

Dorset Council

2024/25 Budget Estimates

Adopted by Council
24 June 2024
Minute 117/24

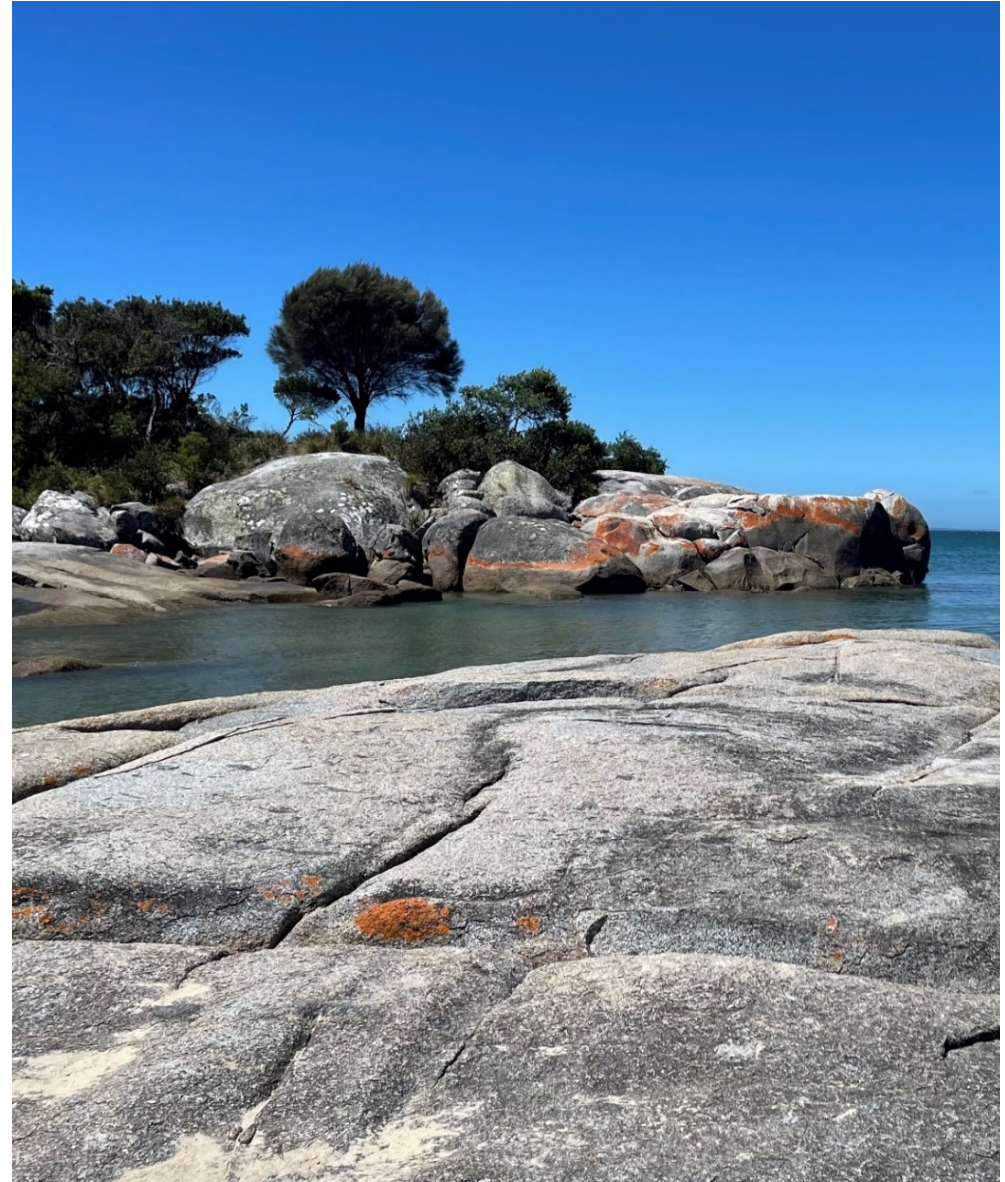


dorset
COUNCIL

Image: Ringarooma Valley from Norm's Lookout, Ralph Falls

Contents

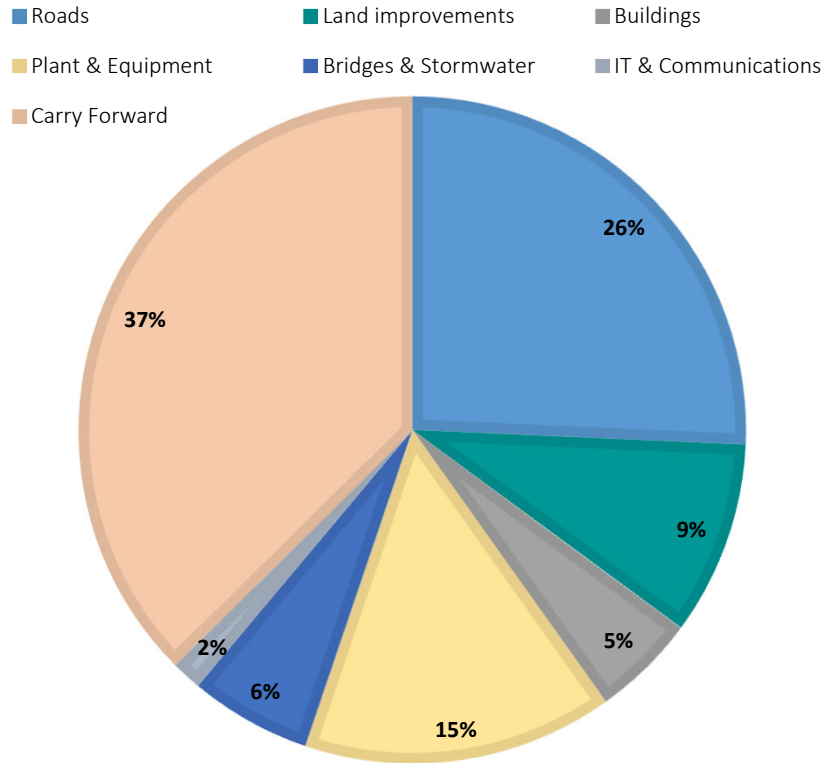
Summary of Budget Estimates.....	1
Underlying Surplus Calculation.....	2
- Analysis of Budget Estimates.....	3
Statement of Profit and Loss.....	4
Notes Income	
- NOTE 1 Rates and Charges.....	5
- NOTE 2 Statutory Fees	6
- NOTE 3 User Charges.....	7
- NOTE 4 Grants and Contributions.....	8
- NOTE 5 Interest.....	10
- NOTE 6 Other Income.....	11
- NOTE 7 Income from Water Corporation.....	12
- NOTE 8 Gain/(loss) on disposal of assets.....	12
Notes Expenses	
- NOTE 9 Employee Costs.....	14
- NOTE 10 Materials and Services.....	15
- NOTE 11 Finance Costs.....	16
- NOTE 12 Other Expenses.....	17
- NOTE 13 Depreciation.....	20
Borrowings.....	21
Calculation of Rates and Charges.....	22
2024/25 Capital Expenditure Budget Summary.....	24
2024/25 Capital Expenditure Budget Highlights.....	25
2022/23 Capital Expenditure Budget Details.....	26



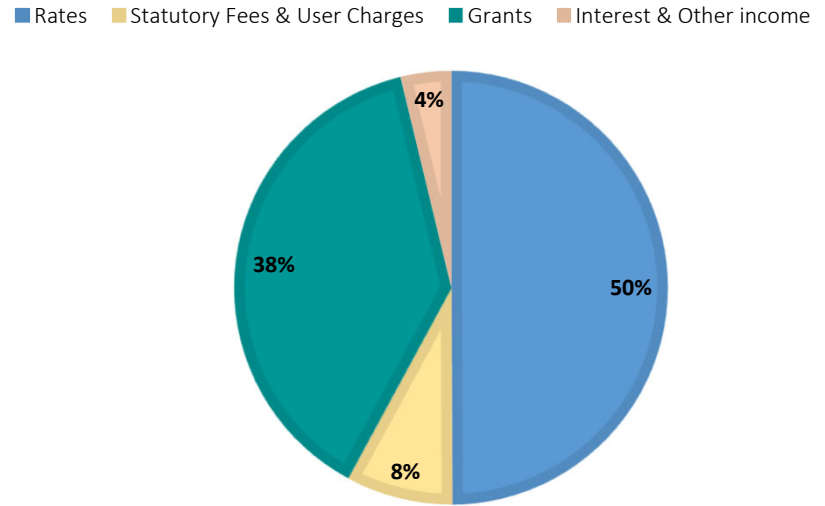
Mermaids Beach, Bridport

Summary of Budget Estimates

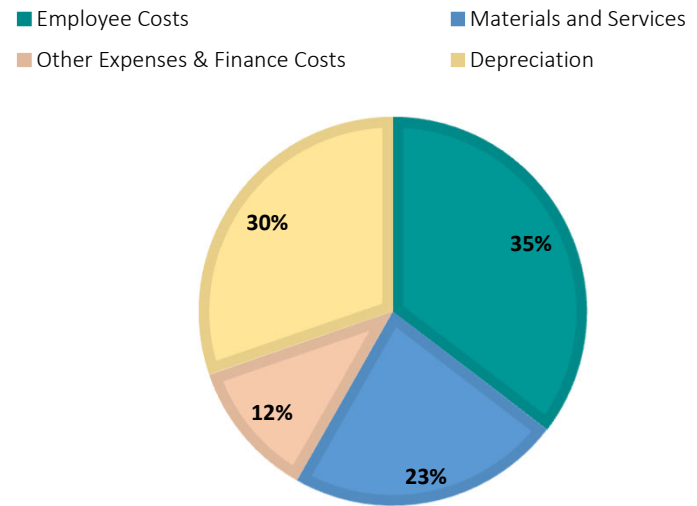
Capital Works Expenditure



Our Budgeted Revenue



Our Budgeted Expenditure



Underlying Surplus Calculation

	Note	2024/25 Budget \$'000	2023/24 Forecast \$'000	2023/24 Budget \$'000
Total Operating Income		17,930	17,524	16,695
Expenses (excl depreciation)		12,824	12,006	12,121
Depreciation		5,565	5,365	5,101
Total Expenses		18,389	17,371	17,222
Underlying Surplus/(Deficit)		(459)	153	(527)
Underlying Surplus as a % of Underlying Income		(2.6%)	0.9%	(3.2%)

Council's operating budget for the 2024/25 financial year estimates an underlying deficit of \$459,000. This represents a decrease of approximately \$0.6 million from forecast actuals and an increase of \$0.1 million on budget estimates for the 2023/24 financial year.

The expected cash to be generated from the 2024/25 operational budget is \$5.1 million, compared to \$5.5 million in the 2023/24 financial year.

The cash generated from operating activities is one of the most important figures for Council as it indicates the amount of cash that is available from everyday operations to fund future capital and infrastructure works within the Municipality. The estimated \$5.1 million to be generated in the 2024/25 financial year will adequately cover Council's proposed capital renewal program. An additional \$3.1 million to be received in capital grant funding will further assist Council to complete the proposed \$8.8 million Capital Works Program in the 2024/25 financial year.

Analysis of Budget Estimates

The key drivers for 2024/25 budget estimates are:

Income

- Rates and charges have increased by \$673,000 on forecast actuals as a result of a 5.7% increase to Council's general rate revenue base and an increase in waste management charges to ensure cost recovery of the Statewide Waste Levy and new software that Council is required to procure to be compliant with new EPA reporting requirements.
- Operating grants and contributions have increased by \$111,000 on forecast actuals as a result of an increase in Financial Assistance Grants and the inclusion of grant funding expected to be received to assist with completing the Bridport Structure Plan.
- User charges have increased by \$156,000 on forecast actuals due to additional income expected from waste disposal fee as a result of an increase in waste disposal fees and the inclusion of new fees for green waste disposal and inert landfill waste products.

Council's fees and charges are set in accordance with section 205 of the Local Government Act 1993 and have increased, on average, by 4.5%.

- Other income has decreased by \$309,000 on forecast actuals due to the impact of a number of one-off transactions in the 2023/24 financial year (e.g. insurance reimbursements) that have inflated forecasted results.

Expenditure

- Materials and services have increased by \$212,000 on forecast actuals due to an increased focus on proactive road maintenance and operational works in the 2024/25 financial year.
- Employee Costs have increased by \$708,000 on forecast actuals due to the increase to wages as per Council's Enterprise Bargaining Agreement, an increase in workers compensation insurance and annualising any new or reclassified roles that were recruited during the 2023/24 financial year.
- Depreciation has increased by \$200,000 on forecast actuals as a result of asset revaluations/indexation changes, revised useful life estimates and the addition of new assets from Council's capital works program.
- Other expenses have decreased by \$109,000 as a result of removing the additional budget allocation required to assist with the transition of Blue Derby operations to the Blue Derby Foundation in the 2023/24 financial year.

Statement of Profit and Loss

	Notes	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Operating Income						
Rates and Charges	1	10,512	9,839	6.8%	9,833	6.9%
Statutory Fees	2	196	188	4.3%	209	(6.2%)
User Charges	3	1,483	1,327	11.8%	1,247	18.9%
Grants and Contributions	4	4,946	4,835	2.3%	4,666	6.0%
Interest	5	300	293	2.4%	231	29.9%
Other Income	6	260	569	(54.3%)	280	(7.1%)
Income from Water Corporation	7	233	233	0.0%	229	1.7%
Total Operating Income		17,930	17,284	3.7%	16,695	7.4%
Capital Income						
Capital Grants	4	3,124	2,992	4.4%	3,796	(17.7%)
Gain/(loss) on disposal of assets	8	(2)	362	(100.6%)	-	100.0%
Total Capital Income		3,122	3,354	(6.9%)	3,796	(17.8%)
Total income from continuing operations		21,052	20,638	2.0%	20,491	2.7%
Expenses						
Employee costs	9	6,511	5,803	12.2%	5,775	12.7%
Materials and services	10	4,196	3,984	5.3%	4,225	(0.7%)
Finance costs	11	72	67	7.5%	94	(23.4%)
Other expenses	12	2,043	2,152	(5.1%)	2,027	0.8%
Depreciation	13	5,565	5,365	3.7%	5,101	9.1%
Total Expenses		18,387	17,371	5.8%	17,222	6.8%
Surplus/(Deficit)		2,665	3,267	(18.4%)	3,269	(18.5%)
Less: Capital Grants	4	(3,124)	(2,992)	(4.4%)	(3,796)	17.7%
Less: Disaster Relief Funding (Operational)		-	(122)	100.0%	-	
Underlying Surplus/(Deficit)		(459)	153	(400.0%)	(527)	(12.9%)

Notes | Income

NOTE 1 | Rates and Charges

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
General rate	8,040	7,605	5.7%	7,620	5.5%
Waste management	2,059	1,840	11.9%	1,822	13.0%
Fire service levy	413	394	4.8%	391	5.6%
Total Rates and Charges	10,512	9,839	6.8%	9,833	6.9%

Rates and charges are expected to increase by \$673,000, which is an increase of 6.8% on forecast actuals for the 2023/24 financial year and a 6.9% increase on 2023/24 budget estimates.

Council have considered the following factors when determining the increase for rates and charges:

- Council's Strategic Plan, Financial Management Strategy & Long Term Financial Plan;
- Asset Management Plans and Council's capital renewals program;
- Estimates for recurrent grant funding, such as the Financial Assistance Grants program; and
- Hobart CPI YTD March Quarter (3.1%) / LGAT Council Cost Index 2023/24 (3.74%).

General rate

Income received from general rates is expected to increase by \$435,000, which represents an overall increase of 5.7% on forecast actuals for the 2023/24 financial year and an increase of 5.5% on 2023/24 budget estimates. This includes the impacts of capping rate increases at 15% and varying the general rate for Short Term Accommodation, Forestry and the Wind Farm.

Waste management

Income received from waste management is expected to increase by \$219,000 which represents an increase of 11.9% on forecast actuals for the 2023/24 financial year and an increase of 13.0% on 2023/24 budget estimates. This increase ensures cost recovery of the increased Statewide Levy and software to comply with new EPA reporting requirements.

Fire Service Levy

The Fire Service Contribution is set by the State Fire Commission. For the 2024/25 financial year, the minimum charge determined by the State Fire Commission is \$49.00 (2023/24 FY: \$48.00). The total income to be collected on behalf of the State Government is approximately \$413,000.

NOTE 2 | Statutory Fees

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Land information certificates	62	59	5.1%	70	(11.4%)
Town planning fees	112	109	2.8%	114	(1.8%)
Animal control	19	18	5.6%	23	(17.4%)
Regulatory services	3	2	50.0%	2	50.0%
Total Statutory Fees	196	188	4.3%	209	(6.2%)

Statutory fees relate to the delivery of Planning and Regulatory services within Council. These includes town planning fees, land information certificate searches, dog registrations, licences and permits. Income for the 2024/25 financial year is expected to increase by \$8,000, which represents an increase of 4.3% on forecast actuals for the 2023/24 financial year and a 6.2% decrease on 2023/24 budget estimates.

Similar service levels are predicted for the 2024/25 financial year and consequently, town planning and animal control fees are only expected to increase in line with the Hobart March 2024 Quarter CPI (3.1%). Land information certificate fees are set by the Tasmanian State Government and are expected to increase by approximately 5.1%.

NOTE 3 | User Charges

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Caravan and camping fees	1,064	1,044	1.9%	994	7.0%
Rental and lease income	67	63	6.3%	71	(5.6%)
Building services	68	66	3.0%	85	(20.0%)
Cemetery fees	62	59	5.1%	36	72.2%
Waste disposal fees	175	40	337.5%	40	337.5%
Swimming pools	47	40	17.5%	21	123.8%
Other user charges	-	15	(100.0%)	-	0.0%
Total User Charges	1,483	1,327	11.8%	1,247	18.9%

User charges relate mainly to the recovery of service delivery through the charging of fees for Council services. These services include cemetery fees, hall hire, caravan parks and entrance to Waste Transfer Stations within the Municipality. Fees and charges are set in accordance with section 205 of the *Local Government Act 1993*.

Council are expecting income received from user charges to increase by \$156,000 in the 2024/25 financial year. This represents an increase of 11.8% on forecast actuals for the 2023/24 financial year and an increase of 18.9% on 2023/24 budget estimates.

Caravan and camping fees

Income expected from caravan and camping fees has increased by \$20,000 on forecast actuals for the 2023/24 financial year and \$70,000 on 2023/24 budget estimates. Forecast actuals for the 2023/24 financial year include income received from camping at Derby which has been passed on to the Blue Derby Foundation (BDF) throughout the year. Council are continuing to work towards transferring the financial operation of these facilities to the BDF and this is expected to be finalised early in the 2024/25 financial year. Budget estimates for caravan and camping fees received from the Bridport Seaside Caravan Park have increased by 7.0% in line with the increases outlined in Council's fees and charges and an expected increase in occupancy during the 2024/25 financial year. A budget allocation of \$5,000 has also been included for camping fees at Branxholm Centenary Park.

Waste disposal fees

Income expected from waste disposal fees has increased by \$135,000 on forecast actuals and budget estimates for the 2023/24 financial year. Following a comprehensive evaluation and benchmarking exercise of the current fee structure, Council was required to introduce fees for inert landfill products and increase waste disposal fees for the 2024/25 financial year to ensure full cost recovery for these services can continue to be achieved. Additional legislative changes to the acceptable disposal of green waste also necessitated the inclusion of new fees for the disposal of green waste in all Waste Transfer Stations across the Municipality.

NOTE 4 | Grants and Contributions

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Federally funded	7,431	5,153	44.2%	7,014	5.9%
State funded	514	1,340	(61.6%)	1,289	(60.1%)
Other	-	-	0.0%	-	0.0%
Contributions	125	195	(35.9%)	159	(21.4%)
Total Grants and Contributions	8,070	6,688	20.7%	8,462	(4.6%)

Council expect income received from grants and contributions to increase by \$1,382,000 in the 2024/25 financial year. This represents an increase of 20.7% on forecast actuals for the 2023/24 financial year and a decrease of 4.6% on 2023/24 budget estimates. Expected grants and contributions for the 2024/25 financial year are made up of \$4.95 million in operating grants and \$3.12 million in capital grants.

Government grants include all monies received from the Australian and Tasmanian Governments for the purpose of funding Council services and specific capital projects. Capital grants are budgeted based on the expected completion percentage for each project. For example if 80% of a capital project is expected to be completed during the financial year, 80% of the grant funding allocated to the project is included in the budget estimates.

<i>Operating grants and contributions</i>	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Financial Assistance Grants - General	1,990	1,921	3.6%	1,921	3.6%
Financial Assistance Grants - Road & Bridge	2,570	2,481	3.6%	2,481	3.6%
Heavy Vehicle Motor Tax	140	140	0.0%	140	0.0%
Bridport Structure Planning	120	-	100.0%	-	100.0%
MTB Trails - Break O'Day Council	30	29	3.4%	29	3.4%
MTB Trails - Blue Derby Foundation	90	90	0.0%	90	0.0%
Other operating grants	-	51	(100.0%)	-	0.0%
Tasmanian Relief and Recovery Funding	-	122	(100.0%)	-	0.0%
Contributions - Other	-	-	0.0%	-	0.0%
Donations received	5	1	400.0%	5	0.0%
Total Operating Grants and Contributions	4,946	4,835	2.3%	4,666	6.0%

NOTE 4 | Grants and Contributions (cont.)

Operating grants and contributions (cont.)

Operating grants are expected to increase by \$111,000 in the 2024/25 financial year, representing an increase of 2.3% on forecast actuals for the 2023/24 financial year and 6.0% on 2023/24 budget estimates.

<i>Capital grants and contributions</i>	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Bridge 1508 - Garibaldi Rd	-	56	(100.0%)	56	(100.0%)
Bridge 1515 - Maurice Road	-	157	(100.0%)	39	(100.0%)
Bridge 1617 - Duncraggen Road	-	188	(100.0%)	51	(100.0%)
Scottsdale MTB skills park	-	69	(100.0%)	70	(100.0%)
Gillespies Rd safety improvements	300	300	0.0%	600	(50.0%)
Old Waterhouse Rd safety improvements	232	233	(0.4%)	465	(50.1%)
Rail Trail - Scottsdale to Lilydale	294	-	100.0%	294	0.0%
Bentley Street Flood Mitigation project	-	83	(100.0%)	-	0.0%
Bridport Multifunction Centre viewing deck	-	80	(100.0%)	80	(100.0%)
Derby MTB Trail - Rusty Crusty bridge renewal	-	79	(100.0%)	79	(100.0%)
Pedestrian Crossings - Urban Roads	71	-	100.0%	-	100.0%
Dorset Playground Project	200	-	100.0%	-	100.0%
Tasmanian Relief and Recovery Funding	174	237	(100.0%)	-	0.0%
Local Roads and Community Infrastructure Program:					
- Phase 3	150	229	(34.5%)	240	(37.5%)
- Phase 4 Part A	451	301	49.8%	676	(33.3%)
- Phase 4 Part B	260	173	50.3%	390	(33.3%)
Roads to Recovery	992	751	32.1%	751	32.1%
Capital contributions	-	56	(100.0%)	5	(100.0%)
Total Capital Grants and Contributions	3,124	2,992	4.4%	3,796	(17.7%)

NOTE 4 | Grants and Contributions (cont.)

Capital grants and contributions (cont.)

Capital grants are expected to increase by \$132,000 in the 2024/25 financial year, representing an increase of 4.4% on forecast actuals for the 2023/24 financial year and a decrease of 17.7% on 2023/24 budget estimates.

Council will continue to proactively investigate and apply for both operating and capital funding opportunities in the 2024/25 financial year, which will likely increase the amount of income received from these sources.

NOTE 5 | Interest

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Interest income	270	263	2.7%	210	28.6%
Interest on rates	30	30	0.0%	21	42.9%
Total Interest	300	293	2.4%	231	29.9%

Interest income is expected to increase by \$7,000 in the 2024/25 financial year, which represents an increase of 2.4% on forecast actuals for the 2023/24 financial year and an increase of 29.9% on 2023/24 budget estimates.

NOTE 6 | Other Income

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Reimbursements	102	208	(51.0%)	131	(22.1%)
Private works	10	44	(77.3%)	10	0.0%
Tourism income	10	9	11.1%	14	(28.6%)
Sundry income	138	308	(55.2%)	125	10.4%
Total Other Income	260	569	(54.3%)	280	(7.1%)

Other income is received from a variety of sources including retail sales at the Scottsdale Visitor Information Centre and Aquatic Centre, reimbursements from external parties and income from the sale of scrap metal from Waste Transfer Stations within the Municipality.

Other income is expected to decrease by \$309,000 in the 2024/25 financial year, which represents a decrease of 54.3% on forecast actuals for the 2023/24 financial year and a decrease of 7.1% on 2023/24 budget estimates.

Sundry income

Sundry income has decreased by \$170,000 on forecast actuals for 2023/24 due to the impact of a number of one-off transactions which occurred during the 2023/24 financial year that have inflated forecast results including:

- \$142,000 in income received from accommodation bookings on the Derby accommodation booking platform, which will be passed on to the providers. The financial operation of this platform was transferred to the BDF in March 2024;
- \$70,000 in income received for reimbursement of insurance claims;
- A once-off fuel tax credit adjustment of \$40,000; and
- Traineeship/apprenticeship incentive payments that Council do not traditionally include in budget estimates.

NOTE 7 | Income from Water Corporation

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Dividends	233	233	0.0%	229	1.7%
Total Income from Water Corporation	233	233	0.0%	229	1.7%

TasWater are expected to pay both ordinary and special dividends to owners (subject to underlying financial performance) during the 2024/25 financial year.

Based on information from Schedule 2 of TasWater's Constitution, it is estimated that dividends for the 2024/25 financial year will total \$233,000 and Council's ownership share at 30 June 2025 will be 0.97%. This represents a decrease of 0.0% on forecast actuals and the budget allocation for the 2023/24 financial year.

NOTE 8 | Gain/(loss) on disposal of assets

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Proceeds of Sale	192	940	(79.6%)	-	100.00%
<i>Written down value of assets disposed:</i>					
Plant, machinery and equipment	(29)	(66)	56.1%	-	(100.0%)
Other assets	(165)	(512)	67.8%	-	(100.0%)
Total gain/(loss) on disposal of assets	(2)	362	(100.6%)	-	(100.0%)

Gain/(loss) on disposal of assets is expected to decrease by \$364,000 in the 2024/25 financial year, representing a decrease of 100.6% on forecast actuals for the 2023/24 financial year and a 100.0% on 2023/24 budget estimates.

NOTE 8 | Gain/(loss) on disposal of assets (cont.)

Historically, the expected gain/(loss) on disposal of assets has not been included in budget estimates due to the uncertainties of required disposals throughout the year. For the 2024/25 financial year, Council are aware of several assets that will be disposed of including land to be transferred to May Shaw, various vehicles to the State Emergency Service (as outlined in the MOU approved in the May 2024 Council Meeting) and the harvest of some of Council's pine plantations. The combination of these disposals is expected to result in a loss of \$2,000 during the 2024/25 financial year.



Notes | Expenses

NOTE 9 | Employee Costs

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Wages and salaries	6,864	6,150	11.6%	6,140	11.8%
Superannuation	775	648	19.6%	659	17.6%
Payroll tax	344	303	13.5%	302	13.9%
Workers compensation	212	202	5.0%	160	32.5%
Fringe benefits tax	50	32	56.3%	30	66.7%
Less amounts capitalised	(1,734)	(1,532)	13.2%	(1,516)	14.4%
Total Employee Costs	6,511	5,803	12.2%	5,775	12.7%

Employee costs are expected to increase by \$708,000 in the 2024/25 financial year, which is an increase of 12.2% on forecast actuals for the 2023/24 financial year and a 12.7% increase on 2022/23 budget estimates. The key drivers of this increase include:

- Estimated increase of 4.5% to wages as per Council's Enterprise Bargaining Agreement;
- Legislated 0.5% increase to the Superannuation Guarantee Contribution (SGC);
- 38.5% increase in workers compensation insurance; and
- Annualising any new or reclassified roles that were recruited during the 2023/24 financial year.

NOTE 10 | Materials and Services

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Materials	636	539	18.0%	610	4.3%
Utilities	530	538	(1.5%)	503	5.4%
Plant, machinery and equipment	505	518	(2.5%)	511	(1.2%)
Office administration	68	66	3.0%	74	(8.1%)
Contracts	1,799	1,526	17.9%	1,499	20.0%
Professional services	355	428	(17.1%)	656	(45.9%)
Management contracts	303	369	(17.9%)	372	(18.5%)
Total Material and Services	4,196	3,984	5.3%	4,225	(0.7%)

Materials and services are expected to increase by \$212,000 in the 2024/25 financial year, which represents an increase of 5.3% on forecast actuals for the 2023/24 financial year and a 0.7% decrease on 2023/24 budget estimates. This increase is primarily due to an increased focus on proactive infrastructure maintenance and additional operational projects to be undertaken during the 2024/25 financial year.

Notable infrastructure maintenance to be completed in 2024/25 includes:

- Maintenance of the Hazy Days and Air-Ya-Garn mountain bike trails at Derby - \$84,000;
- Additional maintenance requirements for green waste processing and handling at Council's Waste Transfer Stations - \$78,000;
- Additional maintenance for playgrounds, gardens and walking tracks within the municipality - \$53,500;
- Additional maintenance of the Scottsdale, Bridport and Winnaleah Recreation Grounds - \$46,000;
- Maintenance of the Legerwood toilets and repainting of the Train Carriage interior and exterior - \$15,000; and
- Additional maintenance at the Bridport Seaside Caravan Park including cabin improvements, replacement of taps and fittings and site numbering - \$15,000.

NOTE 10 | Materials and Services (cont.)

Notable operational projects to be undertaken during 2024/25 include:

- Asset revaluations and management plans (AMP's) for three asset classes including Roads, Buildings and Land Improvements. Council will utilise external consultants for the Road and Building revaluations and AMP's at cost of \$117,500. The AMP for Land Improvements will be completed internally by employees with expert knowledge in this asset class; and
- New Municipal Planning Projects including a Bridport Structure Plan, Scottsdale Light Industrial Master Plan and a Residential Master Plan for Austins Road, Scottsdale. The Structure Plan's for Derby and Scottsdale, which commenced in the 2023/24 financial year, will also be finalised early in the 2024/25 financial year. An additional \$110,000 has been budgeted for external consultants to assist with both the new and carried forward projects.

NOTE 11 | Finance Costs

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Interest Payable	72	67	7.5%	94	(23.4%)
Total Finance Costs	72	67	7.5%	94	(23.4%)

Finance costs are expected to increase by \$5,000 in the 2024/25 financial year, due to additional borrowings expected to be drawn down. This represents an increase of 7.5% on forecast actuals and a decrease of 23.4% on the budget estimates for the 2023/24 financial year.

NOTE 12 | Other Expenses

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
State levies, licences and taxes	603	589	2.4%	586	2.9%
Insurance	250	194	28.9%	194	28.9%
Councillor allowances	223	244	(8.6%)	230	(3.0%)
Commissions	8	8	0.0%	8	0.0%
IT maintenance	157	129	21.7%	161	(2.5%)
Communications	71	71	0.0%	84	(15.5%)
Subscriptions and memberships	118	89	32.6%	82	43.9%
Professional development	82	38	115.8%	42	95.2%
Cost of goods sold	47	40	17.5%	45	4.4%
Election expenses	-	3	(100.0%)	3	(100.0%)
Community grants and donations	192	134	43.3%	177	8.5%
Advertising	27	42	(35.7%)	46	(41.3%)
Marketing	21	-	100.0%	-	100.0%
External audit fees	52	53	(1.9%)	50	4.0%
Internal audit fees	20	-	100.0%	20	0.0%
Bank fees and charges	33	37	(10.8%)	31	6.5%
Postage	24	21	14.3%	22	9.1%
Lease payments	18	5	260.0%	11	63.6%
Blue Derby Foundation contribution	-	125	(100.0%)	125	(100.0%)
Other expenses	97	330	(70.6%)	110	(11.8%)
Total Other Expenses	2,043	2,152	(5.1%)	2,027	0.8%

NOTE 11 | Other Expenses (cont.)

Total other expenses are expected to decrease by \$109,000 in the 2024/25 financial year, which represents an decrease of 5.1% on forecast actuals for the 2023/24 financial year and an increase of 0.8% on 2023/24 budget estimates.

Other expense inclusions

The following items are included in the \$97,000 of other expenses above:

- Fees payable in relation to remaining water rights held for sale for the Scottsdale Irrigation Scheme;
- Freight and delivery charges; and
- Sundry expenses (e.g. parking, website hosting costs, meeting costs, catering).

Community grants and donation details

Every year Council provides funding and resources to members of the Dorset community for educational development and projects, programs or events that will improve the wellbeing of the people living in Dorset.

Council has included the following community funding in this year's expenditure budget:

- Scholarships for Dorset residents enrolled in all levels of education, including:
 - University scholarship awarded to one recipient each year with a value of \$3,000 per year for up to 3 years;
 - Agri Business Scholarship valued at \$2,500;
 - Apprenticeship/Traineeship Scholarship valued at \$1,000; and
 - High School Student Scholarships for five recipients valued at \$500 each.
- \$55,000 for Matching Funding Grants, Small Grants and Discretionary Grants with up to \$25,000 from funds received from the Re-Use Centre at the Scottsdale Waste Transfer Station.
- Mayor's discretionary fund of \$10,000.
- Dorset Bright Futures Program contribution of \$20,000 and \$10,000 to support other Youth Programs within the Municipality.

NOTE 11 | Other Expenses (cont.)

- Sponsorship funding for various Community Events including:
 - Scallop Fiesta \$3,000;
 - Rail Trail Run & Ride \$2,000;
 - Bridport Splash \$4,000;
 - Tomahawk Easter Family Fun Day \$500;
 - Mannalargenna Day \$2,500;
 - Ringarooma Show \$2,000;
 - Rotary Christmas Parade \$500;
 - Bridport End of Summer Party \$2,000;
 - Mental Health Week - Family Fun Day \$1,000;
 - North East Arts & Craft Festival \$3,000;
 - Blue Derby Mountain Bike Trails 10 Year Celebration Event \$10,000; and
 - Discretionary Fund \$5,000.
- A contribution of \$10,000 each to both the Winnaleah and Ringarooma Swimming Pools to assist with running costs.
- A contribution of \$15,000 to assist with the provision of State Emergency Services within the Municipality.
- A contribution of \$6,200 towards the operations of the Bridport Information Centre.

NOTE 13 | Depreciation

	2024/25 Budget \$'000	2023/24 Forecast \$'000	Variance % Movement	2023/24 Budget \$'000	Budget Variance % Movement
Roads	2,859	2,795	2.3%	2,666	7.2%
Bridges	611	581	5.2%	556	9.9%
Plant, machinery and equipment	720	713	1.0%	676	15.8%
Buildings	448	434	3.2%	407	8.0%
Stormwater	317	237	33.8%	224	41.5%
Land improvements	460	456	0.9%	430	10.3%
Computer and technology	137	136	0.7%	130	(3.7%)
Fixtures, fittings and furniture	13	13	0.0%	12	200.0%
Total Depreciation	5,565	5,365	3.7%	5,101	9.1%

Council's depreciation expenditure is expected to increase by \$200,000 in the 2024/25 financial year. This represents an increase of 3.7% on forecast actuals for the 2023/24 financial year and a 9.1% increase on the 2023/24 budget estimates.

This increase is a result of a review of current asset values and replacement costs which shows Council will be required to index infrastructure assets such as roads, stormwater and buildings at levels higher than CPI at 30 June 2024.

Borrowings

Council are proposing to draw down new borrowings of \$0.5 million during the 2024/25 financial year.

The below table details Council's original loan amounts, however, note as at 30 June 2025 due to loan repayments, the balance is expected to total \$3.32 million.

	2024/25 Budget \$'000	2023/24 Budget \$'000
Local Government Loan Program	3,200	3,200
Other borrowings	2,500	2,500
Total Borrowings	5,700	5,700



Calculation of Rates and Charges

Rating Structure

Council has a rating structure consisting of three components. This structure complies with the Act and comprises the following components:

1. **General Rate** - calculated as a rate in the dollar on the Assessed Annual Value (AAV) of the rateable property, with a minimum amount payable;
2. **Waste Management and Waste Collection** - service charges in respect of prescribed services where provided; and
3. **Fire Levy** - calculated as a rate in the dollar on the AAV charged to recover amounts payable for the fire levy, with a minimum amount payable. The fire levy is recovered on behalf of the State Government.

General Rate

It is recommended that the general rate revenue base increase by 5.7% which is slightly lower than the 6.0% increase originally committed to in Council's 2024-2033 Long Term Financial Plan.

The general rate cents in the dollar on the AAV will be 5.3180 for the 2024/25 financial year (2023/24: 5.6170 cents in the dollar). It is also recommended that Council introduce a 15% maximum increase cap to the general rate to incrementally introduce the impacts of the 2024 Fresh Valuation.

It is recommended that Council maintains a varied general rate for properties used for short term accommodation (STA) of 10.636 cents in the dollar on the AAV for the 2024/25 financial year (2023/24: 11.2328 cents in the dollar) as the valuations for STA continue to generally be lower than comparable commercial properties.

It is also recommended that Council introduces a varied general rate of 6.1920 cents for Forestry properties and a varied general rate of 7.4210 cents for the Wind Farm at Cape Portland to ensure that the contribution that those industries make to Dorset's overall rates is not decreased as a result of the Fresh Valuation.

Waste Management

The standard waste management charge (per property) will increase by \$22.00 to \$161.00 for the 2024/25 financial year (2023/24: \$139.00).

Recommended Rates and Charges

The following rates and charges are recommended for the 2024/25 financial year:

	2024/25	2023/24
	\$	\$
General Rate		
General rate cents in the dollar of AAV	5.3180	5.6170
General Rate Minimum Charge	518.00	450.00
Varied General Rate (cents in the dollar on AAV) Properties used for Short Stay Visitor Accommodation	10.6360	11.2328
Varied General Rate (cents in the dollar on AAV) Properties used for Primary Production - Forestry	6.1920	-
Varied General Rate (cents in the dollar on AAV) Wind Farm	7.4210	-
Waste Management		
Standard Waste Management Charge (per property)	161.00	139.00
Kerbside Garbage Collection		
Small (80 Litre) MGB	143.00	136.00
Medium (120 Litre) MGB	168.00	160.00
Large (240 Litre) MGB	327.00	311.00
Kerbside Recycling Service	160.00	152.00
Fire Service Levy		
Scottsdale and Bridport Volunteer Brigade Districts	0.2344	0.2889
General Land District	0.2631	0.2712
Fire Service Levy Minimum Charge	49.00	48.00

Instalment Payments of Rates and Charges

It is recommended that Council maintain the four instalments in 2024/25 and continue to charge daily interest on any outstanding amounts.

The following table indicates the instalment dates for the 2024/25 financial year.

	Due Date	Date Interest Applied
Instalment 1	30 September 2024	15 October 2024
Instalment 2	30 November 2024	15 December 2024
Instalment 3	31 January 2025	15 February 2025
Instalment 4	31 March 2025	15 April 2025

Dorset Council

2024/25 Capital Expenditure Budget



Resheeting works on Ten Mile Track, Springfield

2024/25 Capital Expenditure Budget | Summary

A Capital Works Program totalling \$8.8 million is recommended. The 2023/24 capital budget was \$10.4 million (including budget variations), however \$3.3 million of this budget is expected to be carried forward into the 2024/25 financial year.

Total Capital Expenditure Budget

	Renewal \$'000	New & Upgrade \$'000	Overhead Wages Allocation \$'000	Total Budget \$'000
Bridges	209	-	35	244
Roads	1,796	141	329	2,266
Stormwater	40	198	39	277
Buildings	147	233	66	446
Land Improvements	280	429	120	829
Plant and Equipment	945	187	194	1,326
IT and Communications	30	80	19	129
Carry Forward Projects	471	2,352	478	3,301
Total	3,918	3,620	1,280	8,818

Funding the Budget

	Total Budget \$'000	External Funding \$'000	Council Funding \$'000
Bridges	244	114	130
Roads	2,266	71	2,195
Stormwater	277	-	277
Buildings	446	-	446
Land Improvements	829	205	624
Plant and Equipment	1,326	265	1,061
IT and Communications	129	-	129
Carry Forward Projects	3,301	1,897	1,404
Total	8,818	2,552	6,266

Further capital projects that are approved subject to the receipt of external funding total \$4.9 million. Of this amount, \$4.0 million is to be received via external grant funding and \$0.9 million will be funded by Council.

Capital Expenditure approved subject to funding

	Total Budget \$'000	External Funding \$'000	Council Funding \$'000
Bridges	360	180	180
Roads	3,472	2,778	694
Buildings	59	44	15
Land Improvements	987	973	14
Total	4,878	3,975	903

If all external funding is received the Capital Works Program will total \$13.7 million for the 2024/25 financial year, of which Council will fund a total of \$7.2 million.

2024/25 Capital Expenditure Budget | Highlights

Roads

Council's total capital expenditure for roads amounts to \$2,266,000.

Key projects include:

- Annual resheeting and reseal program;
- New Pedestrian Crossings for Scottsdale and Bridport; and
- Repair and reseal of Cape Portland Road, Gladstone.

Plant and Equipment

Council's total capital expenditure for plant and equipment amounts to \$1,326,000. Major purchases include:

- Hook Lift Truck replacement;
- Excavator replacement; and
- Fleet vehicle replacements.

Land Improvements

Council's total capital expenditure for land improvements amounts to \$829,000. Key projects include:

- Blue Derby Mountain Bike Trails: Tunnel Stairs and Wotcha Upta rebuild;
- Croquet Lawn Beach access; and
- Playground equipment renewal and upgrades - Scottsdale, Branxholm & Winnaleah

Buildings

Council's total capital expenditure for buildings amounts to \$446,000. Key projects include:

- Scottsdale Railway Building Restoration;
- Branxholm Town Hall re-roof; and
- Upgrade safety switches in all building across the Municipality.

Bridges and Stormwater

Council's total capital expenditure for bridges and stormwater amounts to \$521,000. Key projects include:

- Renew Scour Protection Piers on Bridge 1508 Garibaldi Road, Pioneer;
- New Stormwater connections for Industrial Subdivision, Ringarooma Rd, Scottsdale; and
- Stormwater network extension from Ethel St into King St, Scottsdale.

IT and Communications

Council's total capital expenditure for IT and communications amounts to \$129,000. Key projects and purchases include:

- Computer and Laptop replacements; and
- Altitude Authority software preparation.

Carry forward projects:

Council's total carry forward amounts to \$3,301,000. Key projects to be completed include:

- Rail Trail - Scottsdale to Lilydale;
- Old Waterhouse Road safety improvements and upgrade; and
- Gladstone Community Park.

