



**Pyrenees**  
Shire Council

**2022 – 2023 Draft Budget**

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## Mayor and CEO Introduction

The Councillors and I are pleased to release to the Community the Budget 2022/23, the second of Council's four-year term. The budget details the resources required over the next year to fund the large range of services we provide for our community. It also includes details of proposed capital expenditure allocations to improve and renew our Shire's physical infrastructure, buildings, and operational assets as well as funding proposals for a range of operating projects.

A great deal of work has been undertaken to find cost savings and this is reflected in the budget. Rate increases have been capped at 1.75% in line with the Victorian Government's Fair Go Rates System. Despite the financial challenge this poses, Council is determined to maintain current services, while working within the cap.

Council has developed a new Vision and new Council Plan; extensive Community Consultation has been carried out to inform these documents.

In preparation of the 2022/23 Annual Budget, Council has reviewed its 10 year Financial Plan to ensure the financial sustainability of the Council, not only in the short term but into the future. It is Council's view that the adoption of the 2022/23 budget not only meets the needs of the community for that year but enables the financial sustainability of the Council over the next 10 years.

In the preparation of the 2022/23 budget and 10 Year Financial Plan, the major objectives are:

- Ensuring working capital is sustainable over the 10 years
- Total capital program of \$7.727 million to fund essential works and projects for the infrastructure needs of the Municipality
- Ensuring that the funding is provided for the delivery of the Council Plan
- Provision of funding to continue the delivery of all Council services
- Rates will increase by the State Government Rate Cap of 1.75%
- Waste charges will not increase for 2022/23, remaining at the 2021/22 levels

Council's belief that it is essential to ensure the financial viability of the Council in the long term and believes that the 2022/23 budget will achieve this objective. This budget will allow for the growth of the municipality whilst ensuring the delivery of essential services and projects to the community.

**Cr Ron Eason**  
**Mayor**

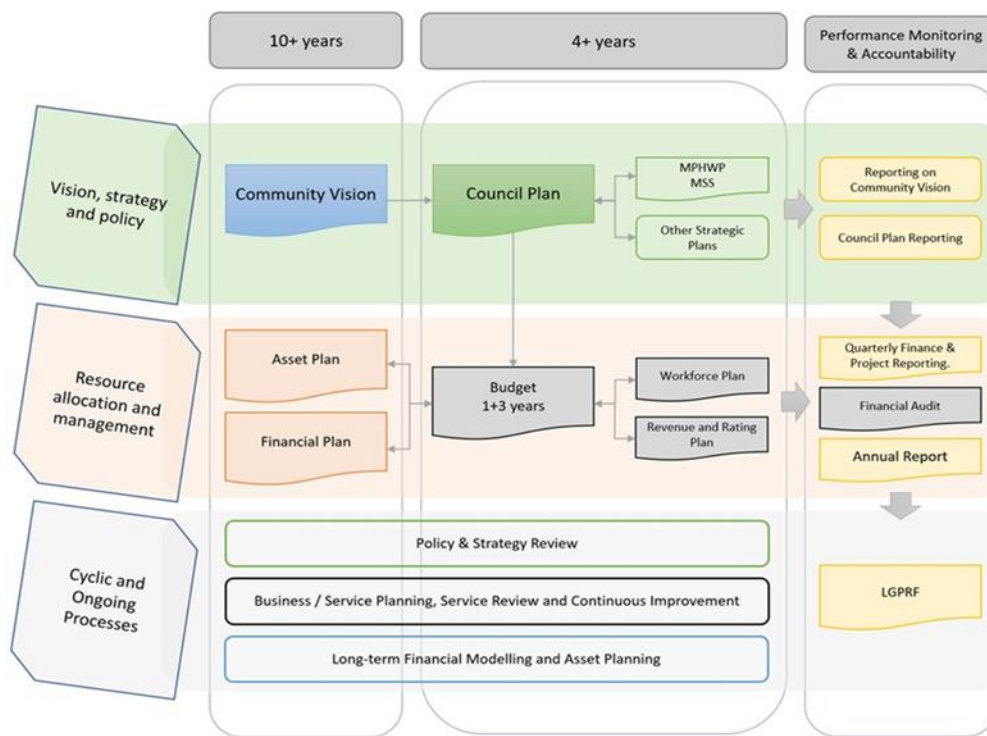
**Jim Nolan**  
**Chief Executive Officer**

# 1 Link to the Council Plan

This section describes how the Budget links to the achievement of the Community Vision and Council Plan within an overall integrated planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Community Vision and Financial Plan), medium term (Council Plan, Workforce Plan, and Revenue and Rating Plan) and short term (Budget) and then holding itself accountable (Annual Report).

## 1.1 legislative planning and accountability framework

The Budget is a rolling four-year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The diagram below depicts the integrated planning and reporting framework that applies to local government in Victoria. At each stage of the integrated planning and reporting framework there are opportunities for community and stakeholder input. This is important to ensure transparency and accountability to both residents and ratepayers.



Source: Department of Jobs, Precincts and Regions

The timing of each component of the integrated planning and reporting framework is critical to the successful achievement of the planned outcomes.

## 1.1.2 Key planning considerations

### Service level planning

Although councils have a legal obligation to provide some services— such as animal management, local roads, food safety and statutory planning—most council services are not legally mandated, including some services closely associated with councils, such as libraries, building permits and sporting facilities. Further, over time, the needs and expectations of communities can change. Therefore, councils need to have robust processes for service planning and review to ensure all services continue to provide value for money and are in line with community expectations. In doing so, councils should engage with communities to determine how to prioritise resources and balance service provision against other responsibilities such as asset maintenance and capital works.

Community consultation needs to be in line with a councils adopted Community Engagement Policy and Public Transparency Policy.

### Our purpose

In response to the Community Vision, the Council have agreed on the following vision for the course of the Council Plan:

#### Our vision

**“Sustainable and welcoming places and natural environment that create inclusive, happy and healthy connected communities.”**

#### Our values

Pyrenees Shire Council has a clear strength in the bond and affinity between its Councillors, the community, and staff. Staff support the community leadership and governance role of Councillors and work together to achieve the commitments of the Council Plan. Having all Pyrenees Shire Council staff practise the following organisational values enhances the quality of this partnership:

- **Service** - Our citizens, community and service users are the focus of all our actions
- **Accountability** - We are responsible for our actions, which are open to review
- **Innovation** - We encourage and seek new ideas in finding solutions
- **Teamwork** - We share our skills, knowledge, and experience as part of a team and work together towards achieving Council’s goals
- **Recognition** - We promote the achievements and efforts of others
- **Safety** - We look after our environment and the welfare of others
- **Integrity** - We are open and honest and work to the best of our ability
- **Respect** - We acknowledge the opinions of others and their rights and differences.

## 1.2 Priorities to achieve Council's vision

To deliver Council's vision three enabling principles have been agreed upon, these being:

<b>a</b>	<b>Motivate and inspire community involvement</b>
1	Embed community participation in project management framework
2	Work with our communities to understand and realise their aspirations
3	Encourage wide representation of community in Council decision-making being diverse in terms of gender, age, culture and occupation
4	Providing a range of opportunities for community participation, including online, in-person, and through different media
5	Annually report to a community consultative group to review the implementation of the Community Vision
<b>b</b>	<b>Provide transparency and accountability</b>
6	Reflect community consultation and research findings in decision-making
7	Have goals that are clear and measurable
8	Provide relevant, timely, and accessible updates via a broad range of communication channels to reach groups and individuals within our community (e.g. website, email, e-newsletters, paper newsletters, notice boards)
9	Continue to foster a culture of accountability and transparency
<b>c</b>	<b>Use resources efficiently and effectively</b>
10	Continue to build the capability and capacity of Council employees to deliver the Council Plan
11	Promote financially responsible decisions
12	Monitor staff wellbeing and satisfaction

## Priorities (Objectives)

Priorities to Achieve the Vision	
People	Place
<ul style="list-style-type: none"><li>Prepare for emergencies and ensure community safety</li><li>Support a vibrant community arts, culture and heritage environment</li><li>Improve accessibility and inclusivity</li><li>Promote health, wellbeing, engagement and connection</li><li>Improve social outcomes</li></ul>	<ul style="list-style-type: none"><li>Sustain and enhance unique character of our communities</li><li>Support community sustainability</li><li>Enhance liveability of our communities</li><li>Promote responsible development</li></ul>
Environment	Economy
<ul style="list-style-type: none"><li>Lead and promote environmental sustainability</li><li>Foster a climate change resilient community</li><li>Encourage community care of biodiversity and natural values</li><li>Improve waste management to reduce landfill and reduce harm to the environment</li></ul>	<ul style="list-style-type: none"><li>Support our local businesses and help to strengthen key industries</li><li>Invest in road infrastructure to improve connectivity for commerce and community</li><li>Advocate for and invest in assets and infrastructure to support industry sustainability</li></ul>

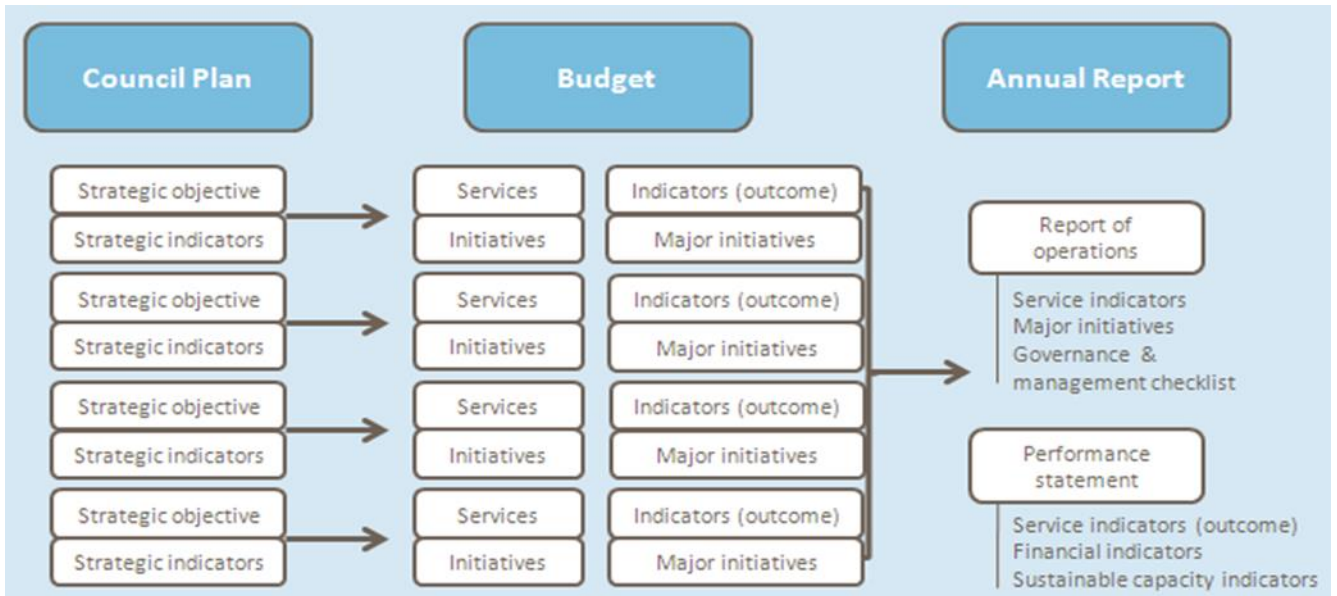


## Enabling Principles: - How we will measure success

Enabling Principles			
Measure		Target	Source
1	Percentage of Council decisions made at meetings open to the public	Maintain to at least 90%	Local Gov Performance Reporting
2	Attendance by Councillors at Council meetings	95% or higher	Local Gov Performance Reporting
3	Community satisfaction with community consultation and engagement	Maintain to at least 55%	Community Satisfaction Survey
4	Online Engagement Hub	At least 12 new engagement activities per annum	Engagement Hub Report
5	Social media activity - Number of followers on Facebook	Increase to 2,500	Facebook statistics
6	Face to face engagements with communities by Councillors and senior officers - community cuppa events	Held in at least 20 localities over a 2-year period	Councillor calendars
7	Responses to Customer Action Requests (CARs) submissions	Maintain "Open CARs" below 300	CARs report
8	Average rate per property assessment	Maintain below average for small rural Councils	Local Gov Performance Reporting
9	Rates as a percentage of underlying revenue	Under 50%	Local Gov Performance Reporting
10	Annual percentage of staff turnover	Maintain below 15%	Local Gov Performance Reporting
11	Report to Council on Health of organisation through Workforce Plan	Annually	Council Meeting Agenda

## 2 Services and Service Performance Indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2022/23 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes several initiatives and service performance outcome indicators for key areas of Council’s operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: Department of Jobs, Precincts and Regions

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 following sections.

## 2.1 Priority: - People

The health and wellbeing of our communities is paramount.

- All Pyrenees Shire communities have facilities and services that encourage & support community connectedness, and intergenerational connections, including investing in creative arts, activities, and events.
- We're prepared for emergencies like pandemics.
- Our history is preserved, acknowledged, and recorded.
- We have access to an extensive quality community / health service & facilities for all ages.
- Communities are empowered to embed social & cultural diversity in all decision making.
- Communities have facilities and activities that support exercise for physical & mental health for all ages.

## Services

Business area	Description of services provided	20/21 Actual \$'000	21/22 Forecast \$'000	22/23 Budget \$'000
<b>Community grants</b>	Council conducts two rounds of community grants each year. This service combines a wide range of opportunities for the community to apply for grants for a variety of projects which contribute to the general well being of the community.			
	Revenue	0	0	0
	Expenditure	87	186	81
	<b>Net Cost</b>	<b>(87)</b>	<b>(186)</b>	<b>(81)</b>
<b>Disaster Management</b>	This service facilitates the emergency preparedness and fire management services of the Council. This includes the roadside slashing program that occurs each year, the fire prevention officer's role and the emergency preparedness staff .			
	Revenue	228	141	19
	Expenditure	529	639	371
	<b>Net Cost</b>	<b>(301)</b>	<b>(498)</b>	<b>(352)</b>
<b>Aged &amp; Disability Services</b>	This service provides a range of home and community care services for the aged and disabled including home delivered meals, personal care, transport, respite care, home modifications and senior citizen clubs.			
	Revenue	1,041	1,176	1,112
	Expenditure	1,439	1,506	1,130
	<b>Net Cost</b>	<b>(398)</b>	<b>(330)</b>	<b>(18)</b>
<b>Family Services</b>	This service provides family oriented support services including maternal and child health, youth services, immunisation and health and safety.			
	Revenue	292	282	275
	Expenditure	282	375	313
	<b>Net Cost</b>	<b>10</b>	<b>(93)</b>	<b>(38)</b>
<b>Library Services</b>	This service provides public library services at three locations and provides a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered.			
	Revenue	123	131	127
	Expenditure	178	175	172
	<b>Net Cost</b>	<b>(55)</b>	<b>(44)</b>	<b>(45)</b>
<b>Admin and other</b>	General administration and other expenditure items in this program area.			
	Revenue	20	11	1
	Expenditure	198	45	35
	<b>Net Cost</b>	<b>(178)</b>	<b>(34)</b>	<b>(34)</b>
<b>People and Culture</b>	This service provides the recruitment, training, performance evaluation and departure of Council staff.			
	Revenue	0	0	0
	Expenditure	158	178	204
	<b>Net Cost</b>	<b>(158)</b>	<b>(178)</b>	<b>(204)</b>
<b>Total Net Cost</b>		<b>(1,167)</b>	<b>(1,363)</b>	<b>(772)</b>

## Initiatives:

<b>a</b>	<b>Prepare for emergencies and ensure community safety</b>	<i>Council's role</i>
1	Have appropriate and up-to-date emergency management plans	<i>Facilitate</i>
2	Support communities in times of emergencies and in post-emergency recovery	<i>Support</i>
<b>b</b>	<b>Support a vibrant community arts, culture and heritage environment</b>	<i>Council's role</i>
3	Develop a Creative Community Strategy	<i>Facilitate</i>
4	Implement the Reconciliation Plan and Reconciliation Advisory Committee	<i>Facilitate</i>
5	Support our community groups, including historical societies, preserve and understand our region's history	<i>Support</i>
6	Support community events	<i>Support</i>
<b>c</b>	<b>Improve accessibility and inclusivity</b>	<i>Council's role</i>
7	Facilitate connectivity and increase accessibility through appropriate infrastructure	<i>Advocate</i>
8	Develop a Diversity and Inclusion Strategy	<i>Pending funding</i>
9	Develop an Accessibility Strategy	<i>Pending funding</i>
10	Progress towards improved gender equity	<i>Facilitate</i>
<b>d</b>	<b>Promote health, wellbeing, engagement and connection</b>	<i>Council's role</i>
11	Have a Municipal Health and Wellbeing Plan	<i>Deliver</i>
12	Assist community with access to appropriate aged-care and early-years services	<i>Partner / Deliver</i>
13	Work with partners to support young people to be active in our community	<i>Support</i>
14	Support communities to have access to high-quality assets, facilities and programs to promote passive and active recreation	<i>Support</i>
15	Advocate for appropriate access to medical and allied health services	<i>Advocate</i>
<b>e</b>	<b>Improve social outcomes</b>	<i>Council's role</i>
16	Support community programs targeted at access to healthy food	<i>Support</i>
17	Deliver and support activities aimed at increasing community connections and reducing social isolation	<i>Deliver</i>
18	Support learning through provision of knowledge services including contemporary library services	<i>Support</i>

## Service Performance Outcomes:

1. People			
Measure		Target	Source
1.1	Municipal Emergency Management Plan passes external audit	By Jun 2023	Audit
1.2	Visits to resource centres	Maintain or increase by 5% per year	Door counts
1.3	Participation in active ageing social support programs	Maintain at least 85 active clients	Client database
1.4	Participation in maternal and Child Health Service	90% or higher	Local Gov Performance Reporting
1.5	Community satisfaction with arts centres and libraries	Increase from 69%	Community Satisfaction Survey

## 2.2 Priority: - Place

Communities are thriving. Growth is underpinned by universal connectivity, access to technology, advanced services, and sustainable education facilities.

We've evolved through building opportunities that continue to encourage development while retaining the "country charm" and businesses that make the Pyrenees Shire unique.

Our residential and farmland is used productively and sustainably by embracing innovation and change. We provide opportunity through a balanced use of our land while meeting the contemporary needs of our community. We pride ourselves by growing our townships and settlements, whilst retaining the economic potential of our agricultural land.

### Services

Business area	Description of services provided	20/21 Actual \$'000	21/22 Forecast \$'000	22/23 Budget \$'000
<b>Planning</b>	This statutory planning service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors the Council's Planning Scheme as well as preparing major policy documents shaping the future of the Shire. It also prepares and processes amendments to the Council Planning Scheme and carries out research on demographic, urban development, economic and social issues affecting Council.			
	Revenue	170	141	155
	Expenditure	549	768	672
	<b>Net Cost</b>	<b>(379)</b>	<b>(627)</b>	<b>(517)</b>
<b>Economic development</b>	This service provides Council with general economic development services, community building, events management, tourism, sponsorship, contribution towards state funded initiatives and promotional activities throughout the Shire.			
	Revenue	241	186	23
	Expenditure	870	875	739
	<b>Net Cost</b>	<b>(629)</b>	<b>(689)</b>	<b>(716)</b>
<b>Recreation, public halls and parks and reserves</b>	This service provides swimming pool facilities services at three locations, public halls, parks and gardens and provides a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered. Parks Management provides management and implementation of open space strategies and maintenance programs. Parks and gardens maintenance provides management of all parks and gardens.			
	Revenue	1,539	790	38
	Expenditure	1,958	1,424	934
	<b>Net Cost</b>	<b>(419)</b>	<b>(634)</b>	<b>(896)</b>
<b>Facilities maintenance</b>	This service includes the building maintenance for facilities that provide an extensive range of recreational programs and opportunities accessible to individuals of all ages, gender and abilities.			
	Revenue	0	0	0
	Expenditure	140	271	292
	<b>Net Cost</b>	<b>(140)</b>	<b>(271)</b>	<b>(292)</b>
<b>Public conveniences</b>	This service provides Council with public convenience facilities throughout the Shire.			
	Revenue	0	0	0
	Expenditure	110	115	68
	<b>Net Cost</b>	<b>(110)</b>	<b>(115)</b>	<b>(68)</b>
<b>Total Net Cost</b>		<b>(1,677)</b>	<b>(2,336)</b>	<b>(2,489)</b>

## Initiatives:

<b>a</b>	<b>Sustain and enhance unique character of our communities</b>	<b>Council's role</b>
1	Implement and develop strategic planning projects such as further progression of Pyrenees Futures or the Rural Review	<i>Deliver</i>
2	Identify priorities and seek support to identify, preserve and protect heritage assets	<i>Facilitate</i>
3	Maintain a planning scheme that accommodates community values and guides sustainable development	<i>Deliver</i>
<b>b</b>	<b>Enhance the liveability and resilience of our communities</b>	<b>Council's role</b>
4	Manage impacts of large-scale infrastructure projects (such as Beaufort Bypass) on communities	<i>Deliver, Advocate &amp; Support</i>
5	Actively invite and encourage investment that supports employment	<i>Advocate &amp; Support</i>
6	Provide services for towns (eg toilets parks, playgrounds, sports facilities, town entrance signs etc.)	<i>Deliver</i>
7	Maintain our streetscapes and public gathering spaces and improve and enhance where funding permits*	<i>Deliver</i>
8	Provide and maintain appropriate infrastructure to ensure a high level of amenity, accessibility and safety*	<i>Deliver</i>
9	Work with our communities to understand and realise their aspirations	<i>Facilitate</i>
<b>c</b>	<b>Promote responsible development</b>	<b>Council's role</b>
10	Adopt and apply principles around sustainable growth and development within townships	<i>Deliver</i>



## Service Performance Outcomes:

2. Place			
Measure		Target	Source
2.1	Planning applications decided within required timeframes	At least 90%	Local Gov Performance Reporting
2.2	Community satisfaction with appearance of public areas	Maintain to at least 70%	Community Satisfaction Survey
2.4	Number of townships with Framework Plans	At least 1 new plan developed every 12 months	
2.5	Community satisfaction with recreational facilities	Maintain to at least 69%	Community Satisfaction Survey
2.6	Enforcement of Local Laws performance	Maintain to at least 62%	Community Satisfaction Survey

## 2.3 Priority: - Environment

Pyrenees Shire has taken action on climate change and reduced negative impacts across the Shire.

The Pyrenees Shire has an abundance of conserved natural resources which are highly valued and protected by the local community and visitors.

The community, including Indigenous groups, are actively engaged with environmental initiatives through innovative programs (e.g. bushfires plans/management) and services (e.g. recycling).

Environmental sustainability, such as water availability, underpins growth considerations.

Advocating for environmental preservation to be considered foremost in the context of future extractive activities, such as mining.

There is a biodiversity regenerative program for nature reserves.

### Services

Business area	Description of services provided	20/21 Actual \$'000	21/22 Forecast \$'000	22/23 Budget \$'000
<b>Environmental Health</b>	This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities and smoke free dining. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.			
	Revenue	36	76	76
	Expenditure	218	236	231
	<b>Net Cost</b>	<b>(182)</b>	<b>(160)</b>	<b>(155)</b>
<b>Animal control</b>	This service provides the animal management services of the Shire. It maintains and improves the health and safety of people, animals and the environment by providing animal management services including a cat trapping program, a dog and cat collection service, a lost and found notification service, a pound service, a registration and administration service, an afterhours service and an emergency service. It also provides education, regulation and enforcement of the General Local Law and relevant State legislation.			
	Revenue	145	136	143
	Expenditure	248	272	276
	<b>Net Cost</b>	<b>(103)</b>	<b>(136)</b>	<b>(133)</b>
<b>Waste Management Services</b>	This service provides waste collection including kerbside rubbish collections of garbage, hard waste and green waste from households and some commercial properties in Council. It also provides street litter bins throughout the Shire. The net surplus here is used to fund \$59,000 of Transfer Station Upgrade capital works.			
	Revenue	1,682	2,188	2,141
	Expenditure	1,474	2,248	2,039
	<b>Net Cost</b>	<b>208</b>	<b>(60)</b>	<b>102</b>
<b>Environmental Planning</b>	This service develops environmental policy, coordinates and implements environmental projects and works with other services to improve Council's environmental performance. It also provides roadside weeds and pest animal management programs.			
	Revenue	56	61	60
	Expenditure	230	276	164
	<b>Net Cost</b>	<b>(174)</b>	<b>(215)</b>	<b>(104)</b>
<b>Total Net Cost</b>		<b>(251)</b>	<b>(571)</b>	<b>(290)</b>

## Initiatives

<b>a</b>	<b>Continue being an environmentally progressive organisation</b>	<i>Council's role</i>
1	Continue to implement actions from the Climate Change response and Mitigation Action Plan	<i>Deliver</i>
2	Apply environmentally responsible design and construction principles	<i>Deliver</i>
3	Continue to increase the energy efficiency of all Council owned facilities	<i>Advocate</i>
<b>b</b>	<b>Foster a climate change resilient community</b>	<i>Council's role</i>
4	Support environmentally responsible technology innovation initiatives	<i>Advocate</i>
5	Ensure urban design and placemaking incorporates climate sensitive principles	<i>Deliver</i>
6	Cooperate regionally to implement initiatives identified within the Grampians Region Climate Adaptation Strategy	<i>Partner</i>
<b>c</b>	<b>Encourage community care of biodiversity and natural values</b>	<i>Council's role</i>
7	Encourage ownership and leadership over natural public open space, including participation / lead by First Nations peoples, youth, industry etc	<i>Facilitate</i>
8	Support community-led biodiversity projects	<i>Support</i>
9	Ensure that the implementation of Roadside Management Strategy considers and enhances biodiversity regeneration	<i>Deliver</i>
<b>d</b>	<b>Improve waste management to reduce landfill and reduce harm to the environment</b>	<i>Council's role</i>
10	Support a regional waste management community education campaign	<i>Support</i>
11	Strengthen partnerships with regional and state agencies to develop innovation in services and technology	<i>Partner</i>
12	Work with local partners to encourage practical waste and recycling opportunities	<i>Support</i>
13	Provide quality and efficient waste management and recycling services for our residents	<i>Deliver</i>

## Service Performance Outcomes:

3. Environment			
Measure		Target	Source
3.1	Number of climate change or environmental projects involved in or supported	At least 3 significant actions delivered and reported on annually	Council Meeting Agenda
3.2	Community satisfaction with waste management and recycling	Maintain to at least 66%	Community Satisfaction Survey
3.3	Percentage kerbside collection waste diverted from landfill	Increase to at least 50%	Local Gov Performance Reporting
3.4	Cost of kerbside garbage bin collection service per bin	Maintain below average for small rural Councils	Local Gov Performance Reporting
3.5	Number of trees planted	500 per year	

## 2.4 Priority: - Economy

The Shire has supported significant economic development that is based on the following principles:

- Supporting 'Healthy towns' by developing new and existing infrastructure (e.g. NBN, shop fronts) in the business precincts, to encourage the relocation or start-up of businesses.
- Supporting 'Healthy regions' by encouraging growth in regional business (i.e. agri-business, tourism, etc.) through access to services (i.e. power)
- Ensuring economic planning and business development considers the climate with a push towards carbon-neutrality across the shire.
- Biodiversity
- Minimising the use of non-renewable resources
- Climate variability (droughts, rain events/flooding)
- Drawing on the geographical and location advantages enjoyed by the Shire.

## Services:

Business area	Description of services provided	20/21 Actual \$'000	21/22 Forecast \$'000	22/23 Budget \$'000
<b>Councillors, Chief Executive and Governance</b>	This area of governance includes the Mayor, Councillors, Chief Executive Officer and Governance Team and associated support which cannot be easily attributed to the direct service provision areas.			
	Revenue	9	3	0
	Expenditure	1,098	1,110	1,160
	<b>Net Cost</b>	<b>(1,089)</b>	<b>(1,107)</b>	<b>(1,160)</b>
<b>Customer &amp; Civic Services</b>	This service provides a range of statutory and corporate support services and acts as the main customer interface with the community. Services include the coordination of financial management, insurance, revenue management, audit, records and information management and office support services at the Council Offices.			
	Revenue	3,875	1,702	3,759
	Expenditure	3,057	3,631	4,273
	<b>Net Cost</b>	<b>818</b>	<b>(1,929)</b>	<b>(514)</b>
<b>Road maintenance</b>	This service is responsible for the maintenance of Council's road network.			
	Revenue	2,658	1,342	2,365
	Expenditure	2,796	2,716	3,096
	<b>Net Cost</b>	<b>(138)</b>	<b>(1,374)</b>	<b>(731)</b>
<b>Depreciation</b>	This is the non-cash charge that reflects the value of the Council assets base that is consumed each year. The majority of this figure relates to Council's road network.			
	Revenue	0	0	0
	Expenditure	6,646	6,471	6,697
	<b>Net Cost</b>	<b>(6,646)</b>	<b>(6,471)</b>	<b>(6,697)</b>
<b>Traffic and Transportation Services</b>	This service provides strategic planning, policy development and day to day management of traffic and transport related issues in Council. The unit also implements Local Area Traffic Management schemes and assistance with implementation of the Road Safety Strategy.			
	Revenue	6	9	9
	Expenditure	992	1,161	1,051
	<b>Net Cost</b>	<b>(986)</b>	<b>(1,152)</b>	<b>(1,042)</b>
<b>Caravan parks</b>	This service provides caravan park facilities for residents and visitors to the municipality.			
	Revenue	224	268	283
	Expenditure	236	254	260
	<b>Net Cost</b>	<b>(12)</b>	<b>14</b>	<b>23</b>
<b>Information centres</b>	This service provides, supports and maintains reliable and cost effective visitor information facilities and infrastructure to Council.			
	Revenue	77	45	41
	Expenditure	362	359	75
	<b>Net Cost</b>	<b>(285)</b>	<b>(314)</b>	<b>(34)</b>
<b>Building Services</b>	This service provides statutory building services to the community including processing of building permits, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works.			
	Revenue	57	48	65
	Expenditure	256	218	190
	<b>Net Cost</b>	<b>(199)</b>	<b>(170)</b>	<b>(125)</b>
<b>Total Net Cost</b>		<b>(8,537)</b>	<b>(12,503)</b>	<b>(10,280)</b>

## Initiatives:

<b>a</b>	<b>Support our local businesses and help to strengthen key industries</b>	<i>Council's role</i>
1	Preserve and promote our built heritage and ecotourism opportunities and support tourism through promotion, marketing and sponsorship	<i>Advocate &amp; Support</i>
2	Facilitate networks for industry knowledge-sharing and innovation across tourism, agriculture and commerce	<i>Facilitate</i>
3	Build relationships with investors to unlock opportunities for development and innovation and investment that supports employment	<i>Partner</i>
4	Promote and protect agricultural sustainability through land use planning and community education	<i>Deliver</i>
5	Collaborate with business associations to facilitate localised economic development	<i>Partner</i>
<b>b</b>	<b>Invest in road infrastructure to improve connectivity for commerce and community</b>	<i>Council's role</i>
6	Maintain and improve our roads and associated assets to ensure safe and efficient connectivity	<i>Deliver</i>
7	Identify infrastructure constraints and facilitate solutions, including investing in access for high-productivity vehicles to support the agricultural sector and access to markets	<i>Deliver</i>
<b>c</b>	<b>Encourage and invest in assets and infrastructure for commerce and community</b>	<i>Council's role</i>
8	Work with water authorities to facilitate opportunities for secure water sources for rural areas to support agriculture, viticulture and other economic opportunities	<i>Advocate</i>
9	Work with partners to advocate for improved telecommunications service outcomes	<i>Advocate &amp; Support</i>
10	Establish relationships and advocate for commitment to continued investment and growth to improve access to water / sewer / internet access / phone connectivity / transport / housing / power upgrades etc.	<i>Advocate</i>
11	Develop a strategic plan for asset service improvement	<i>Deliver</i>
12	Utilise innovation for better outcomes in asset delivery	<i>Deliver</i>
13	Work with industry stakeholders to capitalise on renewable energy opportunities that will reduce consumption of fossil fuels, reduce greenhouse gas emissions and provide competitively priced energy to local industries and communities	<i>Partner</i>

## Service Performance Outcomes:

4. Economy			
Measure		Target	Source
4.1	Kilometres of roads gazetted for high-productivity vehicle accessibility	At least an additional 50km of roads per year	Government Gazette
4.2	Number of new dwellings in the municipality per year	50 new dwellings per year	Victorian Building Authority
4.3	Rate of unemployment	Maintain at 5% or lower	ABS
4.4	Sealed local roads maintained to condition standards	Maintain to at least 95%	Local Gov Performance Reporting
4.5	Asset renewal and upgrade as a percentage of depreciation	At least 80%	Local Gov Performance Reporting



## 2.5 Reconciliation with budgeted operating result

	Net Cost \$'000	Expenditure \$'000	Revenue \$'000
People	(772)	2,306	1,534
Place	(2,489)	2,705	216
Environment	(290)	2,710	2,420
Economy	(10,280)	16,802	6,522
<b>Total services and initiatives</b>	<b>(13,831)</b>	<b>24,523</b>	<b>10,692</b>
Other non-attributable	0		
<b>Deficit before funding sources</b>	<b>(13,831)</b>		
<b>Funding sources:</b>			
Rates	10,680		
Capital grants	3,805		
Gain on asset sales	0		
<b>Total funding sources</b>	<b>14,485</b>		
<b>for the year</b>	<b>654</b>		

### 3 Financial statements

This section includes the following financial statements prepared in accordance with the Local Government Act 2020 and the Local Government (Planning and Reporting) Regulations 2020.

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources

# Comprehensive Income Statement

For the four years ending 30 June 2026						
		Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	2023/24 \$'000	Projections 2024/25 \$'000	2025/26 \$'000
	Notes					
<b>Income</b>						
Rates and charges	4.1.1	12,497	12,818	13,196	13,585	13,986
Statutory fees and fines	4.1.2	231	248	253	258	263
User fees	4.1.3	846	866	883	901	919
Grants - Operating (recurrent)	4.1.4	4,185	7,321	7,467	7,616	7,768
Grants - Operating (non-recurrent)	4.1.4	1,165	0	0	0	0
Grants - Capital (recurrent)	4.1.4	1,395	1,395	1,395	1,395	1,395
Grants - Capital (non-recurrent)	4.1.4	4,531	2,410	0	0	0
Contributions - cash	4.1.5	281	0	0	0	0
Contributions - non-monetary assets		0	0	0	0	0
Net gain on disposal of property, infrastructure, plant and equipment		3,093	0	0	0	0
Fair value adjustments for investment property		0	0	0	0	0
Interest on cash invested		30	30	30	30	30
Other income	4.1.6	270	90	92	94	96
<b>Total income</b>		<b>28,524</b>	<b>25,178</b>	<b>23,316</b>	<b>23,879</b>	<b>24,457</b>
<b>Expenses</b>						
Employee costs	4.1.7	9,386	9,382	9,598	9,819	10,044
Materials and services	4.1.8	9,339	8,111	8,251	8,460	8,649
Bad and doubtful debts		30	31	32	32	33
Depreciation	4.1.9	6,471	6,697	6,866	7,041	7,220
Amortisation - right of use assets	4.1.10	13	13	13	13	13
Amortisation - intangible assets	4.1.10	0	0	0	0	0
Borrowing costs		0	16	33	29	26
Finance Costs - Leases		6	6	6	6	6
Other expenses	4.1.12	265	268	275	282	289
<b>Total expenses</b>		<b>25,510</b>	<b>24,524</b>	<b>25,073</b>	<b>25,681</b>	<b>26,280</b>
<b>Surplus (deficit) for the year</b>		<b>3,014</b>	<b>654</b>	<b>(1,757)</b>	<b>(1,802)</b>	<b>(1,823)</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to surplus or deficit in future periods:</b>		0	0	0	0	0
Net asset revaluation increment /(decrement)						
<b>Total comprehensive result</b>		<b>3,014</b>	<b>654</b>	<b>(1,757)</b>	<b>(1,802)</b>	<b>(1,823)</b>

## Balance Sheet

For the four years ending 30 June 2026						
		Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	2023/24 \$'000	Projections 2024/25 \$'000	2025/26 \$'000
	Notes					
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents		6,877	7,390	7,308	7,526	7,825
Trade and other receivables		1,006	1,019	1,032	1,046	1,060
Land held for resale		0	0	0	0	0
Other assets		170	170	170	170	170
<b>Total current assets</b>		<b>8,053</b>	<b>8,579</b>	<b>8,510</b>	<b>8,742</b>	<b>9,055</b>
<b>Non-current assets</b>						
Trade and other receivables		33	33	33	33	33
Property, infrastructure, plant and equipment		252,779	253,595	251,905	249,866	247,724
Right of Use Assets		0	0	0	0	0
<b>Total non-current assets</b>		<b>252,812</b>	<b>253,628</b>	<b>251,938</b>	<b>249,899</b>	<b>247,757</b>
<b>Total assets</b>		<b>260,865</b>	<b>262,207</b>	<b>260,448</b>	<b>258,641</b>	<b>256,812</b>
<b>Liabilities</b>						
<b>Current liabilities</b>						
Trade and other payables		5,031	5,031	5,031	5,031	5,031
Trust funds and deposits		374	374	374	374	374
Provisions		2,457	2,523	2,581	2,640	2,701
Lease liabilities		0	0	0	0	0
Interest-bearing liabilities		0	63	66	70	73
<b>Total current liabilities</b>		<b>7,862</b>	<b>7,991</b>	<b>8,052</b>	<b>8,115</b>	<b>8,179</b>
<b>Non-current liabilities</b>						
Provisions		132	136	139	142	145
Lease liabilities		17	17	17	17	17
Interest-bearing loans and borrowings		0	555	489	419	346
<b>Total non-current liabilities</b>		<b>149</b>	<b>708</b>	<b>645</b>	<b>578</b>	<b>508</b>
<b>Total liabilities</b>		<b>8,011</b>	<b>8,699</b>	<b>8,697</b>	<b>8,693</b>	<b>8,687</b>
<b>Net assets</b>		<b>252,854</b>	<b>253,508</b>	<b>251,751</b>	<b>249,948</b>	<b>248,126</b>
<b>Equity</b>						
Accumulated surplus		97,215	97,869	96,112	94,309	92,487
Reserves		155,639	155,639	155,639	155,639	155,639
<b>Total equity</b>		<b>252,854</b>	<b>253,508</b>	<b>251,751</b>	<b>249,948</b>	<b>248,126</b>

## Statement of Changes in Equity

For the four years ending 30 June 2026						
			Total	Accumulated	Revaluation	Other
			\$'000	Surplus	Reserve	Reserves
			\$'000	\$'000	\$'000	\$'000
<b>2022 Forecast Actual</b>						
Balance at beginning of the financial year			249,840	94,201	155,630	9
(Deficit) for the year			3,014	3,014		
Net asset revaluation increment(decrement)			0			
<b>Balance at end of the financial year</b>			<b>252,854</b>	<b>97,215</b>	<b>155,630</b>	<b>9</b>
<b>2023 Budget</b>						
Balance at beginning of the financial year			252,854	97,215	155,630	9
(Deficit) for the year			654	654		
Net asset revaluation increment(decrement)						
<b>Balance at end of the financial year</b>			<b>253,508</b>	<b>97,869</b>	<b>155,630</b>	<b>9</b>
<b>2024</b>						
Balance at beginning of the financial year			252,854	97,215	155,630	9
(Deficit) for the year			(1,757)	(1,757)		
Net asset revaluation increment(decrement)			0			
<b>Balance at end of the financial year</b>			<b>251,097</b>	<b>95,458</b>	<b>155,630</b>	<b>9</b>
<b>2025</b>						
Balance at beginning of the financial year			251,097	95,458	155,630	9
(Deficit) for the year			(1,802)	(1,802)		
Net asset revaluation increment(decrement)			0			
<b>Balance at end of the financial year</b>			<b>249,295</b>	<b>93,656</b>	<b>155,630</b>	<b>9</b>
<b>2026</b>						
Balance at beginning of the financial year			249,295	93,656	155,630	9
(Deficit) for the year			(1,823)	(1,823)		
Net asset revaluation increment(decrement)			0			
<b>Balance at end of the financial year</b>			<b>247,472</b>	<b>91,833</b>	<b>155,630</b>	<b>9</b>

## Statement of Cash Flows

For the four years ending 30 June 2026						
		Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	2023/24 \$'000	Projections 2024/25 \$'000	2025/26 \$'000
		Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>						
Rates and service charges		12,485	12,805	13,183	13,571	13,972
Statutory fees and fines		231	248	253	258	263
User charges		898	919	937	956	975
Grants - operating		5,350	7,321	7,467	7,616	7,768
Grants - capital		5,926	3,805	1,395	1,395	1,395
Contributions - cash		281	0	0	0	0
Interest on cash invested		30	30	30	30	30
Trust funds and deposits taken		0	0	0	0	0
Other receipts		270	90	92	94	96
Net GST refund		2,435	1,527	1,307	1,309	1,334
Employee costs		(9,386)	(9,312)	(9,537)	(9,757)	(9,980)
Materials and services		(10,273)	(8,922)	(9,076)	(9,306)	(9,514)
Trust funds and deposits repaid		0	0	0	0	0
Other payments		(292)	(295)	(302)	(310)	(318)
<b>Net cash provided by operating activities</b>	4.4.1	<b>7,955</b>	<b>8,216</b>	<b>5,748</b>	<b>5,856</b>	<b>6,021</b>
<b>Cash flows from investing activities</b>						
Payments for property, infrastructure, plant and equipment		(17,118)	(8,501)	(5,930)	(5,739)	(5,822)
Payments for land held for resale		0	0	0	0	0
Proceeds from sale of property, infrastructure, plant and equipment		3,093	202	202	202	202
Proceeds from sale of land held for resale		0	0	0	0	0
<b>Net cash used in investing activities</b>	4.4.2	<b>(14,025)</b>	<b>(8,299)</b>	<b>(5,728)</b>	<b>(5,537)</b>	<b>(5,620)</b>
<b>Cash flows from financing activities</b>						
Finance costs		(6)	(22)	(39)	(35)	(32)
Proceeds from borrowings		0	650	0	0	0
Repayment of borrowings		0	(32)	(63)	(66)	(70)
Interest paid - lease liability		0	0	0	0	0
Repayment of lease liabilities		0	0	0	0	0
<b>Net cash used in financing activities</b>	4.4.3	<b>(6)</b>	<b>596</b>	<b>(102)</b>	<b>(102)</b>	<b>(102)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(6,076)</b>	<b>513</b>	<b>(82)</b>	<b>218</b>	<b>299</b>
Cash and cash equivalents at beginning of the financial year		12,953	6,877	7,390	7,308	7,526
<b>Cash and cash equivalents at end of the financial year</b>		<b>6,877</b>	<b>7,390</b>	<b>7,308</b>	<b>7,526</b>	<b>7,825</b>

## Statement of Capital Works

For the four years ending 30 June 2026						
		Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	2023/24 \$'000	Projections 2024/25 \$'000	2025/26 \$'000
<b>Property</b>						
Land		100	0	0	0	0
Land improvements		0	0	0	0	0
<b>Total land</b>		<b>100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Buildings</b>						
Heritage Buildings		0	0	0	0	0
Building improvements		232	280	184	187	191
Leasehold improvements		0	0	0	0	0
<b>Total buildings</b>		<b>232</b>	<b>280</b>	<b>184</b>	<b>187</b>	<b>191</b>
<b>Total property</b>		<b>332</b>	<b>280</b>	<b>184</b>	<b>187</b>	<b>191</b>
<b>Plant and equipment</b>						
Plant, machinery and equipment		797	777	793	808	825
Fixtures, fittings and furniture		38	23	23	24	24
Computers and telecommunications		152	152	155	158	161
Library collection		24	24	24	25	25
<b>Total plant and equipment</b>		<b>1,011</b>	<b>976</b>	<b>995</b>	<b>1,015</b>	<b>1,035</b>
<b>Infrastructure</b>						
Roads		3,756	3,373	2,600	2,638	2,676
Bridges		2,950	646	661	667	673
Footpaths and cycleways		128	878	29	29	30
Drainage		594	779	784	539	544
Recreational, leisure and community facilities		310	745	87	88	90
Waste management		60	50	51	53	54
Other Infrastructure		0	0	0	0	0
<b>Total infrastructure</b>		<b>7,798</b>	<b>6,471</b>	<b>4,212</b>	<b>4,014</b>	<b>4,067</b>
<b>Total capital works expenditure</b>		<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>
<b>Represented by:</b>						
New asset expenditure		106	956	256	6	6
Asset renewal expenditure		8,279	5,305	4,878	4,951	5,025
Asset expansion expenditure		0	0	0	0	0
Asset upgrade expenditure		756	1,466	257	259	262
<b>Total capital works expenditure</b>		<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>
<b>Funding sources represented by:</b>						
Grants		4,723	3,805	1,395	1,395	1,395
Contributions		0	0	0	0	0
Council cash		4,418	3,272	3,996	3,821	3,898
Asset Sales		0	650	0	0	0
<b>Total capital works expenditure</b>		<b>9,141</b>	<b>7,727</b>	<b>5,391</b>	<b>5,216</b>	<b>5,293</b>

## Statement of Human Resources

For the four years ending 30 June 2026

	Forecast	Budget	Projections		
	Actual				
	2021/22	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	9,386	9,382	9,598	9,819	10,044
Employee costs - capital	405	444	454	465	475
<b>Total staff expenditure</b>	<b>9,791</b>	<b>9,826</b>	<b>10,052</b>	<b>10,283</b>	<b>10,520</b>
	FTE	FTE	FTE	FTE	FTE
<b>Staff numbers</b>					
Employees	89.1	93.1	93.1	93.1	93.1
<b>Total staff numbers</b>	<b>89.1</b>	<b>93.1</b>	<b>93.1</b>	<b>93.1</b>	<b>93.1</b>

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

Department	Budget 2022/23 \$'000	Comprises			
		Permanent		Casual \$'000	Temporary \$'000
		Full Time \$'000	Part Time \$'000		
Corporate & Community Services	4,121	2,784	1,317	20	0
CEO & Council	1,093	767	326	0	0
Assets & Development Services	4,087	4,087	0	0	0
<b>Total permanent staff expenditure</b>	<b>9,301</b>	<b>7,638</b>	<b>1,643</b>	<b>20</b>	<b>0</b>
Other employee related expenditure	81				
Capitalised labour costs	444				
<b>Total expenditure</b>	<b>9,826</b>				

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

Department	Budget 2022/23	Comprises			
		Permanent		Casual	Temporary
		Full Time	Part Time		
Corporate & Community Services	39.4	25.0	14.1	0.3	0.0
CEO & Council	8.1	5.0	3.1	0.0	0.0
Assets & Development Services	45.6	43.0	2.6	0.1	0.0
<b>Total staff</b>	<b>93.1</b>	<b>73.0</b>	<b>19.7</b>	<b>0.4</b>	<b>0.0</b>



## Statement of Planned Human Resources Expenditure

For the four years ending 30 June 2026				
	2021/22	2022/23	2023/24	2024/25
	\$'000	\$'000	\$'000	\$'000
<b>Corporate &amp; Community Services</b>				
<b>Permanent full time</b>	-	-	-	-
Male	983	1,005	1,028	1,052
Female	1,801	1,843	1,885	1,929
Self-described gender	-	-	-	-
<b>Permanent part time</b>				
Male	19	19	20	20
Female	1,298	1,328	1,359	1,390
Self-described gender	-	-	-	-
<b>Total</b>	<b>4,101</b>	<b>4,195</b>	<b>4,292</b>	<b>4,391</b>
<b>CEO &amp; Council</b>				
<b>Permanent full time</b>	-	-	-	-
Male	654	669	684	700
Female	113	115	118	121
Self-described gender	-	-	-	-
<b>Permanent part time</b>	-	-	-	-
Male	-	-	-	-
Female	326	334	342	349
Self-described gender	-	-	-	-
<b>Total</b>	<b>1,093</b>	<b>1,118</b>	<b>1,144</b>	<b>1,170</b>
<b>Assets &amp; Development Services</b>				
<b>Permanent full time</b>	-	-	-	-
Male	3,461	3,541	3,622	3,706
Female	799	817	836	855
Self-described gender	-	-	-	-
<b>Permanent part time</b>				
Male	90	92	94	96
Female	181	185	189	194
Self-described gender	-	-	-	-
<b>Total</b>	<b>4,531</b>	<b>4,635</b>	<b>4,742</b>	<b>4,851</b>
Casual, temporary and other expenditure	102	104	106	109
<b>Total staff expenditure</b>	<b>9,826</b>	<b>10,052</b>	<b>10,283</b>	<b>10,520</b>

## Statement of Planned Human Resources FTE

For the four years ending 30 June 2026				
	2021/22	2022/23	2023/24	2024/25
	FTE	FTE	FTE	FTE
<b>Corporate &amp; Community Services</b>				
<b>Permanent full time</b>				
Male	8.00	8.00	8.00	8.00
Female	17.00	17.00	17.00	17.00
Self-described gender	-	-	-	-
<b>Permanent part time</b>				
Male	0.24	0.24	0.24	0.24
Female	13.83	13.83	13.83	13.83
Self-described gender	-	-	-	-
<b>Total</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>	<b>39.07</b>
<b>CEO &amp; Council</b>				
<b>Permanent full time</b>	-	-	-	-
Male	4.00	4.00	4.00	4.00
Female	1.00	1.00	1.00	1.00
Self-described gender	-	-	-	-
<b>Permanent part time</b>				
Male	-	-	-	-
Female	3.10	3.10	3.10	3.10
Self-described gender	-	-	-	-
<b>Total</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>	<b>8.10</b>
<b>Assets &amp; Development Services</b>				
<b>Permanent full time</b>	-	-	-	-
Male	35.00	35.00	35.00	35.00
Female	8.00	8.00	8.00	8.00
Self-described gender	-	-	-	-
<b>Permanent part time</b>				
Male	0.80	0.80	0.80	0.80
Female	1.76	1.76	1.76	1.76
Self-described gender	-	-	-	-
<b>Total</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>	<b>45.56</b>
Casual, temporary and other expenditure	0.38	0.38	0.38	0.38
<b>Total staff numbers</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>	<b>93.11</b>

## 4 Notes to the financial statements

This section presents detailed information on material components of the financial statements. Council needs to assess which components are material, considering the dollar amounts and nature of these components.

### 4.1 Comprehensive Income Statement

#### 4.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's budget.

As per the Local Government Act 2020, Council is required to have a Revenue and Rating Plan which is a four year plan for how Council will generate income to deliver the Council Plan, program and services and capital works commitments over a four-year period.

In developing the Budget, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the financial planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2022/23 the FGRS cap has been set at 1.75%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

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 community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate will increase by 1.75% in line with the rate cap.

This will raise total rates and charges for 2022/23 to \$12.818 million.

4.1.1(a) The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	
Waste management charge	2,055	2,138	83	4.04%
Service rates and charges	9,156	9,351	195	2.13%
Supplementary rates and rate adjustments	70	84	14	20.00%
Interest on rates and charges	45	45	-	0.00%
Revenue in lieu of rates	1,171	1,200	29	2.48%
<b>Total rates and charges</b>	<b>12,497</b>	<b>12,818</b>	<b>321</b>	<b>2.57%</b>

\*These items are subject to the rate cap established under the FGRS

4.1.1(b) 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	Budget	Budget	Change
	2021/22 cents/\$CIV	2022/23 cents/\$CIV	
General rate for rateable residential properties	0.3231	0.2368	-26.71%
General rate for rateable commercial properties	0.3554	0.2723	-23.38%
General rate for rateable industrial properties	0.3554	0.2723	-23.38%
General rate for rateable vacant non-farm land properties less than two hectares	0.9564	0.6628	-30.70%
General rate for rateable non-farm vacant land properties between two hectares and forty hectares	0.7594	0.5446	-28.29%
General rate for rateable non-farm vacant land properties greater than forty hectares	0.5049	0.3670	-27.31%
General rate for undevelopable land	0.3231	0.2368	-26.71%
General rate for rateable farm properties	0.2391	0.1657	-30.70%
Recreational properties	0.1616	0.2368	46.53%

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

Type or class of land	Forecast	Budget	Change	
	Actual 2021/22 \$'000	2022/23 \$'000	\$'000	%
General rate for rateable residential properties	3,094	3,029	- 65	-2.10%
General rate for rateable commercial properties	108	117	9	8.33%
General rate for rateable industrial properties	195	179	- 16	-8.21%
General rate for rateable vacant non-farm land properties less than two hectares	241	246	5	2.07%
General rate for rateable non-farm vacant land properties between two hectares and forty hectares	783	823	40	5.11%
General rate for rateable non-farm vacant land properties greater than forty hectares	163	171	8	4.91%
General rate for undevelopable land	-	-	-	0.00%
General rate for rateable farm properties	4,592	4,758	166	3.61%
Recreational properties	14	28	14	100.00%
<b>Total amount to be raised by general rates</b>	<b>9,190</b>	<b>9,351</b>	<b>161</b>	<b>1.75%</b>

4.1.1(d) 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	2021/22	2022/23	Change	
	Number	Number	Number	%
General rate for rateable residential properties	3,116	<b>3,163</b>	<b>47</b>	1.51%
General rate for rateable commercial properties	98	<b>101</b>	<b>3</b>	3.06%
General rate for rateable industrial properties	88	<b>89</b>	<b>1</b>	1.14%
General rate for rateable vacant non-farm land properties less than two hectares	320	<b>379</b>	<b>59</b>	18.44%
General rate for rateable non-farm vacant land properties between two hectares and forty hectares	687	<b>723</b>	<b>36</b>	5.24%
General rate for rateable non-farm vacant land properties greater than forty hectares	105	<b>109</b>	<b>4</b>	3.81%
General rate for undevelopable land	2	<b>2</b>	-	0.00%
General rate for rateable farm properties	1,630	<b>1,631</b>	<b>1</b>	0.06%
Recreational properties	40	<b>40</b>	-	0.00%
<b>Total number of assessments</b>	<b>6,086</b>	<b>6,237</b>	<b>151</b>	<b>2.48%</b>

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

4.1.1(f) The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year:

Type or class of land	2021/22	2022/23	Change	
	000	000	000	%
General rate for rateable residential properties	945,011	1,279,188	<b>334,177</b>	35.36%
General rate for rateable commercial properties	32,685	42,955	<b>10,270</b>	31.42%
General rate for rateable industrial properties	54,988	65,553	<b>10,565</b>	19.21%
General rate for rateable vacant non-farm land properties less than two hectares	21,214	37,135	<b>15,921</b>	75.05%
General rate for rateable non-farm vacant land properties between two hectares and forty hectares	98,915	151,155	<b>52,240</b>	52.81%
General rate for rateable non-farm vacant land properties greater than forty hectares	31,225	46,624	<b>15,399</b>	49.32%
General rate for undevelopable land	68	128	<b>60</b>	88.24%
General rate for rateable farm properties	1,917,871	2,871,737	<b>953,866</b>	49.74%
Recreational properties	8,466	11,632	<b>3,166</b>	37.40%
<b>Total value of land</b>	<b>3,110,443</b>	<b>4,506,107</b>	<b>1,395,664</b>	<b>44.87%</b>

4.1.1(g) The municipal charge under Section 159 of the Act compared with the previous financial year:

Type of Charge	Per	Per	Change	
	Rateable Property 2021/22	Rateable Property 2022/23	\$	%
Municipal Charge	\$	\$	-	0.00%

4.1.1(h) The estimated total amount to be raised by municipal charges compared with the previous financial year:

Type of Charge	2021/22	2022/23	Change	
	\$	\$	\$	%
Municipal Charge		-	-	0.00%

4.1.1(i) 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 2021/22	Per Rateable Property 2022/23	Change	
	\$	\$	\$	%
Disposal Charge Unimproved Property	68	68	-	0.00%
Disposal Charge Improved Property	202	202	-	0.00%
Collection Charge Kerbside & Recycling	498	498	-	0.00%
Collection Charge Kerbside, Green & Recycling	498	498	-	0.00%

4.1.1(j) 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	2021/22	2022/23	Change	
				%
Disposal Charge Unimproved Property	2,206	2,232	26	1.18%
Disposal Charge Improved Property	29	44	15	51.72%
Collection Charge Kerbside & Recycling	1,882	2,515	633	33.63%
Collection Charge Kerbside, Green & Recycling	1,916	1,451	-465	-24.27%
<b>Total number of waste service charges</b>	<b>6,033</b>	<b>6,242</b>	<b>209</b>	<b>3.46%</b>

4.1.1(k) The estimated total amount to be raised by all rates and charges compared with the previous financial year:

Type of Charge	2021/22	2022/23	Change	
	\$'000	\$'000	\$'000	%
Waste service charges	2,047	2,138	91	4.45%
General rates	9,076	9,351	275	3.03%
Supplementary/(objections) general rates	70	84	14	20.00%
Windfarms in lieu of rates	1,171	1,200	29	2.48%
Interest on rates	45	45	-	0.00%
<b>Total Rates and charges</b>	<b>12,409</b>	<b>12,818</b>	<b>409</b>	<b>3.30%</b>

#### 4.1.1(l) Fair Go Rates System Compliance:

Pyrenees Shire Council is required to comply with the State Government's Fair Go Rates System (FGRS). The table below details the budget assumptions consistent with the requirements of the Fair Go Rates System:

	2021/22	2022/23
Total Rates	9,190,483	9,351,331
Number of rateable properties	6,237	6,237
Base Average Rates	1,473.54	1,499.33
Maximum Rate Increase (set by the State Government)	<b>1.50%</b>	<b>1.75%</b>
Capped Average Rate	1,473.54	1,499.33
Maximum General Rates and Municipal Charges Revenue	9,190,483	9,351,317
Budgeted General Rates and Municipal Charges Revenue	9,190,483	9,351,331
Budgeted Supplementary Rates	-	84,000
Budgeted Total Rates and Municipal Charges Revenue	<b>9,190,483</b>	<b>9,435,331</b>

#### 4.1.1(m) Any significant changes that may affect the estimated amounts to be raised by rates and charges:

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

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

#### 4.1.1(n) Differential rates:

The 2022/23 budget has been prepared in line with Council's Revenue and Rating Plan. The Revenue and Rating Plan is available on Council's website.

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

- A general rate of 0.2368 (cents in the dollar of CIV) for all rateable for rateable residential properties;
- A general rate of 0.2723 (cents in the dollar of CIV) for all rateable for rateable commercial properties;
- A general rate of 0.2723 (cents in the dollar of CIV) for all rateable for rateable industrial properties;
- A general rate of 0.6628 (cents in the dollar of CIV) for all rateable for rateable vacant non-farm land properties less than two hectares;
- A general rate of 0.5446 (cents in the dollar of CIV) for all rateable for rateable non-farm vacant land properties between two hectares and forty hectares;
- A general rate of 0.3670 (cents in the dollar of CIV) for all rateable for rateable non-farm vacant land properties greater than forty hectares ;
- A general rate of 0.2368 (cents in the dollar of CIV) for all rateable for undevelopable land;
- A general rate of 0.1657 (cents in the dollar of CIV) for all rateable for rateable farm properties;
- A general rate of 0.2368 (cents in the dollar of CIV) for all rateable on for rateable recreational properties

## Residential Rate (General Rate)

Residential land is any rateable land wherever located within the municipality which has a dwelling that can be occupied for the principal purpose of physically accommodating persons, and does not have the characteristics of Vacant Land, Farmland, Commercial Land, or Industrial Land.

The objective of this differential rate is to ensure that Council has adequate funding to undertake its strategic, statutory, service provision and community services obligations and to ensure that the differential rate in the dollar declared for defined general rate land properties is fair and equitable, having regard to the cost and the level of benefits derived from provision of Council services.

## Commercial / Industrial Rate

Commercial/Industrial Land is any land which is:

- a) used primarily for carrying out the manufacture or production of, or trade in goods or services (including tourist facilities and in the case of a business providing accommodation for tourists, is prescribed accommodation as per Public Health and Wellbeing Act (Vic) 2008; or
- b) unoccupied building erected which is zoned Commercial or Industrial under the Victorian City Council Planning Scheme; or
- c) unoccupied land which is zoned Commercial or Industrial under the Pyrenees Shire Council Planning Scheme.

The rate reflects the level of service provided and ensures that reasonable rate relativity is maintained between the commercial/industrial property and other classes of property. The differential is set higher than for other classes of land for several reasons, including:

- the tax deductibility of Council rates for commercial properties,
- the greater burden imposed by businesses on Council as demonstrated by the need for public infrastructure,
- rates tending to be a lower order factor in business investment decisions,
- the income-generating capability of commercial- or industrial-based properties.

The application of a Commercial/Industrial differential rate is aimed at fostering the creation of a vibrant local economy through the promotion of tourism and business investments, development of a sustainable public infrastructure and improvements in health, support, and community services within the municipality.

## Non-farm vacant land properties

- \* Non-Farm Vacant Land less than two hectares (Urban)
- \* Non-Farm Vacant Land between two and forty hectares (Rural Residential)
- \* Non-Farm Vacant Land greater than forty hectares (Rural)

Vacant land in this class is any land wherever located within the Municipality on which no dwelling is erected, and which does not meet the definition of farm land as defined in the Valuation of Land Act 1960.

The objective of this differential rate for Non-Farm Vacant Land is to encourage the development of vacant land. The encouragement of development is strategically important as it has a positive effect on local employment and income whereas speculative behaviour may result in market instability and should be discouraged.

Council holds the view that the vacant land differential should be higher than the general rate to encourage the development of land and ensure that all rateable land will make an equitable financial contribution to the cost of carrying out the functions of Council.

Furthermore, the Council also believes that a higher differential rate will also assist to partly offset the costs of servicing new land, including major infrastructure studies and the implementation of interconnecting infrastructure between subdivisions. However, the more difficult task is determining an appropriate differential to the general rate.



## Undevelopable Land

Land deemed not suitable for residential, commercial, or industrial purposes due to the restrictions under the Pyrenees Shire Council's Planning Scheme.

The objective of this rate is to ensure that the differential rate applied to undevelopable land is fair and equitable and does not pose any unnecessary financial burden on property owners. In its consideration of the cost and benefits of delivering services to the community, Council will examine the potential use of undevelopable land as green space and links/corridors to conservation areas and wildlife reserves.

Furthermore, the Council also believes that a higher differential rate will also assist to partly offset the costs of servicing new land, including major infrastructure studies and the implementation of interconnecting infrastructure between subdivisions. However, the more difficult task is determining an appropriate differential to the general rate.

## Farm Properties

Farm land is defined as any rateable land which meets the definition as described under Section 2(1) of the Valuation of Land Act 1960:

- a) any rateable land that is 2 or more hectares in area,
- b) used for carrying on a business of primary production as determined by the Australian Taxation Office,
- c) used primarily for agricultural production (grazing, including agistment, dairying, pig-farming, poultry farming, fish farming, tree farming, beekeeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities, and
- d) used by a business:
  - which has a significant and substantial commercial purpose of character, and
  - seeks to make a profit on a continuous or repetitive basis from its activities on the land, and
  - is making a profit from the activities on the land if it continues to operate in the way that it is operating.

Council has decided that the Farm Properties definition for differential rating purposes be revised to only capture rateable properties which have primary production as its substantive use and exclude properties where primary production is secondary or incidental to the property use (commonly referred to as lifestyle properties). Therefore, the current differential farm rate will only be applicable to genuine farming operations as distinct from hobby or rural lifestyle properties.

It was also determined that the definition of Farm Land for differential rating purposes be modified so that rural lifestyle properties are no longer defined as Farm Land for differential rating purposes. Properties where primary production and associated improvements are secondary to the value of the residential home site and associated residential improvements should not be classified as Farm Land for differential rating purposes. Similarly, vacant properties in a rural, semi-rural or bushland setting that have no restrictions or are not likely to encounter difficulties in obtaining building purposes should not be classified as Farm Land for differential rating purposes.

The objective of this rate is to ensure that the differential Farm Land rate is fair and equitable through the application of a discount to farm land properties as Council believes these properties pay disproportionately higher rates in relation to income generated, because of the higher land component.

In its considerations of the cost and benefits of delivering services to the community, Council aims to assist in maintaining the sustainability of the farming sector as a major industry and balancing its strong agricultural base with the overall economic growth in the municipality.

## Cultural and Recreational Land

Rateable property which is used primarily for cultural, recreational or club activities. including golf clubs, bowls clubs, scout or guide halls, masonic halls, historical societies, and heritage buildings (not for profit).

The objective of this rate is to recognise the public benefit that Cultural and Recreational Properties provide.

## Trust for Nature Covenants

Rateable land which has a Trust for Nature Covenant applying to the land. A Trust for Nature Covenant enables the permanent protection of significant areas of natural bush habitat on private land. It is a voluntary agreement between the ratepayer and Trust for Nature and is to be recognised on title.

Council recognises the public and environmental benefit that Trust for Nature Covenants provide and supports ratepayers with these covenants by offering the reduction of rates payable through its biodiversity and land management incentive program.

### 4.1.2 Statutory fees and fines

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Planning Fees	141	154	13	9.22%
Building Control	13	13	-	0.00%
Environmental Health	42	42	-	0.00%
Animal Fees & Fines	9	10	1	11.11%
Other	26	29	3	11.54%
	<b>231</b>	<b>248</b>	<b>17</b>	<b>7.36%</b>

### 4.1.3 User fees

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Animal Registration Charges	122	124	2	1.64%
Community Centres	80	76	-4	-5.00%
Caravan Parks	268	283	15	5.60%
Property Rental	15	15	-	0.00%
Aged Care Services	252	253	1	0.40%
Other	109	115	6	5.50%
	<b>846</b>	<b>866</b>	<b>20</b>	<b>2.36%</b>

#### 4.1.4 Grants

	Forecast Actual 2021/22 \$'000	Budget 2022/23 \$'000	Change \$'000	%
<b>Grants were received in respect of the following:</b>				
<b>Summary of grants</b>				
Commonwealth funded grants	8,219	10,363	2,144	26.09%
State funded grants	1,750	663	- 1,087	-62.11%
<b>Total grants received</b>	<b>9,969</b>	<b>11,026</b>	<b>1,057</b>	<b>10.60%</b>
<b>(a) Operating Grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Federal Assistance Grants - general purpose	1,172	2,313	1,141	97.35%
Federal Assistance Grants - local roads	1,713	3,661	1,948	113.72%
Commonwealth Home Support Program	691	684	- 7	-1.01%
<b>Recurrent - State Government</b>				
School Crossing	13	13	-	0.00%
Maternal & child health	262	276	14	5.34%
Other	17	17	-	0.00%
Aged care and senior citizens	187	153	- 34	-18.18%
Childrens' Week Grant	1	1	-	0.00%
Library	129	124	- 5	-3.88%
<b>Total recurrent grants</b>	<b>4,185</b>	<b>7,242</b>	<b>3,057</b>	<b>73.05%</b>
<b>Non-recurrent - Commonwealth Government</b>				
Lexton Bushfire Recovery Funding	-	-	-	0.00%
Drought Relief	304	-	- 304	-100.00%
Bushfire Support	109	-	- 109	-100.00%
Kick Starting Events in Pyrenees Grant Inc	30	-	- 30	-100.00%
<b>Non-recurrent - State Government</b>				
Roadside Weeds & Pest Management	61	60	- 1	-1.64%
Other	131	-	- 131	-100.00%
Australia Day	10	-	- 10	-100.00%
Bushfire Support	200	-	- 200	-100.00%
Avoca War Memorial	22	-	- 22	-100.00%
Stockyard Hill & Lake Goldsmith avenue of honour	11	-	- 11	-100.00%
Skipton Hospital Straw Heating Project	59	-	- 59	-100.00%
Business Concierge & Hospitality Program	68	-	- 68	-100.00%
Avoca Oval - CFNP 2018-19 - Playing Surface Grant Inc	4	-	- 4	-100.00%
Beaufort New Practice Nets & Storage Shed Inc	87	-	- 87	-100.00%
303233 - COVID-19 Emergency Support	5	-	- 5	-100.00%
Evaluating Transport Connections in the Pyrenees	12	-	- 12	-100.00%
L2P Learner Driver Mentor Program	19	19	-	0.00%
Emergency Planning Process	13	-	- 13	-100.00%
Vaccination Ambassador Program	20	-	- 20	-100.00%
<b>Total non-recurrent grants</b>	<b>1,165</b>	<b>79</b>	<b>- 1,086</b>	<b>-93.22%</b>
<b>Total operating grants</b>	<b>5,350</b>	<b>7,321</b>	<b>1,971</b>	<b>36.84%</b>

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
<b>(b) Capital Grants</b>				
<b>Recurrent - Commonwealth Government</b>				
Roads To Recovery	1,395	1,395	-	0.00%
<b>Recurrent - State Government</b>				
<b>Total recurrent grants</b>	<b>1,395</b>	<b>1,395</b>	<b>-</b>	<b>0.00%</b>
<b>Non-recurrent - Commonwealth Government</b>				
Lexton Community Facility	925	-	-	925 -100.00%
Roads To Recovery	1,307	-	-	1,307 -100.00%
Local Roads and Community Infrastructure Program	1,880	2,410	530	28.19%
<b>Non-recurrent - State Government</b>				
Pyrenees Mobile Library Bus Project	41	-	-	41 -100.00%
Avoca Pool	12	-	-	12 -100.00%
Lexton Community Facility	155	-	-	155 -100.00%
COVID Outdoor Eating & Dining Project	11	-	-	11 -100.00%
COVID Safe Outdoor Activation Project	200	-	-	200 -100.00%
<b>Total non-recurrent grants</b>	<b>4,531</b>	<b>2,410</b>	<b>-</b>	<b>2,121 -46.81%</b>
<b>Total capital grants</b>	<b>5,926</b>	<b>3,805</b>	<b>-</b>	<b>2,121 -35.79%</b>
<b>Total Grants</b>	<b>11,276</b>	<b>11,126</b>	<b>-</b>	<b>150 -1.33%</b>

#### 4.1.5 Contributions

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Monetary	281	-	-	281 -100.00%
Non-monetary	-	-	-	#DIV/0!
<b>Total contributions</b>	<b>281</b>	<b>-</b>	<b>-</b>	<b>281 -100.00%</b>

#### 4.1.6 Other Income

	Forecast		Change	
	Actual	Budget		
	2021/22	2022/23	\$'000	%
	\$'000	\$'000	\$'000	%
Reimbursements	120	50	-	70 -58.33%
Private Works	148	38	-	110 -74.32%
Interest	31	31	-	0.00%
Other Income	1	1	-	0.00%
<b>Total contributions</b>	<b>300</b>	<b>120</b>	<b>-</b>	<b>180 -60.00%</b>

#### 4.1.7 Employee costs

	2021/22	2022/23	Change	
	Forecast Actual \$'000	Budget \$'000	\$'000	%
Wages and salaries	8,179	8,080	- 99	-1.21%
Superannuation	791	864	73	9.23%
Fringe benefits tax	35	35	-	0.00%
WorkCover insurance premium	381	403	22	5.77%
<b>Total employee costs</b>	<b>9,386</b>	<b>9,382</b>	<b>- 4</b>	<b>-0.04%</b>

#### 4.1.8 Material and services

	2021/22	2022/23	Change	
	Forecast Actual \$'000	Budget \$'000	\$'000	%
Advertising	157	117	- 40	-25.48%
Conferences and training	90	78	- 12	-13.33%
Consumables	1,064	1,294	230	21.62%
Contracted service delivery				
Caravan Park	7	7	-	0.00%
Cleaning Contract	60	59	- 1	-1.67%
Information Centres	58	58	-	0.00%
Library service	52	52	-	0.00%
Meals on Wheels	50	50	-	0.00%
Pre Schools	16	8	- 8	-50.00%
Private Works	-	-	-	0.00%
Senior Citizens	12	12	-	0.00%
Swimming Pool	352	338	- 14	-3.98%
Waste Collection	1,410	1,529	119	8.44%
Contractors	4,088	2,323	- 1,765	-43.18%
Contributions and donations	83	80	- 3	-3.61%
Fees	128	114	- 14	-10.94%
Fire services levy	15	15	-	0.00%
Information technology	333	361	28	8.41%
Insurance	430	448	18	4.19%
Plant Expenses	194	424	230	118.56%
Stationery, postage, photocopying and printing	53	51	- 2	-3.77%
Subscriptions and memberships	202	201	- 1	-0.50%
Telecommunications	214	248	34	15.89%
Utilities	251	244	- 7	-2.79%
Valuations	20	-	- 20	-100.00%
<b>Total Material and services</b>	<b>9,339</b>	<b>8,111</b>	<b>- 1,228</b>	<b>-13.15%</b>

#### 4.1.9 Depreciation

	2021/22 Forecast Actual \$'000	2022/23 Budget \$'000	Change	
			\$'000	%
Property	1,296	1,342	46	3.55%
Plant and equipment	657	680	23	3.50%
Infrastructure	4,518	4,675	157	3.47%
<b>Total Depreciation</b>	<b>6,471</b>	<b>6,697</b>	<b>226</b>	<b>3.49%</b>

#### 4.1.10 Amortisation – Right of use assets

	2021/22 Forecast Actual \$'000	2022/23 Budget \$'000	Change	
			\$'000	%
Printers	13	13	-	0.00%
<b>Total Amortisation - right of use assets</b>	<b>13</b>	<b>13</b>	<b>-</b>	<b>0.00%</b>

#### 4.1.11 Other expenses

	2021/22 Forecast Actual \$'000	2022/23 Budget \$'000	Change	
			\$'000	%
Leases	5	5	-	0.00%
Councillors' Expenses	171	174	3	1.75%
Auditors' remuneration - internal auditor	47	47	-	0.00%
Auditors' remuneration - external auditor	42	42	-	0.00%
<b>Total Other Expenses</b>	<b>265</b>	<b>268</b>	<b>-</b>	<b>0.00%</b>

## 4.2 Balance Sheet

### 4.2.1 Borrowings

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

	Forecast				
	Actual	Budget	Projections		
	2021/22	2022/23	2023/24	2024/25	2025/26
	\$'000	\$'000	\$'000	\$'000	\$'000
Amount borrowed as at 30 June of the prior year	-	-	650	587	520
Amount proposed to be borrowed	-	650	-	-	-
Amount projected to be redeemed	-	-	63	66	70
<b>Amount of borrowings as at 30 June</b>	<b>-</b>	<b>650</b>	<b>587</b>	<b>520</b>	<b>451</b>

### 4.2.2 Leases by category

As a result of the introduction of AASB 16 Leases, right-of-use assets and lease liabilities have been recognised as outlined in the table below.

	Forecast	
	Actual	Budget
	2021/22	2022/23
	\$'000	\$'000
<b>Right-of-use assets</b>		
Printers	19	9
<b>Total right-of-use assets</b>	<b>19</b>	<b>9</b>
<b>Lease liabilities</b>		
<b>Current lease Liabilities</b>		
Printers	10	9
<b>Total current lease liabilities</b>	<b>10</b>	<b>9</b>
<b>Non-current lease liabilities</b>		
Printers	9	-
<b>Total non-current lease liabilities</b>	<b>9</b>	<b>-</b>
<b>Total lease liabilities</b>	<b>19</b>	<b>9</b>

Where the interest rate applicable to a lease is not expressed in the lease agreement, Council applies the average incremental borrowing rate in the calculation of lease liabilities. The current incremental borrowing rate is XX%.

## 4.4 Capital Works

This section presents a listing of the capital works projects that will be undertaken for the 2022/23 year, classified by expenditure type and funding source. Works are also disclosed as current budget or carried forward from prior year.

### 4.4.1 Summary

	2021/22	2022/23	Change		
	Forecast	Budget			
	Actual				%
	\$'000	\$'000	\$'000		
Property	2,916	280 -	2,636		-90.40%
Plant and equipment	1,101	976 -	125		-11.35%
Infrastructure	11,545	6,471 -	5,074		-43.95%
<b>Total</b>	<b>15,562</b>	<b>7,727 -</b>	<b>7,835</b>		<b>-50.35%</b>

	Project Cost						Contrib	Council Cash	Borrowings
	New	Renewal	Upgrade	Expansion	Grants				
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	280	-	180	100	-	100	-	180	-
Plant and equipment	976	-	976	-	-	-	-	976	-
Infrastructure	6,471	956	4,149	1,366	-	3,705	-	2,116	650
<b>Total</b>	<b>7,727</b>	<b>956</b>	<b>5,305</b>	<b>1,466</b>	<b>-</b>	<b>3,805</b>	<b>-</b>	<b>3,272</b>	<b>650</b>



## 4.4.2 Capital Budget

Capital Works Area	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib \$'000	Council Cash \$'000	Borrowings \$'000
<b>PROPERTY</b>									
<b>Building Improvements</b>									
Building Renewal Program	180	-	180	-	-	-	-	180	-
Snake Valley Multi Services Hub (Kindergarten)	-	-	-	-	-	-	-	-	-
Raglan -Sporting and recreation facilities	100	-	-	100	-	100	-	-	-
<b>TOTAL PROPERTY</b>	<b>280</b>	<b>-</b>	<b>180</b>	<b>100</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>180</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>									
<b>Plant, Machinery and Equipment</b>									
Plant Purchases	550	-	550	-	-	-	-	550	-
Minor Plant Purchases	12	-	12	-	-	-	-	12	-
Bore Refurbishment	15	-	15	-	-	-	-	15	-
Vehicle Purchases	200	-	200	-	-	-	-	200	-
<b>Fixtures, Fittings and Furniture</b>									
Fixtures, Fittings and Furniture	23	-	23	-	-	-	-	23	-
<b>Computers and Telecommunications</b>									
Computer Equipment	152	-	152	-	-	-	-	152	-
<b>Library Collection</b>									
Library Collection	24	-	24	-	-	-	-	24	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>976</b>	<b>-</b>	<b>976</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>976</b>	<b>-</b>

Capital Works Area	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>INFRASTRUCTURE</b>									
<b>Roads</b>									
Pavement	245	-	200	45	-	-	-	245	-
Resheet	599	-	599	-	-	-	-	249	350
Road Renewal	1,134	-	1,134	-	-	1,134	-	-	-
Reseals	700	-	700	-	-	-	-	400	300
Roads - Dust Suppression	25	-	-	25	-	-	-	25	-
Forward survey & design	58	-	58	-	-	-	-	58	-
Kerb & Channel	26	-	26	-	-	-	-	26	-
Sealed Road Shoulder Rehabilitation	50	-	50	-	-	-	-	50	-
Major Patch	100	-	100	-	-	-	-	100	-
Roads Upgrade	136	-	-	136	-	136	-	-	-
Off Road Carparks	100	100	-	-	-	100	-	-	-
Carpark	100	-	-	100	-	100	-	-	-
Road Construction	100	100	-	-	-	100	-	-	-
Reconstruction	-	-	-	-	-	-	-	-	-
<b>Bridges</b>									
Bridge Renewal	300	-	300	-	-	-	-	300	-
Bridges - link and collectors R2R	346	-	346	-	-	346	-	-	-
<b>Footpaths and Cycleways</b>									
Footpath Construction	400	400	-	-	-	400	-	-	-
Footpath Upgrade	450	-	-	450	-	450	-	-	-
Footpaths - New	6	6	-	-	-	-	-	6	-
Footpaths - Renewal	22	-	22	-	-	-	-	22	-
<b>Drainage</b>									
Drainage Renewal	150	-	150	-	-	-	-	150	-
Major Culverts	379	-	379	-	-	279	-	100	-
Moonambel Water Supply	250	250	-	-	-	-	-	250	-
<b>Recreational, Leisure &amp; Community Facilities</b>									
Playground Equipment Replacement	10	-	10	-	-	-	-	10	-
Recreation Projects	75	-	75	-	-	-	-	75	-
Hard Court Renewal	-	-	-	-	-	-	-	-	-
Beaufort Pool - Major Refurbishment	-	-	-	-	-	-	-	-	-
Electric Vehicle recharging station	100	100	-	-	-	100	-	-	-
Beaufort Lake Foreshore Project	330	-	-	330	-	330	-	-	-
Power upgrade to recreation reserve	230	-	-	230	-	230	-	-	-
<b>Waste Management</b>									
Transfer Station Improvements	50	-	-	50	-	-	-	50	-
<b>TOTAL INFRASTRUCTURE</b>	<b>6,471</b>	<b>956</b>	<b>4,149</b>	<b>1,366</b>	<b>-</b>	<b>3,705</b>	<b>-</b>	<b>2,116</b>	<b>650</b>
<b>TOTAL NEW CAPITAL WORKS</b>	<b>7,727</b>	<b>956</b>	<b>5,305</b>	<b>1,466</b>	<b>-</b>	<b>3,805</b>	<b>-</b>	<b>3,272</b>	<b>650</b>

## Summary of Planned Capital Works Expenditure For the years 30 June 2024, 2025 & 2026

2023/24	Project Cost \$'000	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>									
Land	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-
<b>Total Land</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Heritage Buildings	-	-	-	-	-	-	-	-	-
Building improvements	184	-	184	-	-	-	-	184	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
<b>Total Buildings</b>	<b>184</b>	-	<b>184</b>	-	-	-	-	<b>184</b>	-
<b>Total Property</b>	<b>184</b>	-	<b>184</b>	-	-	-	-	<b>184</b>	-
<b>Plant and Equipment</b>									
Heritage plant and equipment	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	793	-	793	-	-	-	-	793	-
Fixtures, fittings and furniture	23	-	23	-	-	-	-	23	-
Computers and telecommunications	155	-	155	-	-	-	-	155	-
Library books	24	-	24	-	-	-	-	24	-
<b>Total Plant and Equipment</b>	<b>995</b>	-	<b>995</b>	-	-	-	-	<b>995</b>	-
<b>Infrastructure</b>									
Roads	2,601	-	2,397	205	-	761	-	1,840	-
Bridges	661	-	661	-	-	355	-	306	-
Footpaths and cycleways	29	6	22	-	-	-	-	29	-
Drainage	784	250	534	-	-	279	-	505	-
Recreational, leisure and community facilities	87	-	87	-	-	-	-	87	-
Waste management	51	-	-	51	-	-	-	51	-
Parks, open space and streetscapes	-	-	-	-	-	-	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-
Other infrastructure	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure</b>	<b>4,213</b>	<b>256</b>	<b>3,701</b>	<b>256</b>	-	<b>1,395</b>	-	<b>2,818</b>	-
<b>Total Capital Works Expenditure</b>	<b>5,392</b>	<b>256</b>	<b>4,880</b>	<b>256</b>	-	<b>1,395</b>	-	<b>3,997</b>	-

2024/25	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>									
Land	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-
<b>Total Land</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Heritage Buildings	-	-	-	-	-	-	-	-	-
Building improvements	187	-	187	-	-	-	-	187	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
<b>Total Buildings</b>	<b>187</b>	-	<b>187</b>	-	-	-	-	<b>187</b>	-
<b>Total Property</b>	<b>187</b>	-	<b>187</b>	-	-	-	-	<b>187</b>	-
<b>Plant and Equipment</b>									
Heritage plant and equipment	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	808	-	808	-	-	-	-	808	-
Fixtures, fittings and furniture	24	-	24	-	-	-	-	24	-
Computers and telecommunications	158	-	158	-	-	-	-	158	-
Library books	25	-	25	-	-	-	-	25	-
<b>Total Plant and Equipment</b>	<b>1,015</b>	-	<b>1,015</b>	-	-	-	-	<b>1,015</b>	-
<b>Infrastructure</b>									-
Roads	2,638	-	2,431	207	-	761	-	1,877	-
Bridges	667	-	667	-	-	355	-	312	-
Footpaths and cycleways	29	6	23	-	-	-	-	29	-
Drainage	539	-	539	-	-	279	-	260	-
Recreational, leisure and community facilities	88	-	88	-	-	-	-	88	-
Waste management	53	-	-	53	-	-	-	53	-
Parks, open space and streetscapes	-	-	-	-	-	-	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-
Other infrastructure	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure</b>	<b>4,014</b>	<b>6</b>	<b>3,748</b>	<b>260</b>	-	<b>1,395</b>	-	<b>2,619</b>	-
<b>Total Capital Works Expenditure</b>	<b>5,216</b>	<b>6</b>	<b>4,950</b>	<b>260</b>	-	<b>1,395</b>	-	<b>3,821</b>	-

2025/26	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>									
Land	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-
<b>Total Land</b>	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Heritage Buildings	-	-	-	-	-	-	-	-	-
Building improvements	191	-	191	-	-	-	-	191	-
Leasehold improvements	-	-	-	-	-	-	-	-	-
<b>Total Buildings</b>	<b>191</b>	-	<b>191</b>	-	-	-	-	<b>191</b>	-
<b>Total Property</b>	<b>191</b>	-	<b>191</b>	-	-	-	-	<b>191</b>	-
<b>Plant and Equipment</b>									
Heritage plant and equipment	-	-	-	-	-	-	-	-	-
Plant, machinery and equipment	825	-	825	-	-	-	-	825	-
Fixtures, fittings and furniture	24	-	24	-	-	-	-	24	-
Computers and telecommunications	161	-	161	-	-	-	-	161	-
Library books	25	-	25	-	-	-	-	25	-
<b>Total Plant and Equipment</b>	<b>1,035</b>	-	<b>1,035</b>	-	-	-	-	<b>1,035</b>	-
<b>Infrastructure</b>									
Roads	2,675	-	2,468	208	-	761	-	1,914	-
Bridges	673	-	673	-	-	355	-	318	-
Footpaths and cycleways	30	6	23	-	-	-	-	30	-
Drainage	544	-	544	-	-	279	-	265	-
Recreational, leisure and community facilities	90	-	90	-	-	-	-	90	-
Waste management	54	-	-	54	-	-	-	54	-
Parks, open space and streetscapes	-	-	-	-	-	-	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-
Other infrastructure	-	-	-	-	-	-	-	-	-
<b>Total Infrastructure</b>	<b>4,066</b>	<b>6</b>	<b>3,798</b>	<b>262</b>	-	<b>1,395</b>	-	<b>2,671</b>	-
<b>Total Capital Works Expenditure</b>	<b>5,292</b>	<b>6</b>	<b>5,024</b>	<b>262</b>	-	<b>1,395</b>	-	<b>3,897</b>	-

## 5. Financial performance indicators

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.

The financial performance indicators below are the prescribed financial performance indicators contained in Part 3 of Schedule 3 of the Local Government (Planning and Reporting) Regulations 2020. Results against these indicators will be reported in Council's Performance Statement included in the Annual Report.

Indicator	Measure	Forecast Actual	Budget	Projections			Trend
		2021/22	2022/23	2023/24	2024/25	2025/26	+ / o / -
<b>Operating position</b>							
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	-22.1%	-7.7%	-7.5%	-7.6%	-7.5%	+
<b>Liquidity</b>							
Working Capital	Current assets / current liabilities	102.4%	107.3%	105.7%	107.7%	110.7%	+
Unrestricted cash	Unrestricted cash / current liabilities	82.7%	87.8%	86.1%	88.1%	91.1%	+
<b>Obligations</b>							
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	0.0%	0.4%	0.7%	0.7%	0.7%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue	0.0%	0.4%	0.7%	0.7%	0.7%	+
Indebtedness	Non-current liabilities / own source revenue	1.1%	5.0%	4.5%	3.9%	3.3%	+
Asset renewal	Asset renewal and upgrade expense / Asset depreciation	139.6%	101.1%	74.8%	74.0%	73.2%	-
<b>Stability</b>							
Rates concentration	Rate revenue / adjusted underlying revenue	59.8%	56.3%	56.6%	56.9%	57.2%	+
Rates effort	Rate revenue / CIV of rateable properties in the municipality	0.4%	0.4%	0.4%	0.4%	0.4%	+
<b>Efficiency</b>							
Expenditure level	Total expenses / no. of property assessments	4.14	3.93	3.97	4.01	4.05	-
Revenue level	Total rate revenue / no. of property assessments	2.03	2.05	2.09	2.12	2.15	+

### 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

## 6. Schedule of Fees and Charges

A separate attachment to the draft budget document details the fees and charges of a non-statutory nature which will be charged in respect to various goods and services during the financial year 2022/23.

Fees and charges are based on information available at the time of publishing and may vary during the financial year subject to any changes in Council's policy or legislation.