



WELLINGTON SHIRE COUNCIL

2017/18 Budget

6 June 2017

This Budget Report has been prepared with reference to Chartered Accountants ANZ “Victorian City Council Model Budget 2017/18” a best practice guide for reporting local government budgets in Victoria.

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Mayor's introduction

On behalf of Council, I am pleased to release the 2017/18 budget.

This is the first budget for the new Council and it builds upon our community's strategic vision, Wellington 2030, and the Council Plan 2017-21, which focus on the following six key areas: Communities; Services and Infrastructure; Natural Environment; Lifelong Learning; Economy and Organisational.

The budget includes a general rate increase of 2%, in line with the Fair Go Rates System which caps rates increases for Victorian Councils. This is the second year that Council is delivering its budget under this system therefore, Council must strike a balance between what our community wants and what is needed and affordable.

We are pleased to announce an allocated capital budget of \$46.75 million for 2017/18. Some of the projects to provide improved services and infrastructure throughout the Shire include:

- Sale - Port of Sale Cultural Hub and Precinct Redevelopment (multi year project)
- Stratford and Maffra - Streetscape renewal
- Gormandale - Stradbroke Road reconstruction
- Alberton - Gelliondale Road renewal
- Boisdale - Hodges Road and Boisdale Newry Road safety upgrades
- Rosedale - Cansick Street reconstruction
- Rosedale - Revitalisation Project (multi year project)
- Sale - Gippsland Regional Sports Complex Stage 2A (multi year project)
- Cowwarr - Cairnbrook Road reconstruction
- Yarram - McMillan Crescent street construction
- Loch Sport - Land stabilisation Seagull Drive Walk
- Woodside Beach - Playground renewal
- Port Albert - Boat ramp and parking improvements.

We have budgeted \$2.4 million on residential street schemes and \$2.5 million for our annual footpaths and shared paths program. Our natural environment will benefit by a \$7.3 million investment in open space projects including streetscapes, parks, reserves, sportsgrounds, playgrounds and skate parks.

In addition to our capital works program, we will continue to deliver a wide range of services, including \$2 million in rural areas; on regular roadside vegetation management, rural road reseals and drainage, and gravel road maintenance. Another \$2 million will be spent on maintaining our parks and gardens.

The budget also includes anticipated increases to utility costs including electricity, gas and water of approximately \$227,000 and a rise in fuel costs to operate plant, trucks and vehicles associated with the Australian car manufacturers phasing out of gas vehicles, of approximately \$71,000.

Council will continue to deliver a wide and varied range of services including: around 4,800 immunisations; reuniting over 700 domestic pets with their owners; loaning around 270,000 items from our libraries; teaching over 800 children how to swim; emptying 18,400 garbage and recycling bins every week; inspecting over 1,000 food premises and assessing nearly 500 planning permit applications.

This budget brings benefits to our Shire through the delivery of our annual program.

Cr Caroline Crossley
Mayor

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Executive Summary

Council has prepared a Budget for 2017/18 which is aligned to the vision in the Council Plan 2017-21. It seeks to maintain and improve services and infrastructure as well as deliver services that are valued by our community and do this within the capped rate increase mandated by the State Government.

This Budget projects an operational deficit of \$5.7 million before combining the significant capital funding of \$18.3 million which supports the large capital works program in 2017/18.

1. Key areas we are funding

- Ongoing delivery of services to the Wellington Shire Council community, within an operating expenditure budget of \$78.4M (excluding expenditure for capital programs). These services are summarised in Section 2.
- A capital works program of \$46.7M. This includes roads \$12.7M; bridges \$1.4M; footpaths and bicycle paths \$2.5M; buildings \$6.9M; recreational leisure and community facilities \$4.3M; parks open space and streetscapes \$7.3M; aerodromes \$4.8M; plant and equipment \$3.9M and other \$2.9M. The Statement of Capital Works can be found in Section 3 and further details on the capital works budget can be found in Sections 5, 6 and 12.

The major initiatives for the key areas of Council's effort are:

Theme 1: Communities

- 1) Adoption by Council of the Municipal Public Health and Wellbeing Plan 2017-21 by 31 October 2017.
- 2) Implement the 2017/18 Leisure Services Operational Business Plan for Aqua Energy, Gippsland Regional Sports Complex (GRSC) and Council's seasonal outdoor pools.
- 3) Continued implementation of Domestic Wastewater Management Plan (DWMP) to ensure the DWMP is adequately executed and commitments contained within the plan are achieved.
- 4) Actively engage with the community and partners to redevelop the Domestic Animal Management Plan.

Theme 2: Services and Infrastructure

- 5) Progress the Port of Sale Cultural Hub construction project in line with the project plan (ongoing).
- 6) Progress the Port of Sale Precinct (The Port) redevelopment project in line with the project plan (ongoing).
- 7) Progress West Sale Airport initiatives including Stage 3 of the Eastern Recreation Aviation Precinct and the Runway Extension Project.
- 8) Review and update the Boating Facilities Strategic Plan 2013-16 and provide a 4 year capital plan, taking into account any changes from Gippsland Coastal Board Boating Facilities Coastal Action Plan.
- 9) Facilitate the release of industrial land in Wurruk/West Sale to support economic growth (ongoing).
- 10) Implement the North Sale Development Plan/Developer Contributions Plan into the Planning Scheme to support well planned housing growth.

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- 11) Secure funding for the upgrade of Cameron Sporting Complex Maffra to ensure the facility meets growing demand.

Theme 3: Natural Environment

No major initiatives

Theme 4: Lifelong Learning

No major initiatives

Theme 5: Economy

- 12) Strongly advocate for relocation of the Federation Training's Fulham TAFE campus to Sale CBD and in doing so improve accessibility to education and training outcomes for the Wellington community (ongoing).
- 13) Implement the recommendations of the report and roadmap on further economic and social opportunities as a result of expansion of RAAF Base East Sale.

Theme 6: Organisational

- 14) Explore Shared Services opportunities for transactional, administrative and Information Communications Technology services.
- 15) Plan and implement an organisational wide electronic document and records and intranet management system (ongoing).
- 16) Continue to implement Year 3 of the Information Communications Technology (ICT) Strategic Road Map 2015-17 to achieve organisational wide infrastructure and technology upgrades (Ongoing).
- 17) Manage the Information Communication Technology (ICT) and Audio Visual (AV) design, plan and installation for the Port of Sale Cultural Hub (PoSCH) Precinct Project (ongoing).

2. General Rates

- a. The average general rate will rise by 2% in line with the order by the Minister for Local Government on 19 December 2016 under the Fair Go Rates System.
- b. Key drivers:
 - i. To fund ongoing service delivery – business as usual (balanced with increased community service requirements).
 - ii. To fund renewal of infrastructure and community assets.
 - iii. To cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of grant indexation for the three years 2014/15, 2015/16 and 2016/17.
- c. This is not a revaluation year. Valuations will be as per the General Revaluation dated 1 January 2016 and amended by supplementary valuations.

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3. Other Charges

- a. The garbage charge will increase from \$181 to \$187 and the waste infrastructure charge will increase from \$45 to \$50. On behalf of the State Government, Council collects the EPA Levy charge which will remain at \$14.92 for each property which receives a garbage collection service.
- b. The Boisdale Common Effluent System service charge will increase from \$388 to \$396 (per connected property), including a septic tank pump out charge. This charge will recover a portion of the costs of delivering a sewerage system to the community of Boisdale.
- c. Refer Section 6 for further Rates and Charges details.

4. Key Statistics

Total Income: \$90.9M (2016/17 = \$101.2M) - Includes Significant Capital Funding
Total Expenditure: \$78.4M (2016/17 = \$75.8M)

Operating result: Deficit = (\$5.7M) (2016/17 = Surplus \$9.1M)

Operating result is an important measure of financial sustainability as it excludes all funds which are used for capital, from being allocated to cover operating expenses. In 2017/18 capital funds are defined as recurrent capital grants (Road to Recovery funding) of \$5.0M, non recurrent grant funding of \$10.9M and other income to fund capital expenditure of \$2.4M and all have been excluded to determine the operating result.

Cash result: (\$1.9M) Deficit, (2016/17 = \$35.4M Surplus).

This is the net funding result after operations, capital works and financing activities.

Refer Statement of Cash Flow in Section 3.

Total Capital Works Program of \$46.7M

- o \$15.2M from Council operations (rates funded)
- o \$2.8M from borrowings
- o \$0.8M from asset sales
- o \$18.1M from external grants and contributions - (recurrent and non recurrent)
- o \$9.8M from cash and reserves

5. Budget Influences

External Influences

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

- The Victorian State Government has introduced a cap on rate increases for 2017/18. The cap for 2017/18 has been set at 2%. (2016/17 2.5%)
- The recent Commonwealth Budget papers indicate that half of Council's 2017/18 Grants Commission allocation (an estimated \$6.2M) will be 'brought forward' to the current financial year and paid before 30 June 2017.
- CPI for Victoria is forecast to be 2.0% for the 2017/18 year (Victorian Department of Treasury & Finance, 2016-17 Budget Update).
- The Victorian Wage Price Index is projected to be 2.5% in 2017/18 (Victorian Department of Treasury & Finance, 2016-17 Budget Update).
- Council has estimated the increase in the levy payable to the State Government upon disposal of waste into landfill at 2% as this is yet to be announced.
- Council has incorporated a higher increase in utilities payments due to the current unpredictability of electricity and gas prices.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the Fire Services Property Levy Act 2012.

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Internal Influences

As well as external influences, there are also a number of internal influences which had a significant impact in 2016/17 and represent continuing challenges for the 2017/18 Budget. These matters and their financial impact are set out below:

- Reductions in financial assistance grants, the introduction of the Fair Go Rates System (FGRS) and our continued focus on cost reduction, drove the implementation of some operational efficiencies in 2016/17. In 2017/18 our focus on efficiencies will continue and will result in :
 - Completion of a review of the Shire's community vision document Wellington 2030 and implementation of service review recommendations across the organisation.
 - Review and implementation of additional commercial income streams at West Sale Airport and Gippsland Regional Livestock Exchange.
 - Continue implementing the recommendations of the Park Services review.
 - Continuing the Information Communication and Technology (ICT) shared services initiative with East Gippsland Shire Council which has resulted in the cost of some positions being reduced by 50%.
 - Continuing the shared services initiative with East Gippsland Shire Council for Risk Management where the position is shared with Wellington Shire Council and reimbursed for 50% of the costs.
 - The continuance of the 2016/17 reduction in the provision of mosquito monitoring and spraying with Council's contribution reduced to match government funding.

6. Cost Shifting

Cost shifting occurs when Commonwealth and State programs transfer responsibilities to local government with insufficient funding or grants which don't keep pace with delivery costs.

Co-funded services with Commonwealth and State Governments

Council provide a number of services which are co-funded between Council, Commonwealth and State Governments, including school crossing supervision, state emergency services, mosquito monitoring and maintenance of VicRoads median strips. There is also co-funding arrangements for library services, the Art Gallery and Entertainment Centre. For a number of these services, the funding agreement from the State government had included no CPI increases for the term of the agreement (for example the annual Regional Partnership Program funding for Art Gallery and the Entertainment Centre has remained fixed since 2011/12 to 2016/17) with the total cost to Council of delivering these services increasing above CPI.

Loss of funding in General

A freeze on indexation of the federal financial assistance grants. The Commonwealth announced in its 2014/15 Budget that it would pause indexation of the total national pool of financial assistance grants to local government for three years (2014/15, 2015/16, 2016/17). The cumulative impact on Wellington Shire Council for the three years totals approximately \$2.6M and although the freeze has now been removed this is a permanent loss of revenue.

Statutory fees that prohibit full cost recovery

While most statutory fees are increased each July there are a number that have not been consistently increased each year, including state set planning fees, information certificates and caravan parks registration fees. Any revenue shortfall resulting from the inconsistency in increasing all statutory fees must be covered by ratepayers through rate income.

Levies

There are state government set levies such as the landfill levy and the animal registration levy where Council is required to pay the State government an amount each year. Any increases in these levies are reimbursed by ratepayers through the EPA charge or the annual animal registration charge.

Statutory requirements lead to increased costs

Since the introduction of Emergency Management Victoria, the facilitation role of Local Government in emergency management has increased significantly which has required Council to fund a full time position.

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Budget Reports

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

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

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

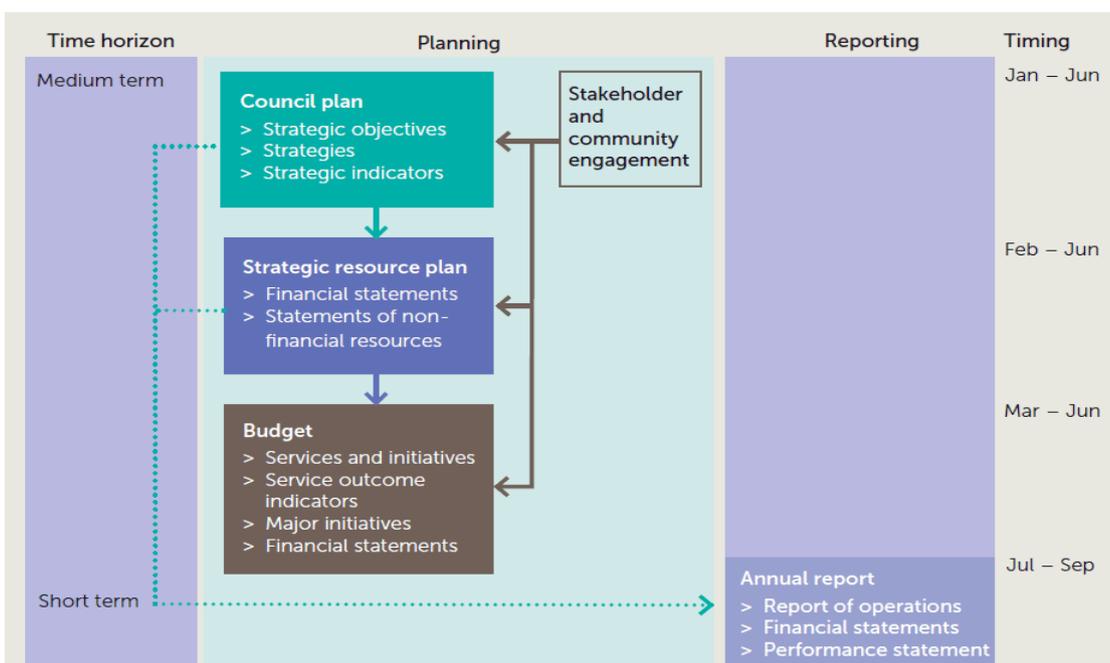
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1. Link to the Council Plan

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 (Wellington 2030), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

1.1 Planning and accountability framework

The Strategic Resource Plan, part of and prepared in conjunction with 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 framed within the Strategic Resource Plan, taking into account the services and initiatives 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 Environment, Land, Water and Planning (formerly Department of Transport, Planning and Local Infrastructure)

In addition to the above, Council has a long term plan (Wellington 2030) which articulates a community vision, mission and values. The Council Plan is prepared with reference to Wellington 2030.

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 Strategic Objectives

Council delivers services and initiatives under 141 service categories. Each contributes to the achievement of one of the strategic objectives under each of six themes as set out in the Council Plan for the years 2017-21, and listed in the following table.

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Theme	Strategic Objectives
Communities	<p>We know and support each other and have a strong sense of community belonging. Diversity is respected and there are many social and community activities providing opportunities for all people to interact. We strive for good health, feel safe in our communities and are prepared for natural disasters.</p> <p>1.1 Maintain friendly, safe communities providing opportunities for residents to lead healthy and active lifestyles.</p> <p>1.2 Celebrate, recognise and acknowledge our diverse community and improve social connections among youth, aboriginal and aged communities.</p> <p>1.3 Strengthen community identity by promoting our heritage and history and appreciation for small town rural living.</p> <p>1.4 Enhance resilience in our towns and our communities.</p>
Services and Infrastructure	<p>Wellington has a built environment that is sustainable, appropriate, accessible and responsive to the community. Transport connects people to communities and places. Events and services support our strong communities.</p> <p>2.1 Council services and infrastructure are responsive to identified current and future community needs within budget parameters.</p> <p>2.2 Council assets are responsibly, socially, economically and sustainably managed.</p> <p>2.3 Wellington Shire is well planned, considering long term growth and sustainability.</p> <p>2.4 Continued improvement to Wellington Shire's connectivity with further developed, accessible transport networks.</p>
Natural Environment	<p>Wellington's natural environment and landscape is clean, diverse, beautiful, accessible and protected.</p> <p>3.1 Conserve and protect our natural environment through responsible and sustainable management practices.</p> <p>3.2 Demonstrate leadership in waste and water management, and energy efficiency.</p> <p>3.3 Build resilience in our communities and landscapes to mitigate risks from a changing climate.</p>
Lifelong Learning	<p>Wellington has a broad choice of local training, education and holistic learning and development options that lead to meaningful employment and personal fulfilment.</p> <p>4.1 Improve people's access to opportunities to challenge and extend their thinking, promote independence, stimulate ideas, further develop leadership skills and lead meaningful lives.</p> <p>4.2 Encourage innovation for and in the region.</p>
Economy	<p>Wellington has a wealth of diverse industries providing employment opportunities for all. There is growth in the Wellington population and economy which is balanced with the preservation of our natural environment and connected communities.</p> <p>5.1 Support and develop our existing businesses.</p> <p>5.2 Use a targeted approach to attract new business investment to Wellington Shire, to support population growth.</p> <p>5.3 Grow Wellington Shire's visitor economy.</p>
Organisational	<p>Wellington is well led, managed and supported by best organisational practices to deliver services and infrastructure to the community. We do this by listening, advocating and responding to their needs.</p> <p>6.1 Wellington Shire Council is a leader in best practice, innovation, and continuous improvement.</p> <p>6.2 Community engagement and customer service excellence is central to Council's decision making process.</p> <p>6.3 Maintain a well governed, transparent, high performing, ethical and accountable organisation.</p> <p>6.4 Act and lobby on behalf of the priorities of the community.</p>

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2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2017/18 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major initiatives, initiatives and service performance indicators for key areas of Council operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability.

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

2.1 Strategic Objectives for theme 'Communities'

- Maintain friendly, safe communities providing opportunities for residents to lead healthy and active lifestyles.
- Celebrate, recognise and acknowledge our diverse community and improve social connections among youth, aboriginal and aged communities.
- Strengthen community identity by promoting our heritage and history and appreciation for small town rural living.
- Enhance resilience in our towns and our communities.

The activities and initiatives for each service category and key strategic activities are described below:

Services

Business area	Description of services provided	Expenditure
		<u>(Income)</u>
		Net Cost
		\$'000
Community Wellbeing	<p>Community Wellbeing Unit provides opportunities for communities to work in partnerships with local government to achieve identified priorities. The unit works to ensure all members of the community have equal opportunity to participate in community activities. Special focus is given to those who have traditionally remained marginalised such as the young, elderly, disabled and transport disadvantaged.</p> <p>Services include:</p> <ul style="list-style-type: none"> • Social Policy and Planning • Access and Inclusion • Youth Liaison • Art Development • Community Engagement • Community Facility Planning <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Ensure implementation of Council led responsibilities for 2017/18 in the Healthy Wellington Action Plan.</i> • <i>Finalise the Wellington Access and Inclusion Plan and ensure implementation of Community Wellbeing led responsibilities for 2017/18.</i> • <i>Facilitate delivery of two key outcomes in the Community Engagement Strategy Action Plan.</i> • <i>Monitor the sustainability of the Wellington Early Years Network as it transitions to a new facilitation structure and supports the implementation of the Municipal Early Years Plan.</i> • <i>Support the development of Yarram Early Learning Inc. to ensure that the service is financially sustainable.</i> • <i>Finalise the Wellington Youth Strategy and achieve planned actions for 2017/18.</i> 	<p>2,171</p> <p><u>(341)</u></p> <p>1,830</p>

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- Support Gumnuts Early Learning Centre Inc. to determine an appropriate management and governance structure by 31 Dec 2017.
- Develop a Wellington Age Friendly Plan.

Leisure Services	The Leisure Services Unit provides services and functions directed at fostering a healthier and more active community through the facilitation and provision of a range of recreation, fitness and community activities and programs at Council's recreation facilities. They ensure Council owned recreation facilities are managed sustainably, are fully utilised and accessible to people of all abilities.	3,671 (2,212) <hr/> 1,459
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Initiatives

- Implement recommendations and actions to support the five year work plan to reduce energy consumption by 5% per year at Aqua Energy and Gippsland Regional Sports Complex (GRSC) using Planet Footprint to track results.
- Complete a business case for the further development of aquatic facilities at Aqua Energy.
- Implement the 2017/18 priorities emanating from the 2015-20 Aquatic Strategy.
- Implement an outdoor pool operating model (temperature forecast related) to reduce cost to council while maintaining optimum service levels.
- Inform Aqua Energy's business decisions through the cost allocation model data.

Municipal Services	The Municipal Services Unit works with people to ensure the life, health and safety of the community is maintained through educating and enforcing the Environmental Health (including food safety support programs), Building and Local Laws regulations and animal management services.	2,583 (1,261) <hr/> 1,322
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Emergency Management	The Emergency Management team coordinates Council's emergency management responsibilities ensuring the organisation has the skills and capacity to respond appropriately to emergencies and facilitates a coordinated shire approach through the Municipal Emergency Management Planning Committee.	632 (326) <hr/> 306
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TOTAL COMMUNITIES

4,917

Major Initiatives

- 1) Adoption by Council of the Municipal Public Health and Wellbeing Plan 2017-21 by 31 October 2017.
- 2) Implement the 2017/18 Leisure Services Operational Business Plan for Aqua Energy, Gippsland Regional Sports Complex (GRSC) and Council's seasonal outdoor pools.
- 3) Continued implementation of Domestic Wastewater Management Plan (DWMP) to ensure the DWMP is adequately executed and commitments contained within the plan are achieved.
- 4) Actively engage with the community and partners to redevelop the Domestic Animal Management Plan.

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Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Target
Animal Management	Health and safety	Animal prosecutions (Number of successful animal prosecutions)	15 or less
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	4 or more visits
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)	100%

2.2 Strategic Objectives for theme 'Services and Infrastructure'

- Council services and infrastructure are responsive to identified current and future community needs within budget parameters.
- Council assets are responsibly, socially, economically and sustainably managed.
- Wellington Shire is well planned, considering long term growth and sustainability.
- Continued improvement to Wellington Shire's connectivity with further developed, accessible transport networks.

The activities and initiatives for each service category and key strategic activities are described below:

Services

Business area	Description of services provided	Expenditure (Income) Net Cost \$'000
Assets and Projects	The Assets and Projects Business Unit manages a diverse range of services for Council including the implementation and management of capital projects across the organisation in the order of \$28 million to \$46 million per annum: planning for new infrastructure development opportunities and providing asset management and information systems and support.	2,107 (20) 2,087
	<p>Initiatives</p> <ul style="list-style-type: none"> • <i>Progress the Residential Road and Street Construction Plan projects in line with the implementation plan.</i> • <i>Progress the Cowwarr Recreation Reserve Clubrooms redevelopment project in line with the project plan.</i> 	
Built Environment	The Built Environment Unit manages the maintenance, renewal and improvement of Council's road and boating infrastructure, in addition to various civic facilities and buildings, including roadways, paths, drainage, boat ramps and jetties etc. This includes managing Council's road maintenance teams and ensures that maintenance of Council's road and other infrastructure is performed in a coordinated way to maximise benefits to the community and other users.	11,023 (2,254) 8,769
	<p>Initiatives</p> <ul style="list-style-type: none"> • <i>Develop an Off Street Car Parking Master Plan, considering the needs of central business areas within the six major townships, supported by a long term capital works program.</i> • <i>Develop a five year implementation plan for residential street construction works and present to Council.</i> 	

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Business area	Description of services provided	Expenditure (Income) Net Cost \$'000
Arts and Culture	<p>The Esso BHP Billiton Wellington Entertainment Centre (EBBWEC) as part of the Arts and Culture Unit seeks to assist in the development of a vibrant, culturally active community that: promotes expression and participation through visual, literary and performing arts; informs and educates the community on various aspects of the arts; enhances the lifestyle of Wellington residents; and encourages visitors to explore the heritage and culture of the region.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Implement the second stage of the 5 year work plan to reduce energy consumption by 5% per year at Entertainment Centre and Wellington Centre, and use Planet Footprint to track results.</i> 	<p>1,353</p> <hr/> <p>(557)</p> <hr/> <p>796</p>
Land Use Planning	<p>The Land Use Planning Unit through our statutory planning and strategic land use planning services, aims to develop and improve forward looking land use planning policies and plans that guide and support sustainable growth and appropriate land use and development. Many of these services are provided through and driven by legislation. We aim to provide services that satisfy community needs by encouraging and supporting development that meets required standards and is of good design.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • <i>Facilitate a private rezoning/development plan for the Wurruk Growth area to support well planned housing growth.</i> • <i>Implement the Heyfield Low Density Residential Review into the Planning Scheme to support housing growth.</i> • <i>Implement Stage 1 of a Planning Scheme Review (in consultation with DELWP Flying Squad initiatives) to ensure that the strategic direction of the Planning Scheme is up to date/relevant.</i> • <i>Undertake a 'streamlining review' of the Planning Scheme (subject to DELWP flying squad support) to minimise regulatory burden for the community.</i> • <i>Update flood overlay controls and policy in the Planning Scheme to minimise future risk to the community.</i> • <i>Implement updated noise contour mapping for RAAF Base East Sale and West Sale Airport to support the ongoing operation of these airfields.</i> • <i>Develop a policy to guide decision making about rezoning of land to support consistent and equitable outcomes.</i> 	<p>1,665</p> <hr/> <p>(391)</p> <hr/> <p>1,274</p>
Community Facility Planning	<p>The Community Facility Planning team provides services and functions directed at fostering a healthy, well serviced community with a primary focus on community infrastructure planning, priorities and projects; project funding attraction; management and governance of community facilities and administration of Council's community assistance grants scheme. The team plans for and supports recreation facilities that encourage the community to participate in physical and general wellbeing activities and the development of community infrastructure that addresses community service needs.</p>	<p>1,970</p> <hr/> <p>(74)</p> <hr/> <p>1,896</p>

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Initiatives

- Undertake service planning and expand the 10 year recreation facilities capital planning program to incorporate community facilities, to enable greater prioritisation of community facilities in alignment with the Community Facilities Framework.
- Evaluate, in partnership with Built and Natural Environment, existing processes to effectively deliver Council's capital projects and implement new processes to ensure better outcomes for Council and community.
- Utilise the Community Facilities Framework and Hierarchy tool to review funding and agreements of all community facilities – Council and community managed - and make appropriate recommendations for the development of a consistent approach to be considered by Council.
- Facilitate consistent approach to emergency planning for all Community Committees of Management (CoM), owned and managed by Council, to ensure Council and the committees are adequately prepared and covered for incidents.
- Facilitate the distribution of consistent insurance coverage information and advice for all Community CoM in facilities on Council owned and/or managed land to ensure CoM and volunteers are adequately covered in case of an incident.

TOTAL SERVICES AND INFRASTRUCTURE

14,822

Major Initiatives

- 5) Progress the Port of Sale Cultural Hub construction project in line with the project plan (ongoing).
- 6) Progress the Port of Sale Precinct (The Port) redevelopment project in line with the project plan (ongoing).
- 7) Progress West Sale Airport initiatives including Stage 3 of the Eastern Recreation Aviation Precinct and the Runway Extension Project.
- 8) Review and update the Boating Facilities Strategic Plan 2013-16 and provide a 4 year capital plan, taking into account any changes from Gippsland Coastal Board Boating Facilities Coastal Action Plan.
- 9) Facilitate the release of industrial land in Wurruk/West Sale to support economic growth (ongoing).
- 10) Implement the North Sale Development Plan/Developer Contributions Plan into the Planning Scheme to support well planned housing growth.
- 11) Secure funding for the upgrade of Cameron Sporting Complex Maffra to ensure the facility meets growing demand.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Target
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)	49 or more (in line with the target for Large Rural Council)
Statutory Planning	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.	70% or more

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2.3 Strategic Objectives for theme 'Natural Environment'

- Conserve and protect our natural environment through responsible and sustainable management practices.
- Demonstrate leadership in waste and water management, and energy efficiency.
- Build resilience in our communities and landscapes to mitigate risks from a changing climate.

The activities and initiatives for each service category and key strategic activities are described below:

Services

Business area	Description of services provided	Expenditure (Income) Net Cost \$'000
Natural Environment and Parks	<p>The Natural Environment and Parks Unit covers a range of activities related to the operational management of public open space, which includes approximately 320 hectares of parkland and associated infrastructure, such as picnic shelters, BBQs, seating, boardwalks, fences and public toilets. The service also proactively manages 30,000 – 35,000 urban trees and is responsible for the management, design and development of parks and streetscapes in urban areas.</p> <p>The unit is also responsible for moving the Wellington community towards a more sustainable future. Key priority areas include biodiversity, water consumption and quality, waste management and energy use.</p> <p>Initiatives</p> <ul style="list-style-type: none"> • Develop and implement monthly landscape and turf audit management report. • Investigate and initiate composting trial of all green waste at Kilmany Landfill site. • Develop a model for community engagement for promoting sustainability to an adult audience. • Develop and implement plant nursery water recycling project. 	<p>12,603</p> <p>(8,098)</p> <hr/> <p>4,505</p>
Wellington Coast Subdivision Strategy	The Wellington Coast Subdivision Strategy Project Manager is responsible for implementing the Ninety Mile Beach Plan Voluntary Assistance Scheme. Expenditure for 2017/18 is funded through unspent State Government grant funding carried forward.	<p>380</p> <hr/> <p>-</p> <hr/> <p>380</p>
TOTAL NATURAL ENVIRONMENT		4,885

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Target
Waste collection	Waste diversion	<p>Kerbside collection waste diverted from landfill</p> <p>(Percentage of garbage, recyclable and green organics collected from kerbside bins that is diverted from landfill)</p>	35% or more

2017/18 Budget - Wellington Shire Council

2.4 Strategic Objectives for theme 'Lifelong Learning '

- Improve people's access to opportunities to challenge and extend their thinking, promote independence, stimulate ideas, further develop leadership skills and lead meaningful lives.
- Encourage innovation for and in the region.

The activities and initiatives for each service category and key strategic activities are described below:

Services

Business area	Description of services provided	Expenditure
		(Income)
		Net Cost
		\$'000
Arts and Culture	The Art Gallery and Libraries as part of the Arts and Culture Unit, seek to assist in the development of a vibrant culturally active community that: promotes expression and participation through visual, literary and performing arts; informs and educates the community on various aspects of the arts; enhances the lifestyle of Wellington residents; and encourages visitors to explore the heritage and culture of the region.	1,922
		(516)
		1,406

Initiatives

- Relocate the Gallery collection, exhibitions and staff offices to the new Wellington Centre, and enable successful ongoing cultural services from that site.
- Relocate the Sale Library resources and equipment and headquarters facilities to the new Wellington Centre, and enable successful ongoing cultural services from that site.

TOTAL LIFELONG EDUCATION AND DEVELOPMENT

1,406

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Target
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	17% or more

2017/18 Budget - Wellington Shire Council

2.5 Strategic Objectives for theme 'Economy'

- Support and develop our existing businesses.
- Use a targeted approach to attract new business investment to Wellington Shire, to support population growth.
- Grow Wellington Shire's visitor economy.

The activities and initiatives for each service category and key strategic activities are described below.

Services

Business area	Description of services provided	Expenditure
		(Income) Net Cost \$'000
Business Development	Council's Business Development service aims to support business growth and employment, lifestyle opportunities and a vibrant tourism sector.	910
		-
		910
Initiatives		
	<ul style="list-style-type: none"> • Implement the action plan associated with the Wellington Shire Economic Development Strategy 2016-22. • Advocate, in partnership with other Gippsland Shires, for increases and enhancements of V-Line services to Gippsland to improve connectivity and access for residents. • Seek funding for and develop a business case for the extension of the Great Southern Rail Trail through to Yarram and Port Albert, to increase visitation and business opportunities in adjacent areas. • In early 2018, prepare Economic Development Strategy Action Plan for 2018-20. 	
TOTAL ECONOMY		910

Major Initiatives

12)	Strongly advocate for relocation of the Federation Training's Fulham TAFE campus to Sale CBD and in doing so improve accessibility to education and training outcomes for the Wellington community (Ongoing).
13)	Implement the recommendations of the report and roadmap on further economic and social opportunities as a result of expansion of RAAF Base East Sale.

2017/18 Budget - Wellington Shire Council

2.6 Strategic Objectives for theme 'Organisational'

- Wellington Shire Council is a leader in best practice, innovation, and continuous improvement.
- Community engagement and customer service excellence is central to Council's decision making process.
- Maintain a well governed, transparent, high performing, ethical and accountable organisation.
- Act and lobby behalf of the priorities of the community.

The activities and initiatives for each service category and key strategic activities are described below.

Services

Business area	Description of services provided	Expenditure (Income) Net Cost \$'000
Councillors, Chief Executive and Executive Team	This area of corporate includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which covers service provision across the entire organisation.	3,113 - 3,113
Media and Public Relations	This area provides internal and external communication services and support and branding initiatives for Council. The team also seeks to proactively inform our community and our staff ensuring transparency, consistency and clarity of our message.	444 - 444
<p>Initiatives</p> <ul style="list-style-type: none"> Upgrade Council's abilities to produce high quality video messaging to improve our communications processes and enhance our social media channels. Develop an External Communications Strategy that will establish a shared understanding of Council's external communications framework, tools and processes. 		
Information Services	The Information Services Business Unit provides centralised and integrated information services and new and emerging technologies to assist Council to reach the 2030 Vision.	3,499 (225) 3,274

Initiatives

- Deliver Information Communication Technology (ICT) services to East Gippsland Shire Council as per the Memorandum of Understanding.
- Explore Shared Services opportunities for ICT services in order to improve efficiencies and reduce costs.

2017/18 Budget - Wellington Shire Council

2.8 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 2017/18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 4) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement 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.

2.9 Reconciliation with budgeted operating result

	Revenue \$'000	Expenditure \$'000	Net Cost \$'000
Communities	4,141	9,058	(4,917)
Services and Infrastructure	3,297	18,119	(14,822)
Natural Environment	8,098	12,983	(4,885)
Lifelong Education and Development	516	1,922	(1,406)
Economy	-	910	(910)
Organisational	1,606	13,542	(11,936)
Total services & initiatives	17,658	56,534	(38,876)
Other non-attributable			(16,780)
Deficit before funding sources			(55,656)
Funding sources:			
Rates			50,141
Capital Grants & Contributions			18,098
Total funding sources			68,239
Surplus for the year			12,583

2016/17 Budget - Wellington Shire Council

3. Financial Statements

This section presents information in regard to the Financial Statements. The budget information for the years 2018/19 to 2020/21 has been extracted from the Strategic Resource Plan.

The section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Finance Report.

Comprehensive Income Statement

Balance Sheet

Statement of Changes in Equity

Statement of Cash Flow

Statement of Capital Works

Statement of Human Resources.

2016/17 Budget - Wellington Shire Council

3.1 Comprehensive Income Statement

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Income					
General Rates	53,977	55,500	56,755	58,560	59,706
Statutory fees & fines	653	729	671	654	703
User fees & Charges	6,450	6,533	6,712	6,831	6,982
Grants - Operating	19,594	7,746	13,811	14,210	14,248
Grants - Capital	11,466	15,987	10,030	5,875	5,890
Contributions - monetary -Operating	259	75	77	78	80
Contributions - monetary -Capital	79	1,060	2,051	1,826	1,490
Contributions - non - monetary	3,555	-	-	-	-
Net gain (loss) on disposal of property, infrastructure, plant and equipment	355	151	512	490	935
Other income- Operating	2,626	2,106	3,047	3,157	3,157
Other income- Capital	2,147	1,051	110	-	-
Total income	101,161	90,938	93,776	91,681	93,191
Expenses					
Employee costs	24,086	25,928	26,354	27,268	28,089
Materials and Services	27,802	29,493	30,255	27,572	30,545
Bad and doubtful debts	86	86	87	89	93
Depreciation and amortisation	21,334	21,676	22,531	24,437	23,951
Borrowing Costs	504	505	545	514	481
Other expenses	2,003	667	680	696	475
Total expenses	75,815	78,355	80,452	80,576	83,634
Surplus for the year	25,346	12,583	13,324	11,105	9,557
Other comprehensive income					
Items that will not be reclassified to surplus or deficit:					
Net asset revaluation increment	-	-	-	-	-
Total comprehensive result	25,346	12,583	13,324	11,105	9,557

2016/17 Budget - Wellington Shire Council

3.2 Balance Sheet

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Assets					
Current assets					
Cash and cash equivalents	39,659	37,756	37,556	36,654	41,332
Trade and other receivables	6,858	5,478	5,402	5,748	5,815
Other financial assets	15,000	9,000	9,000	9,000	9,000
Other assets	410	410	410	410	410
Total current assets	61,927	52,644	52,368	51,812	56,557
Non-current assets					
Trade and other receivables	1,333	1,910	2,753	3,563	4,261
Property, infrastructure, plant & equipment	914,492	938,510	952,695	960,951	967,856
Intangible assets	526	924	806	828	670
Total non-current assets	916,351	941,344	956,254	965,342	972,787
Total assets	978,278	993,988	1,008,622	1,017,154	1,029,344
Liabilities					
Current liabilities					
Trade and other payables	5,724	6,067	6,220	5,698	6,288
Trust funds and deposits	727	609	817	687	887
Provisions	6,869	7,328	7,435	7,663	7,868
Interest-bearing loans and borrowings	893	556	3,680	820	1,040
Total current liabilities	14,213	14,560	18,152	14,868	16,083
Non-current liabilities					
Provisions	2,095	2,131	2,140	2,157	2,174
Interest Bearing loans and borrowings	7,763	10,507	8,216	8,909	10,311
Total non-current liabilities	9,858	12,638	10,356	11,066	12,485
Total liabilities	24,071	27,198	28,508	25,934	28,568
Net assets	954,207	966,790	980,114	991,220	1,000,776
Equity					
Accumulated surplus	339,527	352,514	367,950	378,900	388,350
Reserves	614,680	614,276	612,164	612,320	612,426
Total equity	954,207	966,790	980,114	991,220	1,000,776

2016/17 Budget - Wellington Shire Council

3.3 Statement of Changes in Equity

For the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
2016/17 Forecast				
Balance at beginning of the financial year	928,861	314,776	607,385	6,700
Surplus/(deficit) for the year	25,346	25,346	-	-
Effect of prior year adjustments	-	-	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Transfer to other reserves	-	3,797	-	(3,797)
Transfer from other reserves	-	(2,868)	-	2,868
Balance at end of the financial year	954,207	341,051	607,385	5,771
2017/18 Budget				
Balance at beginning of the financial year	954,207	341,051	607,385	5,771
Surplus/(deficit) for the year	12,583	12,583	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Transfer to other reserves	-	1,847	-	(1,847)
Transfer from other reserves	-	(3,100)	-	3,100
Balance at end of the financial year	966,790	352,381	607,385	7,024
2018/19 Strategic Resource Plan				
Balance at beginning of the financial year	966,790	352,381	607,385	7,024
Surplus/(deficit) for the year	13,324	13,324	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Transfer to reserves	-	3,554	-	(3,554)
Transfer from reserves	-	(2,842)	-	2,842
Balance at end of the financial year	980,114	366,417	607,385	6,312
2019/20 Strategic Resource Plan				
Balance at beginning of the financial year	980,114	366,417	607,385	6,312
Surplus/(deficit) for the year	11,106	11,106	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Transfer to reserves	-	4,280	-	(4,280)
Transfer from reserves	-	(3,035)	-	3,035
Balance at end of the financial year	991,220	378,768	607,385	5,067
2020/21 Strategic Resource Plan				
Balance at beginning of the financial year	991,220	378,768	607,385	5,067
Surplus/(deficit) for the year	9,556	9,556	-	-
Net asset revaluation increment(decrement)	-	-	-	-
Transfer to reserves	-	2,929	-	(2,929)
Transfer from reserves	-	(3,039)	-	3,039
Balance at end of the financial year	1,000,776	388,214	607,385	5,177

2016/17 Budget - Wellington Shire Council

3.4 Statement of Cash Flow

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	53,698	55,314	56,602	58,339	59,566
Statutory fees and fines	653	729	671	654	703
User fees	6,379	6,474	6,662	6,882	6,880
Grants - Operating	20,811	7,540	14,017	14,004	14,454
Grants - Capital	10,458	17,757	10,030	5,875	5,890
Contributions- monetary	417	533	1,272	1,035	747
Interest received	1,292	1,100	1,122	1,144	1,167
Trust funds and deposits taken	263	(140)	259	143	254
Other receipts	1,865	2,057	2,035	2,013	1,990
Employees costs	(24,021)	(25,422)	(26,235)	(27,017)	(27,862)
Materials and services	(26,758)	(29,162)	(30,107)	(28,097)	(29,960)
Trust funds and deposits repaid	(165)	22	(51)	(273)	(54)
Other payments	(657)	(667)	(680)	(696)	(475)
Net cash provided by operating activities	44,235	36,135	35,597	34,006	33,300
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(33,554)	(46,746)	(37,374)	(33,400)	(31,389)
Proceeds from sale of property, infrastructure, plant and equipment	1,419	806	1,288	1,173	1,626
Payments for investments	(94,619)	(90,202)	(91,294)	(91,083)	(91,379)
Proceeds from sale of investments	119,894	96,202	91,294	91,083	91,379
Net cash used in investing activities	(6,860)	(39,940)	(36,086)	(32,227)	(29,763)
Cash flows from financing activities					
Finance costs	(504)	(505)	(545)	(514)	(481)
Proceeds from borrowings	-	3,300	1,390	1,513	2,442
Repayment of borrowings	(1,481)	(893)	(556)	(3,680)	(820)
Net cash used in financing activities	(1,985)	1,902	289	(2,681)	1,141
Net increase (decrease) in cash & cash equivalents	35,390	(1,903)	(200)	(902)	4,678
Cash & cash Equivalents at beginning of the financial year	4,269	39,659	37,756	37,556	36,654
Cash & cash equivalents at end of the financial year	39,659	37,756	37,556	36,654	41,332

2016/17 Budget - Wellington Shire Council

3.5 Statement of Capital Works

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Property					
Land	-	150	125	-	-
Landfill Improvements	608	922	75	1,600	-
Total land	608	1,072	200	1,600	-
Buildings	7,454	6,908	3,120	3,140	4,485
Total property	8,062	7,980	3,320	4,740	4,485
Plant & Equipment					
Plant, Machinery & Equipment	2,646	2,408	2,469	2,438	2,556
Furniture & Fittings	101	295	44	10	37
Computers & Telecommunications	311	915	200	486	290
Library Books	216	245	238	244	250
Total plant & equipment	3,274	3,863	2,951	3,178	3,133
Infrastructure					
Roads	11,788	12,749	12,842	10,863	10,572
Bridges	2,808	1,377	852	2,589	536
Footpaths	918	2,467	1,449	770	1,493
Drainage	260	380	640	1,590	2,445
Recreational Leisure & Community Facilities	973	4,263	6,450	3,865	1,445
Waste Management	184	270	100	310	230
Parks, Open Space & Streetscapes	4,200	7,343	5,395	4,320	5,580
Aerodromes	350	4,760	2,670	530	850
Off Street Car Parks	194	150	500	500	500
Other Infrastructure	546	1,119	145	120	120
Total Infrastructure	22,221	34,878	31,043	25,457	23,771
Intangibles	-	25	60	25	-
Total Intangibles	-	25	60	25	-
Total capital works expenditure	33,557	46,746	37,374	33,400	31,389
Represented by:					
New asset expenditure	245	3,148	755	535	520
Asset renewal expenditure	24,761	28,724	26,858	26,270	23,683
Asset upgrade expenditure	6,207	10,177	6,252	4,944	4,581
Asset expansion expenditure	2,341	4,697	3,509	1,651	2,605
Total capital works expenditure	33,554	46,746	37,374	33,400	31,389

2016/17 Budget - Wellington Shire Council

3.6 Statement of Human Resources

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan Projections		
	Actual 2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Staff expenditure					
Employee costs - operating	24,086	25,928	26,354	27,268	28,089
Employee costs - capital	387	164	52	-	-
Total staff expenditure	24,473	26,092	26,406	27,268	28,089
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees- Operating	288.9	289.8	285.1	284.8	282.8
Capitalised Labour	3.6	1.5	1.0	0.0	0.0
Total Staff numbers	292.5	291.3	286.1	284.8	282.8

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

Department	Budget	Comprises	
	2017/18 \$'000	Permanent Full Time \$'000	Permanent Part Time \$'000
Built & Natural Environment	9,465	9,409	56
Chief Executive Office	950	950	-
Community and Culture	4,952	3,327	1,625
Corporate Services	3,686	3,414	272
Development	4,879	4,248	631
Total permanent staff expenditure	23,932	21,348	2,584
Casuals and other expenditure	2,160		
Less: Capitalised Labour costs	(164)		
Total operating expenditure	25,928		

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

Department	Budget	Comprises	
	FTE	Permanent Full Time	Permanent Part Time
Built & Natural Environment	116.1	115.5	0.6
Chief Executive Office	7.0	7.0	-
Community and Culture	59.5	37.0	22.5
Corporate Services	39.6	36.0	3.6
Development	52.6	43.0	9.6
Total permanent staff	274.8	238.5	36.3
Casuals and other	16.5		
Less: Capitalised Labour costs	(1.5)		
Total Operating Employees	289.8		

2017/18 Budget - Wellington Shire Council

4. 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.

Indicator	Notes	Actual 2015/16	Forecast 2016/17	Budget 2017/18	Strategic Resource Plan Projections			Trend +/-	
					2018/19	2019/20	2020/21		
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue <i>Permissible range: -20.0% to 20.0%</i>	1	3.6%	18.4%	-0.6%	5.2%	6.4%	4.7%	-
Liquidity									
Working Capital	Current assets/Current liabilities <i>Permissible range: 100.0% to 300.0%</i>	2	382.8%	435.7%	361.5%	288.5%	348.5%	351.7%	-
Unrestricted cash	Unrestricted cash / Current liabilities <i>Permissible range: 0.0% to 200.0%</i>		236.5%	289.9%	294.9%	235.1%	282.0%	295.1%	+
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / Rate revenue <i>Permissible range: 0.0% to 50.0%</i>	3	19.6%	16.0%	19.9%	21.0%	16.6%	19.0%	o
Loans and borrowings	Interest and principal repayments / Rate revenue <i>Permissible range: 0.0% to 10.0%</i>		7.0%	3.7%	2.5%	1.9%	7.2%	2.2%	+
Indebtedness	Non-current liabilities /Own source revenue <i>Permissible range: 0.0% to 50.0%</i>		17.4%	15.0%	19.2%	15.4%	16.0%	17.7%	-
Asset renewal	Asset renewal expenses /Asset Depreciation <i>Permissible range: 50.0% to 100.0%</i>	4	80.2%	117.4%	133.7%	120.4%	108.8%	100.0%	+
Stability									
Rates concentration	Rate revenue / Adjusted underlying revenue <i>Permissible range: 40.0% to 80.0%</i>	5	69.1%	58.1%	71.3%	66.9%	68.0%	68.0%	o

2017/18 Budget - Wellington Shire Council

Indicator	Notes	Actual 2015/16	Forecast 2016/17	Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
					2018/19	2019/20	2020/21	
Rates effort	Rate revenue / Capital improved value of rateable properties in the municipality <i>Permissible range: 0.2% to 0.7%</i>	0.56%	0.57%	0.58%	0.57%	0.58%	0.58%	o
Efficiency								
Expenditure level	Total expenses / Number of property assessments <i>Permissible range: \$2,000 to \$4,000</i>	2,164.19	2,276.11	2,335.67	2,374.43	2,354.55	2,419.71	+
Revenue level	Residential rate revenue / Number of residential property assessments <i>Permissible range: \$800 to \$1,800</i>	1,188.01	1,251.13	1,294.59	1,326.83	1,371.72	1,400.68	+
Workforce turnover	Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year <i>Permissible range: 5.0% to 20.0%</i>	9.4%	12.0%	11.0%	10.0%	10.0%	10.0%	o

Key to Forecast Trend:

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

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. The adjusted underlying result calculation includes recurrent capital funding (i.e. Roads to Recovery funding) and gain/(loss) from sale of property, plant and equipment but excludes all other capital income. The 2017/18 adjusted underlying result reflects the impact of the increased allocation of Roads to Recovery funding (\$5.08 million) which in future years will reduce to historical annual allocation of \$2.0 to \$2.5 million. The ratio remains steady from 2018/19.

2 Working Capital - The proportion of current liabilities covered by current assets. Working capital is forecast to decrease in 2017/18 and 2018/19 and then increase back to 2017/18 levels for the last two years.

3 Debt compared to rates - Trend indicates Council's reducing reliance on debt against its annual rate revenue through management 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's reliance on rate revenue compared to all other revenue sources will remain steady over the four year period.

2017/18 Budget - Wellington Shire Council

5. Other budget information

This section presents other budget related information required by the Local Government (Planning and Reporting) Regulations 2014.

This section includes the following statements and reports

- 5.1.1 Grants operating
- 5.1.2 Grants capital
- 5.1.3 Statement of borrowings

2017/18 Budget - Wellington Shire Council

5.1.1 Grants operating : \$ 11.85 million decrease

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants has decreased by \$11.85 million compared to 2016/17. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below:

Operating Grants	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Recurrent - Commonwealth			
Victoria Grants Commission	18,163	6,146	(12,017)
Recurrent - State Government			
Property valuation	(124)	219	343
School crossing supervisors	75	100	25
Municipal emergency	150	158	8
Libraries	311	314	3
Parks & Environmental services	107	107	-
Cultural Services	213	213	-
Fire Service Property levy	55	55	-
Senior citizens	55	55	-
Other	16	13	(3)
Community support programs	29	25	(4)
Rural Access	277	249	(27)
Environmental health	87	72	(15)
Total Recurrent grants	19,414	7,726	(11,688)
Non- Recurrent - State Government			
Community Support programs	100	10	(90)
Economic Development & Tourism	72	-	(72)
Community & Recreation Facilities	10	10	-
Total Non- Recurrent grants	182	20	(162)
Total Operating grants	19,596	7,746	(11,850)

The decrease primarily relates to half of Council's 2017/18 Victoria Grants Commission (VGC) allocation (\$6.15 million) being 'brought forward' to the current financial year.

Council's budget for property valuation reimbursement from the State Revenue Office in 2017/18 is based on actual levels for 2016/17 although current forecast contains some administrative adjustments from prior year 2015/16.

Non recurrent state funded grants are projected to be lower in 2017/18 than previous year due to the receipt of one off grants in 2016/17 for specific projects such as Gippsland Regional Sports Complex Upgrade, RAAF Defence Facilities Project at East Sale and Dairy Impact grants to oversee the dairy industry needs in the region.

2017/18 Budget - Wellington Shire Council

5.1.2 Grants capital : \$4.52 million increase

Capital grants include all monies received from State and federal government for the purposes of funding specific capital works projects. Overall the level of capital grants has increased by 39.44% or \$4.52 million compared to 2016/17.

Grant funding is expected in 2017/18 for major projects such as;

- West Sale Airport Runway Extension (\$3.5 million)
- Completion of Port of Sale Cultural Hub and Precinct redevelopment (\$3 million)
- Rosedale Revitalisation Project (\$1 million)
- Gippsland Regional Sports Complex Stage 2A (\$665,000)

During 2017/18 a total of \$5.05 million Roads to Recovery funding is also expected and will be spent on projects such as the continuation of the Residential Road and Street Construction Plan Implementation, completion of Park Street Bridge Renewal and the Glebe Woondella Path.

Section 12 "Analysis of Capital Budget" includes a more detailed analysis of the capital grants expected to be received during 2017/18.

A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below:

Grants - capital	Forecast	Budget	Variance
	Actual 2016/17 \$'000	2017/18 \$'000	\$'000
<u>Recurrent - Commonwealth</u>			
Roads to Recovery	7,381	5,049	(2,332)
<i>Recurrent - State Government</i>	-	-	-
Total Recurrent grants	7,381	5,049	(2,332)
<u>Non-recurrent - Commonwealth</u>			
	-	-	-
<u>Non- Recurrent - State Government</u>			
Aerodromes	-	3,500	3,500
Buildings	2,890	3,000	110
Parks, open space and streetscapes	854	1,805	951
Recreational leisure and community facilities	331	765	434
Footpaths and Cycleways	-	534	534
Roads	-	752	752
Bridges	-	285	285
Other Infrastructure	-	297	297
Library books	9	-	(9)
Total Non- Recurrent grants	4,084	10,938	6,854
Total Capital grants	11,465	15,987	4,522

5.1.3 Statement of Borrowings

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

Borrowings	2016/17	2017/18
	\$'000	\$'000
Total amount borrowed as at 30 June of the prior year	10,137	8,656
Total amount to be borrowed	-	3,300
Total amount projected to be redeemed	(1,481)	(893)
Total amount proposed to be borrowed as at 30 June	8,656	11,063

6. Capital Works Program

This section presents a listing of the capital works projects that will be undertaken for the 2017/18 year.

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

- New works for 2017/18
- Works carried forward from the 2016/17 year

2017/18 Budget - Wellington Shire Council

Capital works program

For the year ending 30 June 2018

6.1 New works (Work Funded from 1718 funds)

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PROPERTY									
LAND									
Maffra - Local Open Space	150	-	-	-	150	-	-	150	-
TOTAL LAND	150	-	-	-	150	-	-	150	-
LANDFILL IMPROVEMENTS									
Rosedale - Construct New Waste Cell	12	-	12	-	-	-	-	12	-
Kilmany - New Cell - Design (Yr1); QA (Yr 2); Construction (Yr3)	910	-	910	-	-	-	-	910	-
TOTAL LANDFILL IMPROVEMENTS	922	-	922	-	-	-	-	922	-
BUILDINGS									
EBBWEC Signage Renewal	35	-	35	-	-	-	-	35	-
EBBWEC Storage Space	50	-	25	25	-	-	-	50	-
Maffra and Yarram Depot Energy Efficiency (Solar Panels)	35	-	-	35	-	-	-	35	-
Aqua Energy Café Equipment Renewal	15	-	4	11	-	-	-	15	-
Aqua Energy Wayfinding and Advisory Signage Renewal	25	-	25	-	-	-	-	25	-
Yarram - Regent Theatre Refurbishment	200	-	170	30	-	-	-	200	-
Sale Oval and OA Ruff Stadium	50	-	50	-	-	-	-	50	-
Port Albert Wharf and Restaurant	50	-	50	-	-	-	-	50	-
Yarram Mechanics Hall	50	-	42	8	-	-	-	50	-
Port of Sale Cultural Hub (POSCH - Art Gallery/Library)	3,250	-	1,625	812	813	3,000	250	-	-
Port Of Sale Cultural Hub Roof Replacement (POSCH)	240	-	240	-	-	-	-	240	-
Gippsland Art Gallery Lighting (POSCH)	80	-	-	-	80	-	-	80	-
Public Open Space Toilet Renewal Program	75	-	75	-	-	-	-	75	-
TOTAL BUILDINGS	4,155	-	2,341	921	893	3,000	250	905	-
TOTAL PROPERTY	5,227	-	3,263	921	1,043	3,000	250	1,977	-

2017/18 Budget - Wellington Shire Council

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
INFRASTRUCTURE									
ROADS									
Boisdale Newry Road Safety Upgrades (Blackspot Program)	434	-	109	325	-	434	-	-	-
Crest Widening Program - Heyfield Upper Maffra Road	150	-	75	75	-	-	-	150	-
Gelliondale Road, Alberton Renewal	650	-	487	163	-	650	-	-	-
Hodges Road Safety Upgrades (Blackspot Program)	318	-	159	159	-	318	-	-	-
Rosedale - Rosedale Flynnns Creek Road Widening	200	-	100	100	-	200	-	-	-
Gormandale Stradbroke Road Reconstruction 1.0km at Timbs Crossing	500	-	300	200	-	-	-	500	-
Cairnbrook Road Reconstruction 2.2km	500	-	300	200	-	350	-	150	-
Project Development	300	-	150	90	60	-	-	300	-
Simpson Pearson Street Scheme	330	-	198	132	-	-	330	-	-
Residential Road & Street Construction Scheme - McMillan Crescent - Yarram	300	-	150	150	-	250	50	-	-
Dundas North - Street Scheme	320	-	160	160	-	224	96	-	-
Dundas South - Street Scheme	317	-	159	158	-	188	129	-	-
Marley North - Street Scheme	977	-	489	488	-	712	265	-	-
Merry Street Maffra - Street Scheme	133	-	66	67	-	80	53	-	-
Port of Sale traffic and parking improvements (The Port)	204	-	102	102	-	204	-	-	-
Sale - Foster Street Pedestrian Crossing Improvements (The Port)	50	-	25	25	-	50	-	-	-
Cansick Street Rosedale Reconstruction	600	-	600	-	-	-	-	600	-
Gordon Street Heyfield Reconstruction Year 1 design	100	-	70	30	-	-	-	100	-
Stratford - Hobsons Street Reconstruction	150	-	112	38	-	-	-	150	-
Final Seals - Annual Program	559	-	559	-	-	259	-	300	-
Rural Roads Resealing - Annual Program	2,075	-	2,075	-	-	-	-	2,075	-
Asphalt Urban Streets	512	-	512	-	-	-	-	512	-
Urban Streets Asphalt Resealing - Annual Program	520	-	520	-	-	-	-	520	-
Kerb & Channel Replacement - Annual Program	200	-	200	-	-	-	-	200	-
Reconstruct Unsealed Roads	1,500	-	1,500	-	-	-	-	1,500	-
Unsealed Road Intersection Upgrades	210	-	105	105	-	-	-	210	-
TOTAL ROADS	12,109	-	9,283	2,767	60	3,919	923	7,268	-
BRIDGES									
Sale - Park Street Bridge Renewal	182	-	182	-	-	182	-	-	-
Boodyarn Bridge Renewal	200	-	200	-	-	200	-	-	-
Napier Bridge Renewal	150	-	150	-	-	150	-	-	-
Toms Cap Bridge	150	-	150	-	-	150	-	-	-
Bridge Renewal Program	285	-	285	-	-	285	-	-	-
Major Culvert Renewal	60	-	60	-	-	-	-	60	-
End Posts/Bridge Approach Guardrails	115	-	115	-	-	-	-	115	-
TOTAL BRIDGES	1,142	-	1,142	-	-	967	-	175	-

2017/18 Budget - Wellington Shire Council

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
FOOTPATHS									
Footpath Disability Improvement Program	124	-	62	62	-	-	-	124	-
Glebe Woondella Path Construction	1,449	-	-	-	1,449	999	-	450	-
Footpaths Network Connections Annual Program	64	-	-	64	-	-	-	64	-
Annual Footpaths Renewal Program	250	-	250	-	-	-	-	250	-
Tarra Trail Stage 2 - Alberton to Port Albert	350	-	-	-	350	234	-	116	-
Macalister Wetlands Boardwalk Renewal	30	-	30	-	-	-	-	30	-
TOTAL FOOTPATHS	2,267	-	342	126	1,799	1,233	-	1,034	-
DRAINAGE									
Drainage Minor Capital Works	300	-	150	150	-	-	-	300	-
TOTAL DRAINAGE	300	-	150	150	-	-	-	300	-
RECREATIONAL LEISURE & COMMUNITY FACILITIES									
Aqua Energy LED Lighting Renewal	50	-	40	10	-	-	-	50	-
Aqua Energy CCTV System Extension	10	-	5	-	5	-	-	10	-
Outdoor Pools - Chemical Storage Shed Installations Year 1 of 2	45	-	22	23	-	-	-	45	-
Outdoor Pools - Public Address System Reinstatement Year 1 of 2	15	-	12	3	-	-	-	15	-
Outdoor Pools - Upgrade Solar pumps, plant and controls Year 1 of 2	45	-	22	23	-	-	-	45	-
Pools Pump Renewal Program	25	-	25	-	-	-	-	25	-
Outdoor Pool Plant Room Replacement, Sale - Year 2	500	-	400	100	-	-	-	500	-
Stratford Pool Concourse Resurfacing	50	-	50	-	-	-	-	50	-
Baldwin Reserve Change Room Development	490	-	123	122	245	100	50	340	-
Gippsland Regional Sports Complex Stage 2A	2,163	2,163	-	-	-	665	801	7	690
Gippsland Regional Sports Complex Outdoor Netball Courts Crack Sealing	15	-	15	-	-	-	-	15	-
TOTAL RECREATIONAL LEISURE & COMMUNITY FACILITIES	3,408	2,163	714	281	250	765	851	1,102	690
WASTE MANAGEMENT									
Hydrological Assessment monitoring bores, Kilmany & Maffra	40	-	-	-	40	-	-	40	-
Rosedale Landfill minor Cell Construct	30	-	30	-	-	-	-	30	-
Longford - EPA required monitoring bores (groundwater) x 2	10	-	-	-	10	-	-	10	-
Yarram Transfer Station - Facility Refit	20	-	20	-	-	-	-	20	-
Stratford Transfer station access road	170	-	-	170	-	-	-	170	-
TOTAL WASTE MANAGEMENT	270	-	50	170	50	-	-	270	-

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Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PARKS, OPEN SPACE & STREETSAPES									
Playgrounds Renewal Program	235	-	235	-	-	-	-	235	-
Playgrounds Expansion Program (The Port)	20	-	-	-	20	-	-	20	-
Maffra - Cameron Sports Complex Open Space Upgrade	180	-	90	90	-	-	-	180	-
Sale Victoria Park Rejuvenation	230	-	172	-	58	-	-	230	-
Loch Sport - Land Stabilising Seagull Drive Walk	100	-	60	40	-	-	-	100	-
Irrigation Renewal Program	35	-	26	9	-	-	-	35	-
Gravel Path Renewal Program	70	-	70	-	-	-	-	70	-
Toilet Replacement and Renewal Program	60	-	60	-	-	-	-	60	-
Sale - Botanic Gardens Development	135	-	27	54	54	135	-	-	-
Rosedale Revitalisation Project	1,034	-	777	257	-	1,000	-	34	-
Stratford Memorial Park - Public Art Installation	25	-	-	-	25	-	8	17	-
Maffra CBD Streetscape Renewal	1,250	-	1,000	250	-	-	-	-	1,250
Stratford CBD Streetscape Renewal	900	-	675	225	-	500	-	400	-
Sale CBD Infrastructure Renewal Program	1,000	-	750	250	-	500	-	500	-
Highway Tree Planting Prince Street Rosedale	60	-	60	-	-	-	-	60	-
Maffra Lawn Tennis Synthetic Grass Court Resurfacing	140	-	140	-	-	70	15	55	-
Maffra Recreation Reserve Drainage	450	-	-	450	-	100	50	300	-
Stephenson Park Netball Court Relocation	240	-	144	96	-	-	15	225	-
TOTAL PARKS, OPEN SPACE & STREETSAPES	6,164	-	4,286	1,721	157	2,305	88	2,521	1,250
AERODROMES									
Aerodrome Minor Capital Works - Audit Works	85	-	51	17	17	-	-	85	-
West Sale Airport - Runway Extension	4,125	-	2,888	1,031	206	3,500	-	-	625
Eastern Recreational Aviation Precinct Development - Stage 2 - 5	330	330	-	-	-	-	-	120	210
West Sale Airport - Fencing Stage 5	85	-	85	-	-	-	-	85	-
TOTAL AERODROMES	4,625	330	3,024	1,048	223	3,500	-	290	835
OFF STREET CAR PARKS									
Off Street Car Park Resealing	150	-	150	-	-	-	-	150	-
TOTAL OFF STREET CAR PARKS	150	-	150	-	-	-	-	150	-
OTHER INFRASTRUCTURE									
Boating Infrastructure Action Plan Works	86	-	64	22	-	-	-	86	-
Port Albert Boat Ramp and Jetty Upgrade	220	-	-	220	-	180	-	40	-
Charlies Street - Boat Ramp	117	-	-	58	59	117	-	-	-
TOTAL OTHER INFRASTRUCTURE	423	-	64	300	59	297	-	126	-
TOTAL INFRASTRUCTURE	30,859	2,493	19,205	6,564	2,597	12,987	1,862	13,235	2,775

2017/18 Budget - Wellington Shire Council

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PLANT & EQUIPMENT									
PLANT, MACHINERY & EQUIPMENT									
Fleet Renewal - Annual Program (\$677K net)	1,273	-	1,273	-	-	-	-	1,273	-
Plant Renewal - Annual Program	1,135	-	1,135	-	-	-	-	1,135	-
TOTAL PLANT, MACHINERY & EQUIPMENT	2,408	-	2,408	-	-	-	-	2,408	-
FURNITURE & FITTINGS									
EBBWEC Replacement of Function chairs and café tables	15	-	12	3	-	-	-	15	-
EBBWEC Foyer and External lighting control	9	-	5	4	-	-	-	9	-
Gippsland Art Gallery, Sale - Photographic Equipment	10	-	5	5	-	-	-	10	-
EBBWEC LED Replacement of Lights including the External Flood Lighting	52	-	37	15	-	-	-	52	-
EBBWEC Sound Desk - Back Row mixing position	9	-	-	-	9	-	-	9	-
EBBWEC Asset Acquisitions (Phone system)	11	-	-	-	11	-	-	11	-
Gippsland Art Gallery, Sale - Art Acquisitions	10	-	-	-	10	-	-	10	-
Art Gallery Moveable Walls	25	-	25	-	-	-	-	25	-
Fitness Equipment Renewal	154	-	154	-	-	-	-	154	-
TOTAL FURNITURE & FITTINGS	295	-	238	27	29	-	-	295	-
COMPUTERS & TELECOMMUNICATIONS									
IT - Hardware Upgrade	100	-	100	-	-	-	-	100	-
TOTAL COMPUTERS & TELECOMMUNICATIONS	100	-	100	-	-	-	-	100	-
LIBRARY BOOKS									
Library - Audio Visual Library Resources	49	-	39	10	-	-	-	49	-
Book Acquisitions	145	-	145	-	-	-	-	145	-
Library Cataloguing & Processing	38	-	38	-	-	-	-	38	-
Library Trolleys	13	-	13	-	-	-	-	13	-
TOTAL LIBRARY BOOKS	245	-	235	10	-	-	-	245	-
TOTAL PLANT & EQUIPMENT	3,048	-	2,981	37	29	-	-	3,048	-
INTANGIBLES									
GIS Imagery Renewal	25	-	25	-	-	-	-	25	-
TOTAL INTANGIBLES	25	-	25	-	-	-	-	25	-
TOTAL NEW CAPITAL WORKS 2017/18	39,159	2,493	25,474	7,522	3,669	15,987	2,112	18,285	2,775

2017/18 Budget - Wellington Shire Council

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000

6.2 Works carried forward from the 2016/17 year (Work funded from funds received in 1617 and carried forward)

PROPERTY

BUILDINGS

Port of Sale Cultural Hub (POSCH - Art Gallery/Library)	1,782	-	891	446	445	-	-	1,782	-
Port of Sale Precinct Redevelopment (The Port)	950	-	238	475	237	-	-	950	-
EBBWEC - New Storage Space	18	-	-	-	18	-	-	18	-
EBBWEC - Café Deck Extension	3	-	-	3	-	-	-	3	-
TOTAL BUILDINGS	2,753	-	1,129	924	700	-	-	2,753	-
TOTAL PROPERTY	2,753	-	1,129	924	700	-	-	2,753	-

INFRASTRUCTURE

ROADS

Port Albert RV and Boating Parking Improvements	200	-	120	80	-	-	-	200	-
Asphalt Urban Streets	440	-	440	-	-	-	-	440	-
TOTAL ROADS	640	-	560	80	-	-	-	640	-

BRIDGES

Bradys Bridge Renewal - Footbridge	185	-	185	-	-	-	-	185	-
Swing Bridge Drive Unit Refurbishment	50	-	50	-	-	-	-	50	-
TOTAL BRIDGES	235	-	235	-	-	-	-	235	-

FOOTPATHS

Glebe Woondella Path Construction	200	-	-	-	200	-	-	200	-
TOTAL FOOTPATHS	200	-	-	-	200	-	-	200	-

DRAINAGE

Heyfield - Gordon St Recreation Reserve Dam Wall Remediation	80	-	80	-	-	-	-	80	-
TOTAL DRAINAGE	80	-	80	-	-	-	-	80	-

RECREATIONAL LEISURE & COMMUNITY FACILITIES

Outdoor Pool Plant Room Replacement, Sale - Year 2	200	-	160	40	-	-	-	200	-
Gippsland Regional Sports Complex Stage 2A	655	655	-	-	-	391	-	264	-
TOTAL RECREATIONAL LEISURE & COMMUNITY FACILITIES	855	655	160	40	-	391	-	464	-

PARKS, OPEN SPACE & STREETSCAPES

Sale - Botanic Gardens Development	65	-	13	26	26	-	-	65	-
Loch Sport Foreshore Management Program	100	-	100	-	-	-	-	100	-
Rosedale Revitalisation Project	464	-	348	116	-	15	-	449	-
Sale CBD Infrastructure Renewal Program	500	-	375	125	-	-	-	500	-
Maffra - Cameron Sporting Complex - Water Bore & Irrigation	50	-	-	15	35	-	-	50	-
TOTAL PARKS, OPEN SPACE & STREETSCAPES	1,179	-	836	282	61	15	-	1,164	-

2017/18 Budget - Wellington Shire Council

Capital Works Area	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
AERODROMES									
WSA - North West Corner Boundary Fencing	50	-	50	-	-	-	-	50	-
West Sale Airport - Perimeter Fencing	85	-	59	26	-	-	-	85	-
TOTAL AERODROMES	135	-	109	26	-	-	-	135	-
OTHER INFRASTRUCTURE									
Port Albert Boat Ramp and Jetty Upgrade	563	-	-	563	-	460	-	103	-
Charlies Street - Boat Ramp	133	-	-	66	67	133	-	-	-
TOTAL OTHER INFRASTRUCTURE	696	-	-	629	67	593	-	103	-
TOTAL INFRASTRUCTURE	4,020	655	1,980	1,057	328	999	-	3,021	-
PLANT & EQUIPMENT									
COMPUTERS & TELECOMMUNICATIONS									
IT Infrastructure	82	-	41	41	-	-	-	82	-
IT - Hardware Upgrade	50	-	50	-	-	-	-	50	-
Remote Sites AV Technology	100	-	50	50	-	-	-	100	-
Business Systems Upgrades	582	-	-	582	-	-	-	582	-
TOTAL COMPUTERS & TELECOMMUNICATIONS	815	-	141	674	-	-	-	814	-
TOTAL PLANT & EQUIPMENT	815	-	141	674	-	-	-	814	-
TOTAL CARRIED FORWARD WORKS FROM 2016/17	7,588	655	3,250	2,655	1,028	999	-	6,588	-

6.3 Summary									
	Project	Asset Expenditure Type				Summary of Funding Sources			
	Cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
PROPERTY	7,980	-	4,392	1,845	1,743	3,000	250	4,730	-
INFRASTRUCTURE	34,878	3,148	21,185	7,621	2,925	13,986	1,862	16,256	2,775
PLANT & EQUIPMENT	3,863	-	3,122	711	29	-	-	3,862	-
INTANGIBLES	25	-	25	-	-	-	-	25	-
TOTAL CAPITAL WORKS 2017/18	46,746	3,148	28,724	10,177	4,697	16,986	2,112	24,873	2,775

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7. Rates and Charges

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

7. Rates and charges

In developing the Strategic Resource Plan (SRP) (referred to in Section 14), rates and charges were identified as an important source of revenue, averaging 58% of the total revenue received by Council annually. Planning for the impact of minimal rate increases has therefore been an important component of the Strategic Resource Planning (SRP) process. The State Government have introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2017/18 the FGRS cap has been set at 2%. The cap applied to both general rates and is calculated on the basis of council's average rates.

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 Wellington Shire Council.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate will increase by 2.0% in line with the rate cap. Other charges including the Garbage charge, Waste Infrastructure charge and the EPA levy are outside the Fair Go Rate System (FGRS) and will be on a cost recovery basis. This will raise total rate and charges for 2017/18 of \$55.5 million, including \$0.20 million generated from supplementary rates.

7.1 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	Budget 2016/17 cents/\$CIV	Budget 2017/18 cents/\$CIV	Change
General residential	0.005329	0.005436	2.0%
Commercial/Industrial	0.005329	0.005436	2.0%
Farm	0.004263	0.004349	2.0%
Cultural & Recreational Land Act (rate concession)	N/A	N/A	N/A

7.2 The estimated 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 year

Type of Property	2016/17 \$000's	2017/18 \$000's	Change
General residential	30,620	31,565	3.1%
Commercial/Industrial	8,406	8,629	2.7%
Farm	9,383	9,680	3.2%
Cultural & Recreational Land	66	71	7.5%
Total amount to be raised by general rates	48,475	49,945	3.0%

Additional supplementary property valuation and new assessments occurring during 2017/18 are included in the budget

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7.3 The number of assessments in relation to each type or class of land compared with the previous year.

Type of Property	2016/17 No.	2017/18 No.	Change
General residential	28,141	28,301	0.6%
Commercial/Industrial	1,513	1,553	2.7%
Farm	3,618	3,656	1.1%
Cultural & Recreational Land	37	36	-1.7%
Total number of assessments	33,309	33,547	0.7%

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

7.5 The estimated value of each type or class of land compared with the previous financial year.

Type of Property	2016/17 000's	2017/18 000's	Change
General residential	5,745,677	5,806,666	1.1%
Commercial/Industrial	1,577,335	1,587,341	0.6%
Farm	2,200,921	2,225,986	1.1%
Recreational Land	27,700	27,468	-0.8%
Total value of land	9,551,633	9,647,461	1.0%

The uplift represents supplementary (new assessments of CIV) occurring/created during 2016/17 and in place for 2017/18.

7.6 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 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Residential Garbage collection	181.00	187.00	3.3%
Waste Infrastructure Charge (Landfill operation and rehabilitation)	45.00	50.00	11.1%
EPA Levy Charge	14.92	14.92	-
Boisdale Common Effluent System and Pump out Charge -Residential	388.00	396.00	2.1%
Boisdale Common Effluent System and Pump out Charge -Commercial - includes GST	426.80	435.60	2.1%

Service rates and charges are not covered by FGRS.

7.7 The estimated amount to be raised by each type of service rate or charge compared with the previous financial year.

Type of Charge	2016/17 000's	2017/18 000's	Change
Kerbside collection (Garbage)	3,388	3,533	4.3%
Waste Infrastructure Charge	1,371	1,534	11.9%
EPA Levy Charge	279	282	1.2%
Boisdale Common Effluent System Charge	10	10	-
Total amount to be raised by service rates or charges	5,048	5,359	6.2%

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

	2016/17 000's	2017/18 000's
Rates and charges	53,523	55,304
Supplementary rates	200	196
Total	53,723	55,500

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

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

7.10. Differential rates

Rates to be levied

The rate in the dollar to be applied to the CIV in relation to land in each category of differential are:

- A general rate of 0.005436 for all rateable general properties; and
- A rate of 0.004349 for all rateable farm properties, being 80% of the general rate.

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

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

Farm Land

Farm land is land, which is:

- not less than 2 hectares in area; and
- is 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 kind or for any combination of these activities, and;
- is used by a business;
 - > that has significant and substantial commercial purpose or character; and
 - > that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - > that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating, and;
- where the ratepayer is considered a Primary Producer.

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Recreational land

Recreational land is land, which is, as defined in accordance with Section 4 of the *Cultural & Recreational Lands Act 1963*:

- controlled by a non-profit organisation which exists for the purpose of providing or promoting culture or sporting recreation facilities which is used for sporting, recreation or cultural purposes or which is used for agricultural showgrounds.

The amounts levied on recreational land have regard to the services provided by the Council in relation to such lands, and the benefit to the community derived from such recreational lands.

7.11 Fair Go Rates System Compliance

Wellington Shire Council is fully compliant with the State Government's Fair Go Rates System (FGRS). The Essential Services Commission reviews Councils annually for compliance with the FGRS.

Budget Analysis

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

This section includes the following analysis and information.

Summary of financial position

Budget influences

Analysis of operating budget

Analysis of budgeted cash position

Analysis of capital budget

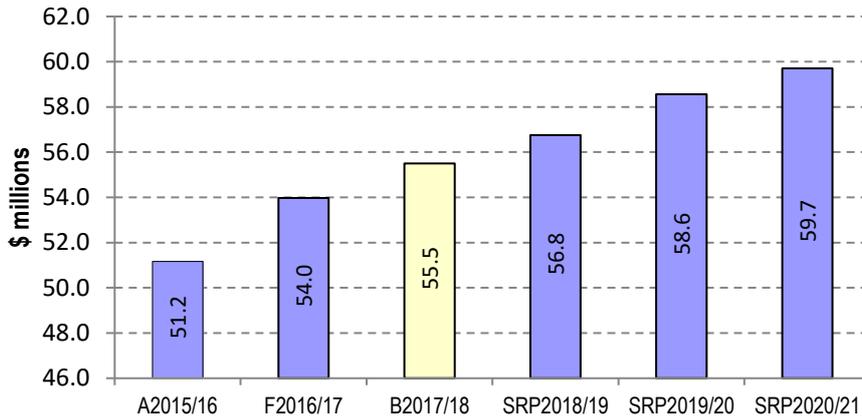
Analysis of budgeted financial position

2017/18 Budget - Wellington Shire Council

8. Summary of financial position

Council has prepared a Budget for the 2017/18 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, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

8.1 Total General Rates (Capped) and Service Charges (cost recovery)



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

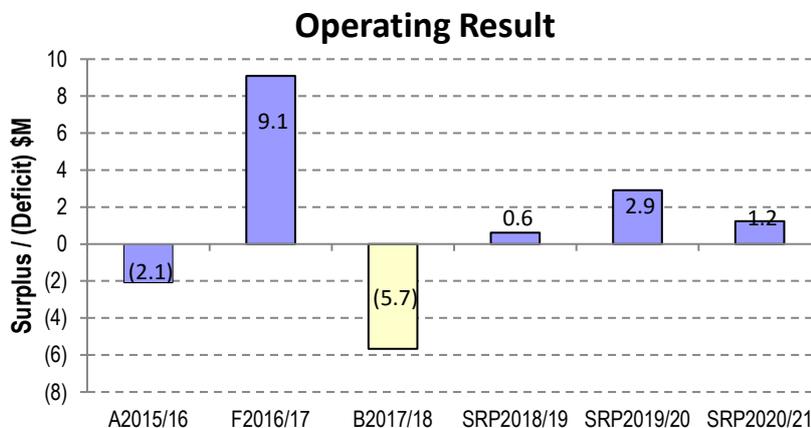
Income from all sources of rates and charges will increase overall for the 2017/18 year, raising \$55.5 million (2016/17 \$54.0 million). It must be pointed out that \$51 million of general rates are capped to a 2% increase.

The Waste Infrastructure Charge will increase from \$45 to \$50, and the Garbage Charge will increase from \$181 to \$187.

The separately itemised EPA Levy Charge will remain at \$14.92 for each property which receives a Garbage collection service.

The Boisdale Common Effluent System service charge will increase to \$396 (per connected property). This charge will recover a portion of the costs of delivering a sewerage system to the community of Boisdale. Refer to Sections 7 and 10 for more information.

8.2(i) Surplus/(Deficit) - Operating Result



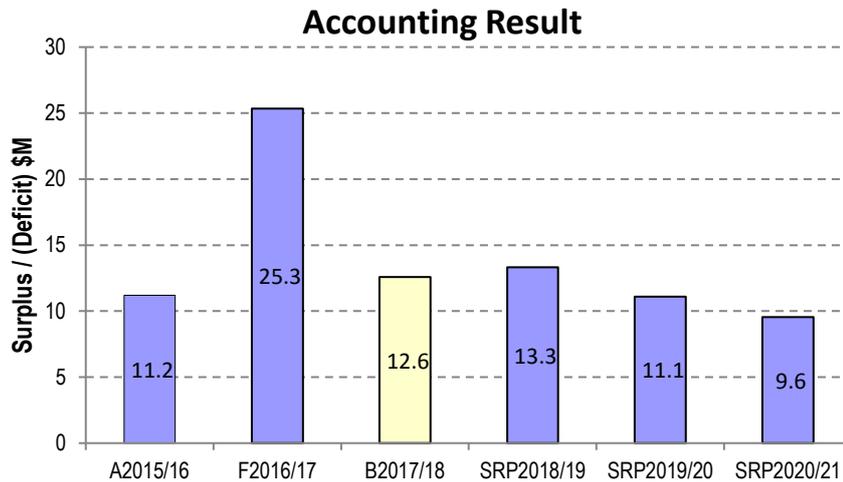
A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

2017/18 Budget - Wellington Shire Council

Operating result is an important measure of financial sustainability as it excludes all funds, which are intended to be used for capital. For the 2017/18 financial year it is anticipated that the operating result will be a deficit of \$5.7 million.

Excluding the impact of the early receipt of half of Council's 2017/18 VGC allocation (\$6.15 million), the 2017/18 result would be an surplus of \$480,000.

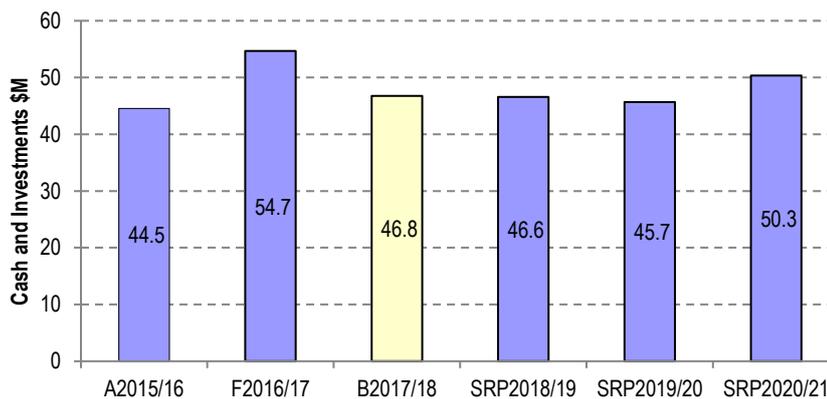
8.2(ii) Surplus/(Deficit) - Accounting Result



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

The accounting result is the surplus and includes all capital funding of \$18.25 million. This one off flow is not anticipated beyond 2017/18. This capital funding includes \$5.09 million for Roads to Recovery allocation (\$2.75 million above normal recurrent levels), West Sale Airport Runway Extension \$3.5 million, Rosedale Revitalisation Project \$1 million, Port of Sale Cultural Hub redevelopment \$3.77 million and other renewal projects necessary across the shire.

8.3 Cash and investments

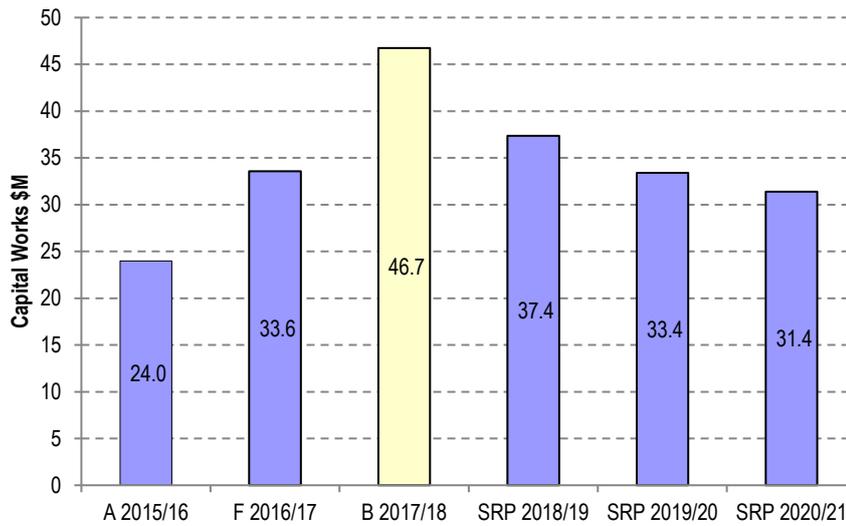


A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

Refer to Section 3 for the Statement of Cash Flows and Section 11 for an analysis of the cash position

2017/18 Budget - Wellington Shire Council

8.4 Capital works



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

The capital expenditure program has been developed and prioritised based on a process of consultation that has enabled Council to assess needs and develop sound business cases for each project.

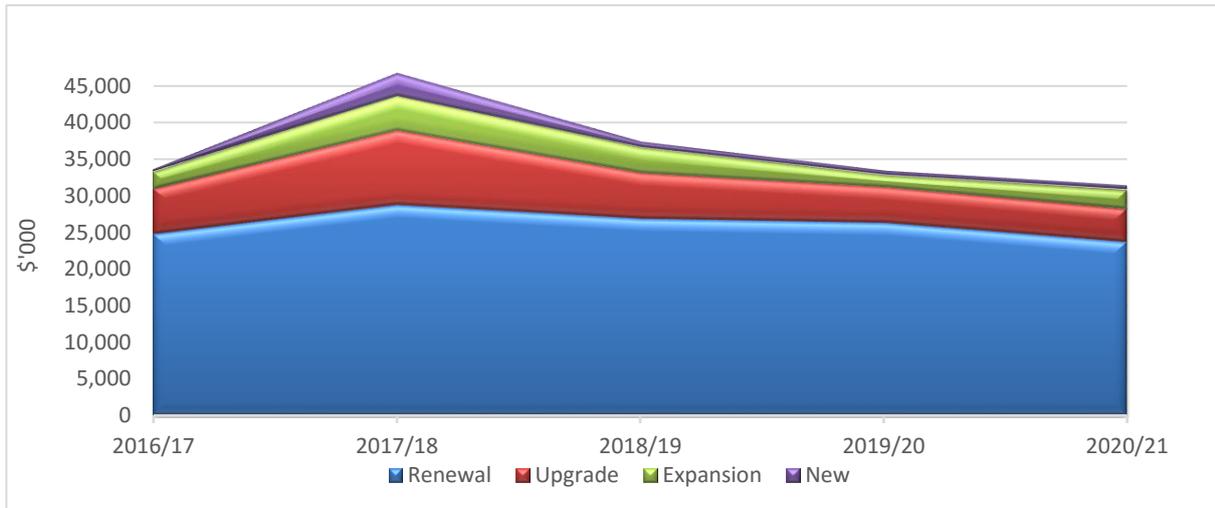
The capital works program for the 2017/18 year is expected to be \$46.75 million of which \$7.59 million relates to projects which will be carried forward from the 2016/17 year. The carried forward component is fully funded from the 2016/17 budget. Of the \$46.75 million of capital funding required, \$15.23 million will come from Council operations, \$19.90 million from external grants, contributions and asset trade-ins, \$2.78 million from borrowings and the balance (including the carried forward component) of \$8.84 million from cash and investments and reserves.

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:

- Completion of the Port of Sale Cultural Hub and Precinct Redevelopment \$3.69 million and \$2.73 million carried forward from 2016/17.
- Residential Road and Street Construction Plan Implementation \$2.08 million.
- Gippsland Regional Sports Complex Stage 2A \$2.16 million and \$655,000 carried forward from 2016/17.
- Maffra CBD Streetscape Renewal \$1.25 million.
- Rosedale Revitalisation Project \$1.03 million and \$464,000 carried forward from 2016/17.
- Stratford CBD Streetscape Renewal \$900,000.
- Gelliondale Road Alberton \$650,000.
- Port Albert RV and Boating Parking Improvements and Boating Infrastructure Action Plan Works \$1.38 million.

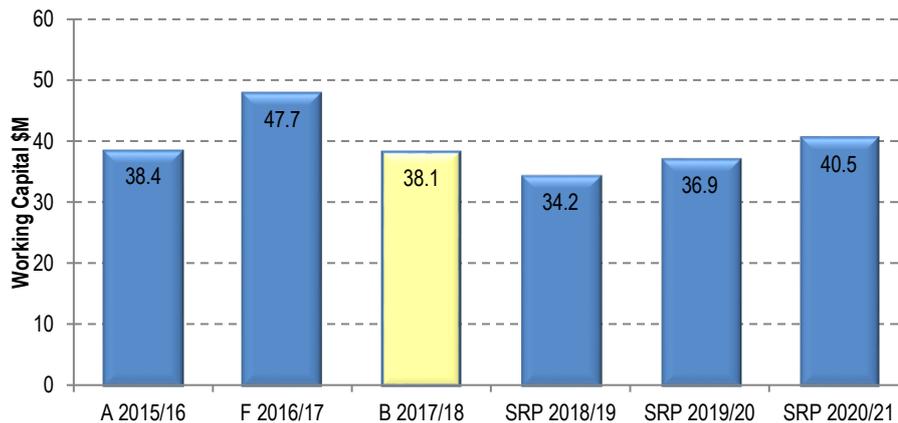
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The following graph depicts how the capital works budget will be spent in the next four years.



Further information on the capital program and our current status regarding the renewal gap can be found in Section 16 - Infrastructure Information.

8.5 Working Capital



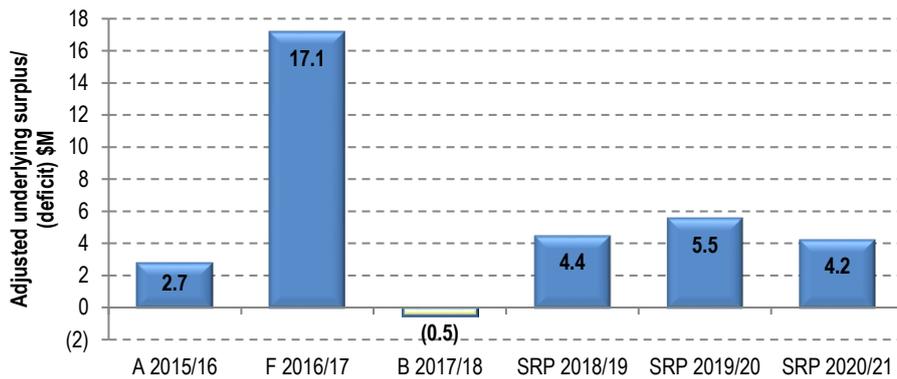
A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

The working capital is expected to improve with net assets (net worth) to increase by \$12.58 million to \$966.79 million while net current assets (Working Capital) will reduce by \$9.63 million to \$38.08 million as at 30 June 2018. This is mainly due to the use of cash reserves to fund the capital works program. (Net assets is forecast to be \$966.79 million as at 30 June 2017).

Refer also to Section 3 for the Balance Sheet and Section 11 for an analysis of the cash position.

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8.6 Financial sustainability



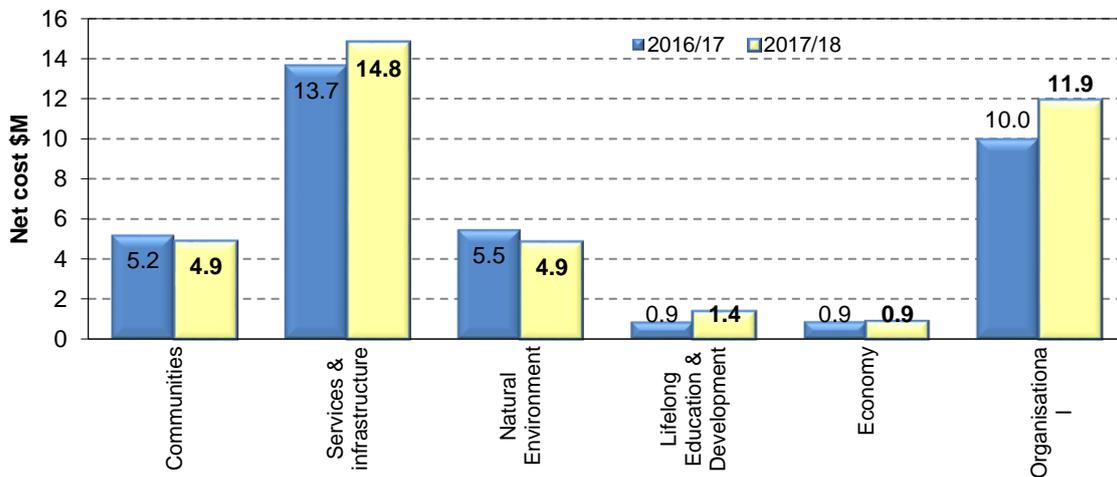
A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

A high level Strategic Resource Plan (SRP) for the years 2017/18 - 2020/21 has been developed during the budget process. 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.

This contains operations surplus (deficit) and recurrent capital funding such as Roads to Recovery funding and net gain (loss) on disposal of property and plant and equipment. It is considered representative of 'business as usual' for Local Government during the next four years. The results for 2016/17 and 2017/18 have been influenced by the early payment of 50% of the 2017/18 VGC allocation being paid in 2016/17.

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

8.7 Strategic objectives

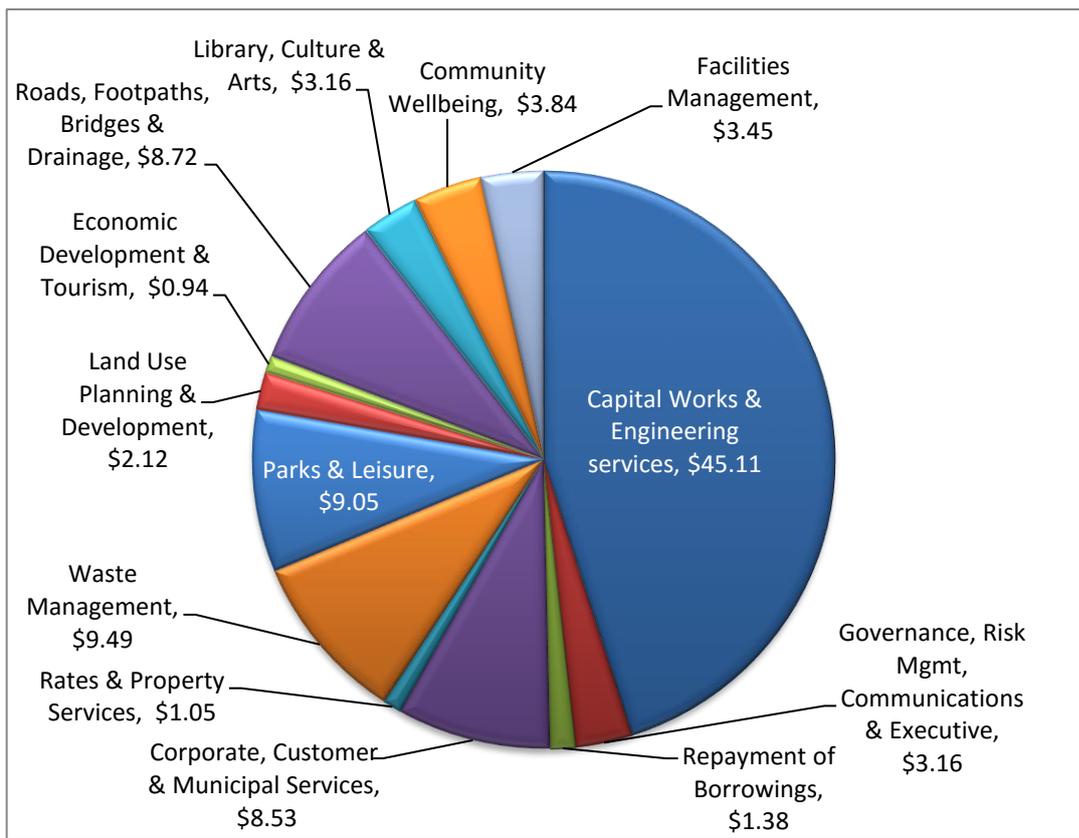


The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic themes specified in the Council Plan. The above graph shows the level of expenditure in the budget to achieve the strategic themes as set out in the Council Plan for the 2017/18 year.

The services that contribute to these objectives are set out in Section 2.

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8.8 Council expenditure allocations



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

2017/18 Budget - Wellington Shire Council

9. Budget Influences

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

9.1 External Influences

- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.

The Victorian State Government has introduced a cap on rate increases for 2017/18. The cap for 2017/18 has been set at 2%. (2016/17 2.5%).

- The recent Commonwealth Budget papers indicate that half of Council's 2017/18 Grants Commission allocation (an estimated \$6.15 million) will be 'brought forward' to the current financial year and paid before 30 June 2017.
- Consumer Price Index (CPI) increases on goods and services of 1.5% per annum through the year to December quarter 2016 (ABS release 25 January 2017). State-wide CPI is forecast to be 2.0% for the 2017/18 year (Victorian Budget Papers 2016/17).
- Australian Average Weekly Earnings (AWE) growth for Public Sector fulltime adult ordinary time earnings in the 12 months to May 2016 was 3.4% (ABS release 18 August 2016). The wages price index in Victoria is projected to be 2.5% per annum in 2017/18 increasing to 3.0% and 3.25% in the subsequent two years (Victorian Budget Papers 2016/17).
- In the 2014/15 Federal Budget, the Federal Government "paused" indexation for three years on the national pool of financial assistance grants provided to local government via the Victoria Grants Commission. The Federal Minister for Local Government has indicated that indexation to financial assistance grants will resume from 2017/18. Council has assumed a 2% indexation for 2017/18.
- In July 2015, the Federal Government announced an increase in Roads to Recovery (R2R) funding, of which this Council received an allocation of \$1.905 million in 2015/16 and \$5.11 million in 2016/17. Previous to this announcement, the 2015/16 annual allocation of R2R funding had already been doubled from \$2.22 million to \$4.44 million. As a result of this increase Council resolved in October 2015 to include new projects, expand some projects currently funded from R2R and reallocated projects currently funded from rates to R2R funded. During 2017/18 and 2018/19 Council will continue to fund various projects to ensure the total five year (2014/15 to 2018/19) R2R allocation of \$20.35 million will be spent.
- Council has estimated the increase in the levy payable to the State Government upon disposal of waste into landfill at 2.0%, as this is yet to be announced. Council has, however, been able to maintain the charge to ratepayers to recover this at \$14.92 per assessment, due to prior year costs being less than estimated.
- Council has incorporated a higher increase in utilities payments due to the current unpredictability of electricity and gas prices, \$227,000.
- Council has anticipated an increase of 10 per cent for fuel to operate plant, truck and vehicles associated with the Australian car manufacturers phasing out of gas vehicles, \$71,000.
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to cost shifting include school crossing supervisors, library services, State Emergency Services (SES) and Arbovirus (mosquito monitoring). In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community.
- Proposed 2017/18 borrowings of \$2.78 million towards the West Sale Airport Runway Extension (\$835,000), Maffra CBD Streetscape development (\$1.25 million) and Gippsland Regional Sports Complex Stage 2A (\$690,000).
- Proposed borrowings of \$525,000 towards the residential street construction scheme which will then be repaid by the participating ratepayers over 10 years.

2017/18 Budget - Wellington Shire Council

- Anticipated receipt of capital works funding of \$18.1 million for works associated with roads, bridges and footpaths \$6.12 million, Port of Sale Cultural Hub \$3.0 million, Gippsland Regional Sports Complex Stage 2A \$1.06 million, West Sale Airport Runway Extension \$3.5 million and other projects.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

9.2 Internal Influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact in 2016/17 and represent challenges for the 2017/18 Budget. These matters have arisen from events occurring in the 2016/17 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2017/18 year. These matters are set out below:

- During 2016/17 Council has renegotiated a new Enterprise Bargaining Agreement commencing in November 2016 for three years. Fully costed employee wage increases are estimated at 2.54% annually.
- Reductions in financial assistance grants, the introduction of the Fair Go Rates System (FGRS) and our continued focus on cost reduction, drove the implementation of some operational efficiencies in 2016/17. In 2017/18 our focus on efficiencies will continue and will result in:
 - Completion of a review of the Shire's strategic vision document Wellington 2030 and implementation of service review recommendations across the organisation.
 - Review and implementation of additional commercial income streams at West Sale Airport and Gippsland Regional Livestock Exchange.
 - Continue implementing the recommendation of the Park Services service review.
 - Continuing the information communication and technology shared services initiative with East Gippsland Shire Council which has resulted in the cost of some positions being reduced by 50%.
 - Continuing the shared services initiative with East Gippsland Shire Council for Risk Management position where this position is shared with Wellington Shire and reimbursed for 50% of the costs.
 - The continuance of the 2016/17 reduction in the provision of mosquito monitoring and spraying with Council's contribution reduced to matched government funding.

9.3 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 held in line with CPI (2%) or market levels, or more closely aligned to cost where user-pays principles apply;
- Grants to be based on confirmed funding levels;
- New revenue sources to be identified where possible;
- Key service levels to be maintained, in general, at 2016/17 levels with the aim to use less resources with an emphasis on innovation and efficiency;
 - Contract labour to be minimised;
 - The use of business cases to support:
 - Increases in staffing levels without matching external funding;
 - New initiatives or projects which are not cost neutral;
- Real savings in expenditure and increases in revenue identified in 2016/17 to be preserved; and
- Operating revenues and expenses arising from completed 2016/17 capital projects to be included.

9.4 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 2017/18 to 2020/21 (Section 14), Rating Information (Section 15) and Other Long Term Strategies (Section 16) including borrowings and infrastructure.

2017/18 Budget - Wellington Shire Council

10. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2017/18 year.

10.1 Budgeted income statement

		Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Total Income	10.2	101,161	90,938	(10,223)
Total Expenses	30	(75,815)	(78,355)	(2,540)
Surplus (deficit) for the year		25,347	12,583	(12,764)
Adjust for:				
Grants – capital non-recurrent		(4,085)	(10,938)	(6,853)
Capital contributions		(79)	(1,060)	(981)
Capital other sources		(531)	(1,052)	(521)
Contributions - non monetary assets		(3,555)	-	3,555
Adjusted underlying surplus (deficit)	10.1.1	17,096	(468)	(17,564)
Adjust for:				
Grants – capital -recurrent		(7,381)	(5,049)	2,332
Net gain (loss) on disposal of property, infrastructure, plant and equipment		(355)	(150)	205
Other non monetary capital adjustments		(270)	-	270
Operating Result	10.1.1	9,090	(5,666)	(14,756)

10.1.1 Operating Result: \$5.67 million deficit, \$14.76 million decrease on 16/17
Adjusted underlying surplus: \$468,000 deficit, \$17.56 million decrease

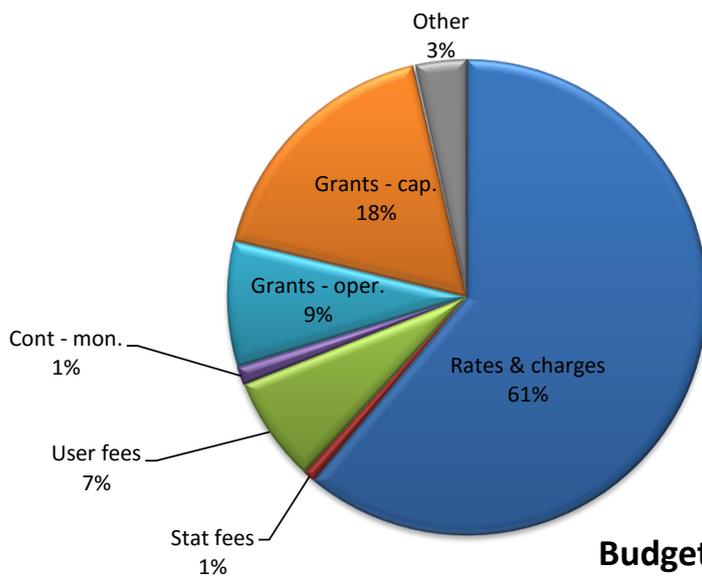
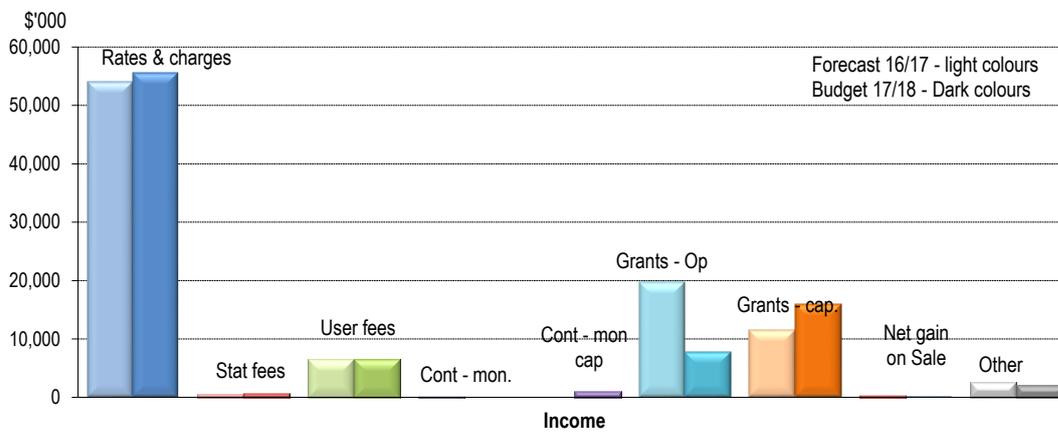
The operating result is an important measure of financial sustainability as it excludes all funds which are used for capital. It is a measure of Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. Contributions of non-monetary assets and other non monetary adjustments including profit/loss on disposal of assets, recognition and derecognition of assets are also excluded as they are not part of Council's normal operations and the value of these adjustments assumed by Council is dependent on the level of activity each year. The operating result for the 2017/18 year is a deficit of \$5.67 million which is a reduction of \$14.76 million from the 2016/17 year. This result is influenced by half of Council's VGC allocation (\$6.15 million) being received by 30 June 2017.

Local Government Reporting of adjusted underlying surplus/(deficit) includes recurrent capital income. In 2017/18 this increases the operating surplus by \$5.2 million giving an adjusted underlying deficit of \$468,000.

2017/18 Budget - Wellington Shire Council

10.2 Income

Income Types	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Rates and charges	10.2.1	53,977	55,500	1,523
Statutory fees & fines	10.2.2	653	729	76
User fees	10.2.3	6,450	6,533	83
Contributions - monetary - operating	10.2.4	259	75	(184)
Contributions - monetary - capital	10.2.4	79	1,060	981
Contributions - non- monetary	10.2.5	3,555	-	(3,555)
Grants - operating	5.1.1	19,594	7,746	(11,848)
Grants - capital	5.1.2	11,466	15,987	4,521
Net gain (loss) on disposal of property, infrastructure, plant & equip.	10.2.6	355	151	(204)
Other income- operating	10.2.7	2,626	2,106	(520)
Other income- capital	10.2.7	2,147	1,051	(1,096)
Total Income		101,161	90,938	(10,223)



Budgeted income 2017/18

2017/18 Budget - Wellington Shire Council

10.2.1 Rates and charges: \$1.52 million increase

It is proposed that the total rates and charges income will increase by \$1.52 million to \$55.5 million. The general rate income will be calculated within the Fair Go Rates system and as per the Ministerial directive of 2% rise. The Waste Infrastructure Charge will rise from \$45 to \$50, Garbage Charge increase to \$187 and the separately itemised EPA Levy Charge introduced in 2011/12 will remain unchanged.

Section 7. Rates and Charges - includes a more detailed analysis of the rates and charges to be levied for 2017/18 and the rates and charges specifically required by the Regulations.

10.2.2 Statutory fees & fines: \$76,000 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, provision of property information and fines. Increases in statutory fees are made in accordance with legislative requirements.

Statutory fees are forecast to increase by 11.64% or \$76,000 compared to 2016/17 primarily due to the lower number of compliance (fire) notices expected to be raised in 2017/18 .

10.2.3 User fees: \$83,000 increase

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure, entertainment and other community facilities. In setting the budget, the key principles for determining the level of user charges have been to ensure that increases do not exceed CPI increases or market levels.

User fees are projected to increase by 1.29% or \$83,000 over 2016/17. The main areas contributing to the increase include fees for leisure facilities mainly Regional Aquatic Complex and Gippsland Regional Sports Complex by \$156,000 due to greater patronage expected in 2017/18. Waste management tipping fees revenue is anticipated to grow by \$53,000 over the coming year due to projection of extra landfill waste. This is partly offset by Entertainment Centre ticket sales income for 2017/18 being lower than projected. Council has reviewed all fees and charges and where appropriate has increased them in line with the State-wide CPI of 2%.

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

10.2.4 Contributions: monetary: \$797,000 increase

Cash contributions include all monies received from community sources or other non government bodies towards the delivery of Council's services to ratepayers (operating) and capital works program. Contributions for operating projects has reduced by \$184,000 compared to 2016/17 due to a reduction in a number of one-off contributions to be received towards community programs. The majority of the capital contribution increase relates to \$923,000 contributions by ratepayers to special charge schemes.

10.2.5 Contributions: non- monetary: \$3.56 million decrease

The 2016/17 forecast includes gifted and donated assets relating to infrastructure assets from new subdivisions, and land acquired under the Ninety Mile Beach Plan Voluntary Assistance Scheme. No non-monetary contributions have been budgeted for in 2017/18.

10.2.6 Net gain (loss) on disposal of property, infrastructure, plant & equip: \$204,000 decrease

Proceeds from the disposal of Council assets is expected to be \$806,000 for 2017/18 and relate mainly to the planned cyclical replacement of part of the plant and vehicle fleet. The written down value of assets sold is anticipated to be \$655,000.

2017/18 Budget - Wellington Shire Council

10.2.7 Other income: \$1.62 million decrease

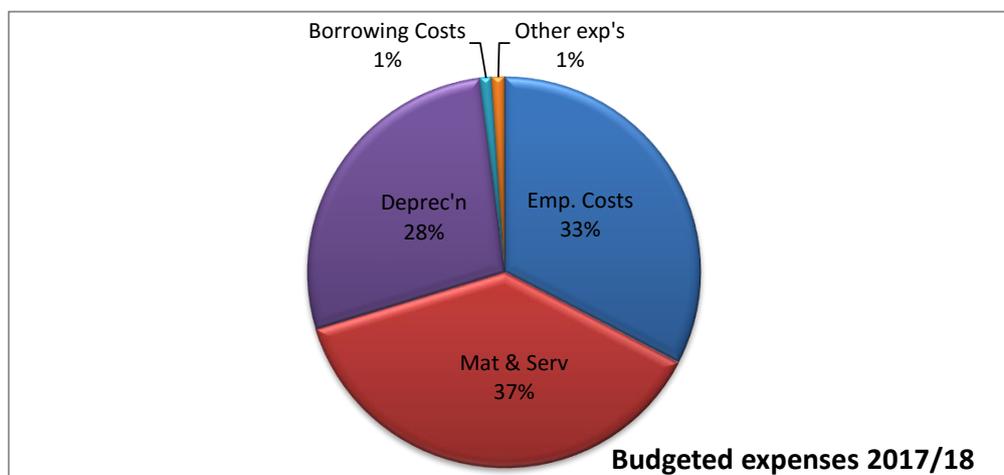
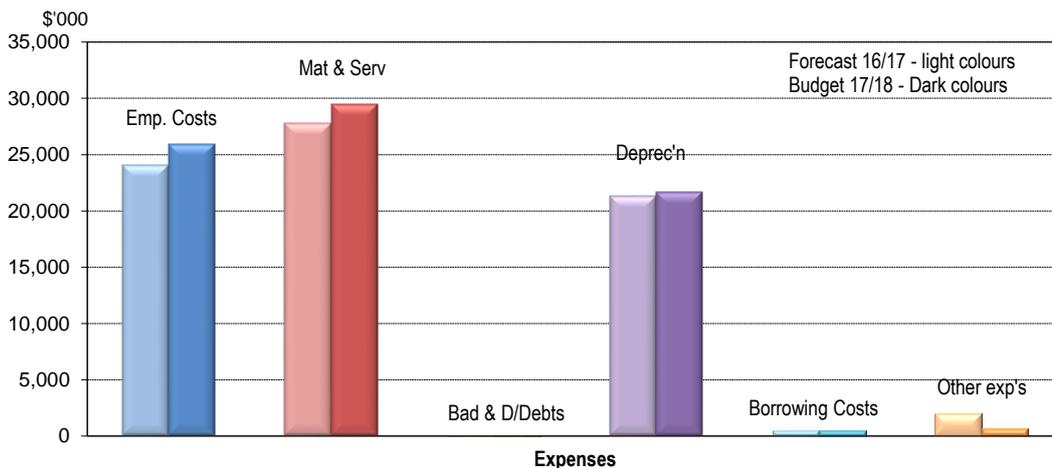
Other income relates to a range of items such as donations for capital works, lease income for council properties and other miscellaneous income items. It also includes interest revenue on investments and rate arrears.

Other income is forecast to decrease by \$1.62 million compared to 2016/17. The decrease is due to lack of certainty in assets to be derecognised; \$1.10 million decrease in 2017/18, and declining interest on investments, \$192,000 decrease.

However we expect to receive \$750,000 towards the Port of Sale Cultural Hub and Gippsland Regional Sports Complex Stage 2A, partly offset by no budget for the recognition of new assets in 2017/18 (2016/17 forecast to be \$1.62 million).

10.3 Expenses

Expenditure Types	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Employee costs	10.3.1	24,086	25,928	1,842
Materials & Services	10.3.2	27,802	29,493	1,691
Bad and doubtful debts		86	86	-
Depreciation and Amortisation	10.3.3	21,334	21,676	343
Borrowing Costs	10.3.4	504	505	1
Other expenses	10.3.5	2,003	667	(1,336)
Total operating expenditure		75,815	78,355	2,540



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10.3.1 Employee costs: \$1.84 million increase

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation for the organisation structure. Employee costs are forecast to increase by \$1.84 million compared to 2016/17. This increase relates to key factors such as:

- Council's Enterprise Agreement (EA).
- Band level increases and staff performing higher duties wherever possible to avoid casual costs.
- Where possible additional full time equivalent (FTE) staff for 2017/18 have been offset by associated grant funding.
- Contained growth in full time equivalent (FTE) staff through outlook period.

Council will continue to review its operational structure, implement efficiencies and reduce labour costs.

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

Division	Total Budget	Comprises	
	2017/18	Permanent Full Time	Permanent Part Time
	\$'000	\$'000	\$'000
Built & Natural Environment	9,465	9,409	56
Chief Executive Officer	950	950	-
Community and Culture	4,952	3,327	1,625
Corporate Services	3,686	3,414	272
Development	4,879	4,248	631
Total permanent staff expenditure	23,932	21,348	2,584
Casuals and other expenditure	2,160		
Subtotal	26,092		
Less: Capitalised Labour costs	(164)		
Total Operating Expenditure	25,928		

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

Division	Total Budget	Comprises	
	2017/18	Permanent Full Time	Permanent Part Time
	FTE	FTE	FTE
Built & Natural Environment	116.1	115.5	0.6
Chief Executive Officer	7.0	7.0	-
Community and Culture	59.5	37.0	22.5
Corporate Services	39.6	36.0	3.6
Development	52.6	43.0	9.6
Total permanent staff	274.8	238.5	36.3
Casuals and other	16.5		
Less: Capitalised Labour costs	(1.5)		
Total Operating Employees	289.8		

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10.3.2 Materials & Services: \$1.69 million increase

Materials and services include the purchase of consumables, payments to contractors for the provision of services, insurance and utility costs. Materials and services are forecast to increase by \$1.69 million compared to 2016/17. The majority of this increase (\$903,000) relates to the carry forward budget for landfill rehabilitation works which have commenced in 2016/17. The remaining increase is small compared to the total materials and services budget of \$29.49 million.

10.3.3 Depreciation and Amortisation: \$343,000 increase

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase by \$343,000 for 2017/18 is due mainly to the completion of the 2017/18 capital works program and the full year effect of depreciation on the 2016/17 capital works program.

10.3.4 Borrowing Costs: \$1,000 increase

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The minor increase in borrowing costs results from the planned repayment of principal in accordance with loan agreements. Loan borrowings of \$3.3 million are planned in 2017/18. (Refer to Section 16. 'Borrowing Strategy' for a more detailed analysis)

10.3.5 Other expenses: \$1.34 million decrease

Other expenses relate to a range of unclassified items including councillor allowances, derecognition and asset write offs, operating leases and other miscellaneous expenditure items. Other expenses are forecast to decrease in 2017/18 by \$1.34 million compared to 2016/17. (Derecognised assets such as roads and buildings forecasted for 2016/17 will be approximately \$1.20 million).

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11. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017/18 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 the 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 loan principal and interest for the year.

11.1 Budgeted cash flow statement

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance (Outflow) \$'000
Cash flows from operating activities	11.1.1			
<i>Receipts</i>				
Rates and charges		53,698	55,314	1,616
User Charges		7,032	7,203	171
Grants - operating		20,811	7,540	(13,271)
Grants - capital		10,458	17,757	7,299
Interest		1,292	1,100	(192)
Other receipts		2,380	2,472	92
		95,671	91,386	(4,285)
<i>Payments</i>				
Employee costs		(24,021)	(25,422)	(1,401)
Other Payments		(27,415)	(29,829)	(2,414)
		(51,436)	(55,251)	(3,815)
Net cash provided by operating activities		44,235	36,135	(8,100)
Cash flows from investing activities	11.1.2			
Payments for Property, Infrastructure, Plant and Equipment		(33,554)	(46,746)	(13,192)
Proceeds from Sale of Property, Infrastructure, Plant and Equipment		1,419	806	(613)
Payments for investments		(94,619)	(90,202)	4,417
Proceeds from sale of investments		119,894	96,202	(23,692)
Net cash used in investing activities		(6,860)	(39,940)	(33,080)
Cash flows from financing activities	11.1.3			
Finance costs		(504)	(505)	(1)
Proceeds from borrowings		-	3,300	3,300
Repayment of borrowings		(1,481)	(893)	588
Net cash used in financing activities		(1,985)	1,902	3,887
Net decrease by cash and cash equivalents		35,390	(1,903)	(37,293)
Cash and cash equivalents at the beginning of the year		4,269	39,659	35,390
Cash and cash equivalents at end of the year	11.1.4	39,659	37,756	(1,903)

Source: Section 3

2017/18 Budget - Wellington Shire Council

11.1.1 Operating activities: \$8.10 million decrease

The decrease in cash inflows from operating activities is mainly due to the expected receipt of half of Council's 2017/18 VGC allocation of \$6.15 million before 30 June 2017. Significantly higher receipts of capital grant funding of \$7.3 million in 2017/18 is also expected with the major increases relating to the new funding for West Sale Airport runway extension (\$3.5 million), new grant funding for the Rosedale Revitalisation Project (\$1 million) and finalisation of funding for the Port of Sale Cultural Hub and Precinct Redevelopment (\$3 million). There is also additional \$1.62 million rates income along with increase in employee costs and payments.

The net cash flows from operating activities does not equal the surplus 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 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Net surplus (deficit) for the year	25,346	12,583	(12,763)
Depreciation	21,334	21,676	342
Loss (gain) on sale of assets	(355)	(151)	204
Write off of assets	143	-	(143)
Finance Costs	504	505	1
Non cash contributions	(3,555)	-	3,555
Recognition of assets	(1,616)	-	1,616
Derecognition of assets	1,203	-	(1,203)
Net movement in current assets and liabilities	1,232	1,522	290
Cash flows available from operating activities	44,235	36,135	(8,100)

11.1.2 Investing activities: \$33.08 million increase

The \$33.08 million increase in payments for investing activities results from a movement of \$19.28 million in investments greater than ninety days and increased payments for property, infrastructure, plant and equipment of \$13.19 million. The increase in property, infrastructure, plant and equipment represents Council's continued commitment to the renewal of community assets and delivering improvements to facilities in line with the Infrastructure Strategy as per Section 16. More detailed information on the 2017/18 capital program can be found in Section 6 and 12.

11.1.3 Financing activities: \$3.89 million increase

The increase in financing activities results from the \$3.30 million to partly fund capital works on the West Sale Airport Runway Extension and Aviation Precinct (\$835,000), the Maffra CBD Streetscape development renewal (\$1.25 million), the Gippsland Regional Sports Complex Stage 2A (\$690,000) and \$525,000 to partly fund the residential street schemes (with funds to be repaid by ratepayers over a 10 year period). During 2017/18 loan principal and interest repayments have increased by \$587,000 (refer to Section 16 Borrowing Strategy for further details).

11.1.4 Cash and cash equivalents at end of the year: \$1.90 million decrease

Overall, total cash and investments is forecast to decrease by \$1.90 million to \$37.76 million as at 30 June 2018, partly due to some 2016/17 projects that will be completed in 2017/18 as well as reflecting Council's strategy of using excess cash and investments to support renewal of ageing infrastructure assets. The cash at the end of the year will be sufficient to meet Council's short term commitments, cover required reserves and fund carried forward expenditure.

2017/18 Budget - Wellington Shire Council

11.2 Restricted funds 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 2018 it will have cash and investments of \$46.760 million, which will be restricted as shown in the following table:

	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Total cash and investments		54,659	46,756	(7,903)
Restricted cash and investments				
- Statutory and non-discretionary reserves	11.2.1	(1,098)	(1,274)	(176)
- Cash held to fund carry forward works and programs	11.2.2	(10,393)	(12,184)	(1,791)
- Trust funds and deposits		(727)	(609)	118.00
Unrestricted cash and investments	11.2.3	42,441	32,689	(9,752)
- Discretionary reserves	11.2.4	(6,197)	(5,617)	580
Unrestricted cash adjusted for discretionary reserves	11.2.5	36,244	27,072	(9,172)

Source: Section 3

11.2.1 Statutory reserves: \$1.27 million

These funds must be applied for specified statutory purposes in accordance with various legislative and contractual requirements. Whilst these funds earn interest revenues for Council, they are not available for other purposes.

11.2.2 Cash held to fund carry forward works and programs: \$12.18 million

An amount of \$12.84 million is forecast to be held at 30 June 2017 to fund works (for both capital and operating projects) budgeted but not completed in the 2016/17 financial year. In addition, there is also \$2.21 million of cash forecast within reserves at 30 June 2017 that will fund carry forward works (for both capital and operating projects). Section 6.2 contains further details on capital works funding. The amount being carried forward from 2017/18 operating (\$1.94 million) relates to unspent grant funding for the delivery of the Wellington Coast Subdivision voluntary assistance scheme which will be spent over the next four years.

11.2.3 Unrestricted cash and investments: \$32.69 million

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

11.2.4 Discretionary reserves: \$5.62 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.

11.2.5 Unrestricted cash adjusted for discretionary reserves: \$27.07 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.

2017/18 Budget - Wellington Shire Council

12. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2017/18 year and the sources of funding for the capital budget.

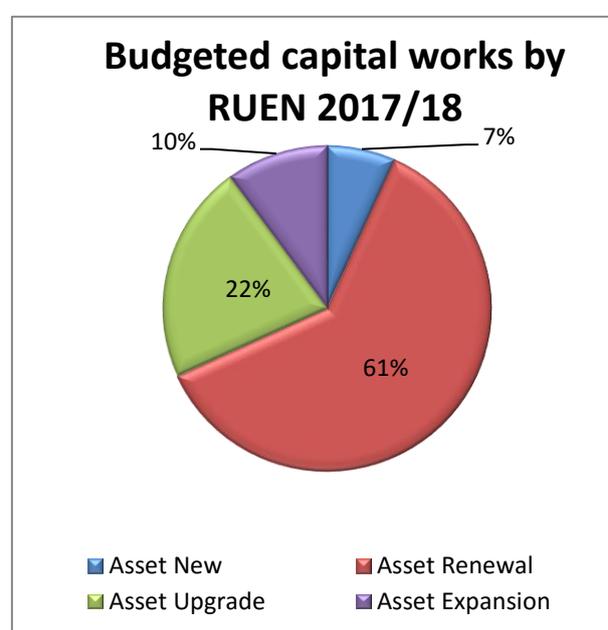
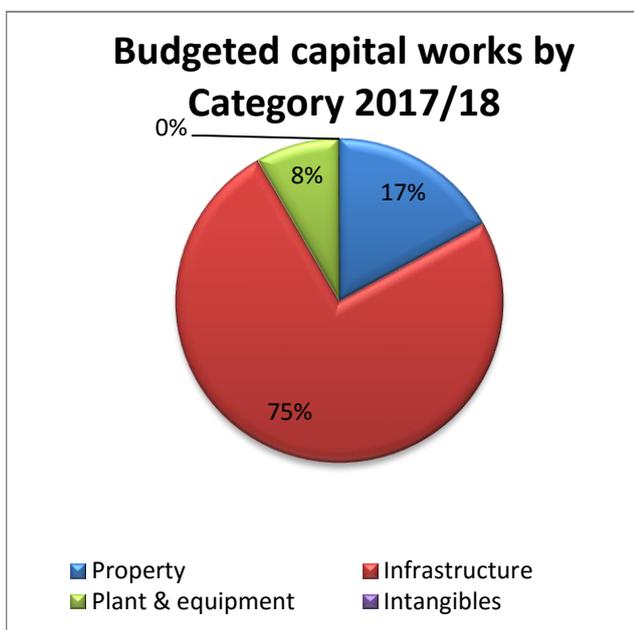
12.1 Capital works

Capital Works Areas	Ref.	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<u>Works carried forward</u>	12.1.1			
Property				
Land		-	-	-
Landfill Improvements		-	-	-
Buildings		2,342	2,753	411
Total Property		2,342	2,753	411
Infrastructure				
Roads		(39)	640	679
Bridges		100	235	135
Footpaths		-	200	200
Drainage		-	80	80
Recreational Leisure & Community Facilities		726	855	129
Waste Management		-	-	-
Parks, Open Space & Streetscapes		1,567	1,179	(388)
Aerodromes		-	135	135
Off Street Car Parks		140	-	(140)
Other Infrastructure		332	696	364
Total Infrastructure		2,826	4,020	1,194
Plant & Equipment				
Plant, Machinery & Equipment		34	-	(34)
Furniture & Fittings		-	-	-
Computers & Telecommunications		169	815	647
Library Books		-	-	-
Total Plant & Equipment		203	815	613
Intangibles		-	-	-
Total works carried forward		5,371	7,588	2,217
<u>New works for 2017/18</u>				
Property	12.1.2			
Land		-	150	150
Landfill Improvements		608	922	314
Buildings		5,112	4,155	(957)
Total Property		5,720	5,227	(493)
Infrastructure	12.1.3			
Roads		11,826	12,109	283
Bridges		2,708	1,142	(1,566)
Footpaths		918	2,267	1,349
Drainage		260	300	40
Recreational Leisure & Community Facilities		247	3,408	3,162
Waste Management		184	270	86

2017/18 Budget - Wellington Shire Council

Parks, Open Space & Streetscapes		2,632	6,164	3,532
Aerodromes		350	4,625	4,275
Off Street Car Parks		54	150	96
Other Infrastructure		213	423	210
Total Infrastructure		19,392	30,859	11,466
Plant & Equipment	12.1.4			
Plant, Machinery & Equipment		2,612	2,408	(203)
Furniture & Fittings		101	295	194
Computers & Telecommunications		142	100	(42)
Library Books		216	245	29
Total Plant & Equipment		3,071	3,048	(22)
Intangibles	12.1.5			
Intangibles		-	25	25
Total new works		28,183	39,159	10,975
Total capital works		33,554	46,747	13,193

Capital Works Areas	Ref.	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Represented by:				
Asset New	12.1.6	245	3,148	2,903
Asset Renewal	12.1.6	24,761	28,724	3,963
Asset Upgrade	12.1.6	6,207	10,177	3,969
Asset Expansion	12.1.6	2,341	4,697	2,356
Total capital works		33,554	46,746	13,190



A more detailed listing of the capital works program is included in Section 6.

2017/18 Budget - Wellington Shire Council

12.1.1 Carried forward works: \$7.59 million

At the end of each financial year there are projects which are either incomplete or not commenced. In some cases, these are multi-year projects; with others this is due to planning issues, weather delays, extended consultation, natural disasters etc. For the 2016/17 year it is forecast that \$7.59 million of capital works will be incomplete and carried forward into the 2017/18 year. The most significant of these projects is the Port of Sale Cultural Hub Redevelopment \$2.73 million, streetscape renewals in Rosedale and Sale \$500,000 and the Gippsland Regional Sports Complex - Stage 2A \$655,000.

12.1.2 Property: \$5.23 million

The property class comprises land, landfill improvements and buildings.

For the 2017/18 year, \$5.23 million will be expended on building, building improvements and landfill improvements. The most significant project is the completion of the Port of Sale Cultural Hub and Precinct Redevelopment \$3.69 million.

12.1.3 Infrastructure: \$30.86 million

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

For the 2017/18 year, \$12.11 million will be expended on roads. The more significant projects include the annual road reseals program \$2.75 million, Roads to Recovery projects \$5.05 million, Residential Road and Street Constructions \$1.85 million and the unsealed roads reconstruction annual program \$1.50 million.

\$2.27 million will be expended on footpaths, with the most significant project being the continuation of the Sale - Glebe Woondella Shared Path Construction \$1.45 million, \$1.14 million will be expended on bridges and \$300,000 will be expended on Drainage projects.

\$6.43 million will be expended on parks, open space, streetscapes and waste management. The most significant include the continuation of the Sale CBD Streetscape Renewal (York Street) \$1 million, the continuation of Stratford streetscape renewal \$900,000, Maffra CBD streetscape renewal \$1.25 million and the annual Playgrounds Renewal Program \$235,000.

\$3.41 million will also be expended on recreational, leisure and community facilities including Gippsland Regional Sports Complex Stage 2A \$2.18 million, Outdoor Pool Plant room replacement program \$605,000 and Baldwin Reserve Change Room Development \$490,000.

\$4.63 million will be expended on aerodromes with the most significant project being the West Sale Airport Runway Extension \$4.13 million and \$1.12 million in the Other Infrastructure category which consists of Council managed boating facilities.

12.1.4 Plant and equipment: \$3.05 million

Plant and equipment includes major plant and equipment, computers and telecommunications, library books and art works.

For the 2017/18 year, \$3.05 million will be expended on plant, equipment and other projects. The most significant projects include ongoing cyclical replacement of plant and vehicle fleet \$2.41 million and library material purchases \$245,000.

12.1.5 Intangibles: \$25,000

For the 2017/18 year \$25,000 will be expended on corporate systems and applications.

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12.1.6 Assets:

New \$3.15 million, Renewal \$28.72 million, Expansion \$4.70 million and Upgrade \$10.18 million.

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.

The major new asset to be built in 2017/18 is the Gippsland Regional Sports Complex Stage 2A \$2.82 million.

The majority of renewal expenditure is related to infrastructure spending on roads, bridges, footpaths and drainage \$11.79 million and renewal of Council's plant and vehicle fleet \$2.41 million. Other capital items to be renewed in 2017/18 include buildings \$3.47 million and open space projects \$5.12 million.

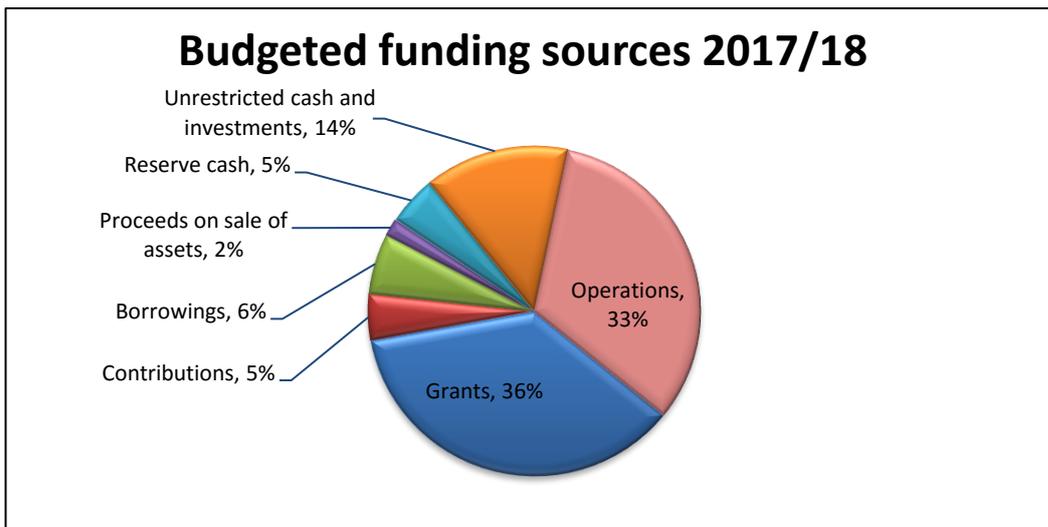
Capital items to be upgraded in 2017/18 include \$0.95 million for the Port of Sale Cultural Hub and Precinct Redevelopment, \$3.12 million in roads, bridges, footpaths and drainage, \$26,000 on the Sale CBD Streetscape Renewal (York Street) and \$929,000 on Boating Infrastructure Action Plan Works.

Capital expansion projects in 2017/18 include the Port of Sale Cultural Hub \$1.50 million and the Glebe Woondella Shared Path Construction \$1.65 million.

12.2 Funding sources

Sources of Funding	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Works carried forward				
Current year funding				
Grants		2,770	999	1,771
Contributions		-	-	-
Borrowings		-	-	-
Council cash				
- Unrestricted cash and investments		2,704	6,588	3,884
- Proceeds on sale of assets			-	-
Total works carried forward	12.2.1	5,474	7,587	2,113
New Works				
Current year funding				
Grants	12.2.2	11,466	15,987	4,521
Contributions		610	2,112	1,502
Borrowings	12.2.3	-	2,775	2,775
Council cash				
- Operations	12.2.4	13,025	15,232	2,207
- Proceeds on sale of assets	12.2.5	1,044	806	(238)
- Reserve cash and investments	12.2.6	2,072	2,247	175
- Unrestricted cash and investments				
Total new works		28,217	39,159	10,942
Total funding sources		33,691	46,746	13,056

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12.2.1 Carried forward works: \$7.59 million

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation, natural disasters etc. For the 2016/17 year it is forecast that \$7.59 million of capital works will be incomplete and carried forward into the 2017/18 year. Significant funding includes grants for the Gippsland Regional Sports Complex Stage 2A \$391,000 and the Charlies Street Boat Ramp \$133,000. The balance of funding for the carried forward works comes from unrestricted cash.

12.2.2 Grants and Contributions: \$16.99 million and \$2.11 million respectively

Capital grants and contributions include all monies received from State, Federal and community sources for the purposes of funding the capital works program.

Grants are budgeted to be significantly higher for 2017/18 due to:

The increased funding received from the Federal Government's Roads to Recovery program \$4.50 million over this five year period. Other significant budgeted grant funding includes the Port of Sale Cultural Hub and Precinct Redevelopment \$3 million, West Sale Airport runway extension \$3.5 million, Sale and Stratford CBD Streetscape Renewals will receive \$1 million, the Sale - Glebe Woondella Shared Path Construction \$1.0 million, Rosedale Revitalisation Project \$1 million, Gippsland Regional Sports Complex Stage 2A \$1.06 million and the Port Albert RV Park and Jetty upgrade \$640,000.

Contributions are budgeted to be received for projects including the Gippsland Regional Sports Complex Stage 2A \$801,000 and the Port of Sale Cultural Hub \$250,000. In addition there will be Special Charge Schemes for the Residential Road and Street Construction Plan Implementation \$368,000.

12.2.3 Borrowings: \$2.78 million

Loan borrowings of \$2.78 million are planned for the Maffra CBD development \$1,250,000 and West Sale Airport Runway and Aviation Precinct \$835,000 and the Gippsland Regional Sports Complex Stage 2A \$690,000. A further \$525,000 will be borrowed for residential street construction schemes which is funded by contributions from participating ratepayers, although cash inflows will be received over 10 years.

12.2.4 Council cash - operations: \$15.23 million

During the year Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is budgeted that \$15.23 million will be generated from within operations to fund the 2017/18 capital works program.

2017/18 Budget - Wellington Shire Council

12.2.5 Council cash - proceeds from sale of assets: \$806,000

Proceeds from sale of assets includes trade-in of major plant \$210,000 and motor vehicles \$596,000 in accordance with Council's fleet and plant renewal policy.

12.2.6 Council cash - Reserve cash and investments: \$2.25 million

Council has adequate cash reserves, which it is currently using to fund its annual capital works program. For 2017/18 \$2.25 million will be used to fund part of the new capital works program including Kilmany Landfill – Cell 2 Construction \$910,000, plant renewal \$925,000, Maffra local open space \$150,000 and other smaller infrastructure projects.

2017/18 Budget - Wellington Shire Council

13. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2016/17 and 2017/18. It also considers a number of key performance indicators.

13.1 Budgeted balance sheet

	Ref	Forecast Actual 2016 \$'000	Budget 2017 \$'000	Variance \$'000
Assets				
Current assets				
	13.1.1			
Cash and Cash Equivalents		39,659	37,756	(1,903)
Trade and Other receivables		6,858	5,478	(1,380)
Other Financial Assets		15,000	9,000	(6,000)
Other Assets		410	410	-
Total current assets		61,927	52,644	(9,283)
Non-current assets				
	13.1.1			
Trade and Other receivables		1,333	1,910	577
Property, Infrastructure, Plant & Equipment		914,492	938,510	24,018
Intangibles		526	924	398
Total non-current assets		916,351	941,344	24,992
Total assets		978,278	993,988	15,710
Liabilities				
Current liabilities				
	13.1.2			
Trade and Other Payables		5,724	6,067	(343)
Interest-Bearing Borrowings		893	556	337
Provisions		6,869	7,328	(459)
Trust funds and deposits		727	609	118
Total current liabilities		14,213	14,560	(347)
Non-current liabilities				
	13.1.2			
Interest-Bearing Borrowings		7,763	10,507	(2,744)
Provisions		2,095	2,131	(36)
Total non-current liabilities		9,858	12,638	(2,780)
Total liabilities		24,071	27,198	(3,127)
Net assets	13.1.3	954,207	966,790	12,583
Equity				
	13.1.4			
Accumulated surplus		339,527	352,514	12,987
Asset revaluation reserve		607,385	607,385	-
Other reserves		7,295	6,891	(404)
Total Equity		954,207	966,790	12,583

Source: Section 3

2017/18 Budget - Wellington Shire Council

13.1.1 Current Assets (\$9.28 million decrease) and Non-Current Assets (\$24.99 million increase)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with terms to maturity of three months or less. These balances are projected to decrease by \$1.9 million mainly to fund carried forward capital works and operating projects.

Trade and other receivables are monies owed to Council by ratepayers and others. Long term debtors have increased by \$577,000 due to the implementation of new Special Charge Schemes. Short term debtors have decreased by \$1.38 million due to the timing of capital projects grant funding.

Other Financial Assets includes the value of term deposit investments with terms to maturity of three months or more. These balances are projected to decrease by \$6 million mainly to fund carried forward capital works and operating projects.

Other Assets includes items such as prepayments for expenses that Council has paid in advance of service delivery and accrued income.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by the Council over many years. The \$24.02 million increase in this balance is attributable to the net result of the capital works program (\$46.75 million of new assets), depreciation of assets (\$21.68 million) and the impact of asset sales (\$655,000).

Intangible assets includes items such as Amortisation for Landfill Restoration, and software. The \$398,000 increase of intangibles is attributable to planned upgrades of Council's software.

13.1.2 Current Liabilities (\$343,000 increase) and Non-Current Liabilities (\$2.78 million increase)

Trade and other payables are those to whom Council owes money as at 30 June 2017. These liabilities are budgeted to increase from the 2016/17 forecast by \$343,000.

Interest-bearing loans are borrowings of Council. New loan borrowings of \$3.3 million are planned for 2017/18. Council will repay loan principal of \$893,000 during the year.

Provisions include accrued employee entitlements (long service leave and annual leave) owing to employees and provision for landfill rehabilitation. The provisions for employee entitlements are expected to increase in accordance with the Enterprise Agreement.

13.1.3 Working Capital (\$9.63 million decrease)

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

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 works for the previous financial year.

2017/18 Budget - Wellington Shire Council

	Forecast Actual 2017 \$'000	Budget 2018 \$'000	Variance \$'000
Current assets	61,927	52,644	(9,284)
Current liabilities	(14,213)	(14,560)	(347)
Working capital	47,715	38,084	(9,631)
Restricted cash and investment current assets			
- Statutory reserves	(1,098)	(1,274)	(176)
- Cash held to fund carry forward works and programs	(10,393)	(12,184)	(1,791)
- Trust funds and deposits	(727)	(609)	118
Unrestricted working capital	35,497	24,017	(11,480)

In addition to the restricted cash shown above, Council is also projected to hold \$5.62 million in discretionary reserves at 30 June 2018. 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.

13.1.4 Equity (\$12.58 million increase)

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations.
- Other reserves 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. \$12.99 million of the increase results directly from the surplus for the year. An amount of (\$404,000) (net) is budgeted to be transferred to other reserves to accumulated surplus. This is a transfer between equity balances only and does not have an impact on the total balance of equity.

13.2 Key assumptions

In preparing the Budgeted Balance Sheet for the year ending 30 June 2018 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 97.0% of total rates and charges raised will be collected in the 2017/2018 year (2016/2017: 97% forecast).
- Sundry debtors and creditors to remain consistent with 2016/17 levels.
- Employee entitlements to be increased by the Enterprise Bargaining outcome.
- Total capital expenditure to be \$46.75 million.
- There will be new loan borrowings of \$3.3 million (see Section 5 - Borrowings for more information).
- Repayment of loan principal to be \$893,000 (see Section 5 - Borrowings for more information).
- Proceeds from property sales will be transferred to reserve for funding future capital projects in following years.

Long Term Strategies

This section includes the following analysis and information.

- 14 Strategic Resource Plan
- 15 Rating Information
- 16 Borrowing Strategy
- 17 Infrastructure

2017/18 Budget - Wellington Shire Council

14. Strategic resource plan

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

14.1 Plan development

The Act requires an SRP to be prepared describing both financial and non-financial resources, (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared an SRP for the four years 2017/18 to 2020/21 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, whilst 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;
- Obtain/maintain a breakeven underlying operating result in future years;
- Maintain a level of borrowings of no more than 40% of rate revenue (see Borrowings Strategy Section 16); and
- Improve our capacity to fund the renewal of infrastructure assets according to the Asset Management Plans.

In preparing the SRP, the 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 struck;
- Consider the financial effects of Council decisions on future generations; and
- Provide full, accurate and timely disclosure of financial information.

14.2 Financial resources

The following table summarises the key financial results for the next four years as set out in the SRP projections for years 2017/18 to 2020/21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

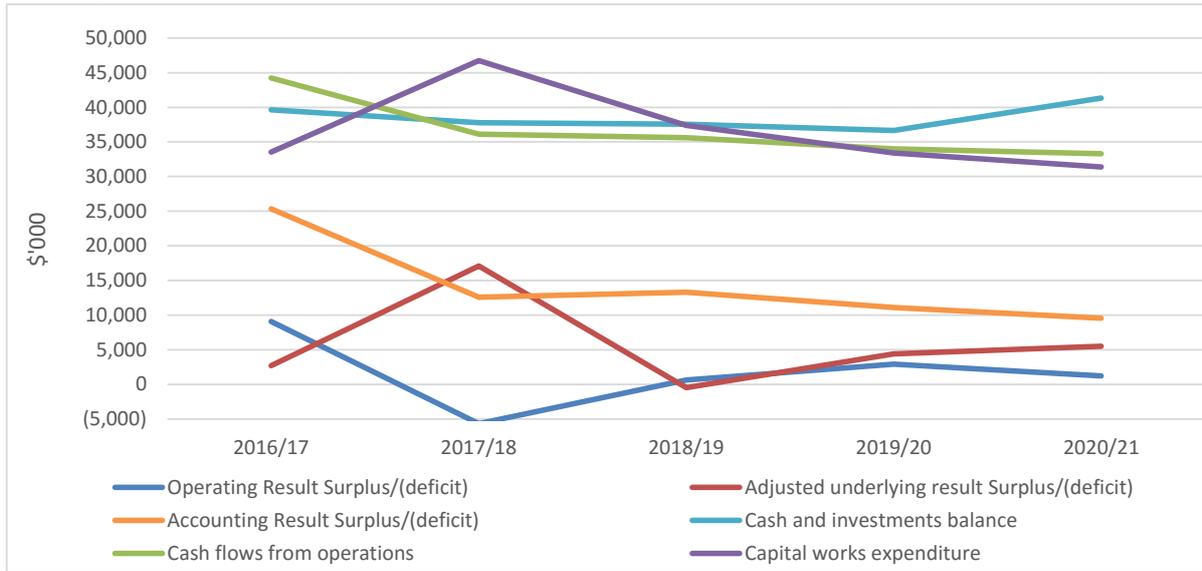
Indicator	Forecast		Strategic Resource			Trend +/-
	Actual	Budget	Projections			
	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	
Operating Result Surplus/(deficit)	9,090	(5,666)	621	2,914	1,241	+
Adjusted underlying result Surplus/(deficit)	2,715	17,096	(466)	4,399	5,509	-
Accounting Result Surplus/(deficit)	25,346	12,583	13,324	11,105	9,557	-
Cash and investments balance	39,659	37,756	37,556	36,654	41,332	+
Cash flows from operations	44,235	36,135	35,597	34,006	33,300	-
Capital works expenditure	33,554	46,746	37,374	33,400	31,389	-

Key to Forecast Trend:

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

2017/18 Budget - Wellington Shire Council

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



The key outcomes of the Plan are as follows:

- **Financial sustainability (Section 11)** - Cash and investments is forecast to increase over the four year period from \$37.76 million to \$41.33 million.
- **Rating information (Section 15)** – Modest increases are forecast over the four years at an average of 2%.
- **Borrowing strategy (Section 16)** – Borrowings are forecast to increase slightly over the four year period, from \$11.06 million to \$11.35 million. This includes \$3.3 million borrowings in 2017/18, \$1.39 million in 2018/19, \$1.51 million in 2019/20 and \$2.44 million in 2020/21.
- **Infrastructure information (Section 17)** - Capital expenditure over the four year period will total \$148.91 million at an average of \$37.22 million per annum.

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15. Rating Information

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

15.1 Rating context

In developing the Strategic Resource Plan (SRP- referred to in Section 14), rates and charges are identified as an important source of revenue, averaging 60% of the total revenue received by Council annually. Planning for the impact of minimal 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 Wellington Shire community.

15.2 Current year rates and charges

General Rates

For 2017/18 the FGRS cap has been set at 2%. The cap applies to both general rates and municipal charges. (Wellington Shire Council does not apply a municipal charge).

Waste Infrastructure Charge

The Waste Infrastructure Charge is applied to all properties, other than those identified as being within the Ninety Mile Beach Restructure Plan Stages 7 - 22, with the exception of those properties with an existing dwelling, where the charge will still apply.

The increasing cost of compliance with Environment Protection Authority (EPA) requirements in the provision of waste infrastructure (landfills and transfer stations) has resulted in the need to increase the Waste Infrastructure Charge from \$45 to \$50, in order to be able to fund the next ten years' capital works.

EPA Levy Charge

Council has anticipated that the cost to Council of EPA levies will increase by 2% (per tonne of waste to landfill) in the coming year, but Council has been able to maintain the charge to ratepayers at \$14.92 per assessment, due to prior year costs being contained and managed to lower levels than estimated.

This separate cost is shown on Rates Notices in the interests of greater transparency. The cost of this levy is influenced by two drivers - one is the volume of waste going into our landfill, and the second is the price per tonne levied by the EPA. While we can do little regarding the price, we can certainly, as a community, make greater efforts to recycle more, and reduce the volume of waste to landfill. Council is committed to progressing this within the community through the delivery of education programs in schools focusing on recycling and resource conservation.

In time this levy will need to be revisited.

Boisdale Common Effluent System Charge

In 2014/15, an annual service charge for wastewater availability in the township of Boisdale was implemented, for all properties connected to the Boisdale Common Effluent System. This charge represents a contribution towards the costs of operation and management of the system. The 2017/18 charge will increase to \$396 per property (\$435.60 for commercial properties).

This is charged on the Annual Rates Notice, and may be paid in the same way as other Rates and Charges, over four instalments.

2017/18 Budget - Wellington Shire Council

15.3 Future rates increases

The following table sets out future proposed increases in revenue from rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2017.

Year	General Rate increase (rate in dollar)	Garbage Charge increase	Waste Infrastructure Charge increase	EPA Levy Charge increase	Total Rates & Charges Raised
	%	%	%	%	\$'000
2016/17	1.97	3.00	29.0	0.0	53,977
2017/18	2.00	3.0	11.0	0.0	55,500
2018/19	2.00	3.0	10.0	0.0	56,755
2019/20	2.00	3.0	9.0	0.0	58,560
2020/21	2.00	3.0	0.0	0.0	59,706

15.4 Rating structure

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

- Property values, form the central basis of rating under the *Local Government Act 1989*
- User pays component to reflect usage of services provided by Council.

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

Council has adopted a formal Rating Strategy in March 2015 that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used.

Having reviewed the various valuation bases options for determining property values, 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, and enables the application of a differential rate to selected property categories. There are currently no plans to change that basis, but Council does review its rating structure every four years.

The existing rating structure comprises two differential rates (General and Farm) and a rate concession for recreational land. These rates are structured in accordance with the requirements of section 161 "Differential Rates" of the *Local Government Act 1989*. The Farm rate is set at 80% of the general rate and the recreational land rate is set for each property according to a set of criteria as allowed by the Act. Council also has a garbage charge, a waste infrastructure charge, an EPA levy charge, and a Boisdale Common Effluent System and Pump out charge as allowed under the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under this Act.

The following table summarises the rates to be levied for the 2017/18. A more detailed analysis of the rates to be raised is contained in Section 7 "Statutory Disclosures".

2017/18 Budget - Wellington Shire Council

Rate Type	How applied	2016/17	Draft 2017/18	Total Revenue Raised \$000's	Change
General rates	Cents/\$ CIV	0.005329	0.005436	40,194	2%
Farm rates	Cents/\$ CIV	0.004263	0.004349	9,680	2%
Recreational land rates	Cents/\$ CIV	N/A	N/A	71	N/A
Garbage Charge	\$/property	181	187	3,533	3%
EPA Levy Charge	\$/property	14.92	14.92	1,534	0%
Waste Infrastructure Charge	\$/property	45	50	282	11%
Boisdale Common Effluent System Charge	\$/property	288	396	10	2%

The garbage charge is levied against all properties where the collection service is available, whether or not the owner or occupier avails themselves of the service. The Boisdale Common Effluent System charge is levied against those properties connected to the system.

15.5 Rate Rebate on land with a Deed of Covenant for conservation purposes

Council supports the protection of the biodiversity of lands for the benefit of the broader community, through its provision of a small rate rebate to landowners with a Deed of Covenant for conservation purposes registered on their property (refer Council Policy Manual, Policy 4.1.12). For 2017/18 the rate rebate is set at \$5 per hectare, with a minimum rebate of \$100 and a maximum equal to the annual general rate on the property. Annually, this rebate applies to between 50 and 60 properties, and in 2017/18 is expected to cost Council \$13,000.

2017/18 Budget - Wellington Shire Council

16. Borrowing Strategy

16.1 Current Situation

Council has revised its Long Term Financial Plan, taking into consideration the need to plan carefully for funding the renewal of infrastructure assets, and remain a financially sustainable organisation. From this review the following borrowing strategy principles have been developed.

1. Debt levels to be within permissible ratios of the Local Government Performance Reporting Framework (LGPRF), and be below 40% of annual rate revenue, (based on Council's Rating Strategy), maintaining spare capacity for future major projects and unexpected events.
2. Borrowings will be used for non-recurrent capital works and unexpected major events.
3. Borrowings are a valid mechanism for providing inter-generational equity. i.e. the generation that uses the asset, pays for the asset.

These principles enable Council to utilise borrowings as a logical source of funds for major infrastructure projects, as well as allowing Council to access borrowings if needed unexpectedly (e.g. natural disasters/emergencies) and still remain within the prescribed "obligations" financial reporting indicators.

LGPRF Indicators			
Year	Total Borrowings 30 June \$'000	Loans & Borrowings compared to rates %	Loans & Borrowings repayments compared to rates %
2015/16	10,137	19.6	7.0
2016/17	8,656	16.0	3.7
2017/18	11,063	19.9	2.5
2018/19	11,896	21.0	1.9
2019/20	9,729	16.6	7.2
2020/21	11,352	19.0	2.2
Permissible Range		0% to 50%	0% to 10%

16.2 Future Borrowings

The proposed 2017/18 borrowings is \$3.30 million including \$1.25 million towards the Maffra CBD Streetscape Development, \$835,000 towards the West Sale Airport Runway Extension and Aviation Precinct and \$690,000 for the Gippsland Regional Sports Complex Stage 2A. The remaining \$525,000 will partly fund Residential Street Construction Schemes and will be repaid by participating ratepayers over 10 years.

After making principal payments of \$893,000, Council's total borrowings as at 30 June 2018 will be \$11.06 million.

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

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2016/17	-	1,481	504	8,656
2017/18	3,300	893	505	11,063
2018/19	1,390	556	514	11,896
2019/20	1,513	3,680	481	9,729
2020/21	2,442	820	488	11,352

Future borrowings have been matched to specific capital projects which meet our borrowing strategy

- Residential Street Construction Schemes
- Major Drainage Development Schemes
- Sporting Infrastructure Plan implementation

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

	2016/17 \$'000	2017/18 \$'000
Total amount to be borrowed	-	3,300
Total amount projected to be redeemed	(1,481)	(893)
Total amount proposed to be borrowed as at 30 June	8,656	11,063

2017/18 Budget - Wellington Shire Council

17 Infrastructure

17.1 Council Objectives

The Council Plan 2017-21 makes the following statement with regard to its vision for "Services and Infrastructure":

Wellington has a built environment that is sustainable, appropriate, accessible and responsive to the community. Transport connects people to communities and places. Events and services support our strong communities.

Strategic objectives include:

- Council services and infrastructure are responsive to identified current and future community needs within budget parameters.
- Council assets are responsibly, socially, economically and sustainably managed.
- Wellington Shire is well planned, considering long term growth and sustainability.
- Continued improvement to Wellington Shire's connectivity with further developed, accessible transport networks.

This vision underpins the development of a detailed ten year Capital works program as a critical component of the Long Term Financial Plan.

17.2 Future capital works

The following table summarises Council's current and projected capital works performance indicators:

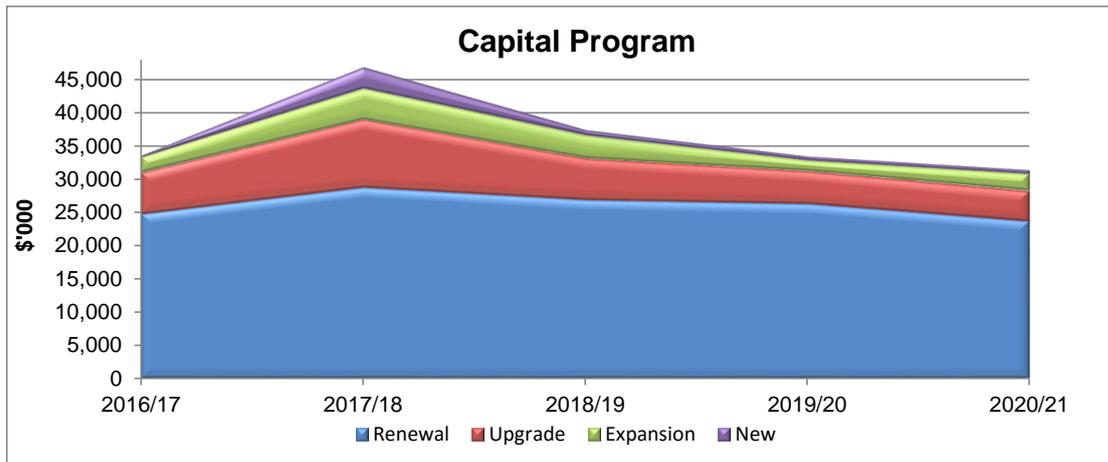
	Forecast		Budget	Strategic Resource Plan			Trend
	Actual	2016/17		2017/18	Projections	2018/19	
Capital expenditure							
Capital works	\$'000 \$	33,556	\$ 46,745	\$ 37,374	\$ 33,400	\$ 31,388	-
- New Assets	\$'000 \$	245	\$ 3,148	\$ 755	\$ 535	\$ 520	-
- Asset renewals	\$'000 \$	24,761	\$ 28,724	\$ 26,858	\$ 26,270	\$ 23,683	-
- Asset Expansions	\$'000 \$	2,341	\$ 4,697	\$ 3,509	\$ 1,651	\$ 4,581	o
- Asset upgrades	\$'000 \$	6,207	\$ 10,177	\$ 6,252	\$ 4,944	\$ 2,605	-
Capital expenditure/ Assessment	\$	1,007	1,393	1,103	976	908	-
Capital outlays/Total cash outflows	%	55.5%	50.1%	40.2%	36.7%	36.1%	-
Capital outlays/Rate revenue	%	62.2%	84.2%	65.9%	57.0%	52.6%	-
Asset renewals/Total depreciation *	%	117.4%	133.7%	120.4%	108.8%	100.0%	-

Key to Forecast Trend:

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

2017/18 Budget - Wellington Shire Council

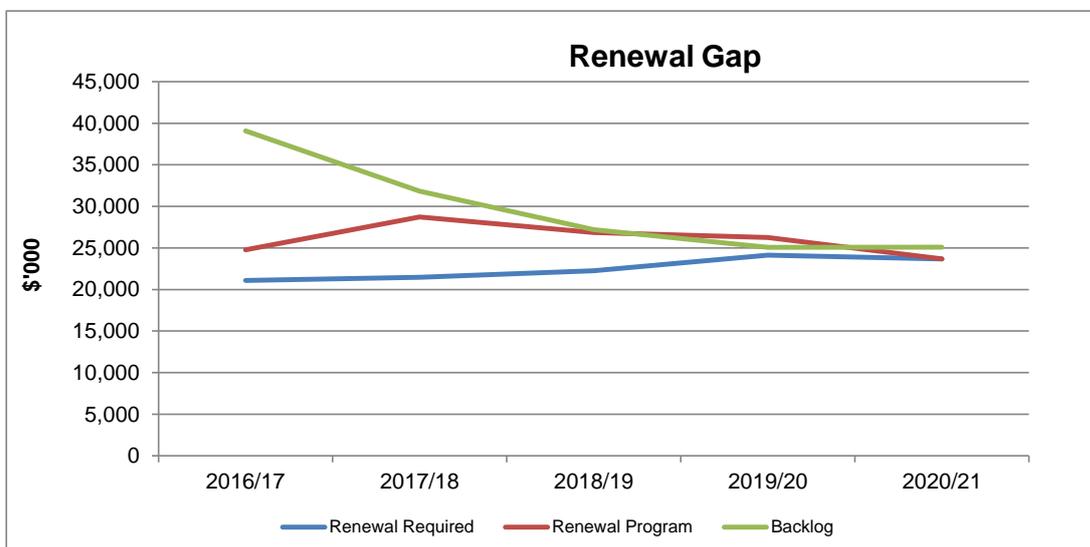
The following graph depicts how the capital works budget will be spent in the next four years. The increase in budgets on renewal projects in 2017/18 is in part due to a number of CBD infrastructure renewal programs, bridge and road renewals for rural and unsealed roads. The Port of Sale Cultural Hub and Precinct Redevelopment project is mostly renewal but have significant components classified as upgrade and expansion as well. The Residential Road and Street Construction Plan Implementation has both renewal and upgrade components, reflected in the increase in budgets in upgrade and renewal projects in 2017/18. The increase in budgets in upgrade and expansion projects in 2017/18 is also due to the West Sale Airport runway extension the Glebe Woondella Shared Path construction projects amongst others.



Capital Renewal Gap

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

The graph below indicates the extent of Council's renewal effort against its renewal requirement. The renewal requirement is based on depreciation that represents the decline in value of its existing capital assets.



2017/18 Budget - Wellington Shire Council

At present, Wellington Shire Council is unable to fully fund asset renewal backlog identified in long term asset management plans and as a result, some assets have passed their notional useful life which contributes to the predicted backlog. The backlog is the renewal works that Council has not been able to fund over the past years and is equivalent to the accumulated asset renewal gap.

In recent years, Council has focused on arresting this renewal backlog which is reflected in the above graph. The graph shows that for the next few years the contribution to asset renewal sufficiently accommodates the renewal requirement, and therefore reduces the asset renewal backlog.

A critical component in understanding future renewal requirements is deciding on appropriate service levels for each asset class. We are continuing our focus on improving information on service levels so that we may better predict our future renewal requirements and better reflect the asset renewal backlog. Service level planning is essential to clearly define the predicted asset renewal backlog.

Council is committed to continually improving information about assets including service levels and condition so that our asset renewal predictions are as accurate as possible. The aim is to enable accurate renewal requirements to be determined for each asset class and to ultimately provide a sustainable forward capital works and maintenance program for the renewal of infrastructure.

17.3 Roads to Recovery funding

In developing the ten year capital works program it has been assumed that Roads to Recovery funding will be available beyond the next program conclusion in 2019. Given the extent of Wellington's road network this funding is essential in order to be able to provide an sustainable asset renewal and upgrade program. Roads to Recovery funding underpins and is an essential component of the adopted Residential Road and Street Construction Plan.

Roads to Recovery funding consists of an annualised grants program of approximately \$2.3 million, which will be spent on renewing and upgrading our extensive rural road and residential street network.

Council will continue to lobby, through our industry bodies, for Roads to Recovery funding to continue and expand beyond the next 5 years as this funding has a positive impact on our future capital works programs and reduces the pressure to fund this work from rates income.

17.4 Waste Infrastructure Charge

The ten year Waste Management Plan, which is reviewed annually, clearly sets out the costs for establishing recycling and transfer stations, rehabilitation of landfills and monitoring of existing and closed landfills. These costs are currently being incurred by our community and should be paid for by this generation and not at the expense of future ratepayers and residents.

The implications of the ten year Waste Management Plan, and the funding required for its implementation, are considered in the Long Term Financial Plan. This has resulted in the continuation of the waste infrastructure charge to provide for the identified costs. Since the introduction of this charge, costs of construction and rehabilitation of landfills have escalated in line with increasing community and government expectations for landfill infrastructure.

Presently Council manages the following waste facilities:

- 2 licensed operational landfill sites (Kilmany and Maffra)
- 1 licensed site not operating (Longford)
- 1 unlicensed operating site (Rosedale)
- 7 transfer stations (Kilmany, Stratford, Dargo, Heyfield, Seaspray, Yarram and Loch Sport)

There are also a further 8 closed landfills under rehabilitation and after care.

In 2017/18 the Council will apply the waste infrastructure charge towards the following projects:

- Stratford Transfer station - Access Road Sealing
- Longford Landfill - Monitoring bores (groundwater) x 2
- Rosedale Landfill - Minor cell construct
- Yarram Transfer Station Facility Refit
- Kilmany and Maffra Landfills- Hydrological Assessment monitoring bores,
- 2016/17 carried forward project - Conclude construction of new Kilmany Landfill
- 2016/17 carried forward project - Conclude rehabilitation of the Kilmany Landfill
- 2016/17 carried forward project - Conclude rehabilitation of the Maffra Landfill

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Appendix A

Fees and charges schedule

The 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 2017/18 year.

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
ART GALLERY					
Art Gallery Life Drawing Classes (6 week course)	C	10	150.00	154.00	01-Jul-17
Art Gallery Education – Subscriptions					
Primary Schools under 150	C	10	100.00	102.50	01-Jan-18
Primary Schools over 150	C	10	203.00	208.00	01-Jan-18
Secondary Schools	C	10	217.00	222.50	01-Jan-18
Specialist Schools	C	10	100.00	102.50	01-Jan-18
Kindergartens	C	10	100.00	102.50	01-Jan-18
Tertiary Institutions	C	10	338.00	346.50	01-Jan-18
Gecko Junior Memberships – First Child	C	10	14.00	15.00	01-Jan-18
Gecko Junior Memberships – Each Additional Child	C	10	9.00	10.00	01-Jan-18
ESSO BHP BILLITON WELLINGTON ENTERTAINMENT CENTRE					
Main Stage Hire Rates					
Commercial Rate per day (Max 14 hours)	C	10	1,375.00	1,410.00	01-Jul-17
Commercial - second performance on the same day	C	10	595.00	610.00	01-Jul-17
Community Rate per day (Max 14 hours)	C	10	795.00	795.00	01-Jul-17
Community - second performance on the same day	C	10	295.00	295.00	01-Jul-17
Commercial per Week	C	10	5,375.00	5,510.00	01-Jul-17
Community per Week	C	10	3,545.00	3,545.00	01-Jul-17
Commercial Rate - Short hire (max 4 hours)	C	10	895.00	918.00	01-Jul-17
Community Rate - Short hire (max 4 hours)	C	10	505.00	505.00	01-Jul-17
Rehearsal Room & Meeting Room & Foyer Rate per day (Max 8 hours)	C	10	285.00	293.00	01-Jul-17
Rehearsal Room & Meeting Room - Short hire (Max 4 hours)	C	10	150.00	154.00	01-Jul-17
Ticket Fees					
Ticket fees per ticket - Commercial	C	10	4.05	4.16	01-Jul-17
Ticket fees average per ticket - Community	C	10	2.75	2.75	01-Jul-17
Complimentary Ticket Fee	C	10	0.75	0.75	01-Jul-17
Credit Card fee - Up to 4% of transaction value charged to the hirer.	C	10	4%	4%	01-Jul-17
Tech Labour					
Tech Labour Charge Out per hour - Commercial	C	10	49.00	49.90	01-Jul-17
Tech Labour Charge Out per hour - Community	C	10	45.00	45.80	01-Jul-17
Labour Front of House					
FOH Labour Charge out per hour - Commercial	C	10	45.00	45.80	01-Jul-17
FOH Labour Charge out per hour - Community	C	10	43.00	43.77	01-Jul-17
Equipment					
Use of Grand Piano - Commercial	C	10	255.00	261.50	01-Jul-17
Use of Grand Piano - Community	C	10	155.00	155.00	01-Jul-17
Piano Tune	C	10	250.00	256.50	01-Jul-17
Consumables (charged at cost +15%)	C	10	Cost price + 15%	Cost price + 15%	01-Jul-17

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
LIBRARY					
Printing/Photocopies B&W A4 per page	C	10	0.20	0.20	01-Nov-01
Printing/Photocopies B&W A3 per page	C	10	0.50	0.50	01-Nov-01
Printing/Photocopies Colour A4 per page	C	10	1.00	1.00	01-Jul-10
Printing/Photocopies Colour A3 per page	C	10	2.00	2.00	01-Jul-10
Microfilm Printing A4 per page	C	10	0.20	0.20	01-Jul-10
Interlibrary loans- Search fee per book	C	10	4.00	4.00	01-Jul-10
Interlibrary loans- Books per transfer	C	10	18.50	18.50	01-Jul-13
Overdues per day after grace period expires	C	10	0.15	0.15	01-Jul-10
National facsimile fees (1st page)	C	10	4.00	5.00	01-Jul-17
National facsimile fees Additional Pages per page	C	10	1.00	1.25	01-Jul-17
Overseas facsimile fees (1st page)	C	10	8.00	10.00	01-Jul-17
Overseas facsimile fees Additional Pages per page	C	10	2.00	2.50	01-Jul-17
Library Receiving Faxes per page	C	10	1.00	1.25	01-Jul-17
Mini-earphones	C	10	5.00	5.00	01-Jul-15
Library Laminating A4 size	C	10	4.00	4.00	01-Jul-14
Library Book Covering	C	10	10.00	10.00	01-Jul-14
Library Binding Repairs (thin book approx 10 mins)	C	10	10.00	10.00	01-Jul-14
Library Binding Repairs (thick book approx 15 mins)	C	10	15.00	15.00	01-Jul-14
Replacement membership cards	C	10	5.80	5.50	01-Jul-17
Replacement CD for Talking Book set	C	10	16.00	RRP	01-Jul-17
Lost Book, Magazine or Audio-Visual item	C	10	RRP	RRP	01-Jul-13
GIPPSLAND REGIONAL SPORTS COMPLEX					
Indoor Courts					
Court Hire (peak) per hour	C	10	47.00	48.00	01-Jul-17
Court Hire (off peak) per hour*	C	10	34.70	35.40	01-Jul-17
* capped at 8 hours when all 4 courts are booked					
Training/Casual Use - adult / entry fee	C	10	5.90	6.00	01-Jul-17
Training/Casual Use - concession / entry fee	C	10	3.00	3.10	01-Jul-17
Outdoor Courts					
Outdoor Court with Lights - per hour (Capped at 6 Courts)	C	10	9.90	10.10	01-Jul-17
Outdoor Court no Lights - per hour (Capped at 6 Courts)	C	10	4.70	4.80	01-Jul-17
School Use	C	10	3.10	3.20	01-Jul-17
Meeting/Club Rooms					
Meeting Room - per hour	C	10	4.30	4.50	01-Jul-17
Club Room (half) - per hour	C	10	12.70	13.00	01-Jul-17
Club Room (full) - per hour	C	10	25.40	26.00	01-Jul-17
Club Administration Office					
Office Annual Hire Fee	C	10	305.00	315.00	01-Jul-17
Team Match Fees - Competition run by W.S.C.					
Indoor Soccer - per Senior team	C	10	60.00	60.00	01-Jan-17
Indoor Soccer - per Junior team	C	10		45.00	
Indoor Netball - per team	C	10	60.00	60.00	01-Oct-17
Outdoor Netball - per team	C	10	38.00	39.00	01-Oct-17

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GST INCLUSIVE

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Synthetic - Senior Hockey	C	10		TBD	01-Jan-18
Synthetic - Junior Hockey	C	10		TBD	01-Jan-18
Synthetic - Senior Soccer	C	10		TBD	01-Jan-18
Synthetic - Junior Soccer	C	10		TBD	01-Jan-18
Synthetic - Footy 9's	C	10		TBD	01-Jan-18
Synthetic Pitch Hire					
Full Field (250 lux) - Regular User	C	10		TBD	01-Jan-18
Full Field (xxx lux) - Regular User	C	10		TBD	01-Jan-18
Full Field (100 lux) - Regular User	C	10		TBD	01-Jan-18
Half Field (250 lux) - Regular User	C	10		TBD	01-Jan-18
Half Field (xxx lux) - Regular User	C	10		TBD	01-Jan-18
Half Field (100 lux) - Regular User	C	10		TBD	01-Jan-18
School Use	C	10		TBD	01-Jan-18
Full Field (250 lux) - Casual User	C	10		TBD	01-Jan-18
Full Field (xxx lux) - Casual User	C	10		TBD	01-Jan-18
Full Field (100 lux) - Casual User	C	10		TBD	01-Jan-18
Half Field (250 lux) - Casual User	C	10		TBD	01-Jan-18
Half Field (xxx lux) - Casual User	C	10		TBD	01-Jan-18
Half Field (100 lux) - Casual User	C	10		TBD	01-Jan-18
Pavilion Hire					
Club Annual Hire (Inc. office space and storage shed)	C	10		TBD	
Kiosk Annual Hire	C	10		TBD	
AQUA ENERGY					
Aquatics Casual Entry					
Swim Adult	C	10	6.20	6.30	01-Jul-17
Swim Concession	C	10	5.00	5.10	01-Jul-17
Swim Child (4-15)	C	10	4.10	4.20	01-Jul-17
Swim Family (Medicare card)	C	10	16.50	16.80	01-Jul-17
Swim, Sauna - Adult	C	10	8.50	8.70	01-Jul-17
Swim, Sauna - Concession	C	10	6.80	6.90	01-Jul-17
Swim School Group - per Student	C	10	3.30	3.40	01-Jan-18
Swim School Group - Cost of Instructor	C	10	41.70	42.50	01-Jan-18
Group Fitness & Gym Casual Entry					
Group Fitness Adult	C	10	13.80	14.10	01-Jul-17
Group Fitness Concession	C	10	11.00	11.20	01-Jul-17
Group Fitness Schools - per student	C	10	7.40	7.50	01-Jan-18
Gym Adult	C	10	15.40	15.70	01-Jul-17
Gym Concession	C	10	12.30	12.50	01-Jul-17
Gym Teen (classes or gym)	C	10	6.90	7.00	01-Jul-17
Gym School Group - per student	C	10	8.20	8.40	01-Jan-18
Living Longer Living Stronger sessions (gym/fitness classes)	C	10	7.00	7.10	01-Jul-17

WELLINGTON SHIRE COUNCIL
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GST INCLUSIVE

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Multi Visit Passes					
10 visit Swim - Adult	C	10	55.80	60.00	01-Jul-17
10 visit Swim - Child	C	10	36.90	38.00	01-Jul-17
10 visit Swim - Concession	C	10	45.00	46.00	01-Jul-17
10 visit Swim - Family	C	10	148.50	151.50	01-Jul-17
10 visit Swim, Sauna - Adult	C	10	76.50	78.00	01-Jul-17
10 visit Swim, Sauna - Concession	C	10	61.20	62.50	01-Jul-17
10 visit Gym - Adult	C	10	138.60	141.50	01-Jul-17
10 visit Gym - Concession	C	10	110.70	113.00	01-Jul-17
10 visit Group Fitness - Adult	C	10	124.20	127.00	01-Jul-17
10 visit Group Fitness - Concession	C	10	99.90	102.00	01-Jul-17
10 visit Creche - Member	C	10	69.30	80.00	01-Jul-17
10 visit Creche - Non-Member	C	10	137.70	156.00	01-Jul-17
Other					
Creche - Gold & Aquatic members per child per session	C	10	7.70	8.00	01-Jul-17
Creche - Non members per child per session	C	10	15.30	15.65	01-Jul-17
Fitness Room Hire - Full Day	C	10	51.50	52.50	01-Jul-17
Fitness Room Hire - Half Day	C	10	25.80	26.50	01-Jul-17
Pool Hire					
Swimming Pool Hire - whole pool per hour	C	10	140.10	143.0	01-Jul-17
Swimming Pool Hire - lane per hour	C	10	42.70	44.0	01-Jul-17
Pool Inflatable Hire - per hour	C	10	92.70	95.0	01-Jul-17
Additional Lifeguard - per hour	C	10	41.80	43.0	01-Jul-17
Learn to Swim Lessons					
Swim lessons - 30mins - Member	C		12.50	12.80	01-Jul-17
Swim lessons - 30mins - Non-Member	C		16.60	16.95	01-Jul-17
Swim lessons - 45mins - Member	C		13.50	13.80	01-Jul-17
Swim lessons - 45mins - Non-Member	C		17.60	18.00	01-Jul-17
Swim lessons - 1hour - Member	C		14.80	15.00	01-Jul-17
Swim lessons - 1hour - Non-Member	C		18.90	19.30	01-Jul-17
Private 1:1 - Half Hour - Member	C		39.50	40.30	01-Jul-17
Private 1:1 - Half Hour - Non-Member	C		43.60	44.50	01-Jul-17
Holiday Swim Program - Member	C		62.50	63.80	01-Jul-17
Holiday Swim Program - Non-Member	C		83.00	84.70	01-Jul-17
Disability - Achiever Program 1:1	C		26.80	27.30	01-Jul-17
Swim lesson - 30mins - Member Direct Debit - per <u>fortnight</u>	C		10.00	20.40	01-Jul-17
Swim lesson - 30mins - Non-Member Direct Debit - per <u>fortnight</u>	C		13.30	27.20	01-Jul-17
Swim lesson - 45mins - Member Direct Debit - per <u>fortnight</u>	C		10.80	22.00	01-Jul-17
Swim lesson - 45mins - Non-Member Direct Debit - per <u>fortnight</u>	C		14.10	29.00	01-Jul-17
Swim lesson - 1hour - Member Direct Debit - per <u>fortnight</u>	C		11.90	24.20	01-Jul-17
Swim lesson - 1hour - Non-Member Direct Debit - per <u>fortnight</u>	C		15.20	31.00	01-Jul-17
Admin					
Joining Fee (Direct Debit Membership)	C	10	70.00	70.00	01-Jul-17
Membership card replacement fee	C	10	8.60	8.80	01-Jul-17
Suspension Fee	C	10		5.50	01-Jul-17

WELLINGTON SHIRE COUNCIL
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GST INCLUSIVE

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Term Memberships					
Base Adult 12mth Membership - Aquatic	C	10	354.00	365.00	01-Jul-17
Aquatic 12mth - Adult	C	10	424.00	432.50	01-Jul-17
Aquatic 12mth - Concession	C	10	354.00	365.00	01-Jul-17
Aquatic 12mth - Child	C	10	306.00	315.00	01-Jul-17
Aquatic 12mth - Family	C	10	660.00	673.50	01-Jul-17
Aquatic 6mth - Adult	C	10	247.00	252.00	01-Jul-17
Aquatic 6mth - Concession	C	10	212.00	216.25	01-Jul-17
Aquatic 6mth - Child	C	10	188.00	192.00	01-Jul-17
Aquatic 6mth - Family	C	10	365.00	372.50	01-Jul-17
Aquatic 3mth - Adult	C	10	165.00	168.50	01-Jul-17
Aquatic 3mth - Concession	C	10	145.00	148.00	01-Jul-17
Aquatic 3mth - Child	C	10	136.00	140.00	01-Jul-17
Aquatic 3mth - Family	C	10	218.00	222.50	01-Jul-17
Base Adult 12mth Membership - Gold	C	10	955.00	975.00	01-Jul-17
Gold 12mth - Adult	C	10	1025.00	1045.00	01-Jul-17
Gold 12mth - Concession	C	10	834.00	850.00	01-Jul-17
Gold 12mth - Family	C	10	1662.00	1695.00	01-Jul-17
Gold 6mth - Adult	C	10	548.00	559.00	01-Jul-17
Gold 6mth - Concession	C	10	452.00	461.00	01-Jul-17
Gold 6mth - Family	C	10	866.00	883.50	01-Jul-17
Gold 3mth - Adult	C	10	309.00	315.25	01-Jul-17
Gold 3mth - Concession	C	10	263.00	268.30	01-Jul-17
Gold 3mth - Family	C	10	468.00	477.50	01-Jul-17
Base LLLS	C	10	740.00	755.00	01-Jul-17
Living Longer Living Stronger - 12 month	C	10	810.00	825.00	01-Jul-17
Corporate					
Corporate 12mth - Adult 5+	C	10	930.00	949.00	01-Jul-17
Corporate 12mth - Family 5+	C	10	1503.00	1535.00	01-Jul-17
Direct Debit Memberships - Fortnightly					
Aquatic Direct Debit - Adult	C	10	14.40	14.70	01-Jul-17
Aquatic Direct Debit - Concession	C	10	10.90	11.10	01-Jul-17
Aquatic Direct Debit - Child	C	10	9.80	10.00	01-Jul-17
Aquatic Direct Debit - Family	C	10	23.70	24.20	01-Jul-17
Gold Direct Debit - Adult	C	10	36.80	37.75	01-Jul-17
Gold Direct Debit - Concession	C	10	29.40	30.00	01-Jul-17
Gold Direct Debit - Family	C	10	61.30	62.50	01-Jul-17
Living Longer Living Stronger Direct Debit	C	10	28.50	29.10	01-Jul-17
Corporate Adult 5+ Direct Debit	C	10	33.10	33.80	01-Jul-17
Corporate Family 5+ Direct Debit	C	10	55.20	56.30	01-Jul-17
Personal Training					
Personal Training 1 Hour Session	C	10	57.30	58.50	01-Jul-17
Personal Training 1/2 Hour Session	C	10	37.20	38.00	01-Jul-17
Personal Training 1 Hour Session 1:2	C	10	69.00	70.50	01-Jul-17
Personal Training 1/2 Hour Session 1:2	C	10	47.80	49.00	01-Jul-17
Personal Training 1 Hour Session 1:3	C	10	82.80	85.00	01-Jul-17
Personal Training 1 Hour Session 1:4	C	10	99.40	105.00	01-Jul-17

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
OUTDOOR POOLS					
Single Admission (All Pools)					
Adult	C	10	6.20	6.30	01-Jul-17
Concession	C	10	5.00	5.10	01-Jul-17
Child (4-15)	C	10	4.10	4.20	01-Jul-17
Family	C	10	16.50	16.80	01-Jul-17
Memberships/Season Passes (Sale, Maffra & Yarram) 18 Weeks					
Adult	C	10	122.60	125.00	01-Jul-17
Concession	C	10	98.30	100.00	01-Jul-17
Child (4-15)	C	10	81.70	83.00	01-Jul-17
Family	C	10	204.30	210.00	01-Jul-17
Memberships/Season Passes (Stratford, Heyfield, Rosedale) 15 Weeks					
Adult	C	10	102.20	104.00	01-Jul-17
Concession	C	10	82.00	83.50	01-Jul-17
Child (4-15)	C	10	68.10	69.50	01-Jul-17
Family	C	10	170.20	174.00	01-Jul-17
LOCAL LAWS					
Alfresco Dining Permit Annual Fee	C		170.00	175.00	01-Jul-17
Roadside Trading Permit (Weekly fee)	C		60.00	62.00	01-Jul-17
Local Laws permit - 1 year	C		65.00	67.00	01-Jul-17
Local Law permit - 3 years	C		157.00	160.00	01-Jul-17
Impounded Vehicle release fee	C		\$300.00 + towing fee	\$308.00 + towing Fee	01-Jul-17
Shopping trolley impoundment release fee	C		135.00	138.00	01-Jul-17
Local Law Fines	L		100.00 = one penalty unit	100.00 = one penalty unit	01-Jul-17
VicRoads - Emergency works callout up to 3hrs	C	10	580.00	595.00	01-Jul-17
ANIMALS					
Domestic Animals					
Dog-Registrations					
Standard Fee	C		120.00	123.00	11-Apr-18
Dangerous, Menacing or Restricted Breed	C		200.00	205.00	11-Apr-18
Guard Dog			NA	120.00	
Reduced Fee (Sterilised, over 10 years old, kept for breeding at a licensed premises, owner a member of approved association, kept for working stock, obedience trained with an approved organisation) not applicable to dangerous, menacing, guard dog or restricted breeds	C		40.00	41.00	11-Apr-18
Pension Concession on above of 50%	C		50% of appropriate fee	50% of appropriate fee	11-Apr-18
Cat-Registrations					
Standard Fee	C		120.00	123.00	11-Apr-18
Reduced Fee (Sterilised, over 10 years old, kept for breeding at a licensed premises, owner a member of approved association)	C		40.00	41.00	11-Apr-18
Pension Concession on above of 50%	C		50% of appropriate fee	50% of appropriate fee	
Tag Replacement Dog	C		6.00	6.00	11-Apr-18
Tag Replacement Cat	C		6.00	6.00	11-Apr-18
Animal Cage Deposits (Refundable)	C		65.00	67.00	11-Apr-18
Domestic Animal Business Registration	C		\$255.00 + Veterinarian fee if applicable	260.00 + Veterinarian fee if applicable	11-Apr-18
Domestic Animal Business Registration - Breeders	C		\$2500.00 flat fee + \$15.00 per breeding bitch + Veterinarian Fee if applicable	\$2500.00 flat fee + \$15.00 per breeding bitch + Veterinarian Fee if applicable	01-Jul-17

**WELLINGTON SHIRE COUNCIL
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Impound Penalties					
Release Penalty Dogs & Cats Registered	C		155.00	155.00	01-Jul-17
Release Penalty Unregistered Dogs & Cats, or subsequent impound of Registered animal	C		185.00	185.00	01-Jul-17
Release Penalty Small Livestock - includes Sheep, Goats and Pigs	C		\$75 for 1st animal, \$40 per subsequent animal + invoiced transportation costs	\$75 for 1st animal, \$40 per subsequent animal + invoiced transportation costs	01-Jul-17
Release Penalty Large Livestock - includes Cattle and Horses	C		\$125.00 for 1st animal, \$40 per subsequent animal + invoiced transportation costs	\$125.00 for 1st animal, \$40 per subsequent animal + invoiced transportation costs	01-Jul-17
Sustenance fee, per day per animal - fee may be increased dependent on seasonal availability.					
Small Livestock - includes Sheep, Goats and Pigs	C		14.00	14.00	01-Jul-17
Large Livestock - includes Cattle and Horses	C		18.00	18.00	01-Jul-17
BUILDING					
Building Permits Inspections – Minimum Rate	C	10	164.00	168.00	01-Jul-17
Building Report and Consents	L		250.00	250.00	01-Jul-17
Building Plan Copy	C	10	87.00	89.00	01-Jul-17
Building Plan Search Fee	C	10	62.00	64.00	01-Jul-17
Swimming Pool Inspections	C	10	143.00	146.00	01-Jul-17
Places of Public Entertainment (POPES)	C	10	320.00	327.00	01-Jul-17
HEALTH					
Requested premises Inspection Fee	C		270.00	276.00	01-Jul-17
Registration - Food Premises- class 1*	C		460.00	470.00	01-Jul-17
Registration - Food Premises- class 2*	C		460.00	469.00	01-Jul-17
Registration – Food Premises – class 2 (Low volume)*	C		262.00	268.00	01-Jul-17
Registration - Food Premises- class 3 *	C		262.00	268.00	01-Jul-17
Registration - Food Premises- class 3 (Low risk)*	C		110.00	113.00	01-Jul-17
Additional Registration Fee - per each additional staff over 5 EFT	C		18.00	19.00	01-Jul-17
Water Transport Vehicle	C		350.00	357.00	01-Jul-17
Hairdressers Lifetime Registration one off	C		240.00	245.00	01-Jul-17
Registrations – Hair/Beauty/Skin Penetration	C		135.00	138.00	01-Jul-17
Registrations - Prescribed Accommodation* (Rooming Houses)	C		198.00	202.00	01-Jul-17
Registrations – Caravan Parks per site	L		As per the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010, No.49 Schedule 2	As per the Residential Tenancies (Caravan Parks and Movable Dwellings Registration and Standards) Regulations 2010, No.49 Schedule 2	01-Jul-17
Caravan Park - Application for Rigid Annexe	C		246.00	251.00	01-Jul-17
* Pro rata registration applies for new registrations					
Registration Late fee additional 50%	C		additional 50%	additional 50%	01-Jul-17
Additional Food Act Inspection Fee - used when premises does not comply with first or second inspection requirements	C		160.00	164.00	01-Jul-17
Vaccines	C		cost price + Administration Fee	cost price + Administration Fee	01-Jul-17

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SEPTIC TANK FEES					
Minor alteration	C		201.00	205.00	01-Jul-17
Major alteration	C		402.00	410.00	01-Jul-17
New Septic Tank	C		485.00	495.00	01-Jul-17
Additional inspections	C		107.00	110.00	01-Jul-17
Reissue of Permits	C		63.00	65.00	01-Jul-17
Report and Consent Request - unsewered areas	C		52.00	54.00	01-Jul-17
PLANNING					
Development Advice Request	C	10	90.00	92.00	01-Jul-17
Development Advice Request (Complex)	C	10	\$90.00 minimum plus \$50.00 per hour	\$90.00 minimum plus \$50.00 per hour	01-Jul-17
Planning Permit & Endorsed Plans Search and Copy	C	10	130.00	133.00	01-Jul-17
Planning Permit Search and Copy	C	10	100.00	102.00	01-Jul-17
Planning Permit Extension of Time	C	10	200.00	204.00	01-Jul-17
Preparation/Review Section 173 Agreement	C	10	200.00	204.00	01-Jul-17
Strategic Planning Written Advice	C	10	90.00	92.00	01-Jul-17
Valuation (Public Open Space Contribution)	C	10	Cost of valuation	Cost of valuation	01-Jul-17
Fees for Applications for Permits under Section 47 (Regulation 9) & Applications to Amend Permits Under Section 72 (Regulation 11) of the Planning & Environment Act 1987					
Class 1 - Use Only	L			1240.70	13-Oct-16
Class 1 - Amendment to a permit to change the use of land allowed by the permit or allow a new use of land.	L			1240.70	13-Oct-16
Class 2 - To develop land for a single dwelling per lot or use and develop land for a single dwelling per lot and undertake development ancillary to the use of land for a single dwelling per lot included in the application (other than a class 7 permit or a permit to subdivide or consolidate land) if the estimated cost of development is \$10,000 or less.	L			188.20	13-Oct-16
Class 2 - Amendment to a permit (other than a permit to develop land for a single dwelling per lot or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of land for a single dwelling per lot) to change the statement of what the permit allows or to change any or all of the conditions which apply to the permit.	L			1240.70	13-Oct-16
Class 3 - To develop land for a single dwelling per lot or use and develop land for a single dwelling per lot and undertake development ancillary to the use of land for a single dwelling per lot included in the application (other than a class 8 permit or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$10,000 but not more than \$100,000.	L			592.50	13-Oct-16
Class 3 - Amendment to a class 2 permit	L			188.20	13-Oct-16
Class 4 - To develop land for a single dwelling per lot or use and develop land for a single dwelling per lot and undertake development ancillary to the use of land for a single dwelling per lot included in the application (other than a class 8 permit or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$100,000 but not more than \$500,000.	L			1212.80	13-Oct-16
Class 4 - Amendment to a class 3 permit	L			592.50	13-Oct-16
Class 5 - To develop land for a single dwelling per lot or use and develop land for a single dwelling per lot and undertake development ancillary to the use of land for a single dwelling per lot included in the application (other than a class 8 permit or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$500,000 but not more than \$1,000,000.	L			1310.40	13-Oct-16
Class 5 - Amendment to a class 4 permit	L			1212.80	13-Oct-16
Class 6 - To develop land for a single dwelling per lot or use and develop land for a single dwelling per lot and undertake development ancillary to the use of land for a single dwelling per lot included in the application (other than a class 8 permit or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$1,000,000 but not more than \$2,000,000.	L			1407.90	13-Oct-16

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Class 6 - Amendment to a class 5 or class 6 permit	L			1310.40	13-Oct-16
Class 7 - VicSmart application if the estimated cost of development is \$10,000 or less.	L			188.20	13-Oct-16
Class 7 - Amendment to a class 7 permit	L			188.20	13-Oct-16
Class 8 - VicSmart application if the estimated cost of development is more than \$10,000.	L			404.30	13-Oct-16
Class 8 - Amendment to a class 8 permit	L			404.30	13-Oct-16
Class 9 - VicSmart application to subdivide or consolidate land.	L			188.20	13-Oct-16
Class 9 - Amendment to a class 9 permit	L			188.20	13-Oct-16
Class 10 - To develop land (other than a class 2, class 3, class 7 or class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is less than \$100,000.	L			1080.40	13-Oct-16
Class 10 - Amendment to a class 10 permit	L			1080.40	13-Oct-16
Class 11 - To develop land (other than a class 4, class 5, or class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$100,000 and not more than \$1,000,000.	L			1456.70	13-Oct-16
Class 11 - Amendment to a class 11 permit	L			1456.70	13-Oct-16
Class 12 - To develop land (other than a class 6 or class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$1,000,000 and not more than \$5,000,000.	L			3213.20	13-Oct-16
Class 12 - Amendment to a class 12, 13, 14 or 15 permit	L			3213.20	13-Oct-16
Class 13 - To develop land (other than a class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$5,000,000 and not more than \$15,000,000.	L			8189.80	13-Oct-16
Class 13 - Amendment to a class 16 permit	L			1240.70	13-Oct-16
Class 14 - To develop land (other than a class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$15,000,000 and not more than \$50,000,000.	L			24151.10	13-Oct-16
Class 14 - Amendment to a class 17 permit	L			1240.70	13-Oct-16
Class 15 - To develop land (other than a class 8 or a permit to subdivide or consolidate land) if the estimated cost of development is more than \$50,000,000*.	L			54282.40	13-Oct-16
Class 15 - Amendment to a class 18 permit	L			1240.70	13-Oct-16
Class 16 - To subdivide an existing building (other than a class 9 permit).	L			1240.70 (per 100 lots created)	13-Oct-16
Class 16 - Amendment to a class 19 permit	L			1240.70 (per 100 lots created)	13-Oct-16
Class 17 - To subdivide land into 2 lots (other than a class 9 or class 16 permit).	L			1240.70	13-Oct-16
Class 17 - Amendment to a class 20 permit	L			1240.70	13-Oct-16
Class 18 - To effect a realignment of a common boundary between lots or consolidate 2 or more lots (other than a class 9 permit).	L			1240.70	13-Oct-16
Class 18 - Amendment to a class 21 permit	L			1240.70	13-Oct-16
Class 19 - Subdivide land (other than a class 9, class 16, class 17 or class 18 permit).	L			1240.70 (per 100 lots created)	13-Oct-16
Class 20 - To a) create, vary or remove a restriction within the meaning of the Subdivision Act 1988; or b) create or remove a right of way; or c) create, vary or remove an easement other than a right of way; or d) vary or remove a condition in the nature of an easement (other than right of way) in a Crown grant.	L			1240.70	13-Oct-16
Class 21 - A permit not otherwise provided for in the regulation.	L			1240.70	13-Oct-16
*For the first 12 months from commencement of the regulations, the fee for a class 15 permit application (for development over \$50 million) will be charged at 50% of the fee set out in regulations.	L				13-Oct-16

**WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017**

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Other Fees					
Regulation 7 - For requesting the Minister to prepare an amendment to a planning scheme exempted from the requirements referred to in section 20(4) of the Act.	L		3763.80	3763.80	13-Oct-16
Regulation 8 - For requesting the Minister to prepare an amendment to a planning scheme exempted from certain requirements prescribed under section 20A of the Act.	L		906.10	906.10	13-Oct-16
Regulation 10 - For combined permit applications.	L		Sum of the highest of the fees which would have applied if separate applications were made and 50% of each of the other fees which would have applied if separate applications were made.	Sum of the highest of the fees which would have applied if separate applications were made and 50% of each of the other fees which would have applied if separate applications were made.	13-Oct-16
Regulation 12 - Amend an application for a permit or an application to amend a permit.	L		<p>a) Under section 57A(3)(a) of the Act the fee to amend an application for a permit after notice is given is 40% of the application fee for that class of permit set out in the Table at regulation 9;</p> <p>b) Under section 57A(3)(a) of the Act the fee to amend an application to amend a permit after notice is given is 40% of the application fee for that class of permit set out in the Table at regulation 11 and any additional fee under c) below;</p> <p>c) If an application to amend an application for a permit or amend an application to amend a permit has the effect of changing the class of that permit to a new class, having a higher application fee set out in the Table to regulation 9, the applicant must pay an additional fee being the difference the original class of application and the amended class of permit.</p>	<p>a) Under section 57A(3)(a) of the Act the fee to amend an application for a permit after notice is given is 40% of the application fee for that class of permit set out in the Table at regulation 9;</p> <p>b) Under section 57A(3)(a) of the Act the fee to amend an application to amend a permit after notice is given is 40% of the application fee for that class of permit set out in the Table at regulation 11 and any additional fee under c) below;</p> <p>c) If an application to amend an application for a permit or amend an application to amend a permit has the effect of changing the class of that permit to a new class, having a higher application fee set out in the Table to regulation 9, the applicant must pay an additional fee being the difference the original class of application and the amended class of permit.</p>	13-Oct-16

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Stage 4 of Amendment - For: a) consideration by the Minister of a request to approve the amendment in accordance with section 35 of the Act; and b) giving notice of approval of the amendment in accordance with section 36(1) of the Act. *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations.	L		453.10 if the Minister is not the planning authority or nil fee if the Minister is the planning authority	453.10 if the Minister is not the planning authority or nil fee if the Minister is the planning authority	13-Oct-16
Council Variations					
Amend Endorsed Plan (if the estimated cost of change is \$10,000 or less, relates to a single dwelling and there is no need for new referrals or public notice)	C		188.00	188.00	
Heritage	C		NO FEE	NO FEE	01-Jul-13
Liquor Licence Only	C		102.00	104.00	17-Oct-14
Native Vegetation Removal					
<10 Hectares	C		102.00	104.00	17-Oct-14
>10 Hectares	C		604.00	616.00	17-Oct-14
FACILITY HIRE					
Gwen Webb Centre- Hire Charges					
Gwen Webb Centre Hire- Full Day*	C	10	53.00	54.00	01-Jul-17
Regular Hire (6 hours or less)	C	10	31.00	32.00	01-Jul-17
Stephenson Park - Main Oval Hire Charges (Level 2)					
Part or full day hire - (community groups)	C	10	110.00	112.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	217.00	221.00	01-Jul-17
Commercial/Private- Full Day*	C	10	364.00	371.00	01-Jul-17
Stephenson Park - Rotary Oval Hire Charges (Level 4)					
Part or full day hire - (community groups)	C	10	56.00	57.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	110.00	112.00	01-Jul-17
Commercial/Private- Full Day*	C	10	122.00	124.00	01-Jul-17
Stephenson Park - Baseball Oval Hire Charges (Level 4) (Excludes Baseball Pitch)					
Part or full day hire - (Community groups)	C	10	56.00	57.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	110.00	112.00	01-Jul-17
Commercial/Private- Full Day*	C	10	122.00	124.00	01-Jul-17
Stephenson Park - Baseball Pitch Hire Charges (Level 2) (Includes Baseball Oval)	C	10	110.00	112.00	01-Jul-17
Stephenson Park Upstairs Function Room					
Seasonal user group subsidised rate- Full Day*	C	10	53.00	54.00	01-Jul-17
Non seasonal user Community Group - Full Day*	C	10	217.00	221.00	01-Jul-17
Commercial/Private- Full Day*	C	10	353.00	360.00	01-Jul-17
Sale Main Oval - Hire Charges (Level 2)					
Part or full day hire - (Community groups)	C	10	110.00	112.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	217.00	221.00	01-Jul-17
Commercial/Private- Full Day*	C	10	364.00	371.00	01-Jul-17
Sale Velodrome - Hire Charges (Level 2)					
Part or full day hire - (Community groups)	C	10	110.00	112.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	217.00	221.00	01-Jul-17
Commercial/Private- Full Day*	C	10	353.00	360.00	01-Jul-17

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

C=COUNCIL SET L=LEGISLATION

Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Sale Lions Park (Little Aths) - Hire Charges (Level 2)					
Part or full day hire - (Community groups)	C	10	110.00	112.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	217.00	221.00	01-Jul-17
Commercial/Private- Full Day*	C	10	353.00	360.00	01-Jul-17
Stead Street Oval - Hire Charges (Level 4) (available Winter only)					
Part or full day hire - (Community groups)	C	10	56.00	57.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	110.00	112.00	01-Jul-17
Commercial/Private- Full Day*	C	10	122.00	124.00	01-Jul-17
Wurruk Oval - Hire Charges (Level 3)					
Part or full day hire - (Community groups)	C	10	83.00	85.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	163.00	166.00	01-Jul-17
Commercial/Private- Full Day*	C	10	242.00	247.00	01-Jul-17
Stratford Pine Lodge Hire Charges (Level 4) (Inc Oval in Winter only, Exc Tennis Courts)					
Part or full day hire - (Community groups)	C	10	56.00	57.00	01-Jul-17
Part or full day hire - (schools casual hire)	C	10	FREE	FREE	01-Jul-17
Regular School Use - per season/per ground	C	10	110.00	112.00	01-Jul-17
Commercial/Private- Full Day*	C	10	122.00	124.00	01-Jul-17
Light Usage Fee (rate per hour) (includes plug-in portable lighting)					
Toilet cleaning charges to be added to Casual hire if applicable	C	10	12.00	15.00	01-Jul-17
	C	10	30.00	31.00	01-Jul-17
Notes					
<i>*Half day hire = 50% of scheduled full day fee</i>					
<i>*Half day = 6 hours or less</i>					
<i>Seasonal Hire includes use of toilets and rubbish disposal</i>					
Yarram Meeting Rooms					
Meeting Room 1 or 2 (max 25 people) per day Community Rate	C	10	51.00	53.00	01-Jul-17
Both Meeting Rooms 1 & 2 (max 50 people) per day Community Rate	C	10	102.00	105.00	01-Jul-17
Both Meeting Rooms 1 & 2 (max 50 people) per day Commercial Rate	C	10	208.00	215.00	01-Jul-17
Consulting Room 1 or 2 per hour	C	10	4.30	6.00	01-Jul-17
Consulting Room 1 or 2 per day	C	10	35.00	36.00	01-Jul-17
Lakeside Entertainment & Arts Facility (LEAF)					
Weddings and Commercial Organisations	C	10	180.00	185.00	01-Jul-17
Not for profit/community organisations	C	10	FREE	FREE	01-Jul-17
Use of Concertina Doors	C	10	125.00	140.00	01-Jul-17
Use of Concertina Doors Community Groups	C	10	60.00	70.00	01-Jul-17
Circus					
Recreation Reserve Fees (Circus) Daily Fees	C	10	800.00	850.00	01-Jul-17
Port of Sale					
Mooring Fees - Annual Licence	C	10	1,000.00	900.00	01-Jul-17
Mooring - Temporary Per Week - Min 2 weeks (\$116.00). Max 12 weeks.	C	10	58.00	58.00	01-Jul-17
Transfer of Mooring Fee	C	10		45.00	01-Jul-17

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017

GST INCLUSIVE

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Commercial Property					
Establishment fee for setting up user agreements - for new user agreements on Council Owned or Controlled Land	C	10		109.00	01-Jul-17
West Sale Airport					
West Sale Airport Service Charge – Terminal Access – Per day for charter/commercial flights Rate capped to 100 days p.a.	C	10	110.00	110.00	01-Jul-16
West Sale Airport Service Charge – Use of Airside Apron Areas – per m2/p.a. Aircraft parking or equipment storage. User agreement to be established for periods in excess of 28 continuous days Minimum charge \$275.00 (based on 100m2 for 1 month).	C	10	33.00	33.00	01-Jul-16
West Sale Airport / Yarram Aerodrome Service Charge – Annual User Licence Agreement – Recreational Use.	C	10	140.00	140.00	01-Jul-16
West Sale Airport / Yarram Aerodrome Service Charge – Annual User Licence Agreement – Light Commercial Use.	C	10	650.00	650.00	01-Jul-16
West Sale Airport / Yarram Aerodrome Service Charge – Annual User Licence Agreement – Commercial Use.	C	10	1300.00	1300.00	01-Jul-16
West Sale Airport - Landing Fees					
Fee applied per aircraft landing (landing and take-off) no charge for touch and goes. No charge for aircraft utilising local maintenance services Military and other Aircraft with WSA and Yarram licence agreement exempt. GA registered aircraft ≤1550kg exempt GA registered aircraft >1550kg \$3.25/tonne pro-rata.	C	10		\$3.25/tonne	10-Nov-16
Yarram Aerodrome - Landing Fees					
Fee applied per aircraft landing (landing and take-off) no charge for touch and goes. Military and other Aircraft with Yarram and WSA licence agreement exempt. GA registered aircraft ≤ 1550kg exempt. GA registered aircraft >1550kg \$1.50/tonne pro-rata.	C	10		\$1.50/tonne	10-Nov-16
MAP SALES					
Hardcopy - Standard Map (Dekho, Internet, VicRoads) A3 Colour	C	10	12.00	12.50	01-Jul-17
Hardcopy - Standard Map (Dekho, Internet, VicRoads) A2 Colour	C	10	18.00	18.50	01-Jul-17
Hardcopy - Standard Map (Dekho, Internet, VicRoads) A1 Colour	C	10	30.00	31.00	01-Jul-17
Hardcopy - Aerial Photo Plot A4	C	10	12.00	12.50	01-Jul-17
Hardcopy - Aerial Photo Plot A3	C	10	18.00	18.50	01-Jul-17
Hardcopy - Aerial Photo Plot A2	C	10	30.00	31.00	01-Jul-17
Hardcopy - Aerial Photo Plot A1	C	10	41.00	42.00	01-Jul-17
Softcopy - Aerial Photo - sent to email address	C	10	New Fee	10.00	01-Jul-17
TIPPING FEES					
Commercial Tonne	C	10	155.00	161.00	01-Jul-17
Compacted Commercial	C	10	167.00	173.00	01-Jul-17
Commercial m3	C	10	63.00	65.00	01-Jul-17
Domestic m3	C	10	31.00	33.00	01-Jul-17
Greenwaste m3	C	10	14.00	15.00	01-Jul-17
Clean Concrete Tonne	C	10	29.00	30.00	01-Jul-17
Clean Concrete m3	C	10	43.00	44.00	01-Jul-17
Separated Recyclables m3	C	10	0.00	0.00	01-Jul-17
Asbestos per tonne	C	10	100.00	100.00	01-Jul-17
Single Mattress	C	10	10.00	10.00	01-Jul-17
Double Mattress	C	10	15.00	15.00	01-Jul-17

WELLINGTON SHIRE COUNCIL
PROPOSED SCHEDULE OF FEES AND CHARGES AS AT 1 JULY 2017
GST INCLUSIVE

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Service	C/L	GST %	Fee 16/17 including Tax \$	Proposed Fee 17/18 including Tax \$	Effective Date
Other					
Rechargeable works	C	10	By Quote	By Quote	01-Jul-15
Consent for Works Within Road Reserve	L		\$81.60 - \$586.00	\$81.60 - \$586.00	01-Jul-16
Recovery cost for Fire Hazard Removal Contractor plus an administration fee	C	10	Admin Cost \$105.00 + contractor cost	Admin Cost \$105.00 + contractor cost	01-Jul-17
Recovery cost for Contractor "call out" plus an administration fee	C	10		Admin Cost \$105.00 + contractor cost	01-Jul-17
Dishonoured Direct Debit Fees	C		30.00	30.00	01-Jul-16
Dishonoured Cheque Fees	C		35.00	35.00	01-Jul-09
Land Information Certificates	L		24.80	24.80	29-Oct-15
Land Information Certificate – Urgent Fee	C	10	75.00	75.00	01-Jul-14
Duplicate Rate Notice	C	10	10.00	10.00	01-Jul-16
Rate Related Archive Search per hour	C	10	50.00	50.00	01-Jul-14
Freedom of Information Request	L		27.90	28.60	01-Jul-17
Freedom of Information Search Charges per hour or part of an hour (except if on a computer)	L		20.49	21.40	01-Jul-17
Freedom of Information Supervision Charges Per Quarter hour	L		5.00	5.30	01-Jul-17
Freedom of Information Photocopies-A4 (per page)	L		0.20	0.20	01-Jul-16

2017/18 Budget - Wellington Shire Council

Appendix B Budget process

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 2017/18 budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 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 Flow and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2018 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, which Council requires in order to make an informed decision about the adoption of the budget.

A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April 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 website. 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.

With the introduction of the State Government Rate Capping legislation in 2015, Councils are now unable to determine the level of rate increase and instead must use a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following financial year.

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

	Budget process	Timing
1	Minister of Local Government announces maximum rate increase	Dec
2	Officers update Council's long term financial projections	Dec/Jan
3	Council to advise ESC if it intends to make a rate variation submission	Jan/Feb
4	Council submits formal rate variation submission to ESC	Dec-Mar
5	Proposed budget (s) submitted to Council for approval	Apr
5	Public notice advising intention to adopt budget	Apr
6	Budget available for public inspection & comment	Apr/May
7	Submissions period closes (28 days)	May
8	Submissions considered by Council	Jun
9	Budget and submissions presented to Council for adoption	Jun
10	Copy of adopted budget submitted to the Minister	Jun
11	Revised budget where a material change has arisen	