



Alpine Shire

Alpine Shire Council Budget Report – 2014/2015

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Mayor's introduction

I am very pleased to introduce the 2014/15 Alpine Shire Council budget. The pillars of this budget include responsible financial management, the long term financial viability of our Council, and the continuing provision of a wide range of services and infrastructure that are essential for the community to thrive.

In order to deliver this budget Council proposes to increase rate revenue by 5%, but interestingly the change in an average residential rates notice will only be 4.54%, or about \$72 . This lower figure is due to growth in the number of rateable properties and therefore, greater sharing of the rating burden (Section 9 of the budget provides further examples and explains why there will be variations to this 'average').

Local governments across Victoria are contending with reduced state and federal government funding, significantly increasing the difficulty of meeting ratepayer's needs. In response to this and other challenges, and with an inherent desire to go from 'good to great', Council has commenced an extensive review of the entire organisation with a focus on improving performance and reducing costs. This review will be ongoing with a commitment to innovation and continuous improvement in everything we do, without compromising on quality.

Council expenditure on capital projects in 2014/15 is projected to be \$9.1M. This will be funded by \$3.3M in external grants with the balance being made up from rate revenue, cash reserves and additional revenue streams.

The key capital project for the upcoming financial year will be the Mount Beauty Progressing Place project. This exciting \$0.8 million redevelopment will upgrade the CBD and redevelop the pondage foreshore offering significant benefits to residents and visitors to the region. Other projects that are being carried forward and that are scheduled for completion in 2014/15 include the Bright Splash Park, the Harrietville to Bright Shared Trail, redevelopment of the Myrtleford Skate Park and the commissioning of the AD Lowerson VC statue in Memorial Park.

New legislation relating to the Local Government Performance Reporting Framework has seen us modify the way we present our budget. The new layout and increased transparency will provide ratepayers with additional information on the budget that has not been presented in previous years.

This budget has been thoroughly scrutinised. Its rate increase is in line with the delivery of the key elements of the Strategic Resource Plan. Council endorses this budget as financially responsible.

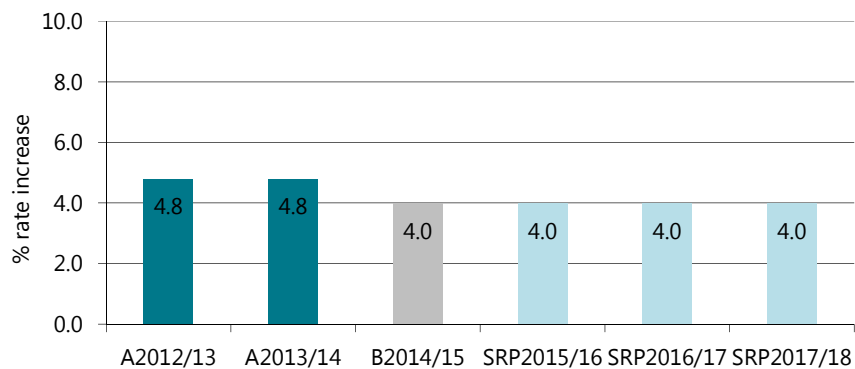
Cr Peter Roper

Mayor

Chief Executive Officer's summary

Council has prepared a Budget for the 2014/15 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.

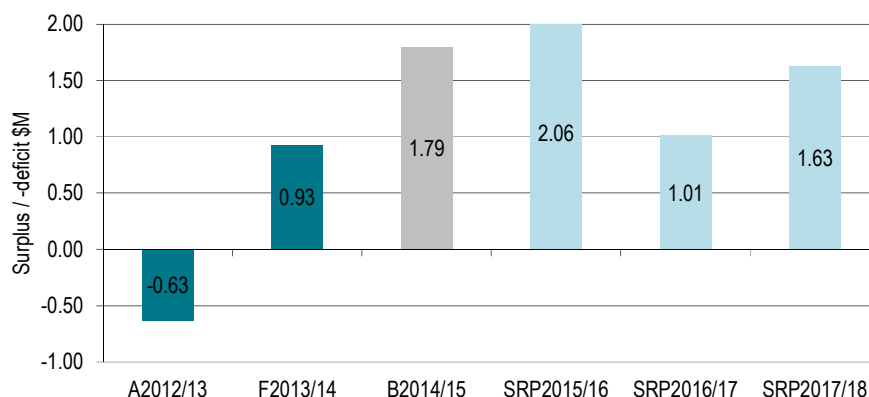
1. Rates



A = Actual B = Budget SRP = Strategic Resource Plan estimates

It is proposed that general rates increase by 5.0% for the 2014/15 year, raising total rates of \$15,730,031. The increase will go toward maintaining service levels and meeting the cost of a number of external influences affecting the operating budget including depreciation and enterprise agreement commitments. The increase will also go toward capital works to meet asset renewal needs and fund new and upgrade projects. This rate increase is in line with the level foreshadowed in Council's Strategic Resource Plan And Long Term Financial Plan. The rate increase for the 2013/14 year was 4.8%.

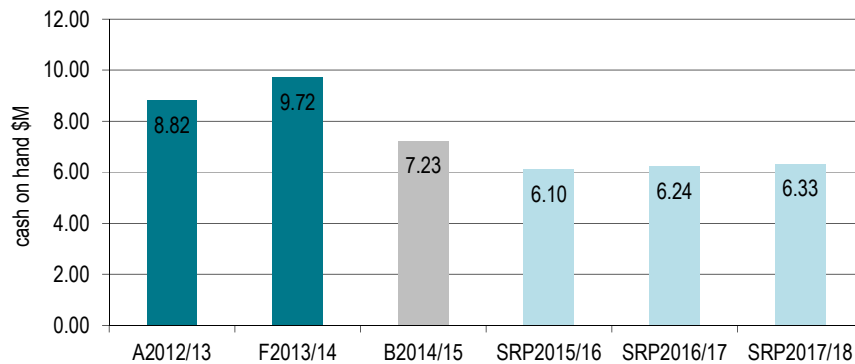
2. Operating result



The expected operating result for the 2014/15 year is a surplus of \$1.79 million, which is an increase of \$0.87 million over 2013/14. The improved operating result is due mainly to a capital grant expected to be received for the Bright-Harrietteville shared trail in 2014/15 and a full year's funding from the

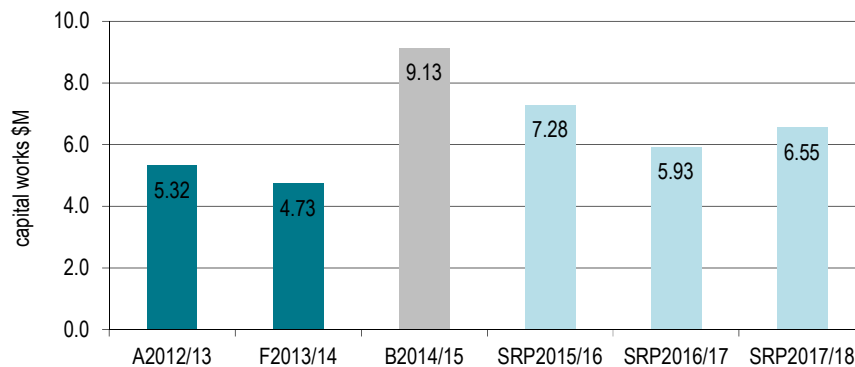
Victorian Grants Commission (VGC) (in accordance with Australian accounting standards and recognition of grant income in the year in which it is received, only 50% of the 2013/14 allocation of VGC was recognised in the 2013/14 year).

4. Cash and investments



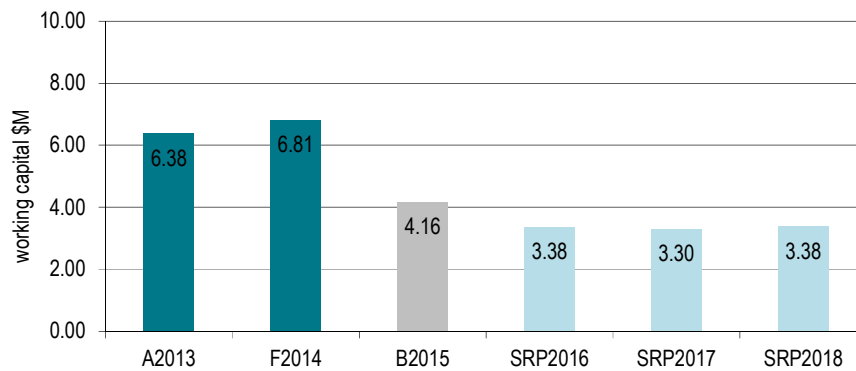
Cash and investments are expected to decrease by \$2.49 million during the year to \$7.23 million as at 30 June 2015. This is due mainly to the carried forward component of the 2013/14 capital works program and a number of major projects. The reduction in cash and investments is in line with Council's Strategic Resource Plan. (Cash and investments are forecast to be \$9.72 million as at 30 June 2014).

5. Capital works



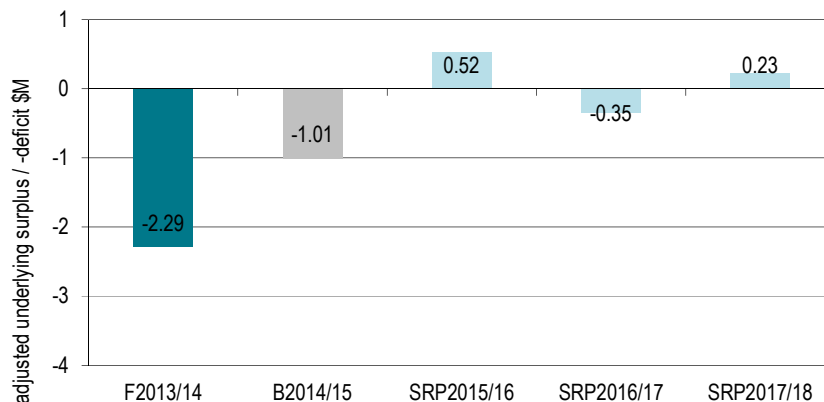
The capital works program for the 2014/15 year is expected to be \$9.1 million of which \$3.4 million relates to projects which will be carried forward from the 2013/14 year. The carried forward component is fully funded from the 2013/14 budget. Of the \$9.1 million of capital funding required, \$3.4 million will come from external grants with the balance of \$5.7 million from Council cash. The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes a number of major projects including the Mount Beauty Progressing Place CBD and Lakeside Projects and completion of the Harrietville to Bright shared trail. Capital works are forecast to be \$4.7 million for the 2013/14 year.

6. Financial position



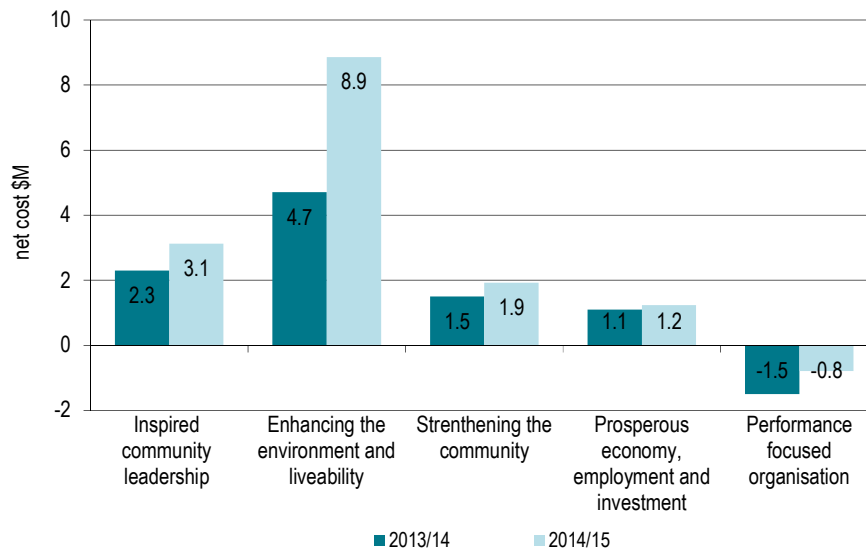
The financial position is expected to improve with net assets (net worth) to increase by \$1.79 million to \$196.34 million in 2014/15. Net current assets (working capital) will reduce by \$2.64 million to \$4.16 million as at 30 June 2015. This is mainly due to the use of cash reserves to fund the capital works program. (Total equity is forecast to be \$194.54 million as at 30 June 2014).

7. Financial sustainability



A high level Strategic Resource Plan for the years 2014/15 to 2017/18 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 decreasing deficit and in two of the years a surplus.

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 how revenue and expenses are distributed across Council's strategic themes identified in the Council Plan, excluding rates and charges and capital grants.

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

Dave Barry

Chief Executive Officer

Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (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 2014/15 budget, which is included in this report, is for the year 1 July 2014 to 30 June 2015 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 2015 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. A draft consolidated budget is then prepared and various iterations are 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.

Council officers undertake community engagement processes throughout the year to assist with the development of the budget. 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 31 August and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised on the following page:

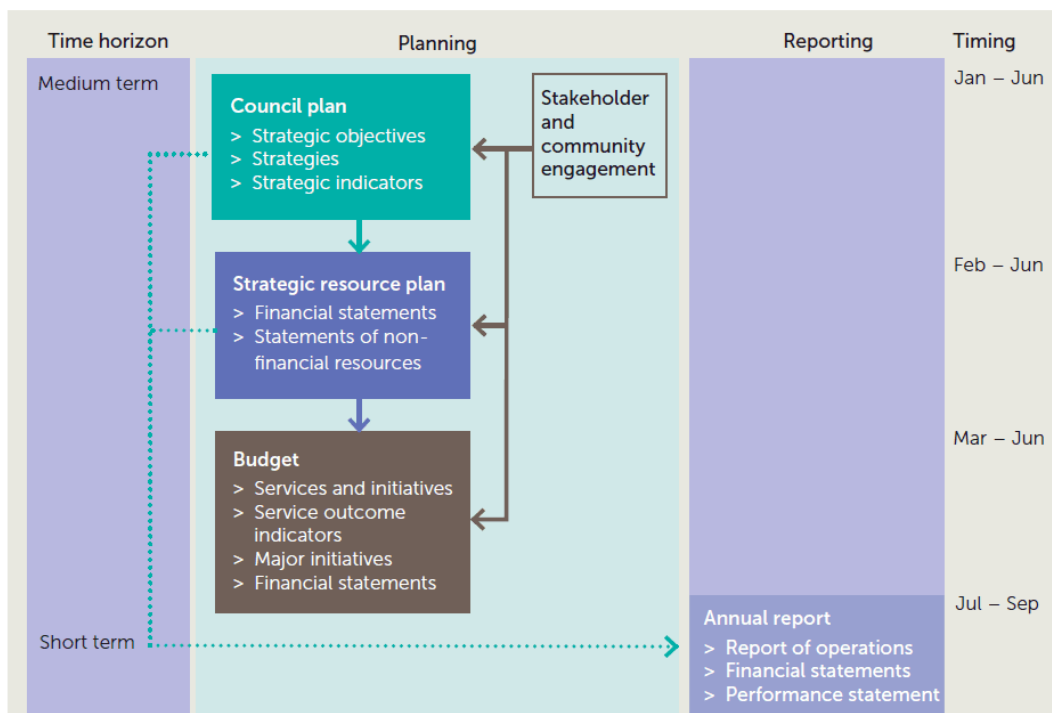
Budget process	Timing
1. Officers update Council's long term financial projections	Dec-Mar
2. Officers prepare operating and capital budgets	Feb/Mar
3. Councillors consider draft budgets at informal briefings	Apr/May
4. Proposed budget submitted to Council for approval	May
5. Public notice advising intention to adopt budget	Jun
6. Budget available for public inspection and comment	Jun
7. Public submission process undertaken	Jun
8. Submissions period closes (28 days)	Jul
9. Submissions considered by Council/Committee	Jul
10. Budget and submissions presented to Council for adoption	Jul
11. Copy of adopted budget submitted to the Minister	Jul
12. Revised budget where a material change has arisen	Sep-Jun

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 (Alpine Shire 2030 Community Vision), 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 strategic objectives described in the Council Plan. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Transport, Planning and Local Infrastructure

In addition to the above, Council has a long term plan (Alpine Shire 2030 Community Vision) which articulates the community's vision, principles and key directions. The Council Plan is prepared with reference to the Alpine Shire 2030 Community Vision.

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.

1.2 Our purpose

Council's vision

*"The Alpine Shire provides **outstanding opportunities** for its residents and visitors through **sustainable growth** in balance with the **natural environment**".*

Alpine Shire 2030 Community Vision

Alpine Shire 2030 Community Vision is committed to planning for and delivering key priorities for the Alpine Shire Community. To achieve this, the Alpine Shire 2030 Community Vision was developed in 2005, and revised in 2010. The vision outlines how the community would like to see the Alpine Shire in 2030. While it is an aspirational document, the key directions in it feed down into the Council Plan, Strategic Resource Plan and Annual Budget, which is Council's, means of delivering the vision. The seven key directions are:

- Unspoilt and natural environment;
- Sympathetic and balanced development;
- Economic prosperity;
- Identity and character of our towns, villages and rural communities;
- Services and facilities (health wellbeing and lifestyle);
- Linkages between communities; and
- Enhancing our strong and safe communities.

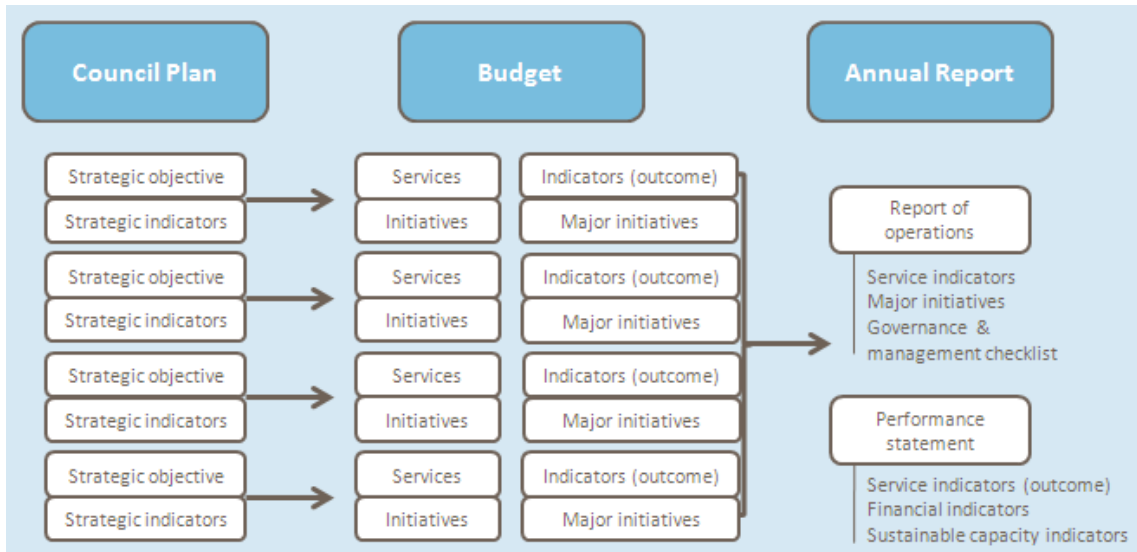
1.3 Strategic objectives

To achieve its vision, Council will seek outcomes under five strategic themes as follows:

Themes	Description
1. Inspired community leadership	Council values effective community advocacy and partnerships.
2. Enhancing the environment and liveability	An environment managed for now and the future.
3. Strengthening the community	A community supported to be healthy, active and involved.
4. Prosperous economy, employment and investment	A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate investment.
5. Performance focused organisation	A customer focused, equitable and sustainable service to the community.

2. Services, initiatives and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2014/15 year and how these will contribute to achieving the strategic objectives specified in the Council Plan. It also includes a number of initiatives, major initiatives and service performance outcome indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



Source: Department of Transport, Planning and Local Infrastructure

2.1 Inspired Community Leadership

To achieve our objectives within **Inspired Community Leadership**, 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.

Services

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	1,401 (0) 1,401
Governance	Services include compliance with statutory responsibilities, customer service, business improvement, procurement, information management and performance measuring and corporate planning.	1,726 (1) 1,725

Initiatives

- Grow the use of internet-based communications
- Facilitate / support community forums
- Complete design for future stages of Myrtleford Flood Mitigation

Service Performance Outcome Indicators

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

2.2 Enhancing the Environment and Liveability

To achieve our objectives within **Enhancing the Environment and Liveability**, 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.

Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Aerodromes	Provision and maintenance of aerodromes at Mount Beauty and Porepunkah.	20 <u>(11)</u> 9
Local Roads and Bridges	This area involves the maintenance of all Council's roads, and bridges. Council has 554km of roads, 107 bridges and over 40 major culverts. Spending in this area also covers roadside vegetation and drainage. The Rural Local Roads component of the grants commission funding is recognised in this area.	1,348 <u>(1,150)</u> 198
Street and Toilet Cleaning	Spending in this area covers contracts for the cleaning of all Council's public toilets, the cost of leaf collection, the cost of emptying and disposing of waste from public bins and the cost of cleaning up after major events.	399 <u>0</u> 399
Footpath Kerb and Channel	This area provides for the maintenance and repair of footpaths and kerbs throughout the Shire.	85 <u>0</u> 85
Open Spaces	This service involves the maintenance of all of Council's open space areas such as playgrounds, parks, street trees, roundabouts and public reserves.	1,761 <u>0</u> 1,761
Rail Trail Maintenance	The Murray to the Mountains Rail Trail is a significant piece of infrastructure which spans across three municipalities. This account involves a contribution to the Rail Trail Committee of Management in partnership with Indigo and Wangaratta councils and an amount allocated for maintenance of the portion of the trail in Alpine Shire.	54 <u>0</u> 54
Depot Operations	Administration and Management of Myrtleford, Bright and Mount Beauty works depots.	353 <u>0</u> 353
Waste Management	Provision of waste management and recycling services across the Shire. This includes kerbside garbage and recycling collection services as well as the operation of the Myrtleford landfill and Transfer stations at Mount Beauty and Porepunkah.	3,426 <u>(930)</u> 2,496

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Project Delivery and Development Engineering	This service conducts capital works planning for Council's key infrastructure assets such as roads, bridges, pathways, buildings and drains, and manages the delivery of a significant capital works program.	927 <u>(159)</u> 768
Building Maintenance	This service is responsible for the maintenance of all of Council's buildings. This includes operational buildings such as depots, administration buildings and libraries as well as community buildings such as halls, senior citizens centres and childcare centres. This area is also responsible for rectifying damage caused by vandalism.	439 <u>(1)</u> 438
Emergency Management	This covers the administrative costs of Council's Emergency Management Planning role, maintenance of various flood warning infrastructure, and additional coordination activities which are fully grant funded.	28 <u>(5)</u> 23
Statutory Planning	This area provides the following services: processes all planning application assessment advice to developers representing Council at the Victorian Civil and Administrative Tribunal The cost of this service is partially offset by income received as planning application fees.	683 <u>(151)</u> 532
Municipal Building services	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.	269 <u>(182)</u> 87
Environmental Health	This service provides for the registration and inspection of all food premises, registers septic tanks and provides immunisations.	333 <u>(159)</u> 174
Local Laws	This area provides the following services: animal registrations, animal management, fire prevention, school crossing supervision and local law enforcement. Savings have been achieved through the use of an iPad application for fire prevention services.	338 <u>(149)</u> 189
Environment	This area involves a variety of roles encompassing education of the community and the organisation, development and implementation of the environment strategy and supporting documents, providing advice on a range of environmental matters.	156 <u>(18)</u> 138

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Dinner Plain	Dinner Plain is an alpine village which requires special services due to its unique nature. The village finances are treated as a self-contained business unit. All rates, special rates and other income generated from the village are quarantined for use on the village. All expenditure is offset against the income. Any surplus or deficit is transferred to or taken from the Dinner Plain reserve. The Council charges the village for its services.	1,585 <u>(1,585)</u> 0

Initiatives

- Develop an asset management plan for open spaces.
- Adoption and gazettal of the new Municipal Strategic Statement to the Alpine Planning Scheme.
- Complete 2014/15 priority renewal road works.
- Implement energy and water efficiency improvements at identified Council and key community facilities.

Major Initiatives

- Investigate Bright Splash Park bore water supply for use and/or reuse in Centenary and Howitt Park irrigation systems.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Waste collection	Waste diversion	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

Service	Indicator	Performance Measure	Computation
Roads	Satisfaction	Satisfaction with sealed local roads (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.
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance outcome 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 Strengthening the Community

To achieve our objectives within **Strengthening the Community**, 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.

Services

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Aged and Disability Services	Council support of senior citizens clubs.	22 (2) 20
Youth, Arts & Culture	The Youth Council represents the municipality's young people and advocates for and delivers youth programs and services.	69 (20) 49
Library Services	Council is a joint owner of High Country Library Corporation who provide public library services at three locations within the Alpine Shire.	333 0 333
Community Development	This service is concerned with building community capacity. Key areas include community resilience, the community grant program and implementing the Liveability Plan.	682 (216) 466
Swimming Pools	This service involves the running of Bright Sports Centre, the provision of outdoor seasonal pools at Myrtleford and Mount Beauty and lifeguarding at the Bright and Porepunkah river pools.	647 (297) 350
Maternal and Child Health	This service assists to provide children with the 'best start' in life and supports the health and well-being of families and their children. Council also provides support to Alpine Children's Services.	184 (156) 28
Recreation	Council supports the development and maintenance of 12 recreation reserves across the Shire and also supports recreation clubs and committees.	291 (47) 244
Home and Community Care Services	Council provides a range of services for the aged and disabled including domestic assistance, personal care, home maintenance, meals on wheels, planned activities and respite.	1,649 (1,214) 435

Initiatives

- Adopt the Alpine Shire Volunteers Strategy and implement 2014/15 priorities.
- Deliver 2014/15 FreeZa program including two skate events and one Alpine Battle of the Bands heat.
- Implement 2014/15 actions identified from the Positive Ageing Action Plan (2013-2015).
- Implement 2014/15 actions identified from the Rural Access (Disability) Action Plan (2013-2015).

Major Initiatives

- Complete Stage 2 of Bright Sports Centre Redevelopment (including change rooms, insulation and cooling systems).

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	Participation in the MCH service (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
		Participation in MCH service by Aboriginal children (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	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population

2.4 Prosperous Economy, Employment and Investment

To achieve our objectives within **Prosperous Economy, Employment and Investment**, 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.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Economic Development	This service facilitates local and new business to develop and grow.	318 0 318
Tourism	Spending in this area is focused on marketing, product and industry development. The development and distribution of tourism collateral including the Shire's Official Visitors Guide, trails brochure, maps and retail and dining guide are also deliverables of this service.	333 0 333
Festivals & Events	Events are a major contributor to the economy. Council has a role in seeking and developing new events.	300 (5) 295
Visitor Information Centres	This service comprises visitor information services located at Bright, Mount Beauty and Myrtleford. Income is derived from the sale of souvenirs, commission from the booking of accommodation and the lease of the River-deck Café in Bright. The Council subsidy for this area has remained similar to the previous year.	502 (212) 290

Initiatives

- Completion of Year 1 activities for the Alpine Community Plantation project, including trail audit and masterplan for the precinct.
- Website content and functionality reviewed and updated.

Major Initiatives

- Bright Splash Park project completed, commissioned and operational for summer 2014/15.
- Adopt a Rural Land Strategy that provides a vision for the future of rural land in the Shire and guidance for amendments to the Alpine Planning Scheme.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year /less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100

2.5 Performance Focused Organisation

To achieve our objectives within **Performance Focused Organisation**, 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.

Services

Service areas	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Finance and Business Services	Finance and Business Services is concerned with supporting Council operations so that Council can perform the functions required of it. Costs in this area include the management of council investments, property portfolio, budget control, accounting, collection of rates, information technology and other corporate overheads. Income is primarily derived from rates, financial assistance grants, investment returns and income from caravan parks.	2,341 <u>(3,411)</u> (1,070)
Human Resources	The human resources team recruits and develops strategies to ensure the provision of an effective, motivated workforce.	281 <u>0</u> 281

Initiatives

- Implement lifetime animal registration tags and online animal registration payments.
- Undertake mandatory and priority training for relevant staff.
- Implement Business Systems as per Council's priorities.
- Review Local Law No.1 "Council Administration".

Major Initiatives

- Adopt a Long Term Financial Plan (10 year).
- Undertake Strategic Alignment Project.

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 2014/15 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) 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
Inspired community leadership	3,125	3,126	(1)
Enhancing the environment and liveability	8,853	12,202	(3,349)
Strengthening the community	1,923	3,876	(1,953)
Prosperous economy, employment and investment	1,236	1,453	(217)
Performance focused organisation	(789)	2,622	(3,411)
Total services and initiatives	14,348	23,279	(8,931)
Other non-attributable	6,534		
Deficit before funding sources	20,882		
Funding sources:			
Rates & charges	(15,730)		
Capital grants	(3,358)		
Total funding sources	(19,088)		
Surplus for the year	1,794		

3. Budget influences

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

3.1 Snapshot of Alpine Shire Council

The Alpine Shire is a small rural shire with the major townships of Bright, Mount Beauty and Myrtleford located across the Ovens and Kiewa valleys. The Alpine Shire covers an area of 4,790 square kilometres, and encompasses the Buffalo, Ovens and Kiewa Rivers and their tributaries.

Approximately 92% of the Shire is public land, including large tracts of the Alpine National Park, as well as the whole of the Mount Buffalo National Park. The remaining 8% of land comprises townships and farming land, which exist along the flood plains of the river valleys. The major townships are nestled in the valleys, located along the river systems.

The Alpine Shire surrounds some of Victoria's major ski resorts at Mount Hotham, and Falls Creek, with smaller snowfield attractions at Dinner Plain and Mount Buffalo.

Population

Approximately 12,000 people call the Alpine Shire home, but the population swells during peak tourism times. Alpine has a large population of over 55s, with the 2011 Census revealing that 38.2% of the population is aged over 55, compared to an Australian average of 25.6%. This ageing population presents unique challenges to Council in order to provide adequate services.

Industry

Alpine Shire has an industry mix that covers goods-producing industries (agriculture, manufacturing, construction) and services.

The key sectors are tourism, timber and forestry, agriculture (livestock and horticulture), services (health, education, community services), and retail.

Tourism is a major driver of the economy. Combined with the Alpine ski resorts, tourism is worth approximately \$264 million per annum to the region.

Budget implications

As a result of the Shire's demographic profile, over 18% of ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council has hardship provisions in place but these can impact on cash balances when large volumes of ratepayers are involved.

3.2 External influences

In preparing the 2014/15 Budget, a number of external influences have been taken into consideration, because they are likely to impact on the services delivered by Council in the budget period.

Inflationary pressure

Local Government expenses are different to household expenses. The Consumer Price Index (CPI) measures price movements in a standard basket of common household goods and services. A 'basket' of common Council services is primarily affected by the growth in construction, material and wage costs, not CPI.

The majority of Council's spending is targeted towards maintaining and renewing more than \$196 million worth of community infrastructure assets such as roads, bridges, sporting facilities and buildings; and human services such as aged care programs, maternal and child health, and youth services.

The expenses of staff and contractors to deliver human-based services, and staff and materials needed to construct, maintain and upgrade assets and infrastructure means that local government costs are significantly affected by the Average Weekly Earnings (AWE) and Roads Construction and Maintenance indexes. Commencing 1 July 2013, Council's wages were impacted by the increase in the Superannuation Guarantee Levy from 9.0% to 9.25%. From 1 July 2014, Council wages will be impacted by a further increase to the Superannuation Guarantee Levy from 9.25% to 9.50% which is reflected in this budget.

In addition to different cost structures of the average household, Councils face several pressures which create financial viability risks and increase the amount of revenue required through rates. These external pressures can be surmised as follows.

Cost shifting *

Cost shifting occurs when Federal and State Government programs transfer responsibilities to Local Government with insufficient funding or with grants that don't keep pace with service delivery costs. Once the responsibility for the service delivery has been accepted by Council, invariably contributions through rates are commonly required to cover funding shortfalls.

Infrastructure renewal gap *

All Victorian Councils are responsible for ageing community infrastructure such as roads, drains, buildings, and sporting facilities. A number of programs such as the Asset Management Framework have been established to ensure that adequate levels of funding are allocated by Councils towards the progressive renewal of their infrastructure assets. Over the last 5 to 10 years, all Victorian Councils have significantly increased Capital Works Budgets to meet this renewal gap. The annual shortfall in spending needed to maintain Council owned infrastructure assets across the state was \$280 million in 2007. It is now \$100 million per year.

Superannuation shortfall *

All Victorian Councils are required by law to ensure that their superannuation obligations are fully funded. In 2012, a state-wide shortfall of \$406 million was paid to the Local Authorities Superannuation Fund Defined Benefits Scheme by all Victorian Councils. Alpine Shire Council's share of this state-wide shortfall which was paid in February 2013, was \$1.5 million.

Declining government grants *

Nationally, Local Government collects 3.5% of the \$358.7 billion total taxes raised by all tiers of government. Core financial assistance through federal tax distribution to Local Government has declined from 1.2% of Australian Government revenue in 1993–94 to 0.62% in 2011–12. Australian and Victorian Government grants to Local Government are usually indexed to CPI or less. In real terms, grants are lower each year as Council cost movements to deliver the service increase at LGCI levels. Councils are forced to fund these gaps from rates revenue.

** Source: Municipal Association of Victoria (MAV)*

3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2014/15 Budget. These matters have arisen from events occurring in the 2013/14 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2014/15 year. These matters and their financial impact are set out below:

- Council did not borrow funds to replenish cash for the defined benefit superannuation as budgeted for in 2013/14. This equated to a reduction in cash of \$1.5 million.
- A number of key projects which were delayed during the year will be carried forward to 2014/15. This includes the Harrierville to Bright Shared Trail, Bright Splash Park and the upgrade of the Bright Sports Centre. Carry forward projects are detailed in appendix C section 2.

3.4 Budget principles

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

- Existing fees and charges to be increased in line with CPI or market levels.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2013/14 levels with the aim to use less resources with an emphasis on innovation and efficiency.
- Salaries and wages to be increased in line with the Enterprise Agreement.
- Contract labour to be minimised.
- New initiatives or employee proposals to be justified through a business case.

3.5 Long term strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2014/15 to 2017/18 (section 8), Rating Information (section 9) and Other Long Term Strategies (section 10) including borrowings, infrastructure and service delivery.

4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2014/15 year.

4.1 Budgeted income statement

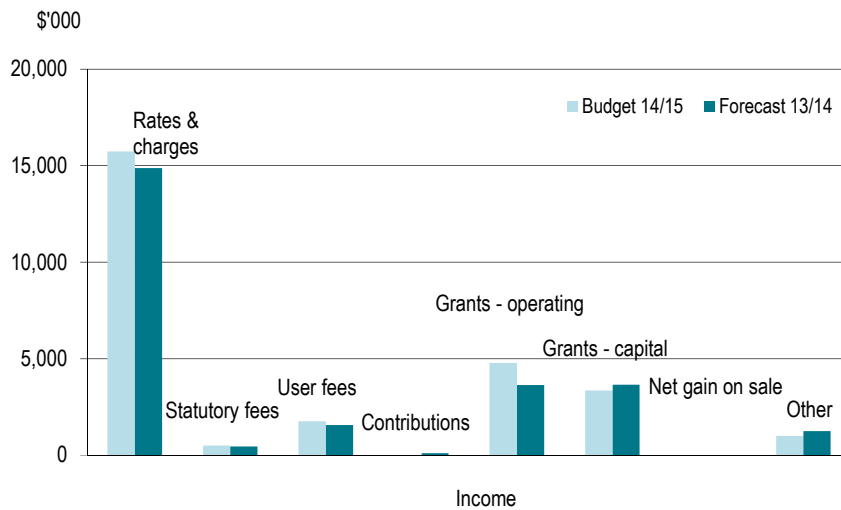
			Forecast Actual	Budget	Variance
	Ref		2013/14 \$'000	2014/15 \$'000	\$'000
Total income	4.2		25,586	27,136	1,550
Total expenses	4.3		(24,658)	(25,342)	(684)
Surplus (deficit) for the year			928	1,794	866
Grants – capital non-recurrent	4.2.6		(3,106)	(2,797)	309
Contributions - non-monetary assets			-	-	-
Capital contributions - other sources	4.2.4		(107)	(6)	101
Adjusted underlying surplus (deficit)			(2,285)	(1,009)	1,276

4.1.1 Adjusted underlying deficit (\$1.28 million increase)

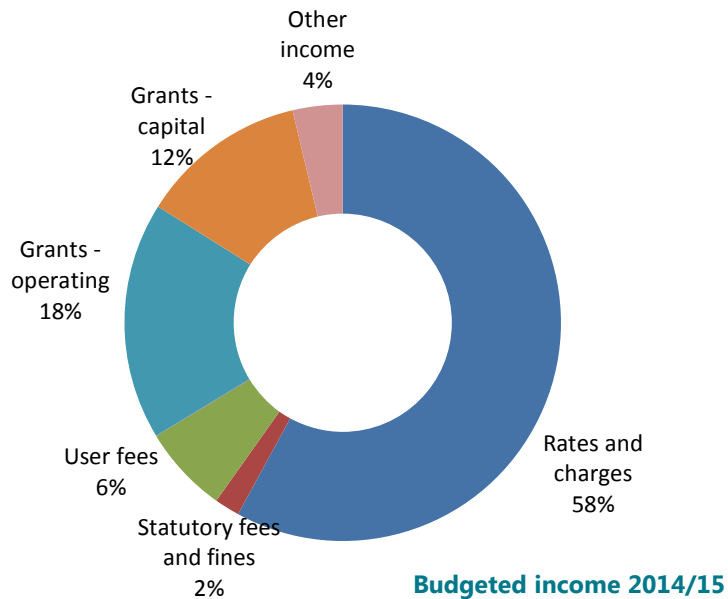
The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2014/15 year is a deficit of \$1.01 million which is an improvement of \$1.28 million from the 2013/14 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.

4.2 Income

Income Types	Ref	Forecast	Budget 2014/15 \$'000	Variance \$'000
		Actual		
		2013/14 \$'000		
Rates and charges	4.2.1	14,879	15,730	851
Statutory fees and fines	4.2.2	457	507	50
User fees	4.2.3	1,566	1,759	193
Contributions - cash	4.2.4	107	6	(101)
Grants - operating	4.2.5	3,650	4,774	1,124
Grants - capital	4.2.6	3,667	3,358	(309)
Net gain on sale of assets	4.2.7	21	-	(21)
Other income	4.2.8	1,239	1,002	(237)
Total income		25,586	27,136	1,550



Source: Appendix A



4.2.1 Rates and charges (\$0.851 million increase)

It is proposed that rate income be increased by 5% or \$0.58 million over 2013/14 to \$12.27 million (excluding charges). Charges (i.e. garbage) unit rates are also to be increased by 5%. Section 9 - "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2014/15. Information on rates and charges specifically required by the Regulations is included in Appendix B.

4.2.2 Statutory fees and fines (\$0.050 million increase)

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

A detailed listing of statutory fees is included in Appendix D.

4.2.3 User fees (\$0.193 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. Examples of these fees include hire or use of community facilities and the provision of human services such as home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases do not exceed CPI increases or market levels.

User charges are projected to increase by 12% or \$0.193 million over 2013/14. The main area contributing to the increase is recreation services due to an anticipated increase in the number of participants in the learn to swim program at Council facilities. In addition, Council has increased user charges for all areas by 5% in line with expected inflationary trends over the budget period and to maintain parity between user charges and the costs of service delivery.

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

4.2.4 Contributions - cash (\$0.101 million decrease)

Contributions relate to monies paid by developers in regard to recreation reserves as well as contributions from community groups for specific projects in partnership with Council. This will fluctuate from year to year.

4.2.5 Grants - operating (\$1.124 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. Overall, the level of operating grants has increased by 31% or \$1.124 million compared to 2013/14. This is due to a full year's funding from the Victorian Grants Commission (VGC) (in accordance with Australian accounting standards and recognition of grant income in the year in which it is received, only 50% of the 2013/14 allocation of VGC was recognised in the 2013/14 year). A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Operating Grant Funding Type and Source	Forecast	Budget	Variance
	Actual		
	2013/14	2014/15	
	\$'000	\$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Victorian Grants Commission	1,705	3,604	1,899
General home care	570	570	-
Fuel rebate	20	20	-
<i>Recurrent - State Government</i>			-
Immunisations	8	4	(4)
Valuations	22	20	(2)
School crossing supervisors	9	17	8
Senior citizens	24	2	(22)
Maternal and child health	152	156	4
Youth services	22	20	(2)
Emergency services	25	26	1
Other	10	14	4
Total recurrent grants	2,567	4,453	1,886

Operating Grant Funding Type and Source	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
<i>Non-recurrent - Commonwealth Government</i>			
Nil	-	-	-
<i>Non-recurrent - State Government</i>			
Economic development	17	-	(17)
Community development	114	216	102
Weed management	18	18	-
Floodway design	108	-	(108)
Skate park	90	-	(90)
Flood and bushfire recovery	575	-	(575)
Hazardous tree management	37	-	(37)
Strategy and planning	124	-	(124)
Other	-	87	87
Total non-recurrent grants	1,083	321	(762)

4.2.6 Grants - capital (\$0.309 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreased by 8% or \$0.309 million compared to 2013/14 due mainly to the timing of specific funding for some large capital works projects. Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included on the following page.

Capital Grant Funding Type and Source	Forecast		
	Actual	Budget	Variance
	2013/14 \$'000	2014/15 \$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	561	561	-
<i>Recurrent - State Government</i>			
Nil	-	-	-
Total recurrent grants	561	561	-
<i>Non-recurrent - Commonwealth Government</i>			
Nil			
<i>Non-recurrent - State Government</i>			
Roads	130	470	340
Country roads and bridges	1,000	1,000	-
Local Government			
Infrastructure Program	500	400	(100)
Paths	400	600	200
Recreational	1,045	327	(718)
Buildings	31	-	(31)
Total non-recurrent grants	3,106	2,797	(309)

4.2.7 Net gain on sale of assets

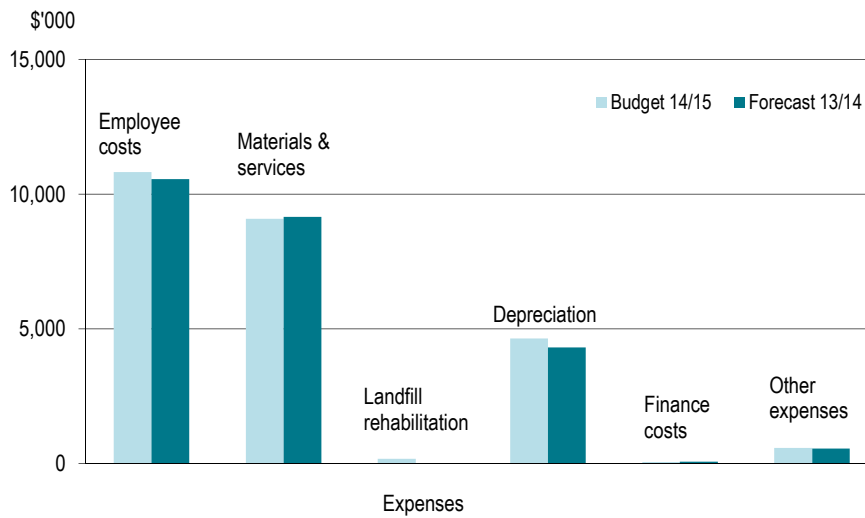
Proceeds from the sale of Council assets relate mainly to the planned cyclical replacement as part of the plant and vehicle fleet and sale of properties including surplus land.

4.2.8 Other income

Other income relates to a range of items such as interest income, rent from Council owned properties including the RiverDeck Café, sale of merchandise and other miscellaneous income items.

4.3 Expenses

Expense Types	Ref	Forecast	Budget 2014/15 \$'000	Variance \$'000
		Actual		
		2013/14 \$'000		
Employee costs	4.3.1	10,558	10,813	255
Materials and services	4.3.2	9,156	9,083	(73)
Landfill rehabilitation	4.3.3	-	171	171
Depreciation and amortisation	4.3.4	4,317	4,641	324
Finance costs	4.3.5	72	62	(10)
Other expenses	4.3.6	555	572	17
Total expenses		24,658	25,342	684



Source: Appendix A

4.3.1 Employee costs (\$0.3 million increase)

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

Employee costs are forecast to increase by 2% or \$0.3 million compared to 2013/14. This increase is mainly attributed to the following key factors:

- Council's three year Enterprise Bargaining Agreement (EBA) which came into effect on 1 July 2013.
- Increase in the superannuation guarantee from 9.25% to 9.5% from 1 July 2014.
- The increase in employee costs is partly offset by a requested reduction in staff costs by Council at its Ordinary meeting on 3 June 2014. Savings of \$0.45 million are forecast in the 2014/15 budget. Refer to Appendix A for further explanation.

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

Department	Budget 2014/15 \$'000	Comprises	
		Permanent	Permanent
		Full Time	Part Time
		\$'000	\$'000
Councillor Executive	1,012	859	153
Community and Corporate Services	3,948	2,446	1502
Infrastructure Services	3,213	2,636	577
Sustainable Development	2,086	1,361	725
	10,259	7,302	2,957
Casual	554		
Total expenditure	10,813		

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
Councillors and Executive	7.8	6.0	1.8
Community and Corporate Services	50.5	28.0	22.5
Infrastructure Services	41.1	34.0	7.1
Sustainable Development	23.7	15.0	8.7
	123.1	83.0	40.1
Casual	14.9		
Total staff	138.0		

4.3.2 Materials and services (\$0.07 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by 1% or \$0.07 million compared to 2013/14. This is mainly attributed to:

- 2013/14 having additional costs incurred relating to asset restoration from fire and flood recovery which are not expected in 2014/15 (approximately \$0.7 million).
- Payments of contractors in 2013/14 which are not expected in 2014/15 for services including general valuations as required every two years under the *Valuation of Land Act 1960*, and valuation of roads and bridges required every three years under Australian Accounting Standards.
- Focus on utilising internal skills rather than outsourcing.

Utility costs relate to telecommunications, including usage of telephones and other utilities such as water, gas and electricity. Whilst materials and services are budgeted to decrease, Council does expect

an increase by approximately 7% in utilities compared to 2013/14. This is mainly attributed to street lighting costs and heating of the indoor pool.

Insurances premiums are budgeted to increase by 24% or \$112,000. This is mainly due to changes in the public liability premium calculation which was to be phased in over two years and increased costs in the insurance market.

4.3.3 Landfill rehabilitation costs

Landfill rehabilitation costs are expected to increase by \$0.2 million due to expected works in 2013/14 being carried forward through the reserve and to be delivered in 2014/15 as part of Council's Landfill Rehabilitation Strategy. Costs are expected to increase in this area and thus see this expense item recognised separately in the income statement (rather than in other expenses).

4.3.4 Depreciation and amortisation (\$0.3 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. The increase of \$0.3 million for 2014/15 is due mainly to the completion of the 2014/15 capital works program and the full year effect of depreciation on the 2013/14 capital works program. Refer to section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2014/15 year.

4.3.5 Finance costs

Borrowing costs relate to interest charged by financial institutions on funds borrowed. There is an expected reduction in borrowing costs resulting from the repayment of principal amounts on existing borrowings in accordance with loan agreements. Council has not budgeted to take out additional borrowings in the 2014/15 year.

4.3.6 Other expenses

Other expenses relate to a range of unclassified items including contributions to community groups, advertising, and other miscellaneous expenditure items.

5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2014/15 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

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

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

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

5.1 Budgeted cash flow statement

		Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
Rates and charges		14,739	15,746	1,007
User fees and fines		2,023	2,266	243
Grants - operating		3,874	4,715	841
Grants - capital		3,667	3,358	(309)
Interest		402	410	8
Other receipts		901	568	(333)
		25,606	27,063	1,457
<i>Payments</i>				
Employee costs		(10,557)	(10,783)	(226)
Other payments		(9,360)	(9,649)	(289)
		(19,917)	(20,432)	(515)
Net cash provided by operating activities		5,689	6,631	942
Cash flows from investing activities	5.1.2			
Proceeds from sales of property, infrastructure, plant & equipment		214	255	41
Proceeds from investments		991	3,027	2,036
Deposits		9	5	(4)
Payments for property, infrastructure, plant and equipment		(4,732)	(9,125)	(4,393)
Net cash used in investing activities		(3,518)	(5,838)	(2,320)
Cash flows from financing activities	5.1.3			
Finance costs		(72)	(62)	10
Proceeds from borrowings		0	0	0
Repayment of borrowings		(201)	(197)	4
Net cash used in financing activities		(273)	(259)	14
Net decrease in cash and cash equivalents		1,898	534	(1,364)
Cash and cash equivalents at the beginning of the year		1,799	3,697	1,898
Cash and cash equivalents at end of the year	5.1.4	3,697	4,231	534

Source: Appendix A

5.1.1 Operating activities (\$0.942 million increase)

The increase in cash inflows from operating activities is due mainly to a \$0.53 million increase in operating and capital grants. Part of 2013/14 operating grants were received in 2012/13 and an increase in capital grants to fund the capital works program, (part of which has been carried forward from 2013/14 for the Harrietteville to Bright shared trail). There is also an \$818 thousand increase in rates and charges, which is in line with the rate increase of 5%.

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	Budget	Variance
	2013/14	2014/15	
	\$'000	\$'000	\$'000
Surplus (deficit) for the year	928	1,794	866
Depreciation	4,317	4,641	324
Loss (gain) on sale of assets	(21)	0	21
Net movement in current assets and liabilities	465	196	(269)
Cash flows available from operating activities	5,689	6,631	942

5.1.2 Investing activities (\$2.32 million decrease)

The large increase in payments for investing activities represents the increase in capital works expenditure disclosed in section 10 of this budget report, mainly attributed to expected completion of carry forward projects from 2013/14 expected in 2014/15. Proceeds from sale of assets are forecast to increase by \$0.041 million due to a review of Council's fleet being undertaken.

5.1.3 Financing activities (\$0.014 million increase)

For 2014/15 the total of principal repayments is \$0.197 million and finance charges is \$0.062 million. No new borrowings are budgeted for in 2014/15.

5.1.4 Cash and cash equivalents at end of the year (\$0.534 million increase)

Overall, total cash is forecast to increase by \$0.534 million to \$4.23 million as at 30 June 2015. This does not include the decrease in the financial assets of \$3 million from 2013/14 to 2014/15. This reflects Council's strategy of using excess investments to enhance existing and create new infrastructure. This is consistent with Council's Strategic Resource Plan (see Section 8), which forecasts a significant reduction in the capital works program from 2014/15 onwards (due to Council fully delivering existing carry forward projects) to balance future cash budgets.

5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2015 it will have cash, investments and financial assets of \$7.23 million, which has been restricted as shown in the following table.

		Forecast		
	Ref	Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
Total cash, investments and financial assets		9,724	7,231	(2,493)
Restricted cash and investments				
- Statutory reserves	5.2.1	(295)	(295)	-
- Cash held to carry forward capital works	5.2.2	(2,729)	-	2,729
- Trust funds and deposits		(368)	(373)	-
Unrestricted cash and investments	5.2.3	6,332	6,563	236
- Discretionary reserves	5.2.4	(1,929)	(1,718)	211
Unrestricted cash adjusted for discretionary reserves	5.2.5	4,403	4,845	447

5.2.1 Statutory reserves

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.

5.2.2 Cash held to fund carry forward capital works

There is no amount shown as cash held to fund carry forward works at 30 June 2015, as it is expected that the capital works budget in the 2014/15 financial year will be fully completed. An amount of \$2.7 million (net) is forecast to be held at 30 June 2014 to fund capital works budgeted but not completed in the 2013/14 financial year. Section 6.2 contains further details on capital works funding.

5.2.3 Unrestricted cash and investments

The amount shown in the above table is in accordance with the definition of unrestricted cash included in the Regulations. These funds are free of statutory reserve funds and cash to be used to fund capital works expenditure from the previous financial year.

5.2.4 Discretionary reserves (\$1.7 million)

These funds are shown as discretionary 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. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

5.2.5 Unrestricted cash adjusted for discretionary reserves (\$4.85 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.

6. Analysis of capital budget

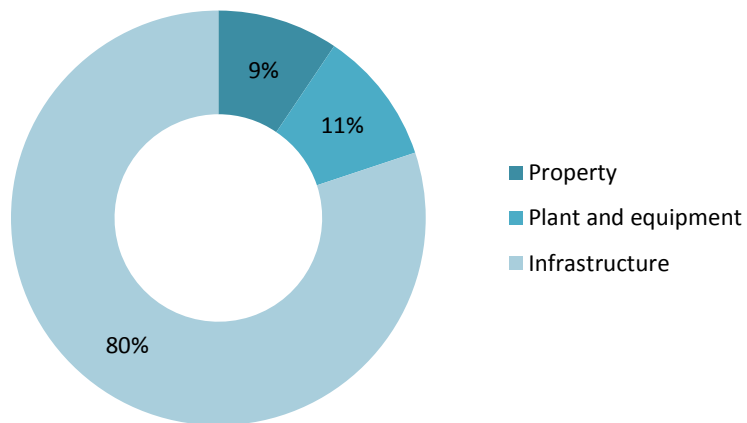
This section analyses the planned capital works expenditure budget for the 2014/15 year and the sources of funding for the capital budget.

6.1 Capital works expenditure

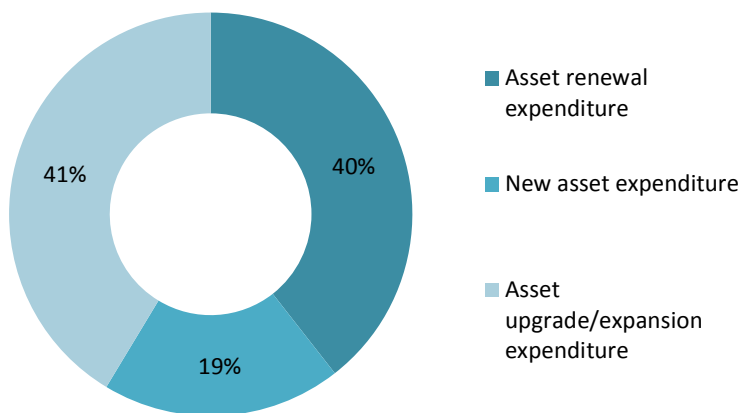
Capital Works Areas	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Works carried forward	6.1.1			
Property				
Buildings		261	506	245
Total property		261	506	245
Plant and equipment				
Plant, machinery and equipment		404	645	241
Total plant and equipment		404	645	241
Infrastructure				
Roads		798	372	(426)
Bridges		-	41	41
Footpaths, streetscape and recreational		823	1,551	728
Drainage		-	250	250
Kerb and channel		-	30	30
Landfill		-	234	234
Total infrastructure		1,621	2,478	857
Total works carried forward		2,286	3,629	1,343
New works				
Property	6.1.2			
Buildings		-	-	-
Building improvements		-	336	336
Total property		-	336	336
Plant and equipment	6.1.3			
Plant, machinery and equipment		-	289	289
Total plant and equipment		-	289	289
Infrastructure	6.1.4			
Roads		1,531	2,335	804
Bridges		479	307	(172)
Footpaths, streetscape and recreational		362	1,584	1,222
Drainage		49	43	(6)
Landfill		-	602	602
Kerb and channel		25	-	(25)
Total infrastructure		2,446	4,871	2,425
Total new works		2,446	5,496	3,050
Total capital works expenditure		4,732	9,125	4,393

Capital Works Areas	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Represented by:				
Asset renewal expenditure	6.1.5	2,781	3,600	819
New asset expenditure	6.1.5	691	1,752	1,061
Asset upgrade/expansion expenditure	6.1.5	1,260	3,773	2,513
Total capital works expenditure		4,732	9,125	4,393

Budgeted capital works 2014/15



Budgeted capital works 2014/15



Source: Appendix A. A more detailed listing of the capital works program is included in Appendix C.

6.1.1 Carried forward works

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including, timing of tendering, weather delays and extended consultation. Projects carried forward in 2013/14 included Mount Beauty Lakeside Toilet Block and Playground, Myrtleford Skate Park Development, Swing Bridge repairs, and a number of strategies and reviews. Council is forecasting to carry forward into 2014/15 projects including the Bright Sports Centre Redevelopment (Stage 2), Harrietville to Bright Shared Trail, Mount Beauty Progressing Place Project and Gravity Adventure Park at Dinner Plain.

6.1.2 Property

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

For the 2014/15 year Council has budgeted for renewable energy initiatives for Council buildings to help alleviate rising utilities costs in the future.

6.1.3 Plant and equipment

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

For the 2014/15 year, the more significant projects include ongoing cyclical replacement of the plant and vehicle fleet, and renewal and replacement of information technology.

6.1.4 Infrastructure

Infrastructure includes roads, bridges, footpaths, tracks and trails, drainage, recreation, parks, open space and streetscapes and other structures.

For the 2014/15 year, \$2.3 million will be expended on new road projects. The more significant projects include local road renewal, mainly resealing, resheeting and gravel resheeting, and federally funded Roads to Recovery projects.

Other significant infrastructure projects include snow making at Dinner Plain, township and streetscape designs and footpaths, tracks and trails upgrades.

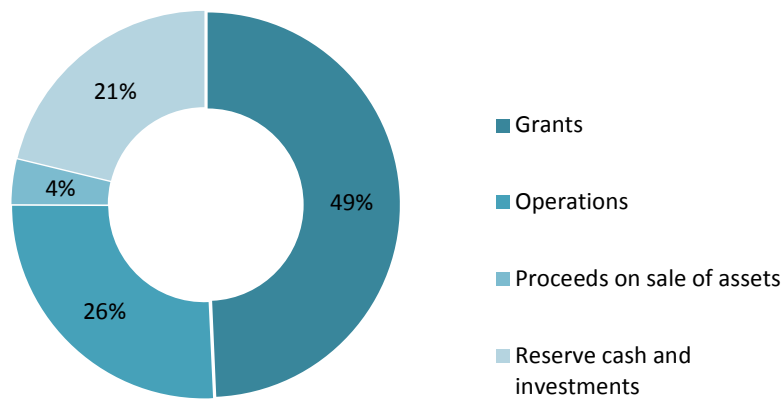
6.1.5 Asset renewal, new assets, upgrade and expansion

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

6.2 Funding sources

Sources of funding	Ref	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Variance \$'000
Works carried forward				
Current year funding				
Grants		1,065	900	(165)
Contributions		-	-	-
Borrowings		-	-	-
Council cash				
- operations		221	1,934	1,713
- proceeds on sale of assets		-	-	-
- reserve cash and investments		-	795	795
- unrestricted cash and investments		1,000	-	(1,000)
Total works carried forward	6.2.1	2,286	3,629	1,343
New works				
Current year funding				
Grants	6.2.2	2,602	2,458	(144)
Contributions		-	-	-
Borrowings		-	-	-
Council cash				
- operations	6.2.3	(361)	(244)	117
- proceeds on sale of assets	6.2.4	214	255	41
- reserve cash and investments	6.2.5	-	652	652
- unrestricted cash and investments		(9)	2,375	2,384
Total new works		2,446	5,496	3,050
Total funding sources		4,732	9,125	4,393

Budgeted total funding sources 2014/15



Source: Appendix A

6.2.1 Carried forward works

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including, timing of tendering, weather delays and extended consultation. Projects carried forward in 2013/14 included Mount Beauty Lakeside Toilet Block and Playground, Myrtleford Skate Park Development, Swing Bridge repairs, and a number of strategies and reviews. Council is forecasting to carry forward into 2014/15 projects including the Bright Sports Centre Redevelopment (Stage 2), Bright to Harrietville Shared Trail, Mount Beauty Progressing Place Project and Gravity Adventure Park at Dinner Plain.

6.2.2 Grants

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants has decreased by 8% or \$0.309 million compared to 2013/14 due mainly to the timing of specific funding for some large capital works projects. Appendix C. "Capital Works Program" includes a more detailed analysis of the grants and contributions expected to be received during the 2014/15 year.

6.2.3 Council cash - operations

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$0.24 million will be generated from operations to fund the 2014/15 capital works program. This amount equates to the cash generated from operating activities as set out in section 5. 'Analysis of Budgeted Cash Position' adjusted for capital grants and borrowing costs.

6.2.4 Council cash - proceeds from sale of assets

Proceeds from sale of assets includes plant and motor vehicle sales in accordance with Council's fleet renewal policy.

6.2.5 Council cash - reserve cash and investments

Council has significant cash reserves, which it is currently using to contribute to its annual capital works program. The reserves include monies set aside for specific purposes such as Dinner Plain, plant replacement and landfill rehabilitation reserve.

6.2.6 Council cash - unrestricted cash and investments

In addition to reserve investments, Council has uncommitted cash and investments which represent unrestricted cash and investments preserved from the previous year, mainly as a result of grants being received in advance.

7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2013/14 and 2014/15. It also considers a number of key performance indicators.

7.1 Budgeted balance sheet

	Ref	Forecast Actual 2014 \$'000	Budget 2015 \$'000	Variance \$'000
Current assets	7.1.1			
Cash and cash equivalents		3,697	4,231	534
Trade and other receivables		1,602	1,645	43
Financial assets		6,027	3,000	(3,027)
Inventories		173	200	27
Other assets		138	100	(38)
Total current assets		11,637	9,176	(2,461)
Non-current assets	7.1.1			
Trade and other receivables		-	-	-
Inventories		954	954	-
Investments in regional library corporation		462	462	-
Property, infrastructure, plant and equipment		191,351	195,580	4,229
Total non-current assets		192,767	196,996	4,229
Total assets		204,404	206,172	1,768
Current liabilities	7.1.2			
Trade and other payables		1,798	1,323	(475)
Trust funds and deposits		368	373	5
Interest-bearing loans and borrowings		197	169	(28)
Income received in advance		30	30	-
Provisions		2,437	3,118	681
Total current liabilities		4,830	5,013	183
Non-current liabilities	7.1.2			
Interest-bearing loans and borrowings		940	771	(169)
Income received in advance		507	477	(30)
Provisions		3,584	3,574	(10)
Total non-current liabilities		5,031	4,822	(209)
Total liabilities		9,861	9,835	(26)
Net assets		194,543	196,337	1,794
Equity	7.1.4			
Accumulated surplus		78,382	80,387	2,005
Asset revaluation reserve		113,937	113,937	-
Other reserves		2,224	2,013	(211)
Total equity		194,543	196,337	1,794

Source: Appendix A

7.1.1 Current Assets (\$2.46 million decrease) and Non-Current Assets (\$4.2 million increase)

Cash and cash equivalents include cash, investments and financial assets 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 \$2.5 million during the year mainly to fund the capital works program during the year.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget.

Other assets include items such as prepayments for expenses that Council has paid in advance of service delivery, and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$9.1 million of new assets), depreciation of assets (\$4.6 million) and the sale through sale of property, plant and equipment.

7.1.2 Current Liabilities (\$0.18 million increase) and Non-Current Liabilities (\$0.21 million decrease)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2013/14 levels.

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

Interest-bearing loans and borrowings are borrowings of Council. Council is budgeting to repay loan principal of \$0.197 million over the year.

7.1.3 Working Capital

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.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

	Forecast		
	Actual	Budget	Variance
	2014	2015	
	\$'000	\$'000	\$'000
Current assets	11,637	9,176	(2,461)
Current liabilities	4,830	5,013	183
Working capital	6,807	4,163	(2,644)
Restricted cash and investment current assets			
- Statutory reserves	(295)	(295)	-
- Cash used to fund carry forward capital works	(2,729)	-	2,729
- Trust funds and deposits	(368)	(373)	(5)
Unrestricted working capital	3,415	3,495	80

In addition to the restricted cash shown above, Council is also projected to hold approximately \$2 million in discretionary reserves at 30 June 2015. 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.

7.1.4 Equity

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of \$1.79 million results directly from the surplus for the year.

During the year an amount of \$0.21 million (net) is budgeted to be transferred from other reserves to accumulated surplus. This reflects the usage of investment cash reserves mainly attributed to funding the capital works program at Dinner Plain. This is a transfer between equity balances only and does not impact on the total balance of equity.

7.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2015 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 95.5% of total rates and charges raised will be collected in the 2014/15 year (2013/14: 95% forecast actual).
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days.
- Other debtors and creditors to remain consistent with 2013/14 levels.
- Proceeds from the sale of property in 2013/14 will be received in full in the 2014/15 year.
- Employee entitlements to be increased by the Enterprise Agreement increment offset by the impact of more active management of leave entitlements of staff.
- Repayment of loan principal to be \$0.197 million.
- Total capital expenditure to be \$9.1 million.

8. 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.

8.1 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 2014/15 to 2017/18 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

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

- Maintain existing service levels
- Achieve a breakeven operating result by 2017/18
- Maintain a sustainable capital expenditure program
- Achieve a balanced budget on a cash basis.

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

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

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

8.2 Financial resources

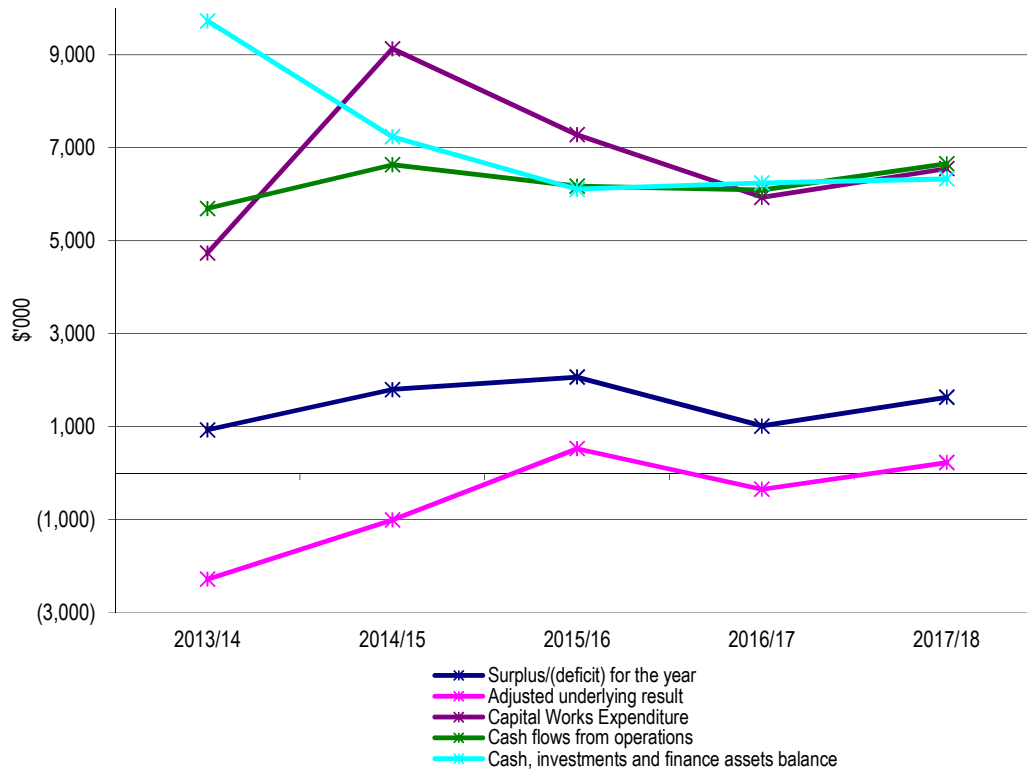
The following table summarises the key financial results for the next four years as set out in the SRP for years 2014/15 to 2017/18. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2013/14	2014/15	2015/16	2016/17	2017/18	+ / o / -
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	928	1,794	2,062	1,013	1,630	+
Adjusted underlying result	(2,285)	(1,009)	524	(350)	227	+
Cash, investments and finance assets balance	9,724	7,231	6,102	6,238	6,326	o
Cash flows from operations	5,689	6,631	6,173	6,087	6,654	-
Capital works expenditure	4,732	9,125	7,278	5,929	6,547	-

Key to Forecast Trend (from previous page):

- + 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 5) - Cash and investments is forecast to decrease marginally over the four year period. Whilst Council prepares a balanced budget on a cash basis in each year, cash will decrease due to carry forward projects next year and a reduction in reserves.

Rating levels (section 9) – Modest rate increases are forecast over the four years at an average of 4%, comparable to other councils.

Service delivery strategy (section 10) – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast from 2014/15. 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 10) – Borrowings are forecast to reduce over the four year period. This is due to Council not forecasting borrowings in the next four years.

Infrastructure strategy (section 10) - Capital expenditure over the four year period will total \$28.9 million.

8.3 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 used in the context of the organisation's objectives.

		Notes	Forecast		Strategic Resource Plan			
Indicator	Measure		Actual	Budget	Projections			Trend
			2013/14	2014/15	2015/16	2016/17	2017/18	+ / o / -
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-10.2%	-4.1%	2.1%	-1.3%	0.8%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	240.9%	183.0%	172.7%	167.6%	168.5%	-
Unrestricted cash	Unrestricted cash / current liabilities		129.8%	130.9%	133.1%	129.4%	130.1%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	7.6%	6.0%	4.7%	3.5%	2.2%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		1.8%	1.6%	1.4%	1.3%	1.3%	+
Indebtedness	Non-current liabilities / own source revenue		27.7%	25.4%	21.7%	18.4%	15.0%	+
Asset renewal	Asset renewal expenditure / depreciation	4	64.4%	77.6%	105.9%	85.2%	86.1%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	52.0%	50.4%	51.1%	52.0%	52.4%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.45%	0.47%	0.50%	0.52%	0.55%	+

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend
			Actual		Projections			
			2013/14	2014/15	2015/16	2016/17	2017/18	+ / o / -
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		\$2,953	\$3,035	\$2,937	\$3,136	\$3,197	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,216	\$1,270	\$1,333	\$1,400	\$1,470	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		5.4%	4.3%	4.3%	4.3%	4.3%	+

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.

2 Working Capital - The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2014/15 year due to a run down in cash reserves to fund the capital program. The trend in later years is a further decrease.

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

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

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

8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2014/15 year is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2013/14	2014/15	2015/16	2016/17	2017/18
Employee costs (\$'000)					
- Operating	10,558	10,813	10,388	11,304	11,236
- Capital	276	301	326	351	376
Total	10,834	11,114	10,714	11,655	11,612
Employee numbers (EFT)	138	138	138	138	138

9. 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.

9.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 8), rates and charges were identified as an important source of revenue, accounting for 57% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. 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 Alpine Shire community.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly recent changes in property valuations and subsequently rates for some properties in the municipality. To ensure that deliberations about future rate increases have been made on an informed basis, comparisons of historical rate increases were made between Council and other similar sized councils.

9.2 Current year rate

It is predicted that the 2014/15 operating position will be significantly impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve an almost breakeven operating position by 2017/18 as set out in the Strategic Resource Plan. In order to maintain service levels and a strong capital expenditure program, the general rate will increase by 5.69% to achieve an overall rate revenue increase of 5.00%, the kerbside collection charge by 5.00% and the recycling charge by 5.00%. This will raise total rate and charges for 2014/15 of \$15,730,031 million. Council's landfill and recycling charges have also increased by 5.00%.

The following table sets out future proposed increases in rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2014.

Year	Rate Revenue Increase %	Landfill Charge Increase %	Garbage Charge Increase %	Recycling Charge Increase %	Total Rates Raised \$'000
2013/14	4.80	4.80	4.80	4.80	14,879
2014/15	5.00	5.00	5.00	5.00	15,730
2015/16	4.00	4.00	4.00	4.00	16,376
2016/17	4.00	4.00	4.00	4.00	17,131
2017/18	4.00	4.00	4.00	4.00	17,920

9.3 Rating structure

Council has established a rating structure which is comprised of two 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.

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential, farming or commercial/industrial purposes. This distinction is based on the principle that the rates contribution should be fair and equitable and take into account the various benefits that properties derive.

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.

Council has a very simple rating structure with a general rate applied to residential properties and a differential rate applied to farming and commercial/industrial categories. These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. In addition a special rate is levied for properties located at Dinner Plain under Section 163 of the Act. The commercial/industrial rate is set at 143% of the general rate and the farm rate is set at 73% of the general rate. Council also levies a landfill rehabilitation charge, a kerbside collection charge and a recycling charge as allowed under the Act.

The following table summarises the rates to be determined for the 2013/14 year. A more detailed analysis of the rates to be raised is contained in Appendix B 'Statutory Disclosures'.

Rate type	How applied	2013/14	2014/15	Change
Residential rates	Cents/\$ CIV	0.4568	0.4828	5.7%
Commercial/industrial rates	Cents/\$ CIV	0.6532	0.6897	5.6%
Farm rates	Cents/\$ CIV	0.3335	0.3420	2.5%
Dinner Plain special rates	Cents/\$ CIV	0.3387	0.4007	18.3%
Landfill rehabilitation charge	\$/ property	\$84.00	\$88.20	5.0%
Kerbside collection charge	\$/ property	\$206.00	\$216.30	5.0%
Recycling charge	\$/ property	\$58.00	\$60.90	5.0%

The table above shows varied percentage changes in the rate in the dollar. This is due to a valuation of capital improved value (CIV) of properties being undertaken in 2013/14 and taking effect in 2014/15. Whilst the percentage changes vary, Council is only increasing total rate revenue by 5.00% (see appendix B section 1.2). The overall increase in rates and charges revenue of 5.49% (see appendix B section 1.10) is greater than 5.00% due to additional properties attracting waste charges compared to the 2013/14 year (see appendix B section 1.3).

The table on the following page outlines what the average ratepayer of each property category can expect to pay compared to the previous year.

Description	2013/14 \$	2014/15 \$	Change	Change
Average Residential Rates	1,216.02	1,269.64	53.62	4.41%
Waste - 80 litre bin - weekly	206.00	216.30	10.30	5.00%
Recycling - 240 litre - fortnightly	70.00	73.50	3.50	5.00%
Landfill rehabilitation and development charge	84.00	88.20	4.20	5.00%
Total average change	1,576.02	1,647.64	71.62	4.54%
Average Commercial/Industrial Rates	2,460.55	2,581.04	120.49	4.90%
Waste - 80 litre bin - weekly	206.00	216.30	10.30	5.00%
Recycling - 240 litre - fortnightly	70.00	73.50	3.50	5.00%
Landfill rehabilitation and development charge	84.00	88.20	4.20	5.00%
Total average change	2,820.55	2,959.04	138.49	4.91%
Average Farm Rates	1,774.97	1,854.79	79.81	4.50%
Waste - 80 litre bin - weekly	206.00	216.30	10.30	5.00%
Recycling - 240 litre - fortnightly	70.00	73.50	3.50	5.00%
Landfill rehabilitation and development charge	84.00	88.20	4.20	5.00%
Total average change	2,134.97	2,232.79	97.81	4.58%
Average Dinner Plain Rates	2,228.38	2,365.85	137.47	6.17%
Dinner Plain standard service	712.00	747.60	35.60	5.00%
Total average change	2,940.38	3,113.45	173.07	5.89%

Disclaimer: This table calculates the average rates and charges based on rate revenue divided by the number of properties and includes only one of each type of bin as detailed in the above table. For ratepayers who have more than one bin or a different size bin, or whose properties are greater than the average CIV, this will result in a different percentage change in the rates notice.

Council has adopted a formal *Rating Strategy* that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used. Council plans to review its Rating Strategy in the coming financial year.

9.4 General revaluation of properties

During the 2013/14 year, a revaluation of all properties within the municipality was carried out and will apply from 1 January 2014 for the 2014/15 year. The outcome of the general revaluation has been a small change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 0.02%. Of this increase, residential properties have actually decreased by 0.33%, commercial/industrial properties decreased by 0.53% and Dinner Plain properties decreased by 4.22%. This was offset by the increase in farming properties, which increased by 2.38%.

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2013/14 year, Council has chosen not to make any changes to the existing rate differential. In aggregate total rates and charges will increase by 5% compared to 2013/14. This will be achieved by increasing the general rate in the dollar by 5.69% to offset the decline in property valuations across the municipal district following the general revaluation.

10. 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.

10.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see Section 8), Council has not identified borrowings as an important funding source for the capital works programs. In the past, Council has borrowed to finance large infrastructure projects and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. Council's cash reserves are forecast to be at lower levels at 30 June 2014 and a further reduction in 2014/15 to complete current infrastructure works in progress. Despite this, Council has not forecast in the SRP to take out additional borrowings to fund capital works programs.

The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2014.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2013/14	-	201	72	1,137
2014/15	-	197	62	940
2015/16	-	169	60	771
2016/17	-	179	48	592
2017/18	-	190	35	402

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

	2013/14 \$	2014/15 \$
Total amount borrowed as at 30 June of the prior year	1,338,000	1,137,000
Total amount to be borrowed	-	-
Total amount projected to be redeemed	(201,000)	(197,000)
Total amount of borrowings proposed as at 30 June	1,137,000	940,000

10.2 Infrastructure

The Council has an Infrastructure Strategy based on the knowledge provided by Asset Management modelling, which outlines the capital renewal expenditure requirements of Council for the next ten years by class of asset, and is a key input to the SRP. It considers, condition and deterioration rates of infrastructure, and future needs to meet community service expectations. The key aspects of the process are as follows:

- Long-term capital renewal planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes;
- Identification of capital renewal projects through condition assessments and asset management modelling;
- Prioritisation of capital renewal projects within classes on the basis of evaluation criteria; and

- Methodology for allocating annual funding to classes of capital projects.

A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community. At present, Council's assets have been well maintained and Council has taken advantage of capital grant funding to meet its renewal needs. As such Council does not have a renewal backlog. This is expected to change in the future as a number of capital grants are not expected to continue.

Council will review its Infrastructure Strategy in 2014/15 and the following influences will have an impact:

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

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

Year	Total Capital Program \$'000	Summary of funding sources			
		Grants	Contributions	Council Cash	Borrowings
		\$'000	\$'000	\$'000	\$'000
2013/14	4,732	3,667	-	1,065	-
2014/15	9,125	3,358	-	5,767	-
2015/16	7,278	1,835	-	5,443	-
2016/17	5,929	1,652	-	4,278	-
2017/18	6,547	1,684	-	4,862	-

10.3 Service delivery

The key objectives in Council's Strategic Resource Plan (referred to in Section 8) which directly impact the future service delivery strategy are to maintain existing service levels and to achieve a breakeven operating result by 2017/18. The Rating Information (see Section 9) also refers to modest rate increases into the future approximating CPI. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

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

Landfill restoration

Council maintains a provision to allow for the costs associated with rehabilitation and aftercare of the Myrtleford landfill site as required by the Environmental Protection Authority. Council continues to budget each year to contribute to this provision in accordance with the Landfill Rehabilitation Strategy.

Land Inventory

Council holds land held for future development which was devalued in the 2012/13 financial year. Council has budgeted to maintain the existing balance of land held for future development with little growth.

Dinner Plain

Dinner Plain operates as a self-governing and self-funding business unit within Council. This is due to the servicing costs of Dinner Plain being significantly higher than all other areas of the Shire because of the complex nature and special requirements of the village. In the 2014/15 year Council has budgeted to significantly reduce the Dinner Plain reserved funds to complete a number of large key projects, most significantly the snow making infrastructure.

Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2014 effective for the 2014/15 year and the next revaluation will be undertaken as at 1 January 2016.

Fire Service Levy

The *Fire Services Property Levy Act 2012* requires Council to collect the Fire Services Property Levy for all rateable and non-rateable within the Municipality. In addition to this the Hon. Michael O'Brien MP, Treasurer of Victoria has directed the Alpine Shire to collect the levy for land not located within the Municipality, being the Mount Hotham and Falls Creek Alpine Resorts. Council acts as a collection agency and remits the funds collected to the State Revenue Office, four times a year. The Treasurer is yet to determine how much the State Revenue Office will reimburse Council to collect the levy, on an ongoing basis.

Appendices

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

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

The contents of the appendices are summarised below:

Appendix	Nature of information
A	Budgeted Statements
B	Rates and charges
C	Capital works program
D	Fees and charges schedule

Appendix A

Budgeted Statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information is for the years 2014/15 to 2017/24, incorporating the 2014/15 annual budget, 2015/16 to 2017/18 Strategic Resource Plan the 2018/19 to 2023/24 Long Term Financial Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget,

The appendix includes the following budgeted information:

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

Note – to be read in conjunction with the accompanying budgeted statements:

Council at its ordinary meeting on 3 June 2014 resolved:

1. The Chief Executive Officer be directed to save an annualised amount of \$1 million to \$1.5 million within the recurring operating budget by 31 December 2014 and that the savings be used to ensure Councils future financial sustainability to help minimise future rate rises and build, maintain and enhance the community infrastructure; and
2. The minimum savings amount of \$1 million be factored into the draft Budget 2014/15 with reductions made in the areas of wages, materials and services or as determined by the Chief Executive Officer.

The following assumptions have been made when developing the 2014/15 Budget, Strategic Resource Plan and the Long Term Financial Plan:

1. Savings of \$450,000 in employee costs in 2014/15 based on a pro rata calculation of the resolution.
2. Savings of \$50,000 in materials and services in 2014/15 based on a pro rata calculation of the resolution.
3. Adjustments have not yet been made to reflect a reduction in the number EFT. This is due to a human resources review still being conducted, and any reduction in EFT is yet to be quantified.
4. The Strategic Resource Plan and Long Term Financial Plan both reflect a one off reduction of annualised savings of approximately \$1 million applied in 2015/16 based on 2014 forecast employee costs. Whilst the Income Statement and Human Resource Statement reflects the reduction in dollars described, readers will not be able to quantify the saving from this report due to the savings being partly offset by wage increases applied from Councils Enterprise Agreement of 3% in future years.
5. The Strategic Resource Plan and Long Term Financial Plan both reflect a one off reduction of annualised savings of approximately \$0.4 million applied in the 2015/16 year.

Budgeted Comprehensive Income Statement

For the 10 years ending 30 June 2024

	Forecast Actual 2013/14 \$'000	Budget 2014/15 \$'000	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
			2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Income											
Rates and charges	14,879	15,730	16,376	17,131	17,920	18,747	19,609	20,510	21,460	22,457	23,503
Statutory fees and fines	457	507	522	538	554	570	586	603	621	640	660
User fees	1,566	1,759	1,812	1,866	1,922	1,979	2,038	2,098	2,160	2,225	2,291
Contributions - cash	107	6	161	166	171	176	181	186	192	198	204
Contributions - non-monetary assets	-	-	103	106	109	112	115	118	122	126	130
Grants - Operating (recurrent)	2,567	4,453	4,553	4,526	4,717	4,803	5,002	5,098	5,306	5,408	5,625
Grants - Operating (non-recurrent)	1,083	321	300	309	318	328	338	348	358	369	380
Grants - Capital (recurrent)	561	561	561	561	561	561	561	561	561	561	561
Grants - Capital (non-recurrent)	3,106	2,797	1,274	1,091	1,123	1,157	1,192	1,228	1,265	1,302	1,342
Net gain on disposal of property, infrastructure, plant and equipment	21	-	-	-	-	-	-	-	-	-	-
Other income	1,239	1,002	924	905	930	954	978	1,046	1,023	1,055	1,086
Total income	25,586	27,136	26,586	27,199	28,325	29,387	30,600	31,796	33,068	34,341	35,782
Expenses											
Employee costs	10,558	10,813	10,388	11,304	11,236	11,685	12,152	13,277	13,017	13,473	13,945
Materials and services	9,156	9,083	8,461	8,854	9,240	9,624	10,131	10,587	11,081	11,660	12,230
Depreciation and amortisation	4,317	4,641	4,820	5,195	5,400	5,460	5,701	5,971	6,043	6,322	6,666
Landfill rehabilitation	-	171	205	177	158	140	122	163	84	86	89
Finance costs	72	62	60	48	35	21	9	4	1	-	-
Other expenses	555	572	590	608	626	645	664	683	704	725	746
Total expenses	24,658	25,342	24,524	26,186	26,695	27,575	28,779	30,685	30,930	32,266	33,676
Surplus (deficit) for the year	928	1,794	2,062	1,013	1,630	1,812	1,821	1,111	2,137	2,075	2,106
Other comprehensive income											
Items that will not be reclassified to surplus or deficit:											
Net asset revaluation increment /(decrement)	6,327	-	7,044	9,590	-	7,629	10,603	-	8,342	11,668	-
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	-	-	-
Comprehensive result	7,255	1,794	9,106	10,603	1,630	9,441	12,423	1,111	10,480	13,743	2,106

Budgeted Balance Sheet

For the 10 years ending 30 June 2024

	Forecast Actual	Budget	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Assets											
Current assets											
Cash and cash equivalents	3,697	4,231	3,102	3,238	3,326	3,407	4,728	3,417	3,647	3,817	3,873
Trade and other receivables	1,602	1,645	1,576	1,598	1,661	1,719	1,785	1,851	1,920	1,988	2,067
Financial assets	6,027	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Inventories	173	200	175	176	181	183	179	180	181	180	180
Other assets	138	100	170	179	147	149	161	159	154	156	157
Total current assets	11,637	9,176	8,023	8,191	8,314	8,457	9,853	8,607	8,902	9,141	9,277
Non-current assets											
Trade and other receivables	-	-	-	-	-	-	-	-	-	-	-
Investments in regional library corporation	462	462	472	482	492	502	512	522	532	542	552
Property, infrastructure, plant & equipment	191,351	195,580	204,881	215,006	215,952	224,801	236,597	237,694	247,822	261,499	263,110
Inventories	954	954	983	1,012	1,042	1,074	1,106	1,139	1,173	1,208	1,245
Total non-current assets	192,767	196,996	206,336	216,500	217,487	226,377	238,215	239,355	249,527	263,250	264,906
Total assets	204,404	206,172	214,359	224,690	225,801	234,834	248,068	247,961	258,429	272,391	274,183
Liabilities											
Current liabilities											
Trade and other payables	1,798	1,323	1,240	1,296	1,352	1,407	1,479	1,544	1,614	1,697	1,778
Trust funds and deposits	368	373	378	383	388	393	398	403	408	413	418
Provisions	2,437	3,118	2,819	2,988	2,964	2,717	4,344	2,963	2,906	3,542	3,114
Income received in advance	30	30	30	30	30	30	30	30	30	30	30
Interest-bearing loans and borrowings	197	169	179	190	201	131	37	33	-	-	-
Total current liabilities	4,830	5,013	4,646	4,887	4,935	4,678	6,288	4,973	4,958	5,682	5,340
Non-current liabilities											
Provisions	3,584	3,574	3,231	2,939	2,602	2,613	1,880	2,040	2,073	1,598	1,656
Income received in advance	507	477	447	417	387	357	327	297	267	237	207
Interest-bearing loans and borrowings	940	771	592	402	201	70	33	-	-	-	-
Total non-current liabilities	5,031	4,822	4,270	3,758	3,190	3,040	2,240	2,337	2,340	1,835	1,863
Total liabilities	9,861	9,835	8,916	8,645	8,125	7,718	8,528	7,310	7,298	7,517	7,203
Net assets	194,543	196,337	205,443	216,045	217,676	227,117	239,540	240,651	251,131	264,874	266,980
Equity											
Accumulated surplus	78,382	80,387	82,449	83,462	85,092	86,904	88,725	89,836	91,973	94,048	96,154
Reserves	116,161	115,950	122,994	132,583	132,583	140,213	150,815	150,815	159,158	170,826	170,826
Total equity	194,543	196,337	205,443	216,045	217,676	227,117	239,540	240,651	251,131	264,874	266,980

Budgeted Statement of Changes in Equity

For the 10 years ending 30 June 2024

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
2015				
Balance at beginning of the financial year	194,543	78,382	113,937	2,224
Comprehensive result	1,794	1,794	-	-
Transfer to reserves	-	(690)	-	690
Transfer from reserves	-	901	-	(901)
Balance at end of the financial year	196,337	80,387	113,937	2,013
2016				
Balance at beginning of the financial year	196,337	80,387	113,937	2,013
Comprehensive result	9,106	2,062	7,044	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	205,443	82,449	120,981	2,013
2017				
Balance at beginning of the financial year	205,443	82,449	120,981	2,013
Comprehensive result	10,603	1,013	9,590	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	216,045	83,462	130,570	2,013
2018				
Balance at beginning of the financial year	216,045	83,462	130,570	2,013
Comprehensive result	1,630	1,630	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	217,676	85,092	130,570	2,013
2019				
Balance at beginning of the financial year	217,676	85,092	130,570	2,013
Comprehensive result	9,441	1,812	7,629	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	227,117	86,904	138,200	2,013
2020				
Balance at beginning of the financial year	227,117	86,904	138,200	2,013
Comprehensive result	12,423	1,821	10,603	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	239,540	88,725	148,802	2,013
2021				
Balance at beginning of the financial year	239,540	88,725	148,802	2,013
Comprehensive result	1,111	1,111	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	240,651	89,836	148,802	2,013
2022				
Balance at beginning of the financial year	240,651	89,836	148,802	2,013
Comprehensive result	10,480	2,137	8,342	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	251,131	91,973	157,145	2,013
2023				
Balance at beginning of the financial year	251,131	91,973	157,145	2,013
Comprehensive result	13,743	2,075	11,668	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	264,874	94,048	168,813	2,013
2024				
Balance at beginning of the financial year	264,874	94,048	168,813	2,013
Comprehensive result	2,106	2,106	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	266,980	96,154	168,813	2,013

Budgeted Statement of Cash Flows

For the 10 years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan			Long Term Financial Plan					
	Actual		Projections			Projections					
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating activities											
Rates and charges	14,739	15,746	16,347	17,097	17,885	18,709	19,571	20,469	21,417	22,412	23,456
Statutory fees and fines	457	507	522	538	554	570	586	603	621	640	660
User fees	1,566	1,759	1,812	1,866	1,922	1,979	2,038	2,098	2,160	2,225	2,291
Contributions - cash	107	6	161	166	171	176	181	186	192	198	204
Grants - operating	3,874	4,715	4,951	4,847	5,007	5,111	5,312	5,421	5,638	5,754	5,973
Grants - capital	3,667	3,358	1,835	1,652	1,684	1,718	1,753	1,789	1,826	1,863	1,903
Interest	402	410	305	268	274	279	284	332	289	300	309
Other receipts	794	562	682	703	725	747	769	792	816	841	867
Employee costs	(10,557)	(10,783)	(10,496)	(11,070)	(11,254)	(11,570)	(12,034)	(12,989)	(13,083)	(13,357)	(13,825)
Materials and consumables	(9,360)	(9,649)	(9,946)	(9,980)	(10,314)	(10,741)	(10,109)	(12,908)	(11,787)	(12,381)	(13,510)
Net cash provided by operating activities	5,689	6,631	6,173	6,087	6,654	6,978	8,351	5,793	8,088	8,496	8,327
Cash flows from investing activities											
Payments for property, plant and equipment	(4,732)	(9,125)	(7,278)	(5,929)	(6,547)	(6,880)	(7,094)	(7,268)	(8,029)	(8,531)	(8,476)
Proceeds from sale of property, plant and equipment	214	255	200	200	200	200	200	200	200	200	200
Trust funds and deposits	9	5	5	5	5	5	5	5	5	5	5
Proceeds from investments	991	3,027	-	-	-	-	-	-	-	-	-
Net cash used in investing activities	(3,518)	(5,838)	(7,073)	(5,724)	(6,342)	(6,675)	(6,889)	(7,063)	(7,824)	(8,326)	(8,271)
Cash flows from financing activities											
Finance costs	(72)	(62)	(60)	(48)	(35)	(21)	(9)	(4)	(1)	-	-
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(201)	(197)	(169)	(179)	(190)	(201)	(131)	(37)	(33)	-	-
Net cash provided by (used in) financing activities	(273)	(259)	(229)	(227)	(225)	(222)	(140)	(41)	(34)	-	-
Net (decrease) increase in cash & cash equivalents	1,898	534	(1,129)	136	88	81	1,322	(1,311)	230	170	56
Cash and cash equivalents at beginning of the financial year	1,799	3,697	4,231	3,102	3,238	3,326	3,407	4,728	3,417	3,647	3,817
Cash and cash equivalents at end of the financial year	3,697	4,231	3,102	3,238	3,326	3,407	4,728	3,417	3,647	3,817	3,873

Budgeted Statement of Capital Works

For the 10 years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan			Long Term Financial Plan					
	Actual		Projections			Projections					
	2013/14 \$'000	2014/15 \$'000	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000
Property											
Land	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-	-
Buildings	261	842	1,208	1,187	1,433	1,685	1,900	2,075	2,199	2,280	2,333
Building improvements	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
Total buildings	261	842	1,208	1,187	1,433	1,685	1,900	2,075	2,199	2,280	2,333
Total property	261	842	1,208	1,187	1,433	1,685	1,900	2,075	2,199	2,280	2,333
Plant and equipment											
Plant, machinery and equipment	404	934	898	434	447	460	474	488	503	518	534
Fixtures, fittings and furniture	-	-	213	220	226	233	240	247	255	262	270
Playground equipment	-	-	97	100	103	106	109	112	116	119	123
Total plant and equipment	404	934	1,208	753	776	799	823	848	873	900	927
Infrastructure											
Roads	2,329	2,707	2,726	2,509	2,538	2,556	2,644	2,798	2,960	3,122	3,284
Bridges	479	348	557	403	305	260	225	226	230	237	247
Footpaths, streetscape and recreational	1,185	3,135	611	241	585	642	479	266	711	667	533
Drainage	49	293	141	83	130	135	142	153	165	179	195
Landfill	-	836	747	671	697	718	791	809	797	1,048	858
Kerb and channel	25	30	79	81	84	86	89	92	94	97	100
Total infrastructure	4,067	7,349	4,862	3,989	4,338	4,396	4,371	4,345	4,957	5,351	5,217
Total capital works expenditure	4,732	9,125	7,278	5,929	6,547	6,880	7,094	7,268	8,029	8,531	8,476
Represented by:											
New asset expenditure	691	1,752	1,179	476	872	859	713	518	972	926	779
Asset renewal expenditure	2,781	3,600	5,104	4,428	4,652	4,957	5,274	5,599	5,860	6,360	6,403
Asset expansion/upgrade expenditure	1,260	3,773	995	1,025	1,023	1,064	1,107	1,151	1,197	1,245	1,295
Total capital works expenditure	4,732	9,125	7,278	5,929	6,547	6,880	7,094	7,268	8,029	8,531	8,476

Budgeted Statement of Human Resources

For the 10 years ending 30 June 2024

	Forecast	Budget	Strategic Resource Plan			Long Term Financial Plan					
	Actual		Projections			Projections					
	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure											
Employee costs - operating	10,558	10,813	10,388	11,304	11,236	11,685	12,152	13,277	13,017	13,473	13,945
Employee costs - capital	276	301	326	351	376	387	399	411	423	436	449
Total staff expenditure	10,834	11,114	10,714	11,655	11,612	12,072	12,551	13,688	13,440	13,909	14,394
	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
Staff numbers											
Employees	138	138	138	138	138	138	138	138	138	138	138
Total staff numbers	138	138	138	138	138	138	138	138	138	138	138

Appendix B

Rates and charges

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

1. Rates and charges

1.1 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	2013/14 cents/\$CIV	2014/15 cents/\$CIV	Change
General rate for rateable residential properties	0.4568	0.4828	5.69%
General rate for rateable Dinner Plain properties	0.4568	0.4828	5.69%
Differential rate for rateable commercial/industrial properties	0.6532	0.6897	5.59%
Differential rate for rateable farm properties	0.3335	0.3420	2.55%

1.2 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	2013/14 \$	2014/15 \$	Change
Residential	7,198,840	7,583,533	5.34%
Commercial/Industrial	1,938,913	2,036,443	5.03%
Farm	1,885,022	1,979,056	4.99%
Dinner Plain	666,672	674,848	1.23%
Total amount to be raised by general rates	11,689,448	12,273,879	5.00%

1.3 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	2013/14 #	2014/15 #	Change
Residential	5,920	5,973	0.90%
Dinner Plain	521	522	0.19%
Commercial/Industrial	788	789	0.13%
Farm	1062	1067	0.47%
Total number of assessments	8,291	8,351	0.72%

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

1.5 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	2013/14 \$	2014/15 \$	Change
Residential	1,575,928,200	1,570,740,000	-0.33%
Commercial/Industrial	296,833,000	295,265,000	-0.53%
Farm	565,224,100	578,671,300	2.38%
Dinner Plain	145,944,000	139,778,000	-4.22%
Total value of land	2,583,929,300	2,584,454,300	0.02%

1.6 The rate in the dollar to be levied as special rates under section 163 of the Act for each type or class of land compared with the previous financial year

Type or class of land	2013/14 cents/\$CIV	2014/15 cents/\$CIV	Change
Special rate for rateable Dinner Plain properties (Airport & farm not included - residential only)	0.3387	0.4007	18.3%

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

Type or class of land	2013/14 \$	2014/15 \$	Change
Special rate for rateable Dinner Plain properties (Airport & farm not included - residential only)	494,312	560,124	13.31%
In Lieu	110,000	110,000	0.00%
Total amount to be raised by special rates	604,312	670,124	10.89%

1.8 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 2013/14 \$	Per Rateable Property 2014/15 \$	Change
Waste - 80 litre bin - weekly	206.00	216.30	5.00%
Waste - 240 litre bin - weekly	458.00	480.90	5.00%
Waste - 80 litre additional - weekly	206.00	216.30	5.00%
Waste - 240 litre bin - fortnightly	206.00	216.30	5.00%
Recycling - 140 litre - fortnightly	58.00	60.90	5.00%
Recycling - 240 litre - fortnightly	70.00	73.50	5.00%
Recycling - 360 litre - fortnightly	105.00	110.25	5.00%
Recycling - 240 litre - weekly	141.00	148.05	5.00%
Recycling - 360 litre - weekly	210.00	220.50	5.00%
Dinner Plain standard service	712.00	747.60	5.00%
Dinner Plain commercial service	1,500.00	1,575.00	5.00%
Landfill rehabilitation and development charge	84.00	88.20	5.00%

1.9 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	2013/14 \$	2014/15 \$	Change
Waste - 80 litre bin - weekly	1,113,430	1,187,271	6.63%
Waste - 240 litre bin - weekly	201,062	212,077	5.48%
Waste - 80 litre additional - weekly	618	649	5.00%
Waste - 240 litre bin - fortnightly	28,016	32,661	16.58%
Recycling - 140 litre - fortnightly	23,606	25,091	6.29%
Recycling - 240 litre - fortnightly	386,680	413,070	6.82%
Recycling - 360 litre - fortnightly	5,880	5,954	1.25%
Recycling - 240 litre - weekly	9,306	9,771	5.00%
Recycling - 360 litre - weekly	8,610	10,584	22.93%
Landfill rehabilitation and development charge	564,480	598,702	6.06%
Dinner Plain standard service	259,880	272,874	5.00%
Dinner Plain commercial service	16,500	17,325	5.00%
Total	2,618,068	2,786,028	6.42%

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

Type of Charge	2013/14 \$	2014/15 \$	Change
Rates and charges	13,474,464	14,204,860	5.42%
Rates and charges - Dinner Plain	1,437,365	1,525,171	6.11%
Total Rates and Charges	14,911,828	15,730,031	5.49%

1.11 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 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.

2. Differential rates

2.1 Rates to be levied

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

- A rate of 0.6897% (0.6897 cents in the dollar of CIV) for all rateable commercial or industrial properties.
- A rate of 0.3420% (0.3420 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.

2.2 Commercial land

Commercial land is any land which:

- Is used primarily for commercial or industrial purposes (including but not limited to any accommodation premises, motel or hotel used primarily to accommodate travellers, tourists or other persons engaged in recreational pursuits); or
- Is adapted or designed to be used primarily for commercial or industrial purposes (including but not limited to any accommodation premises adapted or designed to be used primarily for accommodating travellers, tourists or other persons engaged in recreational pursuits); or
- Is located in a Business 1 Zone, Industrial 1 Zone or Industrial 2 Zone under the Alpine Planning Scheme; or
- Has a dwelling constructed on it, which is not the principal place of residence of the owner and which is made available for commercial hire, lease or license to tourists, persons in recreational pursuits or other like persons (on either a casual or permanent basis). This is defined as a holiday house.

The objective of this differential rate is to ensure equity in the application of the rating burden across the Shire. It provides for the higher cost of servicing commercial and industrial properties, specialist properties and undertaking economic development and tourism strategies. This is reflected in the application of a rate in the dollar which is higher than the rate in the dollar for other land.

2.3 Farming land

The Farming land differential may be applied when the criteria in accordance with Council's Rating Strategy is satisfied. A farming differential rate should only be applied to bona fide farm properties. An application must be made to change the classification of a property to the differential farm rate. "Farm Land" means any rateable land which must satisfy the following criteria:-

- (a) Area must be of 8Ha or over; or
- (b)
 - (i) be used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any combination of these activities; and
 - (ii) show that the primary source of income is derived from the land; and
- (c) that it is used by a business:-
 - (i) that has a significant and substantial commercial purpose or character; and
 - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way it is operating.

The objective of this differential rate is to provide equitable distribution of rate reductions to this property type.

3. Special Rates

3.1 Dinner Plain Special Rate

Servicing costs of Dinner Plain are significantly higher than all other areas of the Shire, because of the complex nature and special requirements of the village. Therefore Council applies a special rate to Dinner Plain ratepayers in addition to the general rate. Under this arrangement General Rate income funds traditional services, e.g. road maintenance, street lighting, fire services and administration whilst the special rate funds the shuttle bus, ski and walking trail grooming, snow clearing, marketing and promotion and other specialist activities such as the Capital Works program for Dinner Plain. The strategy is to treat Dinner Plain as a self-governing and self-funding business unit of Council. Rates raised in the village are used solely for the village.

Appendix C

Capital works program

This appendix presents a listing of the capital works projects that will be undertaken for the 2014/15 year.

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

- New works for 2014/15
- Works carried forward from the 2013/14 year.

Capital works program

For the year ending 30 June 2015

1. New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings	-	-	-	-	-	-	-	-	-
Building Improvements									
Mount Beauty Library	231	-	-	231	-	-	-	231	-
Gapsted Community Hall	58	-	58	-	-	36	-	22	-
Mount Beauty VIC	30	-	30	-	-	-	-	30	-
Renewable Energy Initiatives Council Facilities	17	-	-	17	-	-	-	17	-
Total Building Improvements	336	-	88	248	-	36	-	300	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY	336	-	88	248	-	36	-	300	-

Capital Works Area	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
TOTAL PLANT AND EQUIPMENT	289	-	289	-	-	-	-	289	-
INFRASTRUCTURE									
Roads									
Resealing	534	-	534	-	-	-	-	534	-
Sealed Road Rehabilitation	701	-	701	-	-	170	-	531	-
Gravel Resheeting	246	-	246	-	-	-	-	246	-
Kerb Renewal	54	-	54	-	-	-	-	54	-
Road construction and seal	360	-	-	360	-	-	-	360	-
Road drainage improvements	200	-	-	200	-	-	-	200	-
On-road cycle lanes	30	-	-	30	-	-	-	30	-
Sealing Bell mouths	60	-	-	60	-	-	-	60	-
Works associated with developments	25	-	-	25	-	-	-	25	-
Street design work	45	-	-	45	-	-	-	45	-
Kerb & Channel construction	30	30	-	-	-	-	-	30	-
Pavement improvements	50	-	-	50	-	-	-	50	-
Total roads	2,335	30	1,535	770	-	170	-	2,165	-
Bridges									
Bridge Renewal	247	-	247	-	-	-	-	247	-
Bridge guardrail upgrades	60	-	-	60	-	-	-	60	-
Total Bridges	307	-	247	60	-	-	-	307	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Footpaths, streetscape and recreational									
Footpaths, Tracks and Trails	382	200	52	130	-	-	-	382	-
Lowerson Statue	100	100	-	-	-	80	-	20	-
Playground Equipment Replacement	65	-	65	-	-	-	-	65	-
Replacement of bins	20	-	20	-	-	-	-	20	-
Detailed Design Works	250	30	-	220	-	150	-	100	-
Mount Beauty Netball Court	17	17	-	-	-	17	-	-	-
Signs and walks upgrades	50	-	-	50	-	-	-	50	-
Snow making equipment (Dinner Plain)	700	-	-	700	-	-	-	700	-
Total Footpaths, streetscape and recreational	1,584	347	137	1,100	-	247	-	1,337	-
Total Drainage	43	-	43	-	-	-	-	43	-
Total Landfill	602	-	-	602	-	-	-	602	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Unallocated Grant Income									
Local Government Infrastructure program	-	-	-	-	-	400	-	(400)	-
Roads to recovery	-	-	-	-	-	561	-	(561)	-
Country Roads and Bridges	-	-	-	-	-	1,000	-	(1,000)	-
Grants received for works to be completed in 2015/16	-	-	-	-	-	44	-	(44)	-
Total Unallocated Grant Income	-	-	-	-	-	2,005	-	(2,005)	-
TOTAL INFRASTRUCTURE	4,871	377	1,962	2,532	-	2,422	-	2,449	-
TOTAL NEW CAPITAL WORKS 2014/15	5,496	377	2,339	2,780	-	2,458	-	3,038	-

2. Works carried forward from the 2013/14 year

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land	-	-	-	-	-	-	-	-	-
Land Improvements	-	-	-	-	-	-	-	-	-
Buildings									
Sports Facility: Bright Sports Centre	295	-	295	-	-	-	-	295	-
Cundy Park toilet replacement	10	-	10	-	-	-	-	10	-
Baling shed improvements	47	-	-	47	-	-	-	47	-
Community Facilities	154	-	-	154	-	-	-	154	-
Total Buildings	506	-	305	201	-	-	-	506	-
Building Improvements	-	-	-	-	-	-	-	-	-
Leasehold Improvements	-	-	-	-	-	-	-	-	-
TOTAL PROPERTY	506	-	305	201	-	-	-	506	-
TOTAL PLANT AND EQUIPMENT	645	-	645	-	-	-	-	645	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
INFRASTRUCTURE									
Roads									
Mount Beauty Progressing Place CBD Upgrade	160	-	160	-	-	-	-	160	-
Buffalo Creek Road	22	-	-	22	-	-	-	22	-
Bay Creek Lane Pavement Alterations	90	-	90	-	-	-	-	90	-
Local roads	100	-	20	80	-	-	-	100	-
Total Roads	372	-	270	102	-	-	-	372	-
Total Bridges	41	-	41	-	-	-	-	41	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Footpaths, streetscape and recreational									
Gravity and Adventure Park (Dinner Plain)	150	-	-	150	-	-	-	150	-
Dinner Plain Trail	58	58	-	-	-	-	-	58	-
Mount Beauty Lakeside Progressing Place	236	-	-	236	-	300	-	(64)	-
Myrtleford Skate Park Development Project	78	78	-	-	-	-	-	78	-
Bright Splash Park	273	273	-	-	-	-	-	273	-
Walking and Signage	34	-	-	34	-	-	-	34	-
Bright to Harrietville Shared trail	722	722	-	-	-	600	-	122	-
Total Footpaths, streetscape and recreational	1,551	1,131	-	420	-	900	-	651	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Drainage									
Drainage Improvements	45	-	-	45	-	-	-	45	-
Whalleys Lane Diversion Channel	20	-	-	20	-	-	-	20	-
Byers Lane Culvert	50	-	-	50	-	-	-	50	-
Urban Drainage Works (Mount Beauty)	30	-	-	30	-	-	-	30	-
Myrtleford Flood Mitigation	105	-	-	105	-	-	-	105	-
Total Drainage	250	-	-	250	-	-	-	250	-
Landfill									
Porepunkah Landfill Rehabilitation	200	200	-	-	-	-	-	200	-
Greenwaste Area	20	-	-	20	-	-	-	20	-
Gas Monitoring Development (Myrtleford)	4	4	-	-	-	-	-	4	-
Installation and Groundwater Survey	10	10	-	-	-	-	-	10	-
Total Landfill	234	214	-	20	-	-	-	234	-
Total Kerb and Channel	30	30	-	-	-	-	-	30	-
TOTAL INFRASTRUCTURE	2,478	1,375	311	792	-	900	-	1,578	-
TOTAL CARRIED FWD WORKS 2013/14	3,629	1,375	1,261	993	-	900	-	2,729	-

3. Summary

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
3. Summary									
Property	842	-	393	449	-	36	-	806	-
Plant and Equipment	934	-	934	-	-	-	-	934	-
Infrastructure	7,349	1,752	2,273	3,324	-	3,322	-	4,027	-
TOTAL CAPITAL WORKS	9,125	1,752	3,600	3,773	-	3,358	-	5,767	-

Appendix D

Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2014/15 year.

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
HACC Fees				
	Planned activity Group - Low	\$7.10	\$7.30	per session
	- Medium	\$7.10	\$7.30	per session
	- High	\$12.60	\$12.80	per session
	Meals on Wheels - Low	\$8.50	\$8.70	per meal
	- Medium	\$8.50	\$8.70	per meal
	- High	\$16.80	\$16.80	per meal
	Personal Care - Low	\$4.30	\$4.30	per hour
	- Medium	\$8.50	\$8.50	per hour
	- High	\$35.30	\$35.30	per hour
	Home Care - Low	\$5.70	\$5.80	per hour
	- Medium	\$14.50	\$14.50	per hour
	- High	\$30.90	\$31.50	per hour
	Home Maintenance - Low	\$11.40	\$11.60	per hour
	- Medium	\$27.00	\$27.00	per hour, plus cost of material.
	- High	\$44.90	\$45.80	per hour
	Home Modifications - Low	\$13.20	\$14.00	per hour
	- Medium	\$28.40	\$30.00	per hour
	- High	\$47.00	\$50.00	per hour
	Respite Home & Community - Low	\$3.20	\$3.20	per hour
	- Medium	\$6.30	\$6.30	per hour
	- High	\$31.50	\$31.50	per hour
Outside Agencies				
	General Home Care - Standard	\$43.60	\$45.80	per hour
	- Penalty	\$63.10	\$66.30	per hour
	- Public Holiday	\$83.80	\$88.00	per hour
	Respite Care - Standard	\$43.60	\$45.80	per hour
	- Penalty	\$63.10	\$66.30	per hour
	- Public Holiday	\$83.80	\$88.00	per hour
	Personal Care - Standard	\$43.60	\$45.80	per hour
	- Penalty	\$63.10	\$66.30	per hour
	- Public Holiday	\$83.80	\$88.00	per hour
	Overnight Respite	\$144.50	\$151.70	per night
	Meals on Wheels	\$16.80	\$16.80	per meal
	Home Maintenance / Modifications	\$60.20	\$63.20	per hour
	Planned Activities	\$41.50	\$43.60	per session
	Lunch Club - Myrtleford	\$33.00	\$34.70	per session
	Lunch Club - Mount Beauty	\$24.60	\$25.80	per session

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Waste				
<i>Landfill and Transfer Station Fees</i>				
	Putrescible & Hard Waste	\$38.00	\$40.00	per cubic metre
	Putrescible & Hard Waste	\$4.50	\$5.00	per large bag
	Concrete & bricks	\$30.00	\$32.00	per cubic metre
	Timber & Green Organic material	\$14.00	\$16.00	per cubic metre
	Whitegoods (fridges, airconditioners) - items to be de-gassed		\$10.00	per item
	Steel & other whitegoods	\$8.00	\$10.00	per cubic metre
	Oil	\$0.20	\$0.50	per litre
	Car Bodies	\$20.00	\$20.00	per item
	Recyclables (cardboard)	Free	Free	
	Aluminium & Steel Cans, plastic bottles and containers		Free	for quantities < or = 0.25m ³
		\$8.00	\$8.00	per cubic metre (> 0.25m ³)
	Paint Cans of any size containing paint	\$2.00	\$3.00	per litre
	Car Batteries		\$2.00	per item
	LPG Cylinders		\$5.00	per item
	Tyres Small (car)	\$6.00	\$6.00	per item
	Tyres Large (truck)	\$11.00	\$12.00	per item
	Tyres Large (tractor)		\$80.00	per item
	Tyres Large (earthmover)		\$120.00	per item
	Electronic		\$20.00	per cubic metre
			\$2.00	minimum fee
	Asbestos (Porepunkah only)	\$64.00	\$68.00	per cubic metre
			\$45.00	minimum fee
	Green organic mulch sales	\$10.00	\$10.00	per cubic metre
	Mattress (single)		\$20.00	per item
	Mattress (double or larger)		\$30.00	per item
<hr/>				
Open Spaces				
	Elm Leaf Beetle Treatment	\$77.00	\$81.00	minimum charge per tree

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Health				
	Class 1 food Premises	\$484.00	\$508.00	Per annum
	Class 2 food Premises	\$421.00	\$442.00	Per Annum
	Class 3 food Premises	\$242.00	\$254.00	Per Annum
	Class 4 food Premises	\$0.00	\$0.00	Per Annum
	Class 2 temporary food premises & mobile food vendors	\$188.00	\$197.00	Per annum
	Class 2 temporary food premises & mobile food vendors	\$49.00	\$51.00	per event
	Class 3 temporary food premises & mobile food vendors	\$112.00	\$118.00	per annum
	Class 3 temporary food premises & mobile food vendors	\$32.00	\$34.00	per event
	Class 2 charitable and community groups	\$49.00	\$51.00	per annum
	Class 2 charitable and community groups	\$0.00	\$0.00	per event
	Class 3 charitable and community groups	\$27.00	\$28.00	per annum
	Class 3 charitable and community groups	\$0.00	\$0.00	per event
	Hairdressers, beauty parlours etc.	\$176.00	\$185.00	Per Annum
	Skin Penetration Establishments	\$116.00	\$122.00	Per Annum
	That the Senior Environmental Health Officer be authorised to waiver or reduce fees for charitable or community groups in special circumstances			
	Prescribed Accommodation Premises	\$194.00	\$204.00	Per Annum fixed Charge + variable charge
	- variable charge	\$4.20	\$4.40	per approved bed/person
	Septic Tank Fees	\$371.00	\$390.00	per approval
	Health Search Fees	\$36.00	\$38.00	per hour or part thereof
	Caravan Parks	\$0.00	\$0.00	as per statutes
	Caravan park Rigid Annex approval fee	\$145.00	\$152.00	per approval
	That the transfer of registration fee for all premises registered under the Food Act 1984 & Public Health & Well Being Act 2008 be 50% of the original registration fee.			
	That the penalty fee for overdue registrations under the Food Act 1984 & Public Health & Well Being Act 2008 be 30% of the original registration fee.			
	That the Senior Environmental Health Officer be authorised to charge a reduce fee at his discretion in the case of a minor alteration to a septic tank system.			

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Streets & Roads				
	Outdoor Eating Facility	\$134.00	\$141.00	Per annum.
Roadside Trading				
	Commercial Participant	\$56.00	\$59.00	Per event. Will change with the review of Local Law No 6.
	Business Premises	\$134.00	\$141.00	Per annum. Will change with the review of Local Law No 6.
	Approved site location	\$213.00	\$224.00	per sign
	Horse Drawn Vehicle	\$134.00	\$141.00	
	Advertising Sign	\$62.00	\$65.00	
	Busking - Commercial	\$29.00	\$30.00	
Local Laws				
	Dog Registration - Full	\$66.00	\$69.00	per animal
	- Reduced	\$23.00	\$24.00	per animal
	Cat Registration - Full	\$66.00	\$69.00	per animal
	- Reduced	\$23.00	\$24.00	per animal
	Pound Release Fees - Registered	\$64.00	\$67.00	per animal
	Pound Release Fees - Unregistered	\$128.00	\$134.00	per animal
	Failure To Register a dog or cat	\$0.00	\$0.00	As per Domestic Animals Act
	Dinner Plain Snowmobile Permit	\$64.00	\$67.00	per snowmobile
	Dinner Plain Dog Permit	\$64.00	\$67.00	per animal
	Domestic Animals Business Fee	\$120.00	\$120.00	
Development				
	Application for Permit to work in a road reserve	As per State Government schedule, "Work in Road Reserve Fees"	As per State Government schedule, "Work in Road Reserve Fees"	

Fee Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Planning Fees			
Public Notification - Notice to Neighbours	\$58.00	\$61.00	per general notification
- Additional Notices	\$7.00	\$7.00	per notice
- Notice on Land	\$74.00	\$78.00	up to two signs
- Additional Notices on land	\$11.00	\$12.00	each additional sign
- Notice in Local Papers	\$165.00	\$173.00	per notice
Planning Advice in Writing - Certificate of Verbal advice	\$110.00	\$116.00	per advice
Section 173 Agreements	\$368.00	\$386.00	per agreement
Certificate of Title and restrictions covenant	\$55.00	\$58.00	per certificate
Copy of planning or building permit and endorsed plans	\$32.00	\$34.00	per copy
Retrieval of files older than 2001	\$69.00	\$72.00	per file
Building Fees			
<i>Commercial Buildings</i>			
Works <\$15,000		\$660	Minimum fee + \$35.70 lodgement fee
Works \$15,001 - \$40,000		\$880	Minimum fee + \$35.70 lodgement fee
Works >\$40,001		contact Building team for a competitive quote	
<i>Domestic works</i>			
Carport, garage, sheds, verandah and other small extensions		\$550	Minimum fee
Swimming pool (in-ground)		\$660	Minimum fee
Swimming pool (above ground)		\$440	Minimum fee
Restumping or demolition		\$550	Minimum fee
Dwelling extensions and alterations		\$770	Minimum fee
New dwelling		\$1,100	Minimum fee
Multi unit development		contact Building team for a competitive quote	

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Building Fees				
	Extension of time for Building Permit		\$250	
	Place of Public Entertainment (POPE)		\$440	
	Minor amendment to Building Permit		\$125	
	Major amendment to Building Permit		\$250	
	Variation to ResCode (Report and Consent)		\$238.75	
	Additional inspection or re-inspection		\$220	
	Additional inspection or re-inspection (remote area)		\$300	
	Retrieval of files older than 2001		\$72	
	Copy of building permit, endorsed plans, occupancy permit etc.		\$34	per copy
	Legal point of discharge information		\$60	
	Building information certificate		\$47.60	
	Essential service inspection and report		\$330	
	Non-mandatory inspection		\$220	
	Swimming pool inspection		\$220	
	Notes:			
	1. A lodgement fee of \$35.70 is applicable to all building permit applications where the works are valued at \$5,000 or more			
	2. Where the construction value exceeds \$10,000, a State government levy rate of \$1.28 per \$1,000 is applicable to all building work for both commercial and domestic developments.			
	3. Please contact the Alpine Shire Building Team for a competitive quote on all building works, prices are subject to change depending on the nature of each development.			

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Swimming Pools (Mount Beauty and Myrtleford)				
	Adult Daily	\$4.60	\$4.80	per person
	Child Daily	\$2.30	\$2.40	per person
	Seniors (Pension Card)	\$2.30	\$2.40	per person
	Supervising Parent	\$3.70	\$3.90	per person
	Family Season	\$285.00	\$299.25	per season
	Adult Season	\$125.00	\$131.25	per season
	Child Season & concession pass	\$62.50	\$65.00	per season
	Community Pool Hire	\$59.00	\$62.00	per hour
	Community Stadium Hire	\$24.00	\$25.00	per hour
Bright Sports Centre				
	Membership Fees			
	<i>Silver Membership - Gym or Group Exercise</i>			
	Adult - 3 month	\$240.00	\$250.00	per person
	Concession - 3 month	\$175.00	\$182.00	per person
	Family - 3 month	\$420.00	\$435.00	per family
	Adult - 12 month	\$864.00	\$895.00	per person
	Concession - 12 month	\$630.00	\$655.00	per person
	Family - 12 month	\$1,512.00	\$1,565.00	per family
	Monthly Direct Debit Adult	\$76.00	\$79.00	per person
	Monthly Direct Debit Concession	\$55.00	\$57.00	per person
	Monthly Direct Debit Family	\$137.00	\$142.00	per family
	<i>Gold Membership - Gym & Group Exercise or Gym & Pool or Pool & Group Exercise</i>			
	Adult - 3 month	\$300.00	\$312.00	per person
	Concession 3 month	\$235.00	\$244.00	per person
	Family - 3 month	\$490.00	\$508.00	per family
	Adult - 12 month	\$1,080.00	\$1,120.00	per person
	Concession - 12 month	\$864.00	\$895.00	per person
	Family - 12 month	\$1,764.00	\$1,830.00	per family
	Monthly Direct Debit Adult	\$95.00	\$99.00	per person
	Monthly Direct Debit Concession	\$75.00	\$78.00	per person
	Monthly Direct Debit Family	\$155.00	\$161.00	per family
	<i>Platinum Membership - Gym, Group Exercise & Pool</i>			
	Adult - 3 month	\$360.00	\$374.00	per person
	Concession 3 month	\$295.00	\$308.00	per person
	Family - 3 month	\$545.00	\$565.00	per family
	Adult - 12 month	\$1,296.00	\$1,350.00	per person
	Concession - 12 month	\$1,062.00	\$1,100.00	per person
	Family - 12 month	\$1,962.00	\$2,050.00	per family
	Monthly Direct Debit Adult	\$115.00	\$120.00	per person
	Monthly Direct Debit Concession	\$95.00	\$99.00	per person
	Monthly Direct Debit Family	\$170.00	\$176.00	per family

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Bright Sports Centre (continued)				
<i>Swimming Pool only</i>				
	Adult - 3 month	\$110.00	\$114.00	per person
	Concession - 3 Month	\$70.00	\$73.00	per person
	Family - 3 month	\$285.00	\$295.00	per family
	Adult - 12 month	\$396.00	\$410.00	
	Concession - 12 month	\$252.00	\$263.00	
	Adult - 12 month	\$1,026.00	\$1,065.00	
	Monthly Direct Debit Adult	\$33.00	\$34.30	per person
	Monthly Direct Debit Concession	\$22.00	\$22.80	per person
	Monthly Direct Debit Family	\$82.00	\$85.00	per family
<i>Casual Gym Entry</i>				
	Adult Casual	\$13.10	\$13.60	per person
	Concession - Casual	\$10.00	\$10.40	per person
	Adult 10 visit card	\$118.00	\$123.00	per card
	Concession 10 visit card	\$88.00	\$91.50	per card
<i>Casual Gold Entry - Gym & Pool or Gym & Class or Pool & Class</i>				
	Adult - Casual visit	\$14.70	\$15.30	per person
	Concession Holder - Casual visit	\$11.00	\$11.40	per person
	Adult 10 visit card	\$132.00	\$137.00	per card
	Concession 10 visit card	\$93.00	\$97.00	per card
<i>Casual Pool Entry</i>				
	Adult casual visit	\$6.00	\$6.20	per person
	Child - casual visit	\$3.70	\$3.80	per person
	Concession - Casual Visit	\$3.70	\$3.80	per person
	Family - Casual Visit	\$15.40	\$16.00	per family
	Adult 10 visit card	\$55.00	\$57.00	per card
	Concession / child 10 visit card	\$35.50	\$37.00	per card
	Hydro Program	\$4.40	\$4.50	per person
	Learn to Swim Program	\$15.20	\$15.80	per person
<i>Casual Group Exercise Class Entry</i>				
	Regular Class - Gym or Pool Member	\$7.00	\$7.30	per person
	Regular Class - Non Member	\$10.50	\$10.90	per person
	Active Seniors Class - Gym or Pool Member	\$5.50	\$5.70	per person
	Active Seniors Class - Non Member	6.5	\$6.80	per person
<i>Squash court</i>				
	Adult - casual visit	\$5.80	\$6.00	per person
	Junior / concession - casual visit	\$4.00	\$4.20	per person
<i>Hire</i>				
	Multi Purpose Room Hire	\$22.00	\$23.00	per hour
	Pool Hire	\$56.00	\$58.00	per hour
	Squash Court Hire	\$16.40	\$17.00	per hour

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Community Centres				
	<i>Bright Community Centre, Mount Beauty Community Centre and Myrtleford Senior Citizens Centre</i>			
	Hall and kitchen - commercial rate	\$594.00	\$594.00	All Day Hire
	Kitchen only - commercial rate	\$286.00	\$286.00	All Day Hire
	Hall only - commercial rate	\$286.00	\$286.00	All Day Hire
	Hall and kitchen - commercial rate	\$88.00	\$88.00	per hour
	Hall only - commercial rate	\$44.50	\$45.00	per hour
	Kitchen only - commercial rate	\$44.50	\$45.00	per hour
	Hall and kitchen - community rate	\$286.00	\$286.00	All Day Hire
	Kitchen only - community rate	\$148.50	\$150.00	All Day Hire
	Hall only - community rate	\$148.50	\$150.00	All Day Hire
	Hall and kitchen - community rate	\$29.70	\$30.00	per hour
	Hall only - community rate	\$15.40	\$20.00	1st hour then
			\$15.00	per hour after that
	Kitchen only - community rate	\$15.40	\$30.00	per hour
	Bond		\$250.00	
	Hall hire insurance (any hall)	\$14.00	\$15.00	
Myrtleford Caravan Park				
	Powered Sites - Off Peak	\$27.00	\$28.00	per night
	Powered Sites - Mid	\$35.00	\$36.00	per night
	Powered Sites - Peak	\$39.00	\$40.00	per night
	Unpowered Sites - Off Peak	\$25.00	\$26.00	per night
	Unpowered Sites - Mid	\$27.00	\$28.00	per night
	Unpowered Sites - Peak	\$34.00	\$35.00	per night
	Park Cabins - Off Peak	\$110.00	\$113.00	per night
	Park Cabins - Mid	\$122.00	\$126.00	per night
	Park Cabins - Peak	\$134.00	\$138.00	per night
	Standard Cabin - Off Peak	\$95.00	\$98.00	per night
	Standard Cabin - Mid	\$105.00	\$108.00	per night
	Standard Cabin - Peak	\$116.00	\$119.00	per night
	Budget Cabins - Off Peak	\$83.00	\$86.00	per night
	Budget Cabins - Mid	\$93.00	\$96.00	per night
	Budget Cabins - Peak	\$110.00	\$113.00	per night
	Linen Hire	\$7.00	\$7.00	per person
	Bunkhouse - Adult	\$29.00	\$29.00	per night
	Bunkhouse - Child	\$19.00	\$19.00	per night
	Additional People - Adult	\$14.00	\$14.00	per night
	Additional People - Children (5 - 15 years)	\$7.00	\$7.00	per night
	Annuals	\$1,290.00	\$1,355.00	per annum
	Storage	\$365.00	\$383.00	per annum
	Permanents	\$78.00	\$82.00	per week

Fee	Description	Amount for 2013/14 Budget	Amount for 2014/15 Budget	
Finance				
	Land Information Certificate	\$20.00	\$20.00	per certificate
	Land Information Certificate - 24 Hr	\$46.00	\$46.00	per certificate
	Letter Fee / Admin Fee	\$12.00	\$13.00	per letter
	Copy of Rates notice - previous years post 1999	\$11.00	\$11.00	per notice per year
	Copy of Rates Notice - pre 1999	\$34.00	\$35.00	per notice per year
Tourism				
	Event Participation	\$29.00	\$29.00	