

# SHIRE OF CAMPASPE MEDIA RELEASE



FOR IMMEDIATE RELEASE: 6 February 2012

## HAVE YOUR SAY ON COUNCIL'S 2012/13 BUDGET

The Shire of Campaspe is inviting members of the community to provide input into the 2012/13 Council Budget.

Corporate Support Portfolio holder Cr Marion Riley said work is underway to develop Campaspe's 2012/13 Budget and Council is calling for submissions on priorities for expenditure on services and facilities, and key areas on which Council should focus.

"The Shire of Campaspe is committed to providing quality services and facilities that reflect the needs and preferences of our growing community," Cr Riley said.

"Council's community consultation process in this early stage of planning for the budget provides residents with an opportunity to comment and provide feedback on what they would like to see included. Council has prepared a *2012/13 Budget Discussion Paper* and *2012/13 Budget Submission Template* to assist residents in preparing their budget submissions.

"The discussion paper provides the context for the budget including outlining some of the ongoing financial challenges and cost pressures faced by Council," Cr Riley said.

Some ongoing financial challenges include:

- \* *Funding more than 120 services to the community* - Determining what the community's priorities are for services and then balancing these priorities with the services that Council is obligated to deliver on behalf of other levels of government or required by legislation.
- \* *Closing the Asset Renewal Gap* - Council has an asset base of \$809 million that consists mainly of Council's road network and buildings. A challenge faced by councils across Victoria is to generate sufficient funding to maintain and replace these assets. Council's 2011/12 Budget showed that there were identified asset renewal works of more than \$35 million. \$11.87 million of asset renewal works were able to be funded in the 2011/2012 Budget; Council's current asset renewal gap is therefore more than \$23 million.
- \* *Income streams* - Council's income from rates accounts for less than 40% of its total annual income. Rates are not a growth tax and rising property values do not result in increasing rates revenue but generally result in a lower rate in the dollar to offset the overall increase in property values. Government grants are a proportionately diminishing source of revenue for councils. The Municipal Association of Victoria argues that the financial contributions from other levels of government (state and federal) have failed to keep pace with local government costs and this severely undermines the budgetary position of councils.

Some cost pressures in 2012/13 include:

- \* Council elections, to be held in October 2012, will impose an additional cost to Council of approximately \$200,000.

- \* Increasing costs to comply with changes in government legislation or delivery of services cost shifted from other levels of government.
- \* Loan repayments on loans budgeted to be approximately \$8.5 million at 30 June 2012.

In light of these financial challenges and cost pressures, it is anticipated that Council's 2012/13 Budget focus areas will include:

- \* *asset and capital focus* - capital expenditure required for asset renewal
- \* *operational focus* - the efficient and effective delivery of Council services
- \* *strategic focus* - continuation of Council's 15-year Long Term Financial Plan, ensuring all expenditure is consistent with Council's Strategic Objectives and reviewing the Rating Strategy to affirm the appropriate distribution of rates across all property sectors.
- \* *other* - optimising Council's debt management and complying with the Local Government Act and other legislation.

**Community submissions on the budget must be provided on a 2012/13 Budget Submission Template, available on Council's website at [www.campaspe.vic.gov.au](http://www.campaspe.vic.gov.au)**

**Submissions for the 2012/13 Budget close on Friday, 2 March 2012** and can be forwarded as follows:

Email: [shire@campaspe.vic.gov.au](mailto:shire@campaspe.vic.gov.au)

Mail: Shire of Campaspe  
"2012/13 Budget Discussion Paper"  
PO Box 35  
ECHUCA VIC 3564

In person: Customer Service Centres

There will be further opportunities for the community to provide input into the budget including during a series of community sessions to be held in May and June, and when the draft budget is on public display in June 2012.

#### **Further information**

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