ride or lead a horse on a reservation in a built up area or in a municipal place</b>	1	TS

<b>2.26(a)</b>	Without a permit a person must not on a road or municipal place; <b>place or display any vehicle or goods for sale.</b>	BF	PE
<b>2.26(b)</b>	Without a permit a person must not on a road or municipal place; <b>display any goods.</b>	2	PE
<b>2.26(c)</b>	Without a permit a person must not on a road or municipal place; <b>place any outdoor eating furniture or associated facilities.</b>	BF	PE
<b>2.26(d)</b>	Without a permit a person must not on a road or municipal place; <b>Place any structure for the purposes of selling or offering for sale any goods or serves.</b>	BF	PE
<b>2.26(e)</b>	Without a permit a person must not on a road or municipal place; <b>sell or offer for sale any goods or services carried about or placed on the person or any other movable thing.</b>	BF	PE
<b>2.26(f)</b>	Without a permit a person must not on a road or municipal place; <b>sell or offer for sale any raffle ticket, solicit or collect any waste materials, second hand goods, gifts of money or subscriptions from a road, or from premises adjacent to a road. (Non-Profit Organisation)</b>	1	PE
<b>2.26(f)</b>	Without a permit a person must not on a road or municipal place; <b>sell or offer for sale any raffle ticket, solicit or collect any waste materials, second hand goods, gifts of money or subscriptions from a road, or from premises adjacent to a road. (For-Profit Organisation)</b>	2	PE
<b>2.26(g)</b>	Without a permit a person must not on a road or municipal place; <b>busk.</b>	1	PE
<b>2.26(h)</b>	Without a permit a person must not on a road or municipal place; <b>conduct a street party or festival.</b>	2	TS
<b>2.26(i)</b>	Without a permit a person must not on a road or municipal place; <b>conduct a circus, carnival or other similar event.</b>	3	TS
<b>2.27</b>	Without a permit, a <b>person must not leave a trailer or caravan on a road or municipal place for more than 7 days</b>	2	PE
<b>2.29</b>	Without a permit, a <b>person must not play amplified music or sound on a road or municipal place if it is unreasonable noise.</b>	3	CS

3.8	<b>Permit to Burn</b>	BF	PE
3.9	Without a permit, a person must not light an incinerator in a built up area or within a residential area.	2	CS
3.10	Without a permit, a person must not camp on a road or municipal place in a tent, caravan, motor vehicle or any other temporary or makeshift structure	2	PE
3.12	Without a permit, a person must not tap into or interfere with any Council drain, unless otherwise authorised by Council	BF	TS
4.1	Without a permit, an owner or occupier of land must not keep or allow to be kept more than 4 different types of animals in any residential or built up area.	3	PE
4.2	Without a permit, an owner or occupier of land must not be kept or allow to be kept any more in number for each type of animal as set out in the table.	3	PE
4.5	Without a permit, an owner of occupier of land must not keep or allow to be kept any more in number for each type of bird as set out in the following table.	3	PE
5.1	<b>Permit to Drove</b>	2	TS
5.5	<b>Permit to Graze</b>	2	TS
7.4	Without a permit, a person must not conduct a fireworks display or otherwise ignite fireworks on Council property, public places and /or within one kilometre of any town boundaries.	2	PE
7.9	<b>Application for Authority to leave a vehicle standing on the aerodrome movement area</b>	1	TS

#### **Fee Type**

Level 1 = \$0

Level 2 = \$35

Level 3 = \$60

BF = Specifically Budgeted Fee

#### **Department**

TS = Technical Services

PE = Planning and Economic

CS = Community Services