

towongshire 

COUNCIL PLAN

2013-2017



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Vision

We will be a World Class small Council and Towong Shire will be the ideal place to live.

Mission

To provide leadership and service to the Towong Shire community that adds value and enhances social, economic and environmental wellbeing now and in the future.

Values

Respect

We will listen and consider other perspectives and treat each other with courtesy

Integrity

We will seek the common good

Pride

We will always take care in what we do

Teamwork

We will help others to achieve by being positive, enthusiastic and confident

Mayor's introduction

There is no doubt that the objectives, priorities and goals contained in this 2013 – 2017 Council Plan are firmly based on sound strategic plans developed over the term of the last Council. To lead us to a sustainable future, we have worked in partnership with our residents, stakeholders, leading experts and the Victorian and Commonwealth Governments to ensure that current and future needs of our community can be met. I am pleased that the Council Plan 2013 – 2017 will see a number of strategic plans come to life as we commence implementing their top priorities in conjunction with the community.

Improving our organisation and ensuring that it is poised to efficiently deliver key priorities is a constant focus. Working with our neighbouring Councils we have already identified areas where shared services and pooled resources can reduce costs and improve service delivery. A systematic review of our purchasing processes continues to reveal real financial savings. Where a 1% rise imposed on our ratepayers only equates to around \$40,000, any financial saving we achieve truly makes a difference.

Maximising the funds from our ratepayers is also a key aspect of our project delivery. Capital community projects in Corryong, Cudgewa, Mitta Mitta, Walwa and Tallangatta have attracted millions of dollars of external funding – a direct result of the effective partnership between Council, the community and government. Large community projects in these communities are included in this plan for implementation in the near future.

Council has been working through four Planning Scheme amendments so that places that have heritage significance as well as high quality agricultural land can be preserved and additional residential and business

opportunities can be created. During the life of this Council Plan, these amendments will be finalised as well as initiatives incorporated to improve bushfire, flood and wastewater management outcomes for land owners and developers.

Achieving positive environmental outcomes is also a priority of Council. The Towong Shire covers a vast area of pristine bushland as well as the Mitta and Murray Rivers and the Hume and Dartmouth Dams - significant waterways of the Murray Darling Basin. From landfill and kerbside waste management, to noxious weeds and the exploration of renewable energy options, Council takes its role as a leader in environmental sustainability seriously.

The development of Asset Management Plans for our large network of roads, bridges, buildings, playgrounds and community facilities has been an ongoing and will contribute to better road management.

Council also values and supports industry and business opportunities in the Shire. Initiatives to increase tourism and encourage economic growth are also key factors in our Council Plan.

I am delighted to lead a group of very compatible Councillors who are passionate advocates for our Shire's residents and stakeholders. I am confident that Council together with our team of dedicated professional staff will see the successful implementation of the Council Plan 2013 – 2017.



Cr Mary Fraser OAM
Mayor

Councillors

Cr Mary Fraser OAM

Cr Mary Fraser OAM has lived in Towong Shire all her life and resides in Tallangatta Valley on a farm with her husband and family. Cr Fraser OAM was elected Mayor in November 2012, her seventh term as either Mayor/Shire President for the Council.

Cr David Wortmann

Cr David Wortmann has lived in Granya all his life and is married and has two children. He and his wife operate a school bus service. He also runs a beef and sheep farm. Cr Wortmann serves as Deputy Mayor.

Cr Debi Gadd

Cr Debi Gadd has lived in the Towong Shire at Mount Alfred for over 30 years where she and her husband operate a mixed beef and sheep property.

Cr Aaron Scales

Cr Aaron Scales was raised on his family's farm at Dartmouth and has settled in the town with his wife Naomi and two children. Cr Scales studied in Law, Accounting and Hospitality/Tourism and is currently the owner and manager of a hotel.

Cr Peter Joyce

Cr Peter Joyce has resided in the Shire for over 30 years and with his wife Fairlie have five children. Cr Joyce has had a varied career as a Stock and Station Agent, Policeman, Greengrocer and an operator of a Café/Restaurant.

About Towong Shire

Towong Shire, situated in far north-eastern Victoria, possesses some of Australia’s most pristine environment. Unique wilderness areas, lakes, rivers and streams create diverse landscapes that are enjoyed by around 6,000 residents and many more visitors across an area of 6,600 square kilometres.

The economy of the region revolves around a rich agricultural sector, tourism and timber production and processing. Approximately two-thirds of businesses located in the Shire are in the agriculture and forestry industries.

Like many rural areas, Towong Shire’s small population and vast geographic area presents Council with a significant challenge: to adequately fund the maintenance and renewal of community assets. Council is taking action to improve this situation by implementing strategies that promote economic and population growth as well as using innovative methods to reduce costs wherever it can. Council is confident that this approach delivers best value to the community and will secure a long-term future for the organisation.

Key statistics

Population	5,958 (2011)	Employed residents	2,864 (2011)
Area	6,635 km ²	Council roads	825 km
Households	2,336	Arterial roads	483 km
Businesses	836	Property assessments	4315

Towns and communities	Bellbridge, Berringama, Bethanga, Burrowye, Bullioh, Corryong, Cudgewa, Dartmouth, Eskdale, Granya, Koetong, Lucyvale, Mitta Mitta, Nariel, Old Tallangatta, Talgarno, Tallangatta, Tallangatta Valley, Tintalra, Towong, Walwa
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1. Organisational improvement

Strategic objective

Embed organisational excellence into our governance and management processes in order to deliver the best possible outcomes for our residents and ratepayers.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
					How we will know we have been successful
1.1 Redevelop the Council website					Redeveloped website completed and in operation by Dec 2013
1.2 Commercialise Insight 360					Business plan completed by Dec 2013 First commercial customer secured by Sept 2014
1.3 Progressively update all Council collateral with our new brand					All Council collateral updated by December 2015
1.4 Develop a succession plan for key positions within the organisation					Succession plan developed by December 2015
1.5 Improve communication with residents and ratepayers across the Shire and implement feedback mechanisms to assess our engagement with them					Targeted satisfaction survey(s) conducted each year and achievement of improved survey results over the life of the Council Plan
1.6 Continue to improve our Long Term Financial Plan					Plan reviewed and adopted annually
1.7 Implement business improvements in the areas of OHS, risk management, swimming pools and landfills as identified by previous internal audits and engage internal auditors to carry out specific risk-based audits in areas (as determined) upon completion of above					Improvements implemented in the following areas over the life of the Council Plan: OHS Risk management Swimming pools Landfills
1.8 Improve service delivery and reduce costs through process improvement and shared services.					Two Council processes reviewed annually and improvement opportunities implemented
1.9 Investigate new/additional funding streams with a view to reducing reliance on rate revenue (in conjunction with other small Councils)					Continued participation in 'Whelan' work and continued lobbying of the State and Federal Governments. Report(s) presented to Council on progress in this area over the life of the Council Plan
1.10 Deploy IT infrastructure that enables Council to move to virtualised, thin and cloud based solutions.					Virtualised and thin infrastructure delivered during the life of the Council Plan
1.11 Deploy software that leverages improved IT infrastructure with a particular focus on the areas of shared services, record management and business process workflows.					Solutions delivered that drive business productivity during the life of the Council Plan

Ongoing responsibilities

- Continue to develop and foster positive relationships with residents, ratepayers and other stakeholders
- Produce material (including newsletters and media releases) and hold meetings as required to communicate with residents and ratepayers
- Prepare the Council Plan, Budget and Annual Report and Financial Statements
- Deliver the Human Resource Management function and ensure personal workplans are maintained for all staff members (which are linked to the Council Plan)
- Prepare monthly Council finance reports
- Conduct budget reviews
- Monitor cashflow and manage investments
- Complete annual statutory returns
- Collect rate and other revenue, pay suppliers and prepare fortnightly payroll
- Manage the insurance portfolio
- Implement best practice OHS and risk management processes, including the Risk Management Strategy and Action Plan
- Manage Council's property and electoral databases
- Deliver IT and Geographical Information Services
- Deliver Whistleblower and Freedom of Information services
- Deliver a compliant records management function
- Ensure compliance with the Councillor Governance Protocol/Code of Conduct and Staff Code of Conduct
- Continue to review and update the Emergency Management Plan
- Support the operation of the Audit Committee
- Maintain positive relationships with neighbouring Councils
- Support the Alliance of Councils and Shires of the Upper Murray (ACSUM) and the Hume Region Local Government Network
- Support Council in its role as the Corryong Cemetery Trust

2. Community wellbeing

Strategic objective

Assist Towong Shire residents in the attainment of a high level of health and safety, resilience and connectedness to their communities.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
					How we will know we have been successful
2.1 Develop a Business Plan for the Corryong Arts Space at Davis Cottage					Business plan developed by Dec 2013
2.2 Support Community responses to natural disasters					Resources developed by June 2014
2.3 Successfully deliver the Tallangatta Multi-sport Project					Project successfully completed by June 2014
2.4 Successfully deliver the Cudgewa Multi-purpose Centre Project					Project successfully completed by June 2014
2.5 Successfully deliver the Walwa Community Recovery Centre Project					Project successfully completed by June 2014
2.6 Successfully deliver the Tallangatta Eco-education and Integrated Services Hub Project					Project successfully completed by January 2015
2.7 Complete the Tallangatta Caravan Park Planning Study and implement the adopted recommendations from the plan					Planning Study completed by Sept 2013 Adopted recommendations from the Planning Study implemented over the life of the Council Plan
2.8 Seek funding for the Corryong Tennis Court project					Funding application submitted by Dec 2014
2.9 Conduct a review of public pools with a view to lowering operating costs and increasing safety and participation					Review completed and presented to Council by June 2015
2.10 Successfully deliver the Magorra Park Multi-purpose Centre Project					Project successfully completed by Dec 2015
2.11 Seek funding for the Corryong Aquatic Training Centre Project					Funding application submitted by Dec 2014
2.12 Auspice and support the successful delivery of the Mitta Valley 'Our Valley, Our Future'					Project successfully completed by Dec 2015
2.13 Auspice and support the successful delivery of the Upper Murray 2030 Vision Plan					Project successfully completed by Dec 2014 and commitment by Council to pursue key priority(s) from the Plan
2.14 Continue to pursue extended childcare services across the Shire					Extended childcare services delivered during the life of the Council Plan
2.15 Continue to implement the key priorities from 'Tallangatta Tomorrow' including residential development					Tallangatta Multi-sport Project delivered by June 2014 Caravan Park Planning Study implemented by Dec 2014 Integrated Community Hub delivered by Jan 2015 Adopted recommendations from the Report to Council on Horse Paddocks by June 2015
2.16 Seek funding for the delivery of key priority(s) from the 'Our Bellbridge' project					Funding applications submitted for at least one project by Dec 2014
2.17 Develop and implement a youth activities					Program presented to Council by Dec

program		2013 Implementation over the life of the Council Plan
2.18 Facilitate an annual Seniors Week activity		Annual activity held
2.19 Host an annual Disability Day activity		Annual activity held
2.20 Continue to refine Council's Emergency Management Plan, including the identification and management of Neighbourhood Safer Places		Plan reviewed and adopted annually Annual identification of NSPs (CFA approval process)
2.21 Actively participate in the Towong Alliance with the three Shire based Health Services		Ongoing participation in the Alliance
2.22 Continue the delivery of library services including service provision to rural areas		Library services delivered to a service level determined by Council

Ongoing responsibilities

- Continue to provide Kindergarten services throughout the Shire where there are sufficient enrolments (currently Bellbridge, Tallangatta and Corryong)
- Provide Maternal and Child Health Services throughout the Shire
- Maintain a positive relationship with State Government Departments
- Maintain strong working relationships with Tallangatta Health Services, Upper Murray Health and Community Services and Walwa Bush Nursing Centre through the Towong Alliance
- Deliver Library Services
- Deliver immunisation services
- Facilitate the implementation of applicable Food Safety Standards to businesses and community groups
- Implement the Road Safety Strategy
- Maintain good relationships with Neighborhood Houses, Community Centres and Senior Citizens Groups
- Operate the Corryong and Tallangatta pools

3. Asset management

Strategic objective

Maintain and improve our Shire's infrastructure to meet agreed levels of service.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
					How we will know we have been successful
3.1 Prepare an Asset Management Plan for Recreation					Asset management plan for Recreation adopted by Council by December 2013
3.2 Prepare an Asset Management Plan for Parks and Gardens (inclusive of trees of significance (eg. Cudgewa avenue, Tallangatta Triangles, etc)					Asset management plan for Parks and Gardens (inclusive of trees of significance) adopted by Council by December 2013
3.3 Review the method of performing condition assessments (internal vs external) with a view to bringing it in-house (and implement most appropriate method)					Review conducted by June 2014
3.4 Implement the stock grid policy					Stock grid policy implemented by Dec 2014
3.5 Deliver the adopted Capital Works program					Complete 100% of adopted program
3.6 Complete condition assessments for road assets and non-road assets (eg. buildings, playgrounds)					Condition assessments for non-road assets completed by Dec 2013 Condition assessments for road assets completed by Feb 2014
3.7 Develop a town beautification program for all towns and deliver over the life of the Council Plan					Town Beautification Program developed by June 2014 and implemented over the life of the Council Plan
3.8 Develop and deliver a footpath replacement and extension program for strategic community links					Footpath replacement and extension program developed by September 2014
3.9 Work with VicRoads and other stakeholders to progress the upgrade/sealing of the Benambra-Corryong Road and the Shelley-Walwa Road					Funding obtained and/or works commenced by VicRoads by June 2017

Ongoing responsibilities

- Inspect assets regularly to determine maintenance required
- Implement programmed maintenance of assets within intervention levels
- Respond to customer requests and coordinate reactive maintenance
- Maintain up-to-date Asset Registers as a basis for asset renewal, replacement and decision making
- Prepare VicRoads funding bids for Better Roads and Road Safety Projects as required and implement funded projects.
- Ensure all capital works proposals are properly designed, specified and estimated with all necessary planning and environmental approvals and work authorities
- Prepare tenders and manage contracts
- Maintain and replace Council's vehicles and plant in accordance with the Council Vehicle policy and Plant Management Plan
- Manage works within road reserves by utility companies and contractors including road openings and property access
- Ensure subdivision and development proposals meet all Council standards including access and drainage requirements
- Maintain Council's Capital Works database, consider requests for upgrade of assets, investigate and develop proposals for budget consideration

4. Land-use planning

Strategic objective

Develop a strategic and sustainable long-term land-use direction for the Shire based on an integrated approach to the natural and built environment.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
					How we will know we have been successful
4.1 Improve our communication in relation to town and land use planning					Planning 'Information Pack' prepared and available from June 2014 Relevant information available from the Visitor Information Centres by Dec 2014 Meetings with real estate agents conducted annually
4.2 Develop and implement a Domestic Wastewater Management Plan					Plan adopted by Council by June 2014 and implemented over the life of the Council Plan
4.3 Finalise the Rural Living Zone Planning Scheme Amendment					Amendment finalised by Dec 2014
4.4 Complete BMO Schedule Project (including the refining of hazard mapping where necessary)					Project completed and amendment finalised by June 2015
4.5 Complete a section 12B (Planning and Environment Act) review of Towong Planning Scheme					Review completed by June 2015
4.6 Revise Local Planning Policies with a view to protecting strategically important land for food production					Policies developed and adopted by Dec 2015
4.7 Implement key MSS recommendations including individual town structure plans via Planning Scheme Amendments					Amendments finalised by Dec 2016
4.8 Acquire updated Aerial photography for rural areas and townships					Improved aerial photography acquired over the life of the Council Plan
4.9 Lobby for improved Hazard mapping (fire and flood) NECMA/State Govt					Improved mapping acquired over the life of the Council Plan

Ongoing responsibilities

- Assess development proposals against the requirements of the Planning Scheme, and State and Local Planning Policies
- Prepare amendments to the Planning Scheme as required
- Represent Council at VCAT and Planning Panel hearings
- Prepare Planning Certificates
- Provide information and advice on planning and development related matters
- Maintain registers and statistical returns required by the Act and Planning Scheme
- Ensure compliance with Planning Scheme Policies and Planning Permit conditions

5. Environmental sustainability

Strategic objective

Integrate sustainable natural resource management into all of our business activities.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
					How we will know we have been successful
5.1 Finalise the Bushfire Camera Network project					Project completed by Dec 2013
5.2 Explore solutions for Bellbridge water and waste water expansion (in conjunction with NEW)					Options paper prepared by June 2014
5.3 Lobby for the expansion/improvement of the NE Water Tallangatta wastewater plant to accommodate future development in Tallangatta and the elimination of odour emanating from the plant					Commitment from North East Water to have a system in place that can accommodate future development in Tallangatta over the life of the Council Plan
5.4 Implement the adopted outcomes from the Waste Management Services review and refine our Waste Management services over the life of the Council Plan					Implement adopted outcomes by Dec 2013 Satisfaction Survey conducted Dec 2014 Achievement of a sustainable financial outcome for the Council Increased employment within Shire
5.5 Explore waste to energy options suitable for a small municipality					Report prepared for Council by December 2015
5.6 Consider the options available for the Bethanga Wastewater project and deliver a solution (if feasibility can be established)					Direction to be taken determined and agreed by Dec 2014 Agreed approach (if any) implemented by December 2016
5.7 Provide proactive support to DEPI Wild Dog Program and lobby for increased resourcing in the Towong Shire					Agri-IQ developed and implemented by June 2016
5.8 Continue to implement noxious weed controls along roadsides and encourage adjoining landowners (including DSE and Parks Vic) to also implement controls on their property					Reduction in noxious weeds (as identified through mapping) Development and implementation of a Roadside Management Plan
5.9 Continue to maintain and monitor operational and closed landfills within EPA guidelines					All EPA requirements met over the life of the Council Plan
5.10 Support waste minimisation and management initiatives in the North East Regional Waste Implementation Plan and Regional Waste Minimisation Strategy					Reduction in waste being deposited in landfills (local and external).

Ongoing responsibilities

- Provide best practice kerbside waste and recycling services
- Provide cost effective waste collection and recycling options including hard waste collection, recycling sheds, Corryong Landfill and Tallangatta Transfer Station
- Prioritise resource allocation to support environment systems
- Increase staff and community environmental awareness and integrate environmental management into Shire activities where possible
- Continue to maintain Council's parks, reserves and public areas to a high standard

6. Economic and tourism development

Strategic objective

Expand long-term employment and economic opportunities whilst continuing to maintain and promote our natural environment and the lifestyle our municipality offers.

Strategies	Implementation				Strategic indicators
	13/14	14/15	15/16	16/17	
6.1 Explore options in relation to the Corryong Airport upgrade (including lighting)					How we will know we have been successful Feasibility of upgrade determined by Dec 2013 Project funding pursued (if project is feasible) by June 2014
6.2 Auspice and support the successful delivery of the Alpine Valleys Dairy Pathways Project					Project successfully completed
6.3 Develop, launch and maintain the Corryong and Tallangatta Tourism Websites					Websites developed and launched by December 2013
6.4 Review Council's role in the delivery of Tallangatta Visitor Information Services and implement the adopted outcomes from the review					Review conducted by Dec 2013 and recommendations adopted by Council by March 2014 Adopted recommendations implemented by Dec 2014
6.5 Seek funding to seal the Colac Colac Walking Track					Application for funding submitted by June 2014
6.6 Develop a Corryong Saleyards strategy					Strategy developed by June 2014 and adopted recommendations implemented by June 2015
6.7 Continue to work towards the availability of Industrial land in Corryong and Tallangatta					Report to Council on Industrial Land supply options by June 2016
6.8 Lobby the Federal Government in order to maximise the NBN outcomes for our communities.					Improved high speed Broadband delivery
6.9 Lobby Federal Government and private telcos for improved mobile coverage					Improved mobile coverage achieved over the life of the Council Plan
6.10 Support the Agribusiness sector in Towong Shire to achieve profitability and sustainability					Report to Council on strategy and possible actions to support the sector by June 2014 and implement adopted recommendations over the life of the Council Plan
6.11 Support the Retail, Commercial and Industrial sectors in Towong Shire to achieve profitability and sustainability					Report to Council on strategy and possible actions to support the sectors by Dec 2014 and implement adopted recommendations over the life of the Council Plan
6.12 Promote the Omeo Highway and the Benambra-Corryong Road as touring links to the Gippsland region					Promotional campaign developed by Dec 2014 and implemented over the life of the Council Plan
6.13 Develop a strategic plan to manage the outcomes for Corryong with the possible establishment of the molybdenum mine					Strategic plan developed by Dec 2014 and recommendations implemented if the mine proceeds
6.14 Encourage (and where possible deliver) sustainable design for community buildings and residential estate development.					Best practice environmental design principles used in the delivery of the Integrated Community Hub

Ongoing responsibilities

- Receive and assist with business enquiries and develop and maintain business relationships and networks
- Prepare promotional material
- Identify funding opportunities and prepare and submit funding applications
- Provide information and advice on tourism and economic development related matters
- Continue Agricultural Services Programs

Strategic Resource Plan

Executive Summary

Purpose

Under Section 126 of the Local Government Act 1989, Council is required to prepare a Strategic Resource Plan (SRP) in conjunction with the Council Plan.

Local Government Act 1989 - SECT 126

126. Strategic Resource Plan

- 1) *The Strategic Resource Plan is a resource plan of the resources required to achieve the strategic objectives.*
- 2) *The Strategic Resource Plan must include in respect of at least the next 4 financial years-*
 - a. *the standard statements describing the required financial resources in the form and containing the information required by the regulations;*
 - b. *statements describing the required non-financial resources, including human resources.*
- 3) *A Council must-*
 - a. *review the Strategic Resource Plan during the preparation of the Council Plan; and*
 - b. *adopt the Strategic Resource Plan not later than 30 June each year.*
- 4) *A copy of the current Strategic Resource Plan must be available for inspection by the public at-*
 - a. *the Council office and any district offices; and*
 - b. *any other place required by the regulations.*

The SRP provides a high level, medium term view on how Council intends to utilise its resources to achieve the strategic objectives and strategies adopted in the Council Plan for 2012/16.

Content of the Strategic Resource Plan

The content of the Towong Shire Council's Strategic Resource Plan is as follows:

- The SRP document attempts to establish a financial framework over the next four years which considers and implements financial strategies to achieve particular objectives.
- The SRP assists in ensuring that Council complies with sound financial management principles, as required by the Local Government Act (1989), and plans for the long-term sustainability of Council.
- The SRP identifies and assesses the resources, financial and non-financial, required to achieve the objectives and strategies adopted in the Council Plan. Non-financial resources include human resources, plant and machinery, information technology, and Council's asset base.
- The SRP formulates a basis by which Council's adherence to policies and strategies can be measured.
- The document considers the relationship between the level of Council services and internal resources needed to deliver these services.

Connection of Strategic Resource Plan to Planning Framework

The Strategic Resource Plan (SRP), which is included with the Council Plan, summarises the financial and non-financial impacts of the objectives and strategies and determines the affordability of these items, whilst maintaining the financial sustainability of Council. The SRP document is also updated on an annual basis in conjunction with the Council Plan review.

Overview of the strategic planning framework:

Longer term:

Identification of community needs and the setting of objectives, strategies and actions.

For example, community consultation as part of recreation master plan process and town planning projects Tallangatta Tomorrow and Our Bellbridge.

Medium term:

Council Plan, and related links with Strategic Resource Plan.

Linking and prioritising objectives and strategies from our long term plans into identifiable actions and outcomes for the medium term.

Short term:

Annual Budget, with links with various Council strategies.

Financing and achieving the outcomes of the Council Plan objectives.

Financial Resources

Financial Plan 2012/16

The following pages present the Financial Plan for the years 2012/16, which is in line with the Council Plan time frames. The Financial Plan considers the objectives and strategies specified in the Council Plan and attempts to express them in financial terms.

Principles and Objectives

In preparing the financial plan, Council has complied with the following guidelines:

Prudent financial management principles:

- Ensure that rate revenues are maintained in real terms recognising the Municipal Association of Victoria (MAV) Cost Index and other real cost impacts facing Council, while ensuring the rate burden is equitably distributed.
- Ensure rate revenues remain affordable amongst members of our communities.
- The financial impacts on future generations from Council decisions must be considered.
- Achievement of a balanced cash budget each year.
- Maintenance of an adequate liquidity position.
- The budgeted amounts of both income and expenditure are made on a conservative basis.

Key Assumptions

- Rates and compulsory charge rises of 5% in 2013/14 and for future years increase rates in accordance with the Long Term Financial Plan
- The Financial Plan is prepared on the basis that Council will continue to provide the same or similar level of service as per previous year.
- Allowance for increases in the cost of goods and services in accordance with the cost index issued by the Municipal Association of Victoria (MAV), Consumer Price Index (CPI) or levels of cost escalation where known and warranted.
- Salaries and wages include an increase to the next band level in accordance with the relevant Award/s and the Council Enterprise Bargaining Agreement (EBA).
- Victorian Grants Commission funding has been updated to reflect anticipated increase in allocations over the years covered by the SRP.
- Capital works funding for Roads to Recovery to remain consistent up to 2015/16.
- Operating grants to be based on confirmed funding levels.
- Capital grants are based on confirmed funding in part and forecast allocations where considered appropriate. Capital works in the SRP that are linked or predicated on unconfirmed capital Grants will not proceed until the capital Grant has been confirmed.
- Investment interest rates are expected to be 3.5% per annum during the four years of the Strategic Resource Plan.
- Depreciation expense is based on annual asset revaluations being a function of current unit rates and rotating review of condition assessments over a five year cycle.

Borrowing Strategy

The plan currently provides for no new loan borrowings. This is in line with Council philosophy of prudent financial management and only providing for projects it can currently afford.

Where a project may require borrowings in the future, Council will consider these on an individual basis in the context of the long term financial plan.

Fees and Charges Strategy

A review of all fees and charges is undertaken during the budget process. While fees have not been forecast to increase during the period of the SRP this may change in the future.

Compared to other Council operations, there is a low volume of fees and charges collected, thus changes in pricing have a small impact on the SRP.

Rate Strategy

In developing the long-term financial plan, rates and charges are identified as an important source of Council revenue, accounting for between 38% and 52% of the total operating revenue forecast by Council during the period of the SRP. The percent of total revenue received through rates is significantly impacted by the level of grant funding received by the Council, in particular Emergency Response, Country Roads and Bridges and Local Government Infrastructure Program funding received in 2012/13.

Planning for future rate movement is therefore an important component of the long-term financial planning process. In the long term, it must be acknowledged that Towong Shire Council rate levels need to be assessed and maintained at levels to ensure that the demands on infrastructure and programs are able to be delivered at the level of service required.

Council makes its decisions on rate rises with regards to the long-term financial plan to ensure the future rating effort is maintained at prudent and sustainable levels and that the rating burden is equitably distributed.

Differential Rate for Various Property Categories

The SRP has been predicated on no change in the rating differentials in the years covered by the SRP.

The rating differentials on which the SRP is predicated are as follows:

Description	% of Base Rate
Residential	100%
Rural Residential	100%
Rural	90%
Commercial/Industrial	95%
Undeveloped Residential	360%

Standard Income Statement

	2012 Actual	2013 Forecast	2014 Budget	2015 Budget	2016 Budget
Revenue					
Rates	5,858	6,268	6,601	6,998	7,421
Statutory Fees and Fines	166	151	157	158	164
User Fees	403	492	672	501	431
Grants - Recurring	4,637	3,958	2,209	4,173	4,301
Grants - Competitive	2,239	1,619	749	1,029	339
Capital Grants - Recurring	1,719	1,719	1,719	1,827	827
Capital Grants - Competitive	2,036	1,511	1,395	2,781	-
Other Income	603	619	527	790	551
Total revenue	17,661	16,337	14,029	18,257	14,034
Increase on Prior Year	28.0%	-7.5%	-14.1%	30.1%	-23.1%
Expenses					
Employee benefits	6,137	5,000	5,586	5,994	6,023
Materials and services	5,653	2,961	5,210	5,106	4,278
Depreciation	3,454	3,400	3,514	3,139	3,250
Finance costs	43	40	38	25	25
Other Expenses	597	536	393	405	417
Net (gain) loss on disposal	2,842	-	-	-	-
Total expenses	18,726	11,937	14,741	14,669	13,993
Increase on Prior Year	48.8%	-36.3%	23.5%	-0.5%	-4.6%
Surplus (deficit) for the year	-1,065	4,400	(712)	3,588	41

Standard Balance Sheet

	2012 Actual	2013 Forecast	2014 Budget	2015 Budget	2016 Budget
Assets					
Current assets					
Cash and cash equivalents	7,835	8,391	3,687	3,756	4,378
Trade and other receivables	901	662	553	801	585
Other Assets	99	10	10	10	10
Inventories	302	300	300	300	300
Total current assets	9,137	9,363	4,550	4,867	5,273
Non-current assets					
Trade and other receivables	104	78	52	26	-
Property, infrastructure, plant & equipment	178,334	181,125	185,255	188,596	188,124
Total non-current assets	178,438	181,203	185,307	188,622	188,124
Total Assets	187,575	190,566	189,857	193,489	193,397
Liabilities					
Current liabilities					
Trade and other payables	595	431	691	679	579
Trust funds and deposits	179	184	189	194	199
Provisions	1,087	975	1,061	1,109	1,084
Total current liabilities	1,861	1,697	2,041	1,865	1,862
Non-current liabilities					
Provisions	1,339	200	223	240	241
Interest-bearing loans and borrowings	421	422	51	37	23
Total non-current liabilities	1,761	622	274	277	264
Total liabilities	3,621	2,212	2,215	2,259	2,126
Net Assets	183,954	188,354	187,642	191,230	191,271
Represented by:					
Accumulated surplus	65,805	70,524	69,812	73,400	73,441
Reserves	117,830	117,830	117,830	117,830	117,830
Equity	183,954	188,354	187,642	191,230	191,271

Standard Statement of Cash Flow

	2012 Actual	2013 Forecast	2014 Budget	2015 Budget	2016 Budget
Cash flows from operating activities					
Rates	5,787	6,398	6,591	6,986	7,408
Statutory Charges	166	151	157	158	164
User charges and other fines	533	492	672	501	431
Grants – Operating	11,195	5,712	3,103	4,992	4,895
Grants – Capital	-	3,230	3,114	4,608	827
Other Income	605	619	527	790	551
Payments to suppliers (inclusive of GST)	-5,047	-6,251	-5,477	-5,929	-6,047
Payments to employees (including redundancies)	-6,376	-3,570	-5,343	-5,523	-4,795
Net cash provided by / (used in) operating activities	6,863	6,781	3,344	6,583	3,434
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	-4,058	-6,191	-7,644	-6,680	-2,978
Proceeds from sale of assets	250	-	-	200	200
Net cash provided by / (used in) investing activities	-3,808	-6,191	-7,644	-6,480	-2,778
Cash flows from financing activities					
Proceeds from borrowings	-	79	-	-	-
Repayment of borrowings	-	-14	-14	-14	-14
Finance costs	-47	-40	-38	-25	-25
Trust Funds & Deposits	122	5	5	5	5
Repayment of Community Loans	-	-	-	-	-
Proceeds of finance leases	-	-	-	-	-
Repayment of finance leases	-58	-64	-357	-	-
Net cash provided by / (used in) financing activities	17	-34	-404	-34	-34
Change in cash held	3,072	556	-4,704	69	622
Cash at the beginning of the financial year	4,763	7,835	8,391	3,687	3,756
Cash at the end of the financial year	7,835	8,391	3,687	3,756	4,378

Standard Statement of Capital Works

	2012 Actual	2013 Forecast	2014 Budget	2015 Budget	2016 Budget
Capital Works Areas					
Roads	2,865	4,742	3,011	3,084	1,828
Bridges	406	598	1,778	140	222
Parks, open space, streetscapes and footpaths	37	44	30	22	23
Kerb and Channel	-	115	100	-	-
Underground Pits & Drains	81	-	90	-	-
Landfill	200	-	-	225	-
Land, Buildings & Improvements	168	562	1,352	2,591	268
Plant, equipment	301	130	1,283	618	637
Total capital works	4,058	6,191	7,644	6,680	2,978
Represented by :					
Renewal	3,454	5,039	4,902	2,885	2,978
Upgrade/New	2,205	1,152	2,742	3,795	-
Total capital works	5,659	6,191	7,644	6,680	2,978

Non-financial resources

Human Resources

Council has planned to increase its full time equivalent (FTE) employees in the short term to 70.6 FTE. This is due to a number of positions becoming funded through state government initiatives.

	2012 Actual	2013 Budget	2014 Budget	2015 Budget	2016 Budget
Full time equivalent	60.0	68.2	70.6	70.6	70.6

The large increase from 2012 to 2013 relates to positions that were vacant as at 30 June 2012. These positions have been included in the budget for 2013 and subsequent years.

Salary Expenditure and Budget arrangements

This category includes staff wages, on-costs, investment in employee wellbeing, professional development and ensuring a safe working environment.

Councils Enterprise agreement is currently under negotiation. Increases have been projected in line with prior years.

Key people objectives

Key human resource projects planned include:

- Implementation of the new Enterprise Agreement.
- Ongoing review of the workforce to ensure that the right people are in the right place at the right time to build a strong, interconnected and sustainable organisation.
- Ensuring our training and development programs build on the skills of staff, builds organisational development and improves individual decision making and judgement.

Infrastructure Strategy

An important element of any strategic financial plan is how the proposed funding levels for asset preservation affect the condition of the assets. If sufficient funds are not allocated then the condition of those assets will deteriorate and the value of Council's investment in those assets will drop.

Detailed infrastructure assessments are undertaken on a three yearly basis to determine the level of infrastructure renewal required. With recent increases in grant funding and flood events our assets are being maintained and renewed at or ahead of schedule.

The majority of capital works are performed by external contractors. The staff required to manage these contracts are included in the FTE detailed in the Human Resources component of the SRP. Capital works performed by internal staff members will be within current working schedules and no additional resources are anticipated.

Detailed plant and equipment replacement schedules are being developed to better determine the timing of plant replacement. Recent changes in motor vehicle policy have allowed Council to reduce its fleet size and hold vehicles for longer. This has resulted in no new vehicle purchases for two years.

Council plans to maintain its current levels of plant, equipment and motor vehicles.

Council has announced a number of building and recreation projects that will become Council assets in the future. These have been included within the SRP as both an initial capital cost and ongoing maintenance cost once they are built. Project manager resources are included in the SRP. These projects have not increased the projected FTE as similar positions were previously held to complete other grant funded projects.



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