



JUNEE SHIRE COUNCIL

SPECIAL RATES VARIATION

NEWSLETTER

ATTACHMENT I



PAYING MORE ATTENTION TO SHIRE ROADS

Important information about a proposed
Special Rates Variation to significantly
increase Road Renewal expenditure.



Letter from the Mayor

For the last ten years the Junee Shire Council has been consulting with the community in various ways about the assets, infrastructure and services you value most in our community and more importantly about the Council's capacity to fund these.

This process is ongoing. In February 2014 the Council will consider applying for an additional Special Rate Variation (SRV) above the annual rate pegging figure (usually around 3%) set by the State Government each year.

In 2006, a Long Term Financial Plan was prepared and identified a revenue or income gap of around 39%. Subsequent Financial Plans, and Management Plans (budgets) have made it very clear that Council has to do what we do better and at the same time seek future Special Rate Variations to provide services and maintain assets and infrastructure for the residents of Junee Shire.

You, the residents, tell us that the following is considered very important:-

- maintenance of roads and sporting fields;
- town and village appearance, parks and gardens, public buildings and facilities; and
- economic development, town pride and promotion, and jobs growth are seen as crucial for the future of our Shire.

Like you, and everyone else, the Council has been experiencing increasing costs for some time now. We now face a significant challenge. We need to either raise rates or reduce what we do.

Rate increases of any kind are never welcome! We understand that. However we believe a sustainable and affordable increase in rates is the only means by which we can continue to meet the community's needs and expectations.

This newsletter contains a range of information. Please look at it carefully. Three options are provided. One with the Special Rates Variation increases and one with the NSW Government limited rate increases. A third, slightly more optimistic option, is provided to see if the community would like to see other public buildings maintain good condition.

There is also other information especially about where the additional money will be spent over the next 10 years. We have made ongoing efficiency improvements over the last decade and there is only a little bit more that we can do. If we can't increase our rates some service reductions will have to occur and we have laid out some of our options that we will need to consider if the Special Rates Variation is not approved.

The survey firm IRIS, who has conducted our community surveys in the past, will be contacting people to ask questions about the alternatives. If you are contacted I encourage you to be open and honest with your answers.

Also town and village meetings are to be held where you can express your view. We will continue to communicate with you and keep you informed.

Lola Cummins

Mayor - Junee Shire Council



Average Residential Rate Bill Dissected

Your total Rate Bill is divided into a number of areas.



At a Glance

- 1 Council isn't able to maintain our roads the way you or we want them kept.
- 2 In 2006 Council identified that additional revenue of 39% was needed to fund roads properly.
- 3 Council and the community have received two Special Rate Variation approvals since 2009 equal to approximately 23%.
- 4 Roads need more money spent on them through either increasing rates or reducing other services.
- 5 Special Rate Variations provide a way to achieving this. The additional rate increases will be spent exclusively on roads.
- 6 The alternative is to dramatically reduce services - the community have repeatedly said no to this.
- 7 The 2009 Special Rate Variation (\$240,000) has to be returned to ratepayers in 2014. (State Government requirement)
- 8 Council is proposing a Special Rate Variation for the next three years. The average residential property will be paying an extra \$0.65c/week averaged across that period.

Special Rate Variation History

Approved SRV applications

- **2009:** 13.5%. While our application requested this amount to be permanently embedded in future rates the State Government in that year made a blanket decision to limit approvals for a five year period. This means on 1 July 2014 we have to remove approximately \$240,000.
- **2013:** 10% approved. Additional revenue of approx. \$180,000/ year entirely for road renewal and reseals in 2014.

Proposed SRV MAINTAIN application

- **2014:** Three year application: 2014 with a net figure of 3.78% (which includes asking for the 2009 SRV to be reinstated), 2015 at 9.5% and 2016 at 9.0% . All the Revenue will be dedicated to road renewals and reseals.

Average rate increase by rating sub category - Including rate peg

Rate Sub Category	Average Land Value	2013/14 Total Rate Bill	2013/14 General Rates Portion	2014/15 Increase from previous year 3.78%*	2015/16 Increase from previous year 9.5%	2016/17 Increase from previous year 9%	Total Increase from 2014-17	Increase Excluding Rate Peg from 2014-17
Village	\$50,000	\$731	\$461	\$17	\$45	\$47	\$110	\$67
Residential	\$50,000	\$1,365	\$705	\$27	\$70	\$72	\$168	\$101
Business	\$60,000	\$2,594	\$1,935	\$74	\$191	\$197	\$461	\$276
Farmland	\$700,000	\$2,200	\$2092	\$79	\$206	\$214	\$499	\$299

The table above represents the average general rates charged across the four land rate sub categories. Individual rate assessments are based on your land values, not the improved value. Individual rate assessment will be higher or lower than the average displayed here. If you would like to know what the actual impact on your property is please go to the Council's website and use the ready reckoner calculator. Alternatively, email your name and rate assessment number to us and an answer can be provided to you.

* The proposed SRV in 2014/15 is a net increase of only 3.78% and this figure includes the estimated rate peg for that year. In gross terms it represents the reduction of rate revenue of approx. \$240K from a previous 2009 SRV of 9.6%. This SRV expires on 30 June 2014. Council wishes to retain this revenue. With the reduction in the revenue base and the 9.6% increase (plus the estimated rate peg of 3%) a net increase of 3.78% is the result.

Junee Shire has 852 km of roads to maintain, renew and make safe for the community with 28 staff. That's 28 staff maintaining a road equivalent to a return trip to Sydney.

Three Rate Scenarios

The Council is committed to testing the community's desire for rate increase. There are three Special Rates Variation scenarios for consideration, with the third option slightly more ambitious, Council would like to gauge how the community feels about other items you have previously said are important.

1. **DECLINE** – This is a business as usual approach where Council would normally accept the rate rises linked to the rate peg, notionally around 3%. With a reduction of approximately \$240,000 from the expiring 2009 SRV. In DECLINE, **major reductions to levels of services would occur.**
2. **MAINTAIN** – This scenario has been in the public domain for a number of years, having been deferred on several occasions during that period. **It allocates all of the Special Rates Variations revenue above the rate peg amount towards road renewals and reseals.** Over the 10 year cycle Council would progressively be able to fund road renewal and reseals to bring road assets to a satisfactory condition.
3. **IMPROVE** – In the IMPROVE scenario road renewals and reseals in MAINTAIN are included, with added items that are consistent with the Community Strategic Plan. This will support community infrastructure, such as the Broadway Museum, Athenium and Junee Recreation and Aquatic Centre.

Efficiency gains have seen Council reduce its outdoor workforce by 25% over the last decade or so.

YOUR SERVICES... *your options*

Note: Figures included in this document are estimates only and subject to change

DECLINE - No rate increase above rate peg		
Key Features	<ul style="list-style-type: none">• Maintenance Program reduced• Services reduced to fund infrastructure renewal• Conditions of our assets would decline with average moving from satisfactory to poor• Average residential rate increase by 3% rate peg, set by IPART	
Rates	<ul style="list-style-type: none">• Rate maintained at rate pegging minus \$240k for 2009 SRV	
Infrastructure & Services	<ul style="list-style-type: none">• Reduced	
Options & impacts up for consideration		
Rural Sealed & Unsealed Road Network	<ul style="list-style-type: none">• Reduction in expenditure over 10 years – gradual deterioration to poor condition• Some rural bitumen roads return to gravel	
Town Roads	<ul style="list-style-type: none">• Reduction in expenditure over 10 years gradual deterioration to poor condition	
Public Toilets	<ul style="list-style-type: none">• The frequency of cleaning would be reduced• Maintenance of conveniences would decline	
Stormwater & Drainage	<ul style="list-style-type: none">• Remove planned capital works	
Community Buildings, eg Athenium & Broadway Museum	<ul style="list-style-type: none">• Reduction in level of service and maintenance. No opportunity for capital projects	
Sporting Fields	<ul style="list-style-type: none">• The frequency of mowing would need to be reduced.• Reduced over-sowing & fertiliser application	
Parks & Playgrounds	<ul style="list-style-type: none">• Less frequent mowing & the condition of playground equipment would deteriorate with some likely to be removed due to safety concerns	
Rec Centre & Pool	<ul style="list-style-type: none">• The condition of the existing facility would deteriorate• Possible pool closure in winter	
Library	<ul style="list-style-type: none">• Possibility of reducing opening hours	
Community Events & Programs	<ul style="list-style-type: none">• Reduction of community events & programs such as crime prevention & safety, youth, Aboriginal & children promotions	
Donations	<ul style="list-style-type: none">• Removing donations to not for profit organisations & charities	
Town Promotion & Economic Development	<ul style="list-style-type: none">• Removed entirely from Council's operational budget	
Organisational Staffing Levels	<ul style="list-style-type: none">• Deliberate reduction with reduced services or operational works	
Average increase to residential rates		
Average Residential Increase	-\$0.08 per week (3 yr ave.)	-\$13 per annum (3 yr ave.)

MAINTAIN - Rate levels for road infrastructure sustainability		
Key Features	<ul style="list-style-type: none">• Road assets would be sustained• Condition of other assets would be maintained• Service delivery would be maintained• General rates increased by 3.78% in 2014, 9.5% in 2015 & 9% in 2016 (Includes rate peg)	
Rates	<ul style="list-style-type: none">• Rate levels to accommodate infrastructure sustainability	
Infrastructure & Services	<ul style="list-style-type: none">• Maintained with road renewals to bring those road assets to satisfactory condition	
Options & impacts up for consideration		
Rural Sealed & Unsealed Road Network	<ul style="list-style-type: none">• Proposed SRV increase (excluding rate peg) dedicated to road renewal & reseal program	
Town Roads	<ul style="list-style-type: none">• Proposed SRV increase (excluding rate peg) dedicated to road renewal & reseal program	
Public Toilets	<ul style="list-style-type: none">• Status Quo	
Stormwater & Drainage	<ul style="list-style-type: none">• Status Quo	
Community Buildings, eg Athenium & Broadway Museum	<ul style="list-style-type: none">• Levels of service maintained• Consideration of existing capital works program being carried out	
Sporting Fields	<ul style="list-style-type: none">• Level of service maintained	
Parks & Playgrounds	<ul style="list-style-type: none">• Level of service maintained	
Rec Centre & Pool	<ul style="list-style-type: none">• Consideration of existing capital works program being maintained.• Consideration of pool closure in winter• Investigate efficiency gain through alternative energy solutions to reduce long term operational costs	
Library	<ul style="list-style-type: none">• Level of service maintained	
Community Events & Programs	<ul style="list-style-type: none">• Review of level of service for community events & programs such as crime prevention & safety, youth, Aboriginal & children promotions	
Donations	<ul style="list-style-type: none">• Review donations to not for profit organisations & charities	
Town Promotion & Economic Development	<ul style="list-style-type: none">• Level of service maintained	
Organisational Staffing Levels	<ul style="list-style-type: none">• Maintain existing staffing levels with period review	
Estimated revenue over three years (Excluding rate peg)		
\$473,000		
Average Residential Increase	\$0.65 per week (3 yr ave.)	\$33 per annum (3 yr ave.)

IMPROVE - Rate level for infrastructure improvement		
Key Features	<ul style="list-style-type: none">• An increase program of infrastructure renewal & upgrade to assets other than roads.• Capacity for energy efficient capital work to be implemented on public buildings• Estimated value would be in the vicinity of an additional \$150,000 per year for three years.	
Rates	<ul style="list-style-type: none">• Rate levels for infrastructure improvements	
Infrastructure & Services	<ul style="list-style-type: none">• Upgrades to buildings & service functions	
Options & impacts up for consideration		
Rural Sealed & Unsealed Road Network	<ul style="list-style-type: none">• Maintained to a satisfactory condition	
Town Roads	<ul style="list-style-type: none">• Maintained to a satisfactory condition	
Public Toilets	<ul style="list-style-type: none">• Status Quo	
Stormwater & Drainage	<ul style="list-style-type: none">• Status Quo	
Community Buildings, eg Athenium & Broadway Museum	<ul style="list-style-type: none">• Level of services improved• Asset renewal implemented over 10 year cycle	
Sporting Fields	<ul style="list-style-type: none">• Level of service maintained• Assist with funding of Laurie Daley Oval amenities stages 2 & 3	
Parks & Playgrounds	<ul style="list-style-type: none">• Level of Service maintained• Improvement to Asset Renewal Program over 10 year cycle	
Rec Centre & Pool	<ul style="list-style-type: none">• Access to & level of service improved• Improvement to Asset Renewal Program over 10 year cycle	
Library	<ul style="list-style-type: none">• Level of service maintained	
Community Events & Programs	<ul style="list-style-type: none">• Maintain or improve levels of service for community events & programs such as crime prevention & safety, youth, Aboriginal & children promotions	
Donations	<ul style="list-style-type: none">• Status Quo	
Town Promotion & Economic Development	<ul style="list-style-type: none">• Levels of service improved	
Organisational Staffing Levels	<ul style="list-style-type: none">• Maintain existing staffing levels with periodic review	
Estimated revenue over three years (Excluding rate peg) \$921,000		
Average Residential Increase	\$1.26 per week (3 yr ave.)	\$65 per annum (3 yr ave.)

Productivity & efficiency gains so far

Tightening our belts together with productivity improvements commenced a decade ago, and remains a continuous process for the Council:

Reduced gravel haulage truck fleet from seven trucks 20 years ago to three trucks today. With 440hp the productivity of the three trucks far outweighs the seven trucks previously operated.

More efficient use of plant has reduced our plant fleet and provided the ability to reduce staffing levels by 25% in that area.

Strategically locating water standing pipes close to roadworks generates an annual saving of \$25,000.

Reduced graders from six 20 years ago; to three, 15 years ago and down to two graders six years ago.

Today we do not own any heavy plant that does not have maximum utilisation – all surplus plant has been sold.

Bulk purchasing through tendering for fuel and equipment has brought about savings for the organisation.

A dedicated effort to secure private works to boost revenue.

Established several gravel pits which means all of Council's roads can be gravelled with a maximum haul of 8km. Hauls in the past were as high as 30kms. Maximum efficiency from graders, rollers and water trucks is achieved.

Reduced opening hours on the weekend in winter together with a new pool deck supervision regime at June Junction Recreation and Aquatic Centre will save approximately \$70,000.

Bitumen patching has been let out to competitive tender as a more efficient way of delivering road maintenance.

Cars are used to achieve best turnover results for Council. Some cars are handed down from one staff member to another to minimise cost of renewal.

Engineering office has reduced its staff from four qualified engineers 15 years ago to two qualified engineers today.

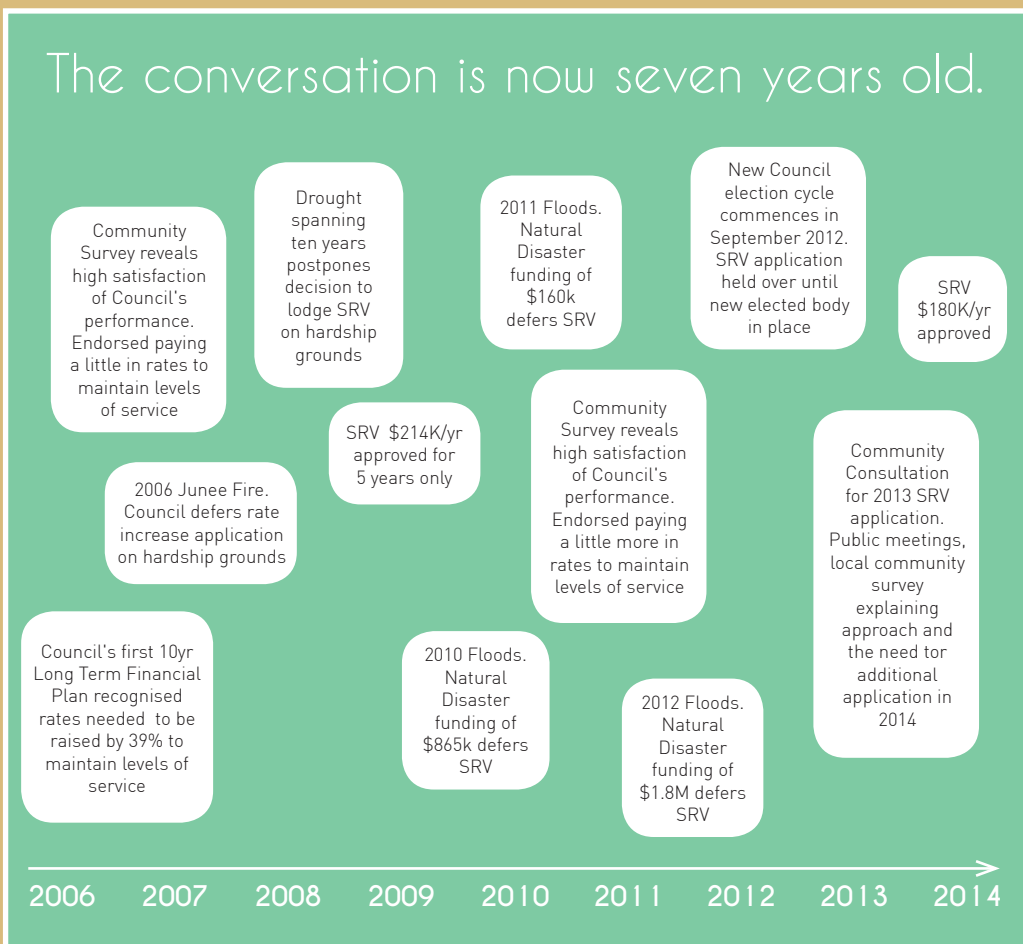
Council is currently operating close to its efficiency limit and therefore there are limited opportunities to reduce the expense base without reducing levels of service.

Our local road network has a replacement value of \$82M.

Consultation Timeline

- **2006 & 2011:** Independent Community Surveys asking whether or not they were prepared to keep, reduce or increase those services and how they could be resourced.
- **2013:** Council Community Survey prior to lodging the 2013 Special Rates Variation application to test the result of previous independent community surveys in 2006 and 2011.
- **2013:** Public exhibition of Integrated Planning and Reporting documents which describes the intention for the next Special Rates Variation application. Two financial estimates were prepared; one without any future Special Rates Variation approvals with proposed expenditure cuts and the other was prepared on the basis of a Special Rates Variation application for the next three years.

The conversation is now seven years old.

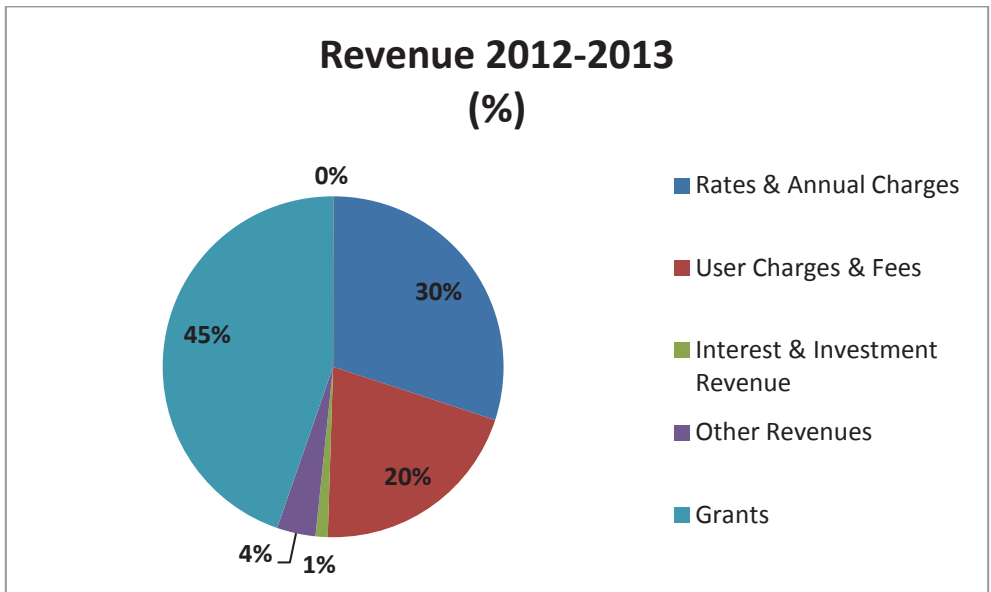


\$400,000/yr of funding from Roads to Recovery is at risk without increased revenue or lowering other Council service levels.

Revenue Opportunities

For a Council of our type and size the opportunities for increasing revenue from other sources is difficult. While our sewer fund is quite healthy and includes reserves for sewer capital works in future years, Local Government is not permitted to cross subsidise revenue from this fund to the General Fund.

The following pie chart shows all revenue by category. Council rates revenue represents 30% of total revenue. This is typical for a rural based shire. The bulk of the grant revenue (45%) is from the State and Federal Government without which the organisation simply could not function.



To soften the effect of the SRV increase on the total rate bill the garbage and sewerage charges will remain flat for the next three years.

Where will the money be spent?

In the MAINTAIN scenario?		
2014	Would generate \$54,533*	This could re-sheet 1.5km of gravel road. Council maintains 326km of gravel road
2015	Would generate \$208,235*	This could reseal approximately 12km of sealed road. Council maintains 427km of sealed road. Council needs to reseal 21km per year for the road network to be sustainable.
2016	Would generate \$210,477*	This could help to reconstruct 1.75km of sealed road. Council needs to reconstruct 4km per year to allow for the road networks to be renewed over a 100 year period.
If you would like to look at a list of roads that the SRV MAINTAIN revenue will be helping to fund over the next ten years please visit the Council's website.		

We look after our roads in the following ways:	Where will the SRV MAINTAIN money be used?
Maintenance – work that is required to hold the asset in its current condition. Funded from existing revenues.	✗
Renewal – work that is required to build the assets to a satisfactory standard	✓
Upgrades – is to rebuild the asset to a higher capacity or standard than originally designed for. Growing expectations from the public as well as heightened road safety and risk management dictates that segments of the road network are improved over time. (Eg. Road widening, eliminating crests.) Funded from external revenues, Eg Additional Government funding.	✗

The required average yearly expenditure for the next 10 years for Road Renewal and Reseals is \$1.81M/yr. With the additional revenue from SRV MAINTAIN, the Council will be able to fund 93% of the projected road renewal and reseals; with the SRV DECLINE, the Council can only fund 78%. The 22% shortfall would be 44% in two years.

Lower Services Means

Suggestions from community members have been taken in to account and provided below. Other belt tightening options have also been included to help inform your consideration on this matter.

If DECLINE is adopted the organisation may not be able to bring road renewal and reseals up to a satisfactory condition. These road assets are likely to suffer under reduced levels of service despite any savings achieved in other areas.

Reducing the library opening hours by 50% would save approximately \$70,000 a year.

Closing the indoor stadium in summer would not achieve any real operational savings.

If we closed the Pool (not the entire Centre) during the winter months (May, June, July & August) it would save us about \$50,000 a year.

If the Council halved the amount and time spent on cleaning public toilets it would save \$25,000 per year.

While street cleaning remains an important service, if the Council reduced that service by 50% it would generate a \$50,000 per year saving.

If levels of service are lowered staffing levels would also need to be reduced at the Council.

Junee has the best sporting grounds in the Riverina. If mowing and over-sowing was reduced by say 30%, a \$30,000 saving per year could be achieved.

Why continue a Family Daycare service? The Family Daycare service is a federally funded program and doesn't have a negative impact on our operational budget. It does employ people, some of which live locally.

Why continue a Community Transport scheme? Again it is a government funded program employing local people.

The above points are intended to represent the type of savings that could be made if levels of service are reduced, the figures are estimates only. The Council has provided this information to assist you. The above examples provide a list of options that the Council would consider and would be subject to further consideration.

Contact








WHAT HAPPENS NEXT?


Community consultation will continue via a series of community and stakeholder workshops.

IRIS will conduct an independent telephone survey shortly after you receive this newsletter to gauge community responses.

For more information about the proposed SRV visit:

-  www.junees.nsw.gov.au
-  [thinkjunees](#)
-  [Junees Shire Council](#)
-  jsc@junees.nsw.gov.au
-  (02) 6924 8100

A larger text version of this document is available on the Council webpage.

-  Correspondence should be addressed to
The General Manager Junees Shire Council
PO Box 93, Junees NSW 2663

Affordability

Junees Shire Council adopted a Rates and Charges Hardship Policy in 2009 to provide assistance to ratepayers experiencing genuine financial hardship in meeting their rates commitments.

In July this year that policy was reviewed to include Special Rates Variation hardship. This was done in recognition for families and elderly people that may not be able to absorb small increases (average residential rate, equivalent to \$0.65/week over the three period) to their household budgets.

This policy attempts to provide support to those community members who need it. Residents are encouraged to make contact with the Council should they require alternative payment arrangements.



JUNEE SHIRE COUNCIL

IRIS RESEARCH

SPECIAL RATING OPTIONS
SURVEY
December 2013

ATTACHMENT 2





Insight for
Business & Government

Junee Shire Council Special Rating Options Survey

Prepared for



by
IRIS Research Ltd

December 2013

IRIS Research ABN 16 002 278 793

Level 1, IC Central, Innovation Campus, Squires Way, Fairy Meadow

Postal address: Northfields Ave, Wollongong NSW 2522. Telephone: (02) 4285 4446 Fax: (02) 4285 4448

Net: <http://www.iris.org.au> Email: research@iris.org.au

TABLE OF CONTENTS

EXECUTIVE SUMMARY	3
1 INTRODUCTION.....	4
1.1 BACKGROUND	4
1.2 RESEARCH OBJECTIVES.....	4
1.3 RESEARCH METHODOLOGY	4
1.4 SURVEY RESPONSE	5
SURVEY RESULTS	6
2 IMPORTANCE OF INFRASTRUCTURE	7
3 SUPPORT FOR PROPOSED SPECIAL RATE SCENARIOS	9
3.1 COMMUNITY PREFERENCE.....	9
3.2 REDUCTION IN SERVICES AND INFRASTRUCTURE	10
3.3 CIRCUMSTANCES WHERE SUPPORT FOR MAINTAIN/IMPROVE WOULD BE PROVIDED	11
4 ATTITUDES TO RATE INCREASE AND SERVICE CUTS.....	12
5 RESPONDENT CHARACTERISTICS	13
5.1 GENDER	13
5.2 LOCALITY.....	13

EXECUTIVE SUMMARY

This report presents the results of the Junee Shire Council special rate variation survey, 2013. IRIS Research was commissioned by Council to conduct a comprehensive telephone-based survey among the area's residents. The survey sought to gauge community support and reaction to the proposed rating options.

The key finding of the survey was the overwhelming majority (85.9%) of residents in the Junee Shire supported a special rate variation to cover the gap in funding for renewal and reseals of roads, rather than the alternative of reducing the standards of services and infrastructure.

Of the rating options presented, 45.4% opted for the "improve" scenario which not only allowed Council to renew and upgrade roads, but provide revenue to support community infrastructure. 40.5% opted for Council to maintain the special rate variation for which all additional revenue above the rate peg is dedicated to road renewals and reseals. This left only 14.1% that supported the decline option where Council would need to reduce the level of service.

1 INTRODUCTION

1.1 BACKGROUND

IRIS Research was commissioned by Junee Shire Council to undertake a survey of residents within the Junee Shire. The survey aimed to canvass the community on funding options being considered by Council for vital road renewals and reseals.

1.2 RESEARCH OBJECTIVES

The main objectives of this survey were;

- To determine what the community viewed as important community assets.
- Assess the level of support for a special rate variation to cover the gap in funding for renewal reseals of local roads.
- Measure the level of support amongst ratepayers of specific various rating options being considered by Council.

1.3 RESEARCH METHODOLOGY

The survey was conducted following an information package being mailed out to all resident rate payers explaining Council's proposal of an application for a special rates variation and the form the rating options could take. The questionnaire was only administered to those residents that were familiar with the special rate variation proposals and the reasons why Council is seeking the variation.

The questionnaire was administered using IRIS's CATI facility. CATI facilitates strategies to combat non response using time shifted retries for non contacts and a callback facility for the convenience of respondents.

Adult decision makers were randomly selected across the local government area in proportion to population densities ensuring a geographic spread.

1.4 SURVEY RESPONSE

Interviews were conducted during the week commencing 9th December 2013 between 4.00 and 8.30 p.m.

A final sample of 405 adult decision makers was achieved. The maximum error on proportion for the total sample is +/- 4.9%.

The following indicates the key survey findings.

SURVEY RESULTS

2 IMPORTANCE OF INFRASTRUCTURE

Respondents were first asked the following;

...how important are specific types of infrastructure to you on a scale of 1 to 5?

Table 2-1 Importance Ratings for Infrastructure (n=405)

Type of Infrastructure (rank order)	n/r	Importance Rating (%)			Mean Score (out of 5)
		Low (1-2)	Medium (3)	High (4-5)	
Rural sealed roads	0.0	5.4	17.0	77.5	4.21
Rural unsealed roads	0.5	15.3	26.9	57.3	3.73
Town roads	0.2	3.7	10.9	85.2	4.41
Parks, playgrounds and reserves	1.0	7.2	15.8	76.1	4.11
Sporting fields	0.7	10.9	15.8	72.6	4.01
Community buildings and halls	1.0	8.9	26.2	63.9	3.86

...how important is it for Council to renew and maintain each type of infrastructure at an acceptable level.

Table 2-2 Importance Ratings for Renewing and Maintaining Infrastructure (n=405)

Type of Infrastructure (rank order)	n/r	Importance Rating (%)			Mean Score (out of 5)
		Low (1-2)	Medium (3)	High (4-5)	
Rural sealed roads	0.0	4.2	11.6	84.2	4.34
Rural unsealed roads	0.5	7.7	19.5	72.4	4.06
Town roads	0.2	2.0	9.1	88.6	4.46
Parks, playgrounds and reserves	0.5	5.4	17.3	76.8	4.15
Sporting fields	0.5	8.1	18.8	72.5	4.06
Community buildings and halls	1.0	9.4	23.7	66.0	3.90

Key findings;

- Mean scores indicated town roads and rural sealed roads were rated as the most important of the infrastructure assets listed.
- Consistent with the above results, residents indicated a high level of importance for Council to renew and maintain town roads and rural sealed roads.
- Despite the overall lower mean importance scores for community buildings, it is noted that two thirds of the community provided a high importance rating for its maintenance and renewal.

3 SUPPORT FOR PROPOSED SPECIAL RATE SCENARIOS

3.1 COMMUNITY PREFERENCE

All respondents were provided with a detailed description of the proposals as outlined in the information brochure and were asked:

Of the three rate scenarios proposed by Council which option do you most support?

Table 3.1 Support for Special Rate Variation Options

	Frequency	Percent	Valid Percent	Cumulative Percent
Decline	57	14.1	14.1	14.1
Maintain	164	40.5	40.5	54.6
Improve	184	45.4	45.4	100.0

Key findings:

- 86% of residents surveyed indicated they would prefer a special rate variation rather than a decline in service levels.
- Of residents who supported a special rate variation, 45% opted for the "higher" rate variation and 41% supported "maintaining" the existing variation that is set to expire in 2013/14.

3.2 REDUCTION IN SERVICES AND INFRASTRUCTURE

The 57 residents (14.1%) who supported the “decline” option were asked to identify what services and infrastructure they would like to see reduced as a result.

The following responses were provided

- Parks and gardens in town (6 mentions)
- Town roads (4 mentions)
- Council administration (5 mentions)
- Athenium theatre (4 mentions)
- Christmas tree (2 mentions)
- Aquatic Centre (1 mention)
- Sporting fields (1 mention)
- Footpaths (1 mention)
- All services (1 mention)

32 of the 57 respondents did not identify any specific service or infrastructure they would like to see reduced.

3.3 CIRCUMSTANCES WHERE SUPPORT FOR MAINTAIN/IMPROVE WOULD BE PROVIDED

A further question was asked to respondents who supported the decline option on whether they could identify any circumstances where they may support the maintain or improve options.

38 of the 57 residents that opted for the decline option indicated they could not identify any circumstance where their support would shift to maintain or improve options.

Three residents indicated they would support the other options if Council could guarantee it is too be spent on roads and identify the roads that the money is going to be spent on. One person indicated they would only support option 1 or 2 when they knew how much their rural rates would rise.

Other comments related to increasing fees for use of the aquatic centre, that Council needed to stop wasting money and spend more on sporting fields.

4 ATTITUDES TO RATE INCREASE AND SERVICE CUTS

This section is concerned with the perceptions held by residents towards the financing of services and facilities by June Shire Council. Residents were read three statements and asked to rate the level of agreement with each on a scale of 1 to 5, where 1 meant they strongly disagreed with the statement and 5 meant they strongly agreed with it. The identical questions were posed to residents in the 2011 and 2006 June Community surveys. Comparisons are provided below.

Table 4-1 Level of Agreement Concerning Service Cuts (n=405)

	% Agreement						Mean 2006
	Can't say	Low (1 & 2)	Medium (3)	High (4 & 5)	Mean 2013	Mean 2011	
I would be happy to pay a little more Council rates to fund essential improvements in services and facilities	1.2	12.1	17.8	68.9	3.97	3.40	3.48
I would rather see Council rates rise than see cuts in local services	2.2	11.6	21.5	64.7	3.94	3.14	3.43
Council rate rises should be kept to a minimum even if it means that local services are cut	2.2	59.0	20.0	18.7	2.29	2.74	2.75

Key finding;

- o Overall June residents support the position of paying more in Council rates to fund improvements in services and facilities rather than keeping rates pegged and the likely need for Council to cut service levels.
- o The degree of support for rate rises opposed to service cuts was significantly higher in this survey, compared to the community's response in 2011 and 2006.

5 RESPONDENT CHARACTERISTICS

5.1 Gender

	Frequency	Percent	Valid Percent	Cumulative Percent
Male	169	41.7	41.7	41.7
Female	236	58.3	58.3	100.0
Total	405	100.0	100.0	

5.2 Locality

	Frequency	Percent	Valid Percent	Cumulative Percent
June township	272	67.2	67.2	67.2
Village	21	5.2	5.2	72.3
Rural Farm or Property	111	27.4	27.4	99.8
Not Stated	1	.2	.2	100.0
Total	405	100.0	100.0	

	Frequency	Percent	Valid Percent	Cumulative Percent
Bethungra	20	4.9	4.9	4.9
June Reefs	8	2.0	2.0	6.9
Dimaseer	4	1.0	1.0	7.9
Marinna	3	.7	.7	8.6
Erin Vale	2	.5	.5	9.1
Old June	21	5.2	5.2	14.3
Eurongilly	9	2.2	2.2	16.5
Wantabadgery	17	4.2	4.2	20.7
Harefield	1	.2	.2	21.0
Wantool	3	.7	.7	21.7
Illabo	17	4.2	4.2	25.9
Yathella	10	2.5	2.5	28.4
June Township	290	71.6	71.6	100.0
Total	405	100.0	100.0	



JUNEE SHIRE COUNCIL

ROADS & BRIDGES

ASSET MANAGEMENT PLAN

ATTACHMENT 3



JUNEE SHIRE COUNCIL



ROAD AND BRIDGE



Asset Management Plan



Version 2

Adopted: 19 November 2013

Minute No: 10.10.13

Document Control	<div><div>IPWEA</div><div>INSTITUTE OF PUBLIC WORKS ENGINEERING AUSTRALIA</div></div> <div></div>				
Document ID: 59.299.120815 nams.plus2 amp template v2					
Rev No	Date	Revision Details	Author	Reviewer	Approver
1	April 2012	Original document	DES	GM	Council
2	August 2013	Takes into account Special Rate Variation in Long Term Financial Plan	DES	GM	Council

© Copyright 2012 – All rights reserved.

The Institute of Public Works Engineering Australia.

www.ipwea.org.au/namsplus

TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	5
	Context.....	5
	DEFINITIONS.....	5
	What does it Cost?	5
	What we will do	6
	What we cannot do.....	6
	Managing the Risks	6
	Confidence Levels	6
	Conclusion.....	6
	The Next Steps	6
2.	INTRODUCTION.....	8
	2.1 Background	8
	2.2 Goals and Objectives of Asset Management	11
	2.3 Plan Framework	11
	2.4 Core and Advanced Asset Management.....	13
	2.5 Community Consultation	13
3.	LEVELS OF SERVICE	13
	3.1 Customer Research and Expectations.....	13
	3.2 Strategic and Corporate Goals	13
	3.3 Legislative Requirements	15
	3.4 Current Levels of Service.....	18
4.	FUTURE DEMAND	21
	4.1 Demand Drivers.....	21
	4.2 Demand Forecast	21
	4.3 Demand Impact on Assets.....	21
	4.4 Demand Management Plan	21
	4.5 Asset Programs to meet Demand	22
5.	LIFECYCLE MANAGEMENT PLAN.....	23
	5.1 Background Data	23
	5.2 Infrastructure Risk Management Plan	26
	5.3 Routine Maintenance Plan.....	26
	5.4 Renewal/Replacement Plan	28
	5.5 Creation/Acquisition/Upgrade Plan	30
	5.6 Disposal Plan	32
	5.7 Service Consequences and Risks	32
6.	FINANCIAL SUMMARY	33
	6.1 Financial Statements and Projections.....	33
	6.2 Funding Strategy	39
	6.3 Valuation Forecasts.....	39
	6.4 Key Assumptions made in Financial Forecasts.....	41
	6.5 Forecast Reliability and Confidence.....	42
7.	PLAN IMPROVEMENT AND MONITORING	43
	7.1 Status of Asset Management Practices.....	43
	7.2 Improvement Program.....	44
	7.3 Monitoring and Review Procedures.....	44
	7.4 Performance Measures	44
8.	REFERENCES.....	45
9.	APPENDICES.....	46
	Appendix 1 Shire Map showing Road and Bridges.....	47
	Appendix 2 Town Map showing Road and Bridges.....	48
	Appendix 3 Town Map showing Kerb and Gutter	49
	Appendix 4 Town Map showing Footpaths.....	50
	Appendix 5 Shire Map showing 200km of Road Network that do not meet Technical Standards	51
	Appendix 6 Current and Desired Service Levels.....	52

Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program	54
Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program	55
Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program	56
Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program	57
Appendix 8 Projected Upgrade/New 10 year Capital Works Program	58
Appendix 9 Budgeted Expenditures Accommodated in LTFP	59
Appendix 10 Abbreviations	60
Appendix 11 Glossary	61

1. EXECUTIVE SUMMARY

Context

Junee Shire Council covers 2000sq km and is located in the Eastern Riverina area of NSW. Junee Shire Council has a large road network consisting of 852km of roads, 33 bridges as well as 19km of footpaths and 51km of kerb and gutter to maintain for a relatively small population of 6083 people with a very low rate base when compared with similar shires.

Many of Councils roads were built in the 1950's and 60's from Commonwealth Grant funds and are well into their useful lives with minimal renewal work done until the advent of the Commonwealth Roads to Recovery funding which commenced in the year 2000.

The Road and Bridge Service

The Road and Bridge Service network comprises:

Asset Type	Quantity	Funding Source
Regional Road	48km	Roads and Maritime Services (RMS) Block Grant
Rural Local Roads	752km	Junee Shire Council Government Grants
Urban Local Roads	52km	Junee Shire Council Government Grants
Footpath & Bike paths	19km	Junee Shire Council Government Grants
Kerb and Gutter	51km	Junee Shire Council
Bridges & Stormwater System	33	Junee Shire Council

These infrastructure assets have a replacement value of \$105,898,181.

DEFINITIONS

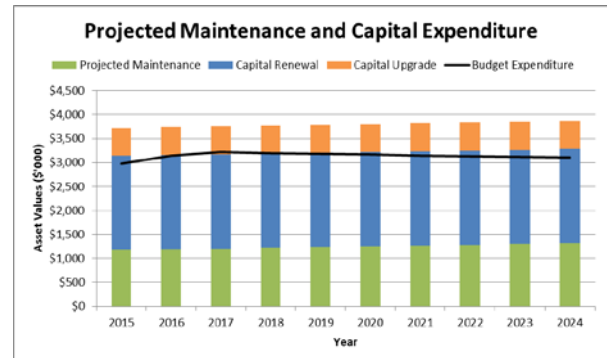
- Maintenance – work that is required to hold the asset in its current condition.
- Renewal – Work that is required to rebuild the asset to the condition that it was originally designed for.
- Upgrade – Is to rebuild the asset to a higher capacity of use and safety than originally designed for.

What does it Cost?

The projected outlays necessary to provide the services covered by this Asset Management Plan (AM Plan) includes maintenance, renewal and upgrade of

existing assets over the 10 year planning period is \$37,926,000 or \$3,793,000 on average per year.

Estimated available funding for this period is \$31,376,000 or \$3,138,000 on average per year which is 83% of the cost to provide the service. This is a funding shortfall of -\$655,000 on average per year. Projected expenditure required to provide services in the AM Plan compared with planned expenditure currently included in the Long Term Financial Plan are shown in the graph below.



The graph shows that Councils budgeted expenditure from the Long Term Financial Plan increases over the next three years. This is due to the special rates variation that Council has resolved to apply for. If the SRV's are not successful the budgeted expenditure line will show a far greater gap than shown above.

The graph also shows that the budgeted expenditure line (LTFP) is decreasing from year 4 to year 10. The reason being the LTFP allocation to roads is less than the CPI allowed for in the plan.

Council will need to address this problem in the future by further rate rises or a lowering of the levels of service.

The graph shows that Councils projected expenditure (LTFP) is not covering the costs of capital upgrade for the road network. Council should as it renews a road consider what upgrade works are needed to make the road safer and handle any increased demand from traffic volumes or heavy vehicle movement.

Council estimates it has 200km of roads that need not only to be renewed but also upgraded to a wider road with better vertical and horizontal alignment and a stronger pavement.

The AMP as it is presented shows a shortfall of \$655,000 on average per year to carry out capital upgrade works.

What we will do

We plan to provide Road and Bridge services for the following:

Maintenance and renewal of all road assets to meet service levels set in annual budgets.

Road pavements will be renewed at 1% per annum; reseals will be renewed at 5% per annum and road resheets at 7% per annum within the 10 year planning period.

What we cannot do

We do **not** have enough funding to provide all services at the desired service levels or provide new services. Works and services that cannot be provided under present funding levels are:

- Road upgrades will be limited to opportunities when additional grant funds are available or a dry season allows some maintenance funds to be made available for capital upgrades.

Managing the Risks

There are risks associated with providing the service and not being able to complete all identified activities and projects. We have identified major risks as:

- Lack of upgraded roads that don't meet engineering standards will increase Council's risk exposure.
- If road renewals are not carried out when scheduled the cost of maintenance will increase.
- Farm production will be impacted.
- Economic development from Tourism and Industry will be impacted.

We will endeavour to manage these risks within available funding by:

- Prioritising works to roads of greatest need.
- Improve efficiency to carry out road works.

Confidence Levels

This AM Plan is based on Medium level of confidence information.

Conclusion

This asset management plan shows that the Special Rate Variations that Council has resolved to apply for are essential to even start to have a sustainable road network with more hard decisions required by Council in the future.

The Next Steps

The actions resulting from this asset management plan are:

- Ensure funding is secured for roads (i.e. necessary rate rises applied for)
- Inform Council of impact of any acquisition of new assets and impact on roads.
- Seek out additional grant funds at every opportunity.

Questions you may have

What is this plan about?

This asset management plan covers the infrastructure assets that serve the Junee Shire Council community's Road and Bridge Assets needs. These assets include all road and bridge assets throughout the community areas that enable people to travel through the Shire, allows farm production, tourism, industrial and social connectivity.

What is an Asset Management Plan?

Asset management planning is a comprehensive process to ensure delivery of services from infrastructure is provided in a financially sustainable manner.

An asset management plan details information about infrastructure assets including actions required to provide an agreed level of service in the most cost effective manner. The plan defines the services to be provided, how the services are provided and what funds are required to provide the services.

Why is there a funding shortfall?

Most of the Junee Shire Roads and Bridge network was constructed from rates income and government grants, often provided and accepted without consideration of ongoing maintenance and replacement needs.

Many of these assets are approaching the later years of their life and require replacement. Service's from the road assets are struggling to be maintained.

Our present funding levels are insufficient to renew and upgrade roads at a rate that meets Community expectation.

What options do we have?

Resolving the funding shortfall involves several steps:

1. Improving asset knowledge so that data accurately records the asset inventory, how assets

are performing and when assets are not able to provide the required service levels,

2. Improving our efficiency in maintaining, renewing and replacing existing assets to optimise life cycle costs,
3. Identifying and managing risks associated with providing services from infrastructure,
4. Making trade-offs between service levels and costs to ensure that the community receives the best return from infrastructure,
5. Identifying assets surplus to needs for disposal to make saving in future operations and maintenance costs,
6. Consulting with the community to ensure that Road and Bridge services and costs meet community needs and are affordable,
7. Developing partnership with other bodies, where available to provide services,
8. Seeking additional funding from governments and other bodies to better reflect a 'whole of government' funding approach to infrastructure services.

What happens if we don't manage the shortfall?

It is likely that we will have to reduce service levels in some areas, unless new sources of revenue are found. For Road and Bridges, the service level reduction may include returning some bitumen roads to gravel and some gravel roads to dry weather roads only.

What can we do?

We can develop options, costs and priorities for future Road and Bridge services, consult with the community to plan future services to match the community service needs with ability to pay for services and maximise community benefits against costs.

What can you do?

We will be pleased to consider your thoughts on the issues raised in this asset management plan and suggestions on how we may change or reduce the Road and Bridges mix of services to ensure that the appropriate level of service can be provided to the community within available funding.

2. INTRODUCTION

2.1 Background

This asset management plan is to demonstrate responsive management of assets (and services provided from assets), compliance with regulatory requirements, and to communicate funding needed to provide the required levels of service over a 10 year planning period.

The asset management plan follows the format for AM Plans recommended in Section 4.2.6 of the International Infrastructure Management Manual.

The asset management plan is to be read with the organisation's Asset Management Policy, Asset Management Strategy and the following associated planning documents:

- Long Term Financial Plan 2013/14
- Delivery Plan 2014
- Operational Plan 2013/14
- Community Strategic Plan 2013/14

The infrastructure assets covered by this asset management plan are shown in Table 2.1. These assets are used to provide transportation services to its community.

Table 2.1: Assets covered by this Plan

Asset category	Dimension	Replacement Value
Regional Road	48 km	\$10,898,629
Sealed Rural/Local Roads	426 km	\$52,661,951
Unsealed Rural Roads	326 km	\$19,500,148
Urban Roads	46 km	\$9,914,401
Footpaths	18 km	\$1,752,907
Kerb and Gutter	51 km	\$2,721,956
Bridges	34	\$8,448,188
TOTAL		\$105,898,181

Key stakeholders in the preparation and implementation of this asset management plan are: Shown in Table 2.1.1.

Table 2.1.1: Key Stakeholders in the AM Plan

Key Stakeholder	Role in Asset Management Plan
Councillors	<ul style="list-style-type: none">• Represent needs of community/shareholders,• Allocate resources to meet the organisation's objectives in providing services while managing risks,• Ensure organisation is financially sustainable.
General Manager	<ul style="list-style-type: none">• Ensure Council's policies and strategies are implemented
Director of Engineering	<ul style="list-style-type: none">• Ensure all Road and Bridge Assets are maintained and renewed in accordance with this Asset Management Plan
Community, Visitors & Tourists	<ul style="list-style-type: none">• To provide input and feedback on the levels of service that Council provides
Other Government Bodies	<ul style="list-style-type: none">• To provide additional grant funding

Our organisation's organisational structure for service delivery from infrastructure assets is detailed below:

COUNCIL

General Manager's Department	Corporate & Community Services	Development & Environmental Services	Engineering Services
<i>Mr James Davis</i>	<i>Mr John Whitfield</i>	<i>Mr Ralph Tambasco</i>	<i>Mr Colin Macaulay</i>
Governance	Financial Services	Town Planning	Engineering Planning & Coordination Design Services
Executive Assistance	- Rates	LEP management & update	Quality Assurance
Work Safe & Risk Management	- Debtors	Development Control	Telecommunications
Internal Audit	- Creditors	Building Control	Plant & Equipment
Economic & Tourism Development	- Payroll	Environmental Health	Public Cemeteries
Property Development	- Cashiering	Inspection & Licensing	Public Toilets
Fire Control & Emergency Services	- Financial Reporting	Food Control	Waste Management (Garbage)
	- Grant management & returns	Order Enforcement	- Tip management
	Land Development – budget control & sales	Animal Control	Sewage
	Annual Report	Noxious Plant Control	- Collection
	Management Plan coordination	Community Development	- Treatment
	Annual Budgets	Social Planning	- Disposal
	Budget Reviews	Economic Development	- Recycled Effluent
	Long Term Financial Planning	Council Properties	Sporting Grounds
	RTA Agency	- Athenium Theatre	Parks, Gardens & Reserves
		- Medical Centre	

2.2 Goals and Objectives of Asset Management

The organisation exists to provide Road and Bridge services to its community. All of these services are provided by infrastructure assets. We have acquired infrastructure assets from construction by our staff from government grants and rate income.

Our goal in managing infrastructure assets is to meet the defined level of service (as amended from time to time) in the most cost effective manner for present and future consumers. The key elements of infrastructure asset management are:

- Providing a defined level of service and monitoring performance,
- Managing the impact of growth through demand management and infrastructure investment,
- Taking a lifecycle approach to developing cost-effective management strategies for the long-term that meet the defined level of service,
- Identifying, assessing and appropriately controlling risks, and
- Having a long-term financial plan which identifies required, affordable expenditure and how it will be financed.

2.3 Plan Framework

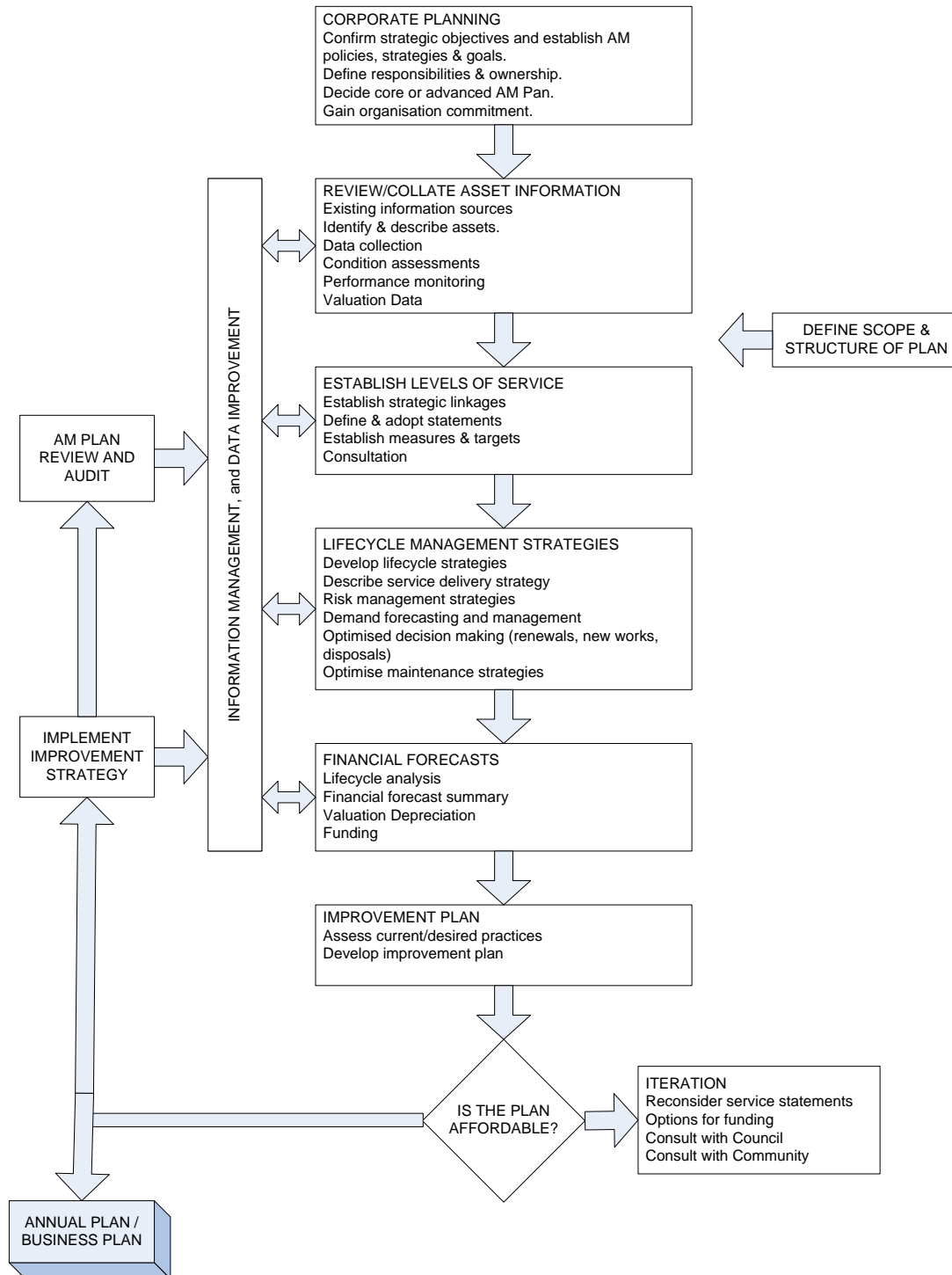
Key elements of the plan are

- Levels of service – specifies the services and levels of service to be provided by the organisation,
- Future demand – how this will impact on future service delivery and how this is to be met,
- Life cycle management – how we will manage our existing and future assets to provide defined levels of service,
- Financial summary – what funds are required to provide the defined services,
- Asset management practices,
- Monitoring – how the plan will be monitored to ensure it is meeting the organisation's objectives,
- Asset management improvement plan.

A road map for preparing an asset management plan is shown below.

Road Map for preparing an Asset Management Plan

Source: IPWEA, 2006, IIMM, Fig 1.5.1, p 1.11.



2.4 Core and Advanced Asset Management

This asset management plan is prepared as a 'core' asset management plan over a 10 year planning period in accordance with the International Infrastructure Management Manual. It is prepared to meet minimum legislative and organisational requirements for sustainable service delivery and long term financial planning and reporting. Core asset management is a 'top down' approach where analysis is applied at the 'system' or 'network' level.

Future revisions of this asset management plan will move towards 'advanced' asset management using a 'bottom up' approach for gathering asset information for individual assets to support the optimisation of activities and programs to meet agreed service levels.

2.5 Community Consultation

This 'core' asset management plan is prepared to facilitate community consultation initially through feedback on public display of draft asset management plans prior to adoption by the Council. Future revisions of the asset management plan will incorporate community consultation on service levels and costs of providing the service. This will assist the Council and the community in matching the level of service needed by the community, service risks and consequences with the community's ability and willingness to pay for the service.

3. LEVELS OF SERVICE

3.1 Customer Research and Expectations

Junee Shire Council engages an independent research company, IRIS Research, to carry out a comprehensive community survey every three years to gauge, amongst other things, expectation and satisfaction levels of services provided. Road services rate lower in satisfaction than other areas of Council operations.

Table 3.1: Community Satisfaction Survey Levels

Performance Measure	Satisfaction Level				
	Very Satisfied	Fairly Satisfied	Satisfied	Somewhat satisfied	Not satisfied
Maintaining Town Roads				√	
Maintaining Sealed Rural Roads			√		
Maintaining Unsealed Rural Roads				√	

The organisation uses this information in developing its Community Strategic Plan and in allocation of resources in the budget.

3.2 Strategic and Corporate Goals

This asset management plan is prepared under the direction of the organisation's vision, mission, goals and objectives.

Our vision is:

"Junee will be a great place to live, with a healthy civic pride. That will come about because the amenity of the shire – social, recreational, cultural, environmental and visual – is the best quality possible given our circumstances. There will be an increase in population because of this, with the increase made up of people who are net contributors to the community."

"Junee will be prosperous and existing services and businesses will have been preserved and grown. The shire will have economic development strategies recognising the different circumstances of urban and rural areas."

"Junee will be a place where innovative, responsive leadership and management occurs in all facets of community life."

“It will be an independent Local Government area with a strong sense of identity.”

Our mission is:

“Through effective leadership and management, Junee Shire Council will enable the Shire to advance systematically towards its desired vision.”

Relevant organisation goals and objectives and how these are addressed in this asset management plan are:

Table 3.2: Organisation Goals and how these are addressed in this Plan

Goal	Objective	How Goal and Objectives are addressed in AM Plan
To create a liveable community	Review and Revise the Road Hierarchy with a priority assessment of renewing road conditions in the next 12 years and undertake priority works every year.	The Asset Management Plan has determined what funds are needed to be spent each year to ensure Council has a sustainable road network into the future.
To create a liveable community	Develop an asset management programme – identify the condition of all Councils asset categories and ensure appropriate provisions for roads, drainage and building maintenance.	This asset management plan for roads has been created to meet the objectives and goals of Councils Community Strategic Plan.
To create a liveable community	Provide and maintain safe and serviceable public facilities and infrastructure including roads, footpaths and stormwater drains – to maintain public asset to acceptable standards.	The asset management plan identifies what funding is required to achieve this goal and objective.
Informed Community	To improve Councils overall long term financial position – via applying for Special Rate Variations to ensure financial sustainability.	The asset management plan shows the extent of required Special Rate Variations that are needed to achieve sustainability for the road network hence Councils financial sustainability.

The Council will exercise its duty of care to ensure public safety in accordance with the infrastructure risk management plan prepared in conjunction with this AM Plan. Management of infrastructure risks is covered in Section 5.2

3.3 Legislative Requirements

We have to meet many legislative requirements including Australian and State legislation and State regulations. These include:

Table 3.3: Legislative Requirement

Legislation	Requirement
Local Government Act	Sets out role, purpose, responsibilities and powers of local governments including the preparation of a long term financial plan supported by asset management plans for sustainable service delivery.
Local Government Act 1993	Provides the legal framework for an effective, efficient, environmentally responsible and open system of local government in NSW. To regulate the relationships between the people and bodies comprising the system, and to encourage and assist the effective participation of local communities in the affairs of local government. Includes the preparation of a strategic plan and a long term financial plan supported by asset management plans for sustainable service delivery.
Local Government Act - Annual Reporting Section 428(2)(d)	(d) A report of the condition of the public works (including public buildings, public road and water sewerage and drainage works) under the control of council as at the end of that year; together with (i) An estimate (at current values) of the amount of money required to bring the works up to a satisfactory standard; and (ii) An estimate (at current values) of the annual expense to maintain the works at that standard; and (iii) The Council's program for maintenance for that year in respect of the works.
NSW Local Government Act 1993 (Section 8)	The council's charter A council has the following charter: <ul style="list-style-type: none"> • To provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively. • To exercise community leadership. • To exercise its functions in a manner that is consistent with and actively promotes the principles of multi-culturalism. • To promote and to provide and plan for the needs of children. • To properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development. • To have regard to the long term and cumulative effects of its decisions. • To bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible. • To facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government. • To raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants. • To keep the local community and the State government (and through it, the wider community) informed about its activities. • To ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected. • To be a responsible employer.

Department of Local Government NSW Integrated Planning Local Government Amendment (Planning and Reporting) Act 2009	Requirement for integrated (long term) Community Strategic Plan with Delivery Program and Operational Plan. Additionally it is stated that each Council must prepare a Resourcing Strategy including an Asset Management Policy and Strategy and Asset Management Plan/s to support the Community Strategic Plan and Delivery Program.
Civil Liability Act 2002 and Civil Liability Amendment (Personal Responsibility) Act 2002	Protects the Council from civil action by requiring the courts to take into account the financial resources, the general responsibilities of the authority and the compliance with general practices and applicable standards.
NSW Roads Act 1993	Sets out the rights of members of the public to pass along public roads, the rights of persons who own land adjoining a public road to have access to the public road, and to establish the procedures for the opening and closing of a public road, to provide for the classification of roads, to provide for the declaration of public authorities as roads authorities for classified and unclassified roads, to confer certain functions (in particular, the function of carrying out road work), and to regulate the carrying out of various activities on public roads.
NSW Roads Act 1993 – Section 7	Roads authorities : <ol style="list-style-type: none"> 1. The RMS is the roads authority for all freeways. 2. The Minister is the roads authority for all crown roads. 3. The regulations may declare that a specified public authority is the roads authority for a specified public road, or for all public roads within a specified area, other than any freeway or crown road. 4. The council of a local government area is the roads authority for all public roads within the area, other than: <ol style="list-style-type: none"> a) Any freeway or Crown road, and b) Any public road for which some other public authority is declared by the regulations to be the roads authority. 5. A roads authority has such functions as are conferred on it by or under this or any other Act or law.
Protection of the Environment Operations Act 1997	Sets out to protect, restore and enhance the quality of the environment in NSW, having regard to the need to maintain ecologically sustainable development, pollution prevention, the elimination of harmful wastes, the reduction in the use of materials and the re-use, recovery or recycling of materials.
Environmental Planning and Assessment Act 1979	Sets out to encourage the proper management, development and conservation of natural and artificial resources for the purpose of promoting the social and economic welfare of the community and a better environment and the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats.
Natural Resources Management Act 2004	Sets out the role, purpose, responsibilities and powers of local government in controlling the use of natural resources.
Road Transport (Safety and Traffic Management) Act 1999	Facilitates the adoption of nationally consistent road rules in NSW, the Australian Road Rules. It also makes provision for safety and traffic management on roads and road related areas/issues including alcohol and other drug use, speeding and other dangerous driving, traffic control devices and vehicle safety accidents.
Crown Lands Act 1989	Sets out the objectives and principles for Crown Land management.
National Parks and Wildlife Act 1974	Sets out objectives and principles for conserving the State's natural and cultural heritage, fostering public appreciation, understanding and enjoyment of a State's natural and cultural heritage, and managing any lands reserved for the purposes of conserving and fostering public appreciation and enjoyment of the State's natural and/or cultural heritage.

Noxious Weeds Act 1993	Sets out to reduce the negative impacts of weeds on the economy, community and environment.
Threatened Species Act 1995	Sets out to conserve biodiversity and promote ecologically sustainable development.
Native Vegetation Act 2003	To manage and protect native vegetation, to prevent broad scale clearing, to improve native vegetation and to encourage revegetation of land.
Heritage Act 1977	To promote understanding of heritage issues and conservation of items of heritage significance.
State Environmental Planning Policy No 19 Bushland and Urban Areas	Sets out the objectives to protect and preserve bushland within the LGA.
Work Health and Safety Act 2011	Sets out the responsibilities of Council to secure and promote the health, safety and welfare of people at work.
Disability Discrimination Act	Sets out the responsibilities of Council and staff in dealing with access and use of public infrastructure.
Other relevant State and Federal Acts and Regulations	As appropriate
Standards and Specifications	
Australian Accounting Standards	<p>Sets out the financial reporting standards relating to infrastructure assets. Standards of particular relevance to infrastructure assets include:-</p> <p>AASB 116 Property, Plant and Equipment – prescribes requirements for recognition and depreciation of property, plant and equipment assets.</p> <p>AASB 136 Impairment of Assets – aims to ensure that assets are carried at amounts that are not in excess of their recoverable amounts.</p> <p>AASB 1021 – Depreciation of Non-Current Assets – specifies how depreciation is to be calculated</p> <p>AAS 1001 Accounting Policies – specifies the policies that Council is to have for recognition of assets and depreciation</p> <p>AASB 1041 Accounting for the reduction of Non-Current Assets – specifies the frequency and basis of calculating depreciation and revaluation basis used for assets</p> <p>AAS 1015 Accounting for acquisition of assets – method of allocating the value to new assets on acquisition</p> <p>AASB 1051 Land Under Roads</p>
Austrorads Guides, Commentaries and Reports	Austrorads works with Local Government to improve Australia's roads and transport systems, recognising the value and importance of developing the local road component of the national road network.
Australian Standards	<p>Various standards outlining the minimum requirements for Council for operations and design. Include:-</p> <ul style="list-style-type: none"> - AS 1742 – various standards forming Manual of Uniform Traffic Control Devices - AS/NZS 4360:2004 Risk Management - HB 4360:2004 Risk Management Guidelines – Companion to AS/NZS 4360:2004

3.4 Current Levels of Service

We have defined service levels in two terms.

Community Levels of Service measure how the community receives the service and whether the organisation is providing community value.

Community levels of service measures used in the asset management plan are:

Quality	How good is the service?
Function	Does it meet users' needs?
Capacity/Utilisation	Is the service over or under used?

Technical Levels of Service - Supporting the community service levels are operational or technical measures of performance. These technical measures relate to the allocation of resources to service activities that the organisation undertakes to best achieve the desired community outcomes and demonstrate effective organisational performance.

Technical service measures are linked to annual budgets covering:

- Maintenance – the activities necessary to retain an asset as near as practicable to an appropriate service condition (eg road patching, unsealed road grading)
- Renewal – the activities that return the service capability of an asset up to that which it had originally (eg frequency and cost of road resurfacing and pavement reconstruction and bridge replacement),
- Upgrade – the activities to provide a higher level of service (eg widening a road, sealing an unsealed road) or a new service that did not exist previously (eg a new road).

Asset managers plan, implement and control technical service levels to influence the customer service levels.

Our current and desired service levels are detailed in Table 3.4.

Table 3.4: Current and Desired Service Levels

ROAD HIERARCHY - TECHNICAL LEVELS OF SERVICE (DESIRED)						
Hierarchy Category	Category 1 – Regional and Rural Local Sealed Roads Carrying >200VPD at 100KPH	Category 2 – Local Sealed Arterial Roads Carrying >50 and <200VPD Including Town Streets	Category 3 – Sealed Collector Roads Carrying > 20 and < 50 VPD	Category 4 – Local Sealed Feeder Roads Carrying >10 and <50VPD Including Town Lanes	Category 5 – Local Unsealed Feeder Roads Carrying > 10 and <50VPD Including Town Lanes	Category 6 – Local Unsealed Access Roads Carrying <10VPD
Design Speed	100KPH	100KPH	80KPH	80KPH	80KPH	60KPH
Surface	SEALED	SEALED	SEALED	SEALED	GRAVEL	ALL WEATHER
Travel Lanes	2 LANE	2 LANE	1 LANE	1 LANE	1 LANE	1 LANE
Lane Width	3.5 METRE	3 METRE	4 METRE	4 METRE	4 METRE	4 METRE
1m Sealed Shoulder	YES	NO	NO	NO	NO	NO
1m Gravel Shoulder	YES	YES	YES	YES	Yes	NO
Line Marking	YES	OVER CRESTS	OVER CRESTS	NO	NO	NO
Guideposts	YES SPACED AT 150M	YES SPACED AT 250M	YES SPACED AT 250M	ONLY AT CULVERTS AND CURVES	ONLY AT CULVERTS AND CURVES	ONLY AT DANGEROUS LOCATIONS
Roughness Counts	TBA	TBA	TBA	TBA	TBA	TBA
Causeways (Water over Road 1:25 Year Storm Event)	NO	YES	YES	YES	YES	YES
Culverts (Designed to 1:25 Year Storm Event)	YES	YES	YES	YES	NO	NO
Signs – Crests	YES	YES	YES	YES	YES	NO
Signs – Curves	YES	YES	YES	YES	YES	NO
Signs – Advisory Speed	YES	YES	YES	YES	YES	NO
Vegetation Clearance – Shoulder	6 METRE	4 METRE	4 METRE	4 METRE	4 METRE	4 METRE
Vegetation – Clearance Height	5.5 METRE	4.6 METRE	4.6 METRE	4.6 METRE	4.6 METRE	4.6 METRE

ROAD HIERARCHY - COMMUNITY LEVELS OF SERVICE (CURRENT)						
Hierarchy Category	Category 1 – Regional and Local Sealed Roads Carrying >200VPD	Category 2 – Local Sealed Arterial Roads Carrying>50 and <200VPD	Category 3 – Sealed Collector Roads Carrying > 20 and > 50 VPD	Category 4 – Local Sealed Feeder Roads Carrying >10 and <50VPD	Category 5 – Local Unsealed Feeder Roads Carrying > 10 and <50VPD	Category 6 – Local Unsealed Access Roads Carrying <10VPD
Road Inspection Interval	1 Month (Byrnes Road weekly)	3 Months	6 Months	12 Months	12 Months	12 Months
Shoulder Grass Sprayed Annually	YES	YES	YES	YES	YES	YES
Roadside Slashing	IF REQUIRED	IF REQUIRED	IF REQUIRED	IF REQUIRED	NO	NO
Pothole Patching Response Time (Pothole greater than 300mm dia)	2 DAYS	1 WEEK	1 MONTH	3 MONTH	6 MONTH	12 MONTH
Guidepost Defect – Response Time	3 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	NA
Sign Defect – Response Time	3 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	NA
Vegetation Defect – Response Time	1 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	24 MONTH

4. FUTURE DEMAND

4.1 Demand Drivers

Drivers affecting demand include population change, changes in demographics, seasonal factors, vehicle ownership rates, consumer preferences and expectations, technological changes, economic factors, agricultural practices, environmental awareness, etc.

4.2 Demand Forecast

The present position and projections for demand drivers that may impact future service delivery and utilisation of assets were identified and are documented in Table 4.3.

4.3 Demand Impact on Assets

The impact of demand drivers that may affect future service delivery and utilisation of assets are shown in Table 4.3.

Table 4.3: Demand Drivers, Projections and Impact on Services

Demand drivers	Present position	Projection	Impact on services
Population Growth	6083	6348	None
Concessional Mass Limits for Heavy Vehicles	No roads approved for CML	All roads approved for CML	Accelerated pavement deterioration and the need for possible Bridge strengthening
New Industries	Road Network copes with existing industries	Increased heavy vehicle movement to service new industries	Accelerated pavement deterioration
Drop in efficiency of the Rail Industry	Functioning satisfactory	Reduced functionality – less goods on rail, more on roads.	Accelerated in pavement deterioration.

4.4 Demand Management Plan

Demand for new services will be managed through a combination of managing existing assets, upgrading of existing assets and providing new assets to meet demand and demand management. Demand management practices include non-asset solutions, insuring against risks and managing failures.

Non-asset solutions focus on providing the required service without the need for the organisation to own the assets and management actions including reducing demand for the service, reducing the level of service (allowing some assets to deteriorate beyond current service levels) or educating customers to accept appropriate asset failures. Examples of non-asset solutions include placing load limits on roads.

Opportunities identified to date for demand management are shown in Table 4.4. Further opportunities will be developed in future revisions of this asset management plan.

Table 4.4: Demand Management Plan Summary

Demand Driver	Impact on Services	Demand Management Plan
Concessional Mass Limits for Heavy Vehicles	Accelerated pavement deterioration and the need for possible Bridge strengthening	<ul style="list-style-type: none"> • Weight limit on Bridges • No Bridges will be approved for CML unless industry or Government pay for Bridge Assessments and increase road maintenance funding.
Industry	Accelerated pavement deterioration	<ul style="list-style-type: none"> • Road Maintenance and Renewal contribution from Industry • Weight limiting of roads

4.5 Asset Programs to meet Demand

The asset renewal required to meet growth will be acquired free of cost from Industry and constructed by the Junee Shire Council. There will be no new assets required to meet the forecast demand for Junee Shire Council over the next 10 years. Any industry or development will utilise existing assets or possibly renew existing assets to meet their needs. Any renewal works will be required to be funded by the industry or developer.

5. LIFECYCLE MANAGEMENT PLAN

The lifecycle management plan details how the organisation plans to manage and operate the assets at the agreed levels of service (defined in Section 3) while optimising life cycle costs.

5.1 Background Data

5.1.1 Physical parameters

The assets covered by this asset management plan are shown in Table 2.1.

Many of the Council's roads were built in the 1950's and 60's from Commonwealth Grant funds and are well into their useful lives with minimal renewal work done until the advent of the Commonwealth Roads to Recovery funding which commenced in the year 2000.

Age profile information is not currently available. An age profile will be developed in future revisions of the asset management plan. As Junee Shire Council was amalgamated with Illabo Shire in 1982 many of the historical records for the construction of roads have been lost, however anecdotal evidence from older staff, residents, newspaper articles give strong evidence that many roads were sealed in the 1950's and 60's with a gradual improvement to gravel roads from the 1920's onwards. All Bridges in the Shire are now concrete with the first one constructed in 1962 and the last one completed in 1993.

Plans showing the Road and Bridge assets are:

- *Shire Map showing Road and Bridges – Refer Appendix 1*
- *Town Map showing Road and Bridges – Refer Appendix 2*
- *Town Map showing Kerb and Gutter – Refer Appendix 3*
- *Town Map showing Footpaths – Refer Appendix 4*

5.1.2 Asset capacity and performance

The organisation's services are generally provided to meet design standards where these are available.

Locations where deficiencies in service performance are shown on *Shire Map showing 200km of the Road network that do not meet Technical Standards – Refer to Appendix 5.*

Locations where Kerb and Gutter do not meet technical standards on Town Map - Refer to Appendix 3. Locations where Footpaths do not meet technical standards on Town Map – refer to Appendix 4.

The Road Network deficiencies were identified using the Council's Technical desired Levels of Service as detailed in Table 3.4.

The service deficiencies for Kerb and Gutter and Footpath have been determined from Councils maintenance inspection process.

5.1.3 Asset condition

A full asset condition audit needs to be conducted at regular intervals to substantiate the deterioration assumptions made in this plan and make changes to the deterioration models if necessary. It is suggested that this may need to be done every three to five years with annual minor reviews conducted to fine tune the next year's forward works program. Changes in technology may result in the type of information collected to assess the assets condition.

At present Junee Shire Council continually inspects each road visually.

Condition assessments use a five point scale based on ride quality, number and frequency of defects and ability to provide the service level requirements of the community i.e. width and traffic volumes, vertical and horizontal alignment, as shown in the following table 5.1.3 Asset Condition Rating

Condition is measured using a 1 – 5 grading system as detailed in Table 5.1.3.

Table 5.1.3: Simple Condition Grading Model

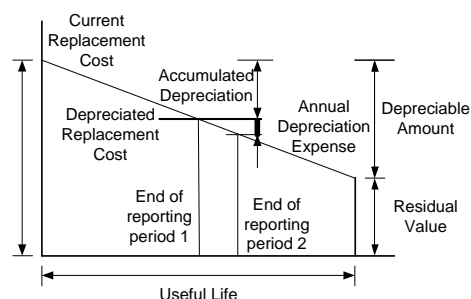
ROAD CONDITION RATING	
Rating	Description of Condition
1	All road attributes are in excellent condition, vertical and horizontal alignment, pavement & seal width are correct for the volume of Traffic and the Community Expectations Nil Customer Complaints
2	All road attributes are in sound condition, vertical and horizontal alignment, pavement & seal width are adequate for the volume of Traffic. Community generally satisfied with road Minor pavement defects Minimal Customer Complaints
3	Road attributes are generally below standard. Vertical and horizontal alignment, pavement & seal width are adequate for the volume of traffic Pavement defects regularly occur Community generally satisfied however would prefer a “better road” With continual maintenance and regular reseals road will provide service for quite some years. Some Customer Complaints
4	Road attributes are poor vertical & horizontal alignment, pavement & seal width are poor Pavement defects are many and frequent Community dissatisfied with the road and want a “better road” Maintenance is an on-going problem - especially gravel roads Regular Customer Complaints
5	Road attributes are almost non-existent Road is often near to impassable in wet weather Very low traffic volumes Roads in this category are usually local farm access tracks or dead end lanes June Shire Council has not allowed any of its roads that have a regular traffic flow to fall into this category.

5.1.4 Asset valuations

The value of assets recorded in the asset register as at 30 June 2012 covered by this asset management plan is shown below. Assets were last revalued at 30th June 2012. Assets are valued at current replacement cost.

Current Replacement Cost	\$105,898,000
Depreciable Amount	\$43,874,000
Depreciated Replacement Cost ¹	\$92,988,000
Annual Depreciation Expense	\$1,086,000

Useful lives were reviewed in June 2012 by Council considering condition rating as an indicator of the remaining useful life.



¹ Also reported as Written Down Current Replacement Cost (WDCRC).

Key assumptions made in preparing the valuations were:

- Condition and remaining useful life interact as a straight line.
- Residual values were included for road pavements, reseals and gravel resheets.
- Current Replacement Costs were calculated from the average of various projects constructed over the previous 12 months.

There were no major changes other than inflation cost increases from the valuations carried out 5 years previously.

Various ratios of asset consumption and expenditure have been prepared to help guide and gauge asset management performance and trends over time.

Rate of Annual Asset Consumption (Depreciation/Depreciable Amount)	2.50%
Rate of Annual Asset Renewal (Capital renewal exp/Depreciable amount)	3.70%
Rate of Annual Asset Upgrade/New (Capital upgrade exp/Depreciable amount)	1.30%
Rate of Annual Asset Upgrade/New (including contributed assets)	1.30%

5.1.5 Historical Data

Historical maintenance and renewal expenditures are stored in Junee Shire Council's Authority software system, as well there are hard copy records kept by staff on reseal data and gravel road maintenance data. Data is also captured on Councils Reflect software system capturing defect accomplishment including pavement repairs, guidepost and sign posts etc.

TOTAL HISTORICAL EXPENDITURE ON MAINTENANCE RENEWAL AND UPGRADE WORKS FOR ROAD AND BRIDGE ASSETS	
Year	Total
2001/2002	\$2,622,000
2002/2003	\$2,702,000
2003/2004	\$2,649,700
2004/2005	\$2,498,000
2005/2006	\$2,758,000
2006/2007	\$2,744,000
2007/2008	\$2,766,000
2008/2009	\$2,156,000
2009/2010	\$2,546,000
2010/2011	\$2,740,000
2011/2012	\$3,021,000

5.2 Infrastructure Risk Management Plan

An assessment of risks associated with service delivery from infrastructure assets has identified critical risks that will result in loss or reduction in service from infrastructure assets or a 'financial shock' to the organisation. The risk assessment process identifies credible risks, the likelihood of the risk event occurring, the consequences should the event occur, develops a risk rating, evaluates the risk and develops a risk treatment plan for non-acceptable risks.

Critical risks, being those assessed as 'Very High' - requiring immediate corrective action and 'High' – requiring prioritised corrective action identified in the Infrastructure Risk Management Plan, together with the estimated residual risk after the selected treatment plan is operational. These risks are reported to management and Council.

There are no critical risk identified that would cause financial shock to Junee Shire Council. Risks normally associated with major flooding events are assumed will be funded from disaster relief funding provided by State and Federal Governments.

5.3 Routine Maintenance Plan

Routine maintenance is the regular on-going work that is necessary to keep assets operating, including instances where portions of the asset fail and need immediate repair to make the asset operational again.

5.3.1 Maintenance Plan

Maintenance activities affect service levels including quality and function through street sweeping, grass mowing and spraying frequency.

Maintenance also includes all actions necessary for retaining an asset as near as practicable to an appropriate service condition including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. Maintenance may be classified into reactive, planned and specific maintenance work activities.

Reactive maintenance is unplanned repair work carried out in response to service requests and management/supervisory directions.

Planned maintenance is repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown experience, prioritising, scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

Maintenance expenditure levels are considered to be adequate to meet projected service levels, which are equal to current service levels.

Assessment and prioritisation of reactive maintenance is undertaken by the organisation's staff using experience and judgement.

Reactive maintenance is carried out in accordance with response levels of service detailed in Table 3.4.

5.3.2 Maintenance Strategies

The organisation will maintain assets to provide the defined level of service to approved budgets in the most cost-efficient manner. The maintenance activities include:

- Scheduling operations activities to deliver the defined level of service in the most efficient manner,
- Undertaking maintenance activities through a planned maintenance system to reduce maintenance costs and improve maintenance outcomes. Undertake cost-benefit analysis to determine the most cost-effective split between planned and unplanned maintenance activities (50 – 70% planned desirable as measured by cost),
- Maintain a current infrastructure risk register for assets and present service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and Council/Board,
- Review current and required skills base and implement workforce training and development to meet required maintenance needs,

- Review asset utilisation to identify underutilised assets and appropriate remedies, and over utilised assets and customer demand management options,
- Maintain a current hierarchy of critical assets and required maintenance activities,
- Develop and regularly review appropriate emergency response capability,
- Review management of maintenance activities to ensure the organisation is obtaining best value for resources used.

Asset hierarchy

An asset hierarchy provides a framework for structuring data in an information system to assist in collection of data, reporting information and making decisions. The hierarchy includes the asset class and component used for asset planning and financial reporting and service level hierarchy used for service planning and delivery.

The organisation's service hierarchy is shown in Table 3.4

Critical Assets

Critical assets are those assets which have a high consequence of failure but not necessarily a high likelihood of failure. By identifying critical assets and critical failure modes, organisations can target and refine investigative activities, maintenance plans and capital expenditure plans at the appropriate time.

Maintenance activities may be targeted to mitigate critical assets failure and maintain service levels. These activities may include increased inspection frequency, higher maintenance intervention levels, etc. Critical assets failure modes and required maintenance activities are detailed in Table 5.3.2.1.

Table 5.3.2.1: Critical Assets and Service Level Objectives

Critical Assets	Critical Failure Mode	Maintenance Activities
Byrnes Road	Serious pavement failure	Weekly inspection and regular pavement rectification works
Major Bridges	Bridge collapse	Regular inspections

Standards and specifications

Maintenance work is carried out in accordance with the following Standards and Specifications.

- Council policies
- Council design specification and Industry standards
- Austroads Guide to Road Design
- RMS Design Guide
- Australian Standards

5.3.3 Summary of future maintenance expenditures

Future maintenance expenditure is forecast to trend in line with the value of the asset stock as shown in Figure 4. Note that all costs are shown in current 2013 dollar values (ie real values).

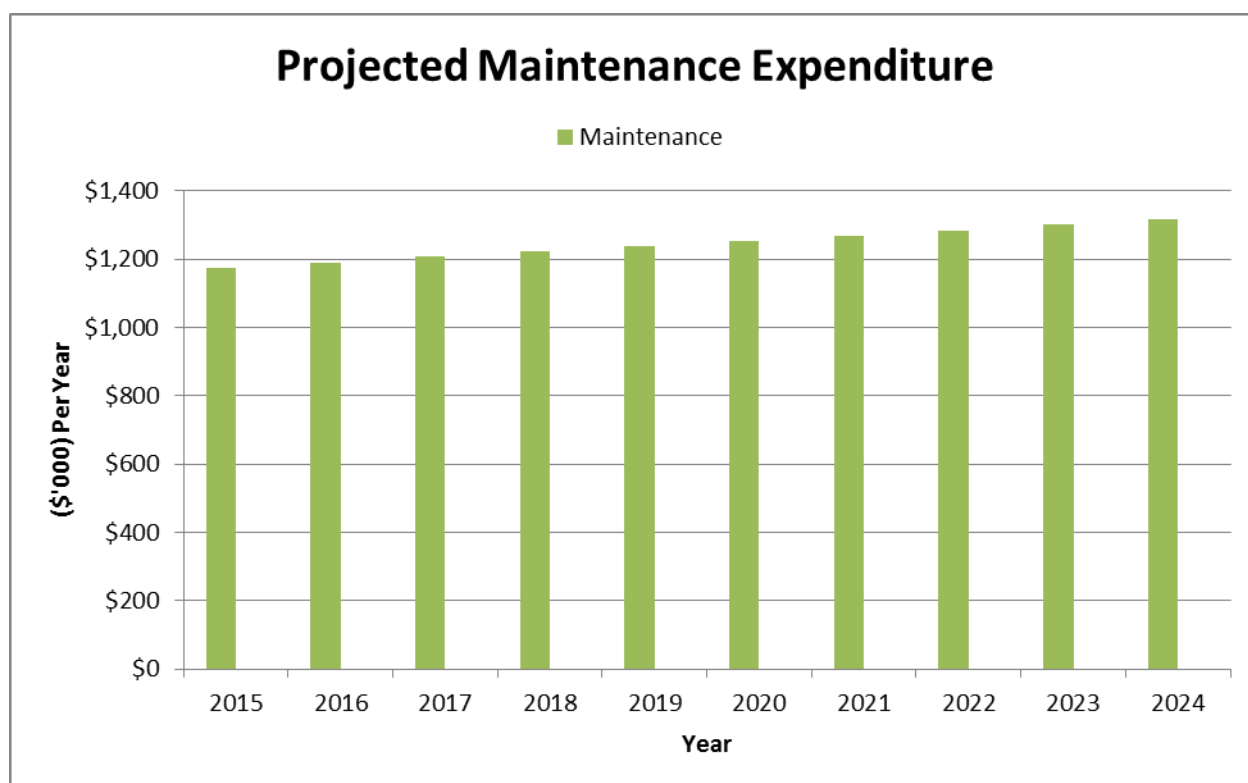


Figure 4: Projected Maintenance Expenditure

Deferred maintenance, ie works that are identified for maintenance and unable to be funded are to be included in the risk assessment and analysis in the infrastructure risk management plan.

Maintenance is funded in Councils Long Term Financial Plan. This is further discussed in Section 6.2.

5.4 Renewal/Replacement Plan

Renewal and replacement expenditure is major work which does not increase the asset's design capacity but restores, rehabilitates, replaces or renews an existing asset to its original or lesser required service potential. Work over and above restoring an asset to original service potential is upgrade/expansion or new works expenditure.

5.4.1 Renewal plan

Assets requiring renewal/replacement are identified from one of three methods provided in the 'Expenditure Template'.

- Method 1 uses Asset Register data to project the renewal costs using acquisition year and useful life to determine the renewal year, or
- Method 2 uses capital renewal expenditure projections from external condition modelling systems (such as Pavement Management Systems), or
- Method 3 uses a combination of average *network renewals* plus *defect repairs* in the *Renewal Plan* and *Defect Repair Plan* worksheets on the 'Expenditure template'.

Method Two was used for this asset management plan.

The useful lives of assets used to develop projected asset renewal expenditures are shown in Table 5.4.1. Asset useful lives were last reviewed on June 2012.

Table 5.4.1: Useful Lives of Assets

Asset (Sub)Category	Useful life
Seals	20 years
Sealed pavements	100 years
Unsealed pavements	15 years
Concrete Structures, bridges and culverts	100 years
Footpaths	50 years
Kerb and Gutter	50 years

5.4.2 Renewal and Replacement Strategies

The organisation will plan capital renewal and replacement projects to meet level of service objectives and minimise infrastructure service risks by:

- Planning and scheduling renewal projects to deliver the defined level of service in the most efficient manner,
- Undertaking project scoping for all capital renewal and replacement projects to identify:
 - the service delivery 'deficiency', present risk and optimum time for renewal/replacement,
 - the project objectives to rectify the deficiency,
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
 - and evaluate the options against evaluation criteria adopted by the organisation, and
 - select the best option to be included in capital renewal programs,
- Using 'low cost' renewal methods (cost of renewal is less than replacement) wherever possible,
- Maintain a current infrastructure risk register for assets and service risks associated with providing services from infrastructure assets and reporting Very High and High risks and residual risks after treatment to management and the Council/Board,
- Review current and required skills base and implement workforce training and development to meet required construction and renewal needs,
- Maintain a current hierarchy of critical assets and capital renewal treatments and timings required ,
- Review management of capital renewal and replacement activities to ensure the organisation is obtaining best value for resources used.

Renewal ranking criteria

Asset renewal and replacement is typically undertaken to either:

- Ensure the reliability of the existing infrastructure to deliver the service it was constructed to facilitate (eg replacing a bridge that has a 5 t load limit), or
- To ensure the infrastructure is of sufficient quality to meet the service requirements (eg roughness of a road).

It is possible to get some indication of capital renewal and replacement priorities by identifying assets or asset groups that:

- Have a high consequence of failure,
- Have a high utilisation and subsequent impact on users would be greatest,
- The total value represents the greatest net value to the organisation,
- Have the highest average age relative to their expected lives,
- Are identified in the AM Plan as key cost factors,
- Have high maintenance costs, and
- Where replacement with modern equivalent assets would yield material savings.

Renewal and replacement standards

Renewal work is carried out in accordance with the following Standards and Specifications.

- Council policies
- Council design specification and Industry standards
- Austroads Guide to Road Design
- RMS Design Guide
- Australian Standards

5.4.3 Summary of future renewal and replacement expenditure

Projected future renewal and replacement expenditures are forecast to increase over time as the asset stock increases from growth. The expenditure is summarised in Fig 5. Note that all amounts are shown in real values.

The projected capital renewal and replacement program is shown in Appendix 7.

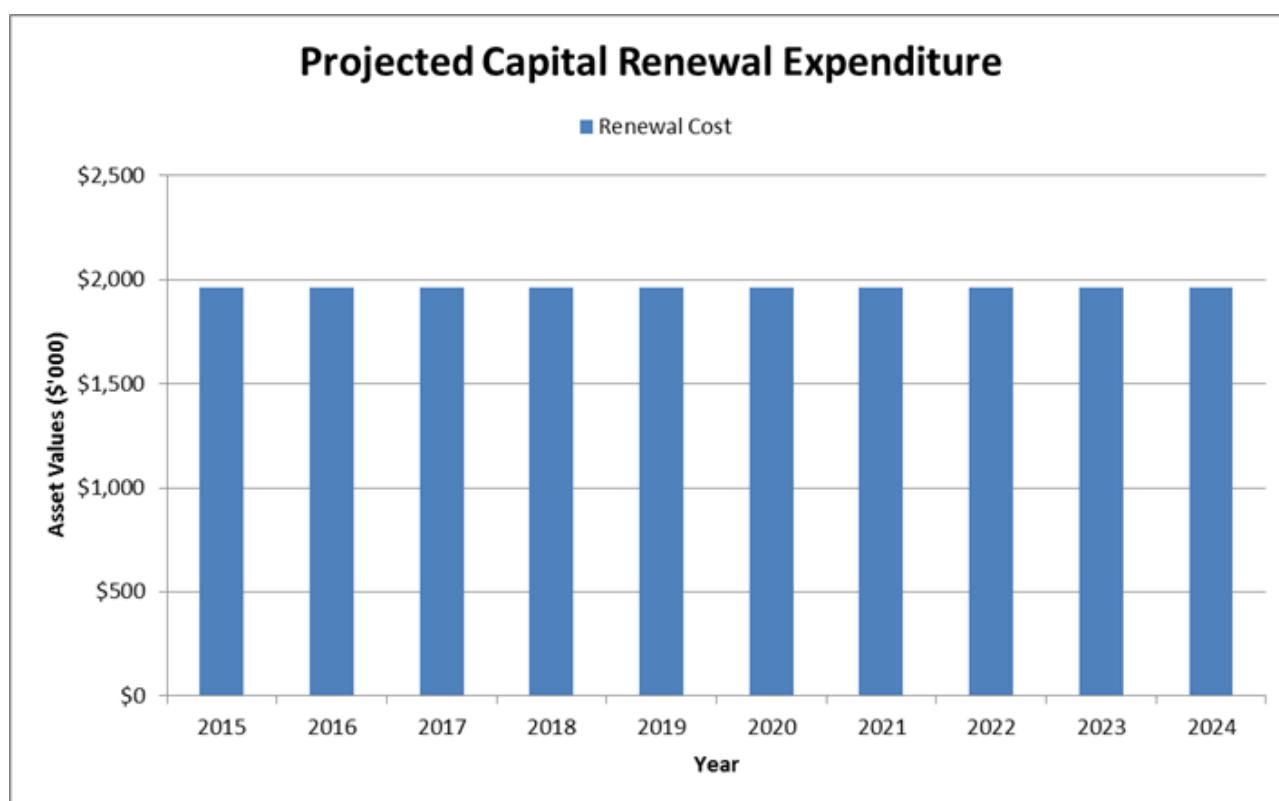


Fig 5: Projected Capital Renewal and Replacement Expenditure

Deferred renewal and replacement, i.e. those assets identified for renewal and/or replacement and not scheduled in capital works programs are to be included in the risk analysis process in the risk management plan.

Renewals and replacement expenditure in the organisation's capital works program will be accommodated in the long term financial plan. This is further discussed in Section 6.2.

5.5 Creation/Acquisition/Upgrade Plan

New works are those works that create a new asset that did not previously exist, or works which upgrade or improve an existing asset beyond its existing capacity. They may result from growth, social or environmental needs. Assets may also be acquired at no cost to the organisation from land development. These assets from growth are considered in Section 4.

5.5.1 Selection criteria

New assets and upgrade/expansion of existing assets are identified from a priority listing of roads that do not meet technical standards as detailed in table 3.4. Various other sources such as councillor or community requests, proposals identified by strategic plans or partnerships with other organisations. Candidate proposals are inspected to verify need and to develop a preliminary renewal estimate. Verified proposals are ranked by priority and available funds and scheduled in future works programmes.

5.5.2 Capital Investment Strategies

The organisation will plan capital upgrade and new projects to meet level of service objectives by:

- Planning and scheduling capital upgrade and new projects to deliver the defined level of service in the most efficient manner,
- Undertake project scoping for all capital upgrade/new projects to identify:
 - the service delivery 'deficiency', present risk and required timeline for delivery of the upgrade/new asset,
 - the project objectives to rectify the deficiency including value management for major projects,
 - the range of options, estimated capital and life cycle costs for each options that could address the service deficiency,
 - management of risks associated with alternative options,
 - and evaluate the options against evaluation criteria adopted by Council/Board, and
 - select the best option to be included in capital upgrade/new programs,
- Review current and required skills base and implement training and development to meet required construction and project management needs,
- Review management of capital project management activities to ensure the organisation is obtaining best value for resources used.

Standards and specifications for new assets and for upgrade/expansion of existing assets are the same as those for renewal shown in Section 5.4.2.

5.5.3 Summary of future upgrade/new assets expenditure

Projected upgrade/new asset expenditures are summarised in Fig 6. The projected upgrade/new capital works program is shown in Appendix 8. All amounts are shown in real values.

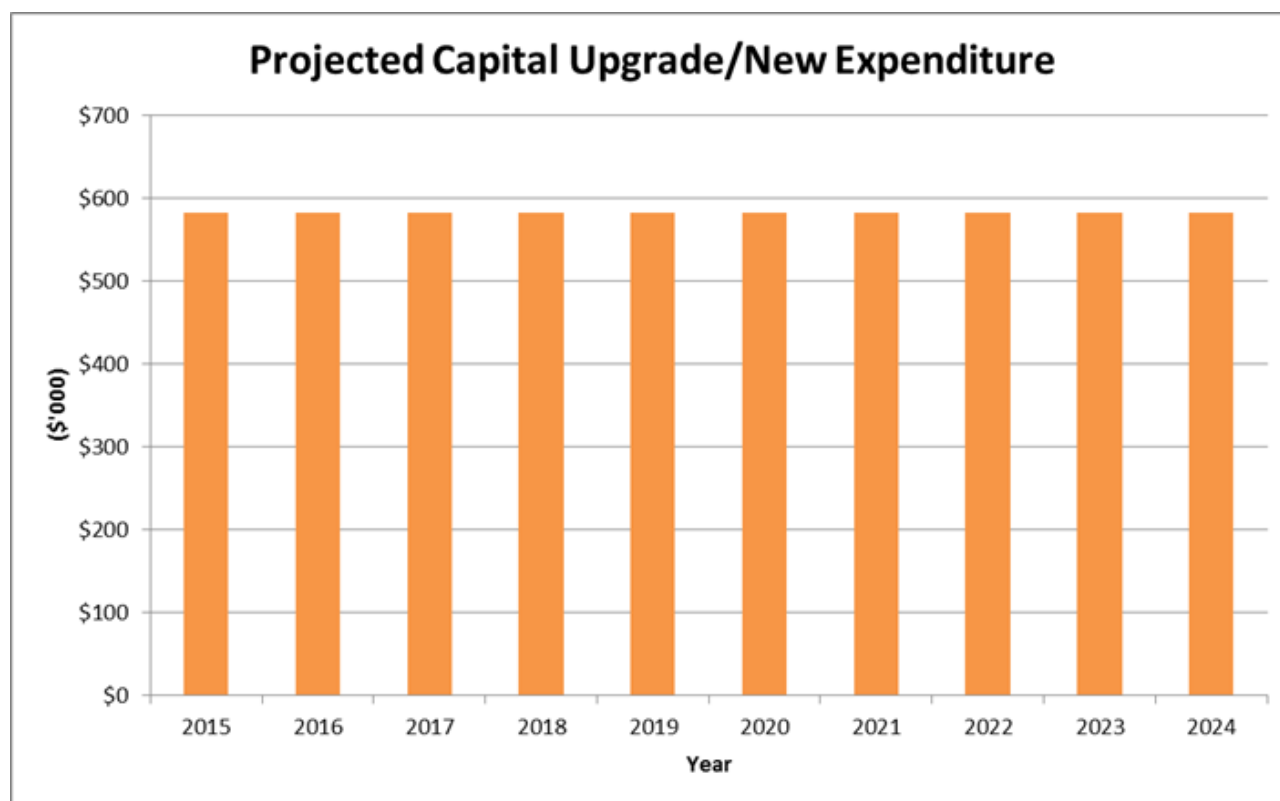


Fig 6: Projected Capital Upgrade/New Asset Expenditure

Expenditure on new assets and services in the organisation's capital works program will eventually be accommodated in the long term financial plan. This is further discussed in Section 6.2.

5.6 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset eg returning a road from public to private ownership. **At this stage Council has no plans to dispose of any of its road or bridge network.**

5.7 Service Consequences and Risks

The organisation has prioritised decisions made in adopting this AM Plan to obtain the optimum benefits from its available resources. Decisions were made based on the development of 3 scenarios of AM Plans.

Scenario 1 - What we would like to do based on asset register data

Scenario 2 – What we should do with existing budgets and identifying level of service and risk consequences (i.e. what are the maintenance and capital projects we are unable to do, what is the service and risk consequences associated with this position). This may require several versions of the AM Plan.

Scenario 3 – What we can do and be financially sustainable with AM Plans matching long-term financial plans.

The development of scenario 1 and scenario 2 AM Plans provides the tools for discussion with the Council and community on trade-offs between what we would like to do (scenario 1) and what we should be doing with existing

budgets (scenario 2) by balancing changes in services and service levels with affordability and acceptance of the service and risk consequences of the trade-off position (scenario 3).

5.7.1 What we cannot do

There are some maintenance activities and capital projects that are unable to be undertaken within the next 10 years. These include:

- We cannot carry out Capital upgrade works on roads unless opportunities are created by additional funding from future rate rises (over and above those planned for the next three years) and/or Government Grants or Industry investment are forthcoming.

With existing funds Council will only be able to carry out maintenance and capital renewal works on roads.

5.7.2 Service consequences

Maintenance activities and capital projects that cannot be undertaken will maintain or create service consequences for users. These include:

- Road users will not see many roads built to higher technical standards than they are at present.

5.7.3 Risk consequences

The maintenance activities and capital projects that cannot be undertaken may maintain or create risk consequences for the organisation. These include:

- Council will have a considerable number of roads - at present 200km - that don't meet technical standards to fulfil the road safety requirements of the vehicles and drivers that currently use the roads.

6. FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 Financial Statements and Projections

The financial projections are shown in Fig 7 for projected maintenance and capital expenditure (renewal and upgrade/expansion/new assets). Note that all costs are shown in real values.

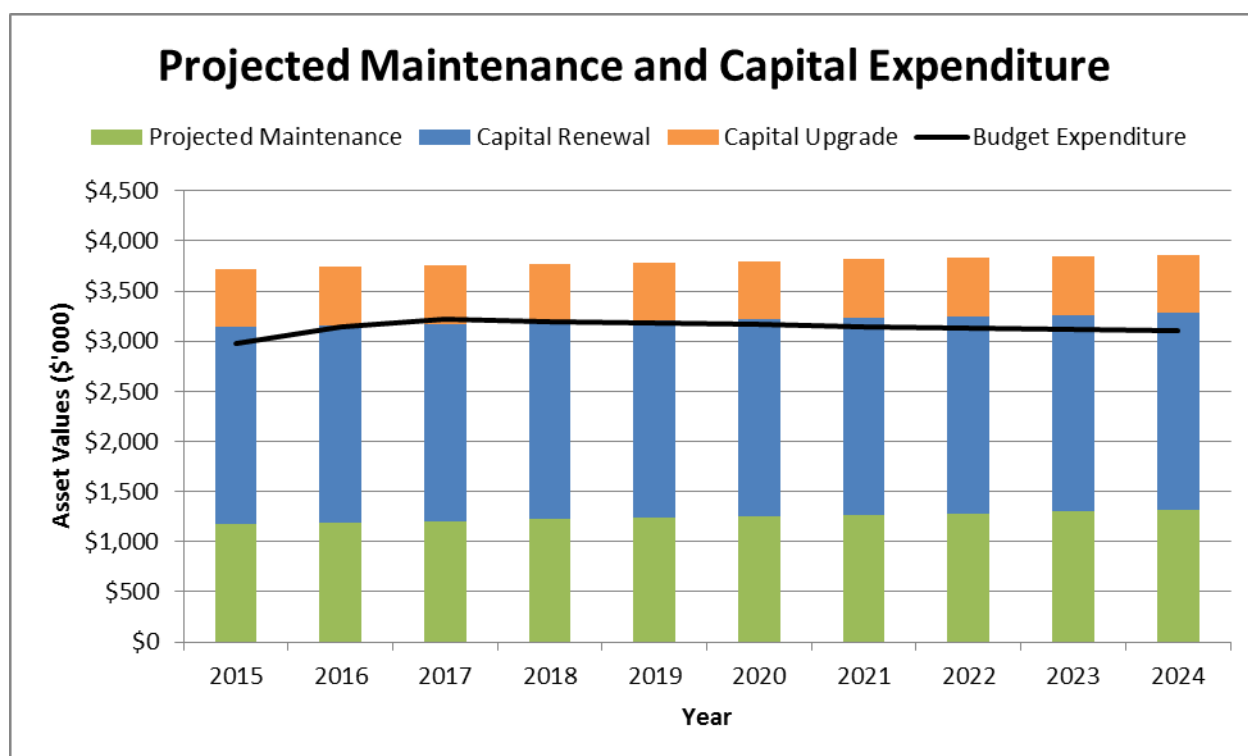


Fig 7: Maintenance and Capital Expenditure

6.1.1 Sustainability of service delivery

There are four key indicators for service delivery sustainability that have been considered in the analysis of the services provided by this asset category, these being the asset renewal funding ratio, long term life cycle costs/expenditures and medium term projected/budgeted expenditures over 5 and 10 years of the planning period.

Asset Renewal Funding Ratio

Asset Renewal Funding Ratio	93%
-----------------------------	-----

The Asset Renewal Funding Ratio is the most important indicator and reveals that over the next 10 years, the organisation is forecasting that it will have 92% of the funds required for the optimal renewal and replacement of its assets.

Long term - Life Cycle Cost

Life cycle costs (or whole of life costs) are the average costs that are required to sustain the service levels over the asset life cycle. Life cycle costs include maintenance expenditure and asset consumption (depreciation expense). The life cycle cost for the services covered in this asset management plan is \$2,332,000 per year (average maintenance expenditure plus depreciation expense projected over 10 years).

Life cycle costs can be compared to life cycle expenditure to give an initial indicator of affordability of projected service levels when considered with age profiles. Life cycle expenditure includes maintenance and capital renewal expenditure. Life cycle expenditure will vary depending on the timing of asset renewals. The life cycle expenditure over the 10 year planning period is \$2,976,000 per year (average maintenance plus capital renewal budgeted expenditure in LTFP over 10 years).

A shortfall between life cycle cost and life cycle expenditure is the life cycle gap. The life cycle gap for services covered by this asset management plan is \$644,000 per year (-ve = gap, +ve = surplus).

Life cycle expenditure is 128% of life cycle costs.

The life cycle costs and life cycle expenditure comparison highlights any difference between present outlays and the average cost of providing the service over the long term. If the life cycle expenditure is less than that life cycle cost, it is most likely that outlays will need to be increased or cuts in services made in the future.

Knowing the extent and timing of any required increase in outlays and the service consequences if funding is not available will assist organisations in providing services to their communities in a financially sustainable manner. This is the purpose of the asset management plans and long term financial plan.

Medium term – 10 year financial planning period

This asset management plan identifies the projected maintenance and capital renewal expenditures required to provide an agreed level of service to the community over a 10 year period. This provides input into 10 year financial and funding plans aimed at providing the required services in a sustainable manner.

These projected expenditures may be compared to budgeted expenditures in the 10 year period to identify any funding shortfall. In a core asset management plan, a gap is generally due to increasing asset renewals for ageing assets.

The projected maintenance and capital renewal expenditure required over the 10 year planning period is \$3,211,000 on average per year.

The Long Term Financial Plan budget for maintenance and capital renewal funding is \$2,976,000 on average per year giving a 10 year funding shortfall of -\$235,000 per year. This indicates that the organisation expects to have 93% of the projected expenditures needed to provide the services documented in the asset management plan.

Medium Term – 5 year financial planning period

The Long Term Financial Plan budget for maintenance and capital renewal expenditure required over the first 5 years of the planning period is \$3,172,000 on average per year.

The Long Term Financial Plan budget for maintenance and capital renewal funding is \$2,981,000 on average per year giving a 5 year funding shortfall of -\$190,000. This indicates that the organisation expects to have 94% of projected expenditures required to provide the services shown in this asset management plan.

Asset management financial indicators

Figure 7A shows the asset management financial indicators over the 10 year planning period and for the long term life cycle.

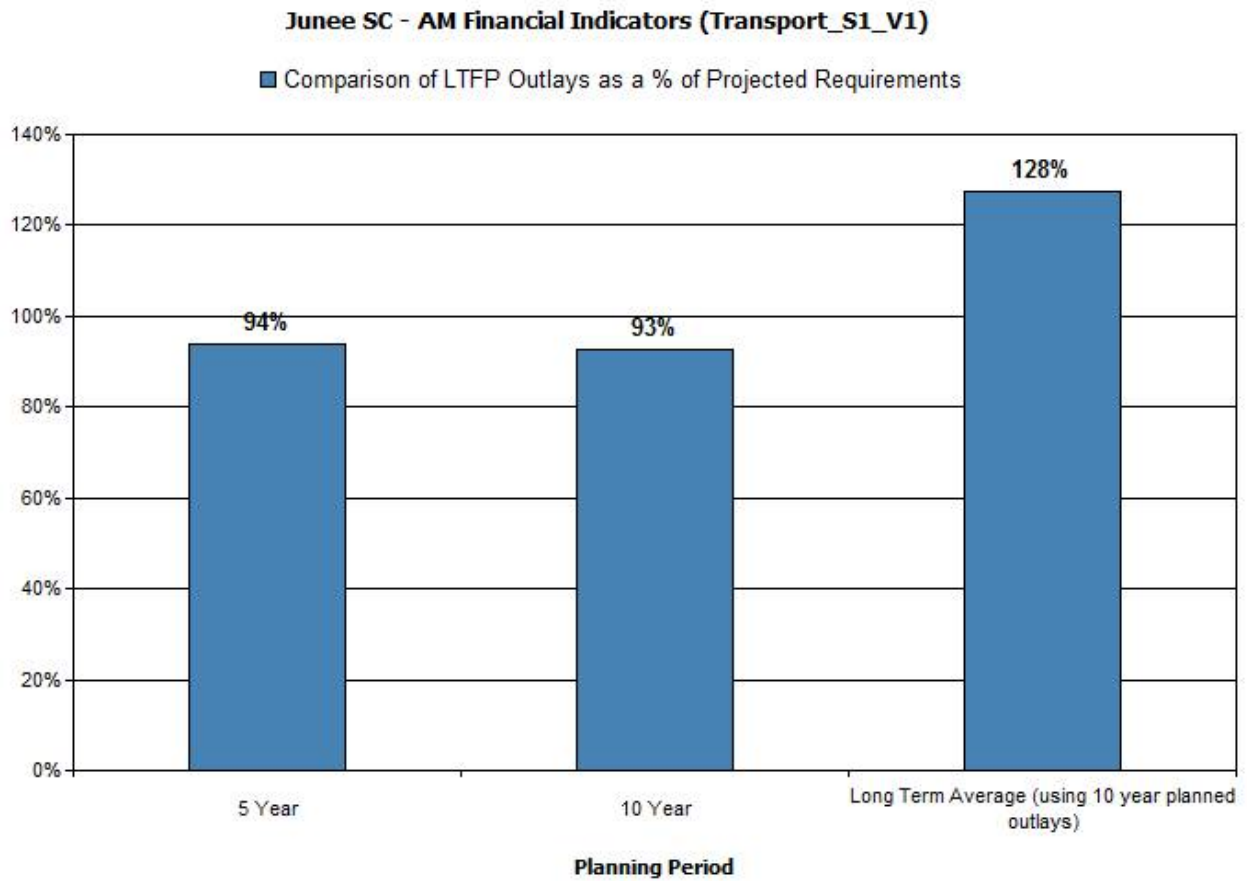


Figure 7A: Asset Management Financial Indicators

Providing services from infrastructure in a sustainable manner requires the matching and managing of service levels, risks, projected expenditures and financing to achieve a financial indicator of approximately 1.0 for the first years of the asset management plan and ideally over the 10 year life of the Long Term Financial Plan.

Figure 8 shows the projected asset renewal and replacement expenditure over the 10 years of the AM Plan. The projected asset renewal and replacement expenditure is compared to budgeted renewal and replacement expenditure in the capital works program, which is accommodated in the long term financial plan

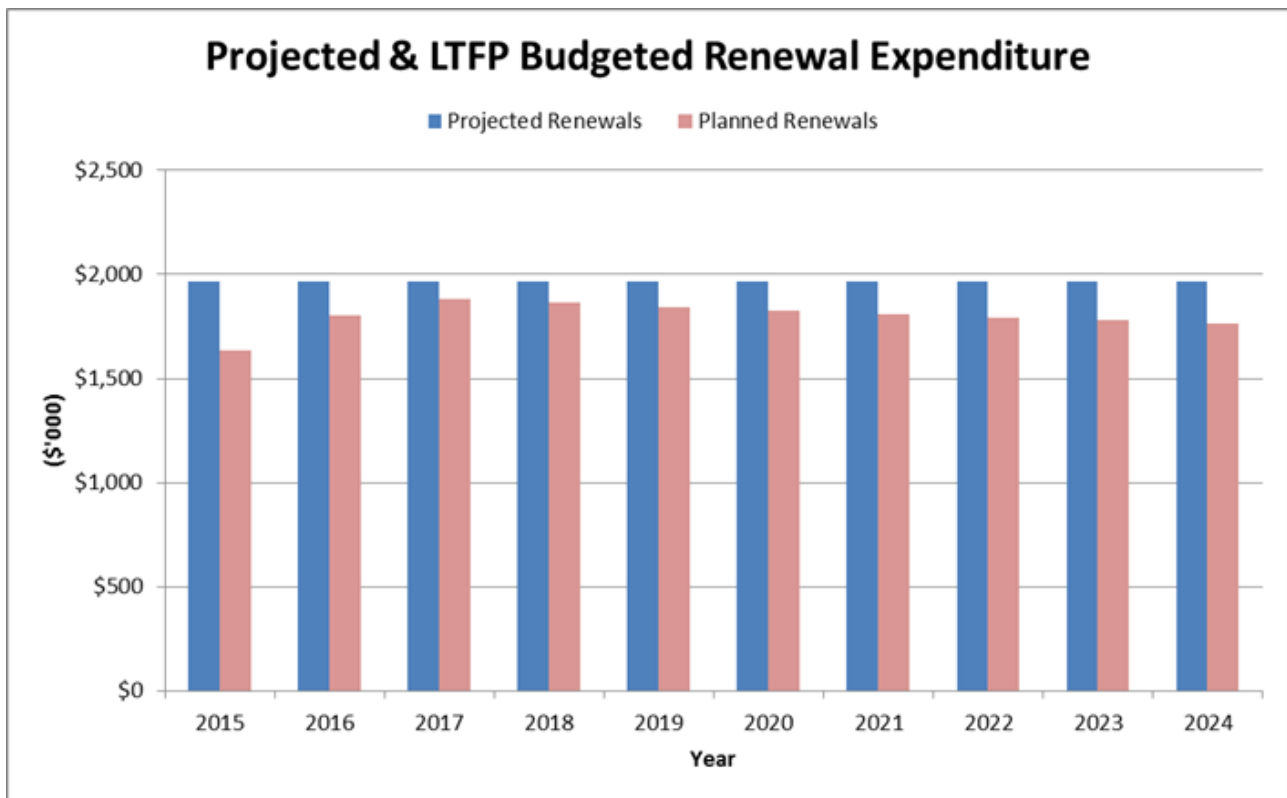


Figure 8: Projected and LTFP Budgeted Renewal Expenditure

Table 6.1.1 shows the shortfall between projected renewal and replacement expenditures and expenditure accommodated in long term financial plan. Budget expenditures accommodated in the Long Term Financial Plan or extrapolated from current budgets are shown in Appendix 9.

Table 6.1.1: Projected and LTFP Budgeted Renewals and Financing Shortfall

Year	Projected Renewals (\$000)	LTFP Renewal Budget (\$000)	Renewal Financing Shortfall (\$000) (-ve Gap, +ve Surplus)	Cumulative Shortfall (\$000) (-ve Gap, +ve Surplus)
2015	\$1,965	\$1,634	-\$331	-\$331
2016	\$1,965	\$1,804	-\$161	-\$492
2017	\$1,965	\$1,882	-\$83	-\$575
2018	\$1,965	\$1,863	-\$102	-\$677
2019	\$1,965	\$1,845	-\$120	-\$796
2020	\$1,965	\$1,828	-\$137	-\$934
2021	\$1,965	\$1,811	-\$154	-\$1,088
2022	\$1,965	\$1,794	-\$171	-\$1,259
2023	\$1,965	\$1,778	-\$187	-\$1,446
2024	\$1,965	\$1,763	-\$202	-\$1,648

Note: A negative shortfall indicates a financing gap, a positive shortfall indicates a surplus for that year.

Providing services in a sustainable manner will require matching of projected asset renewal and replacement expenditure to meet agreed service levels with **the corresponding** capital works program accommodated in the long term financial plan.

A gap between **projected asset renewal/replacement expenditure and amounts accommodated in the LTFP** indicates that **further work is required on reviewing service levels in the AM Plan (including possibly revising the LTFP)** before finalising the asset management plan to manage required service levels and funding **to eliminate any funding gap**.

We will manage the 'gap' by developing this asset management plan to provide guidance on future service levels and resources required to provide these services, and review future services, service levels and costs with the community.

6.1.2 Projected expenditures for long term financial plan

Table 6.1.2 shows the projected expenditures for the 10 year long term financial plan.

Expenditure projections are in 2013 real values.

Table 6.1.2: Projected Expenditures for Long Term Financial Plan (\$000)

Year	Maintenance (\$000)	Projected Capital Renewal (\$000)	Capital Upgrade/ New (\$000)	Disposals (\$000)
2015	\$1,175.82	\$1,965.00	\$582.00	\$0.00
2016	\$1,191.42	\$1,965.00	\$582.00	\$0.00
2017	\$1,206.53	\$1,965.00	\$582.00	\$0.00
2018	\$1,222.12	\$1,965.00	\$582.00	\$0.00
2019	\$1,237.72	\$1,965.00	\$582.00	\$0.00
2020	\$1,253.31	\$1,965.00	\$582.00	\$0.00
2021	\$1,268.90	\$1,965.00	\$582.00	\$0.00
2022	\$1,284.49	\$1,965.00	\$582.00	\$0.00
2023	\$1,300.08	\$1,965.00	\$582.00	\$0.00
2024	\$1,315.67	\$1,965.00	\$582.00	\$0.00

6.2 Funding Strategy

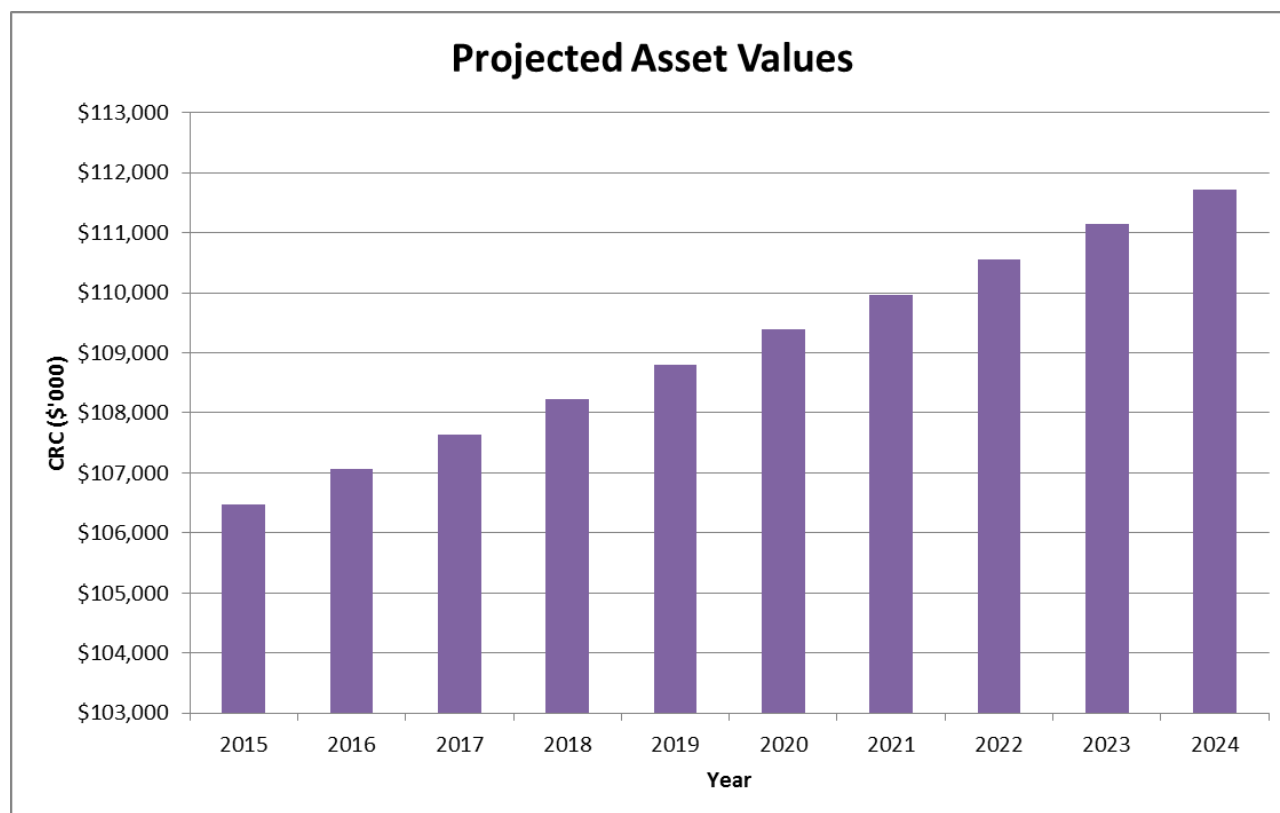
It is Council's intention to match expenditure in the Long Term Financial Plan to the funding identified in the Asset Management Plan. After reviewing service levels or increasing funding, as appropriate to ensure ongoing financial sustainability projected expenditures identified in Section 6.1.2 will be accommodated in the organisation's 10 year long term financial plan.

6.3 Valuation Forecasts

Asset values are forecast to increase as capital upgrade works are added to the asset stock from reconstruction

Figure 9 shows the projected replacement cost asset values over the planning period in real values.

Figure 9: Projected Asset Values



Depreciation expense values are forecast in line with asset values as shown in Figure 10.

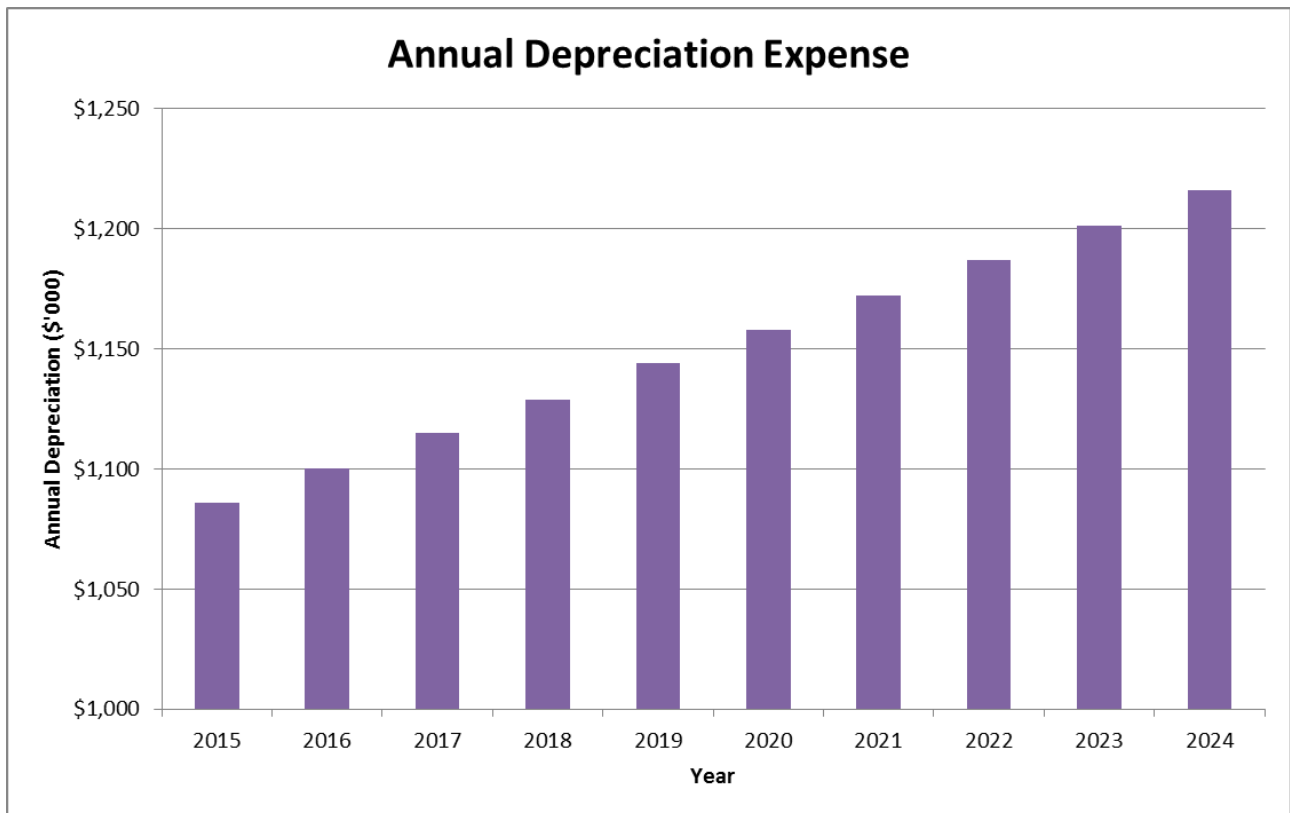


Figure 10: Projected Depreciation Expense

The depreciated replacement cost will vary over the forecast period depending on the rates of addition of new assets, disposal of old assets and consumption and renewal of existing assets. Forecast of the assets' depreciated replacement cost is shown in Figure 11. The depreciated replacement cost of contributed and new assets is shown in the darker colour and in the lighter colour for existing assets.

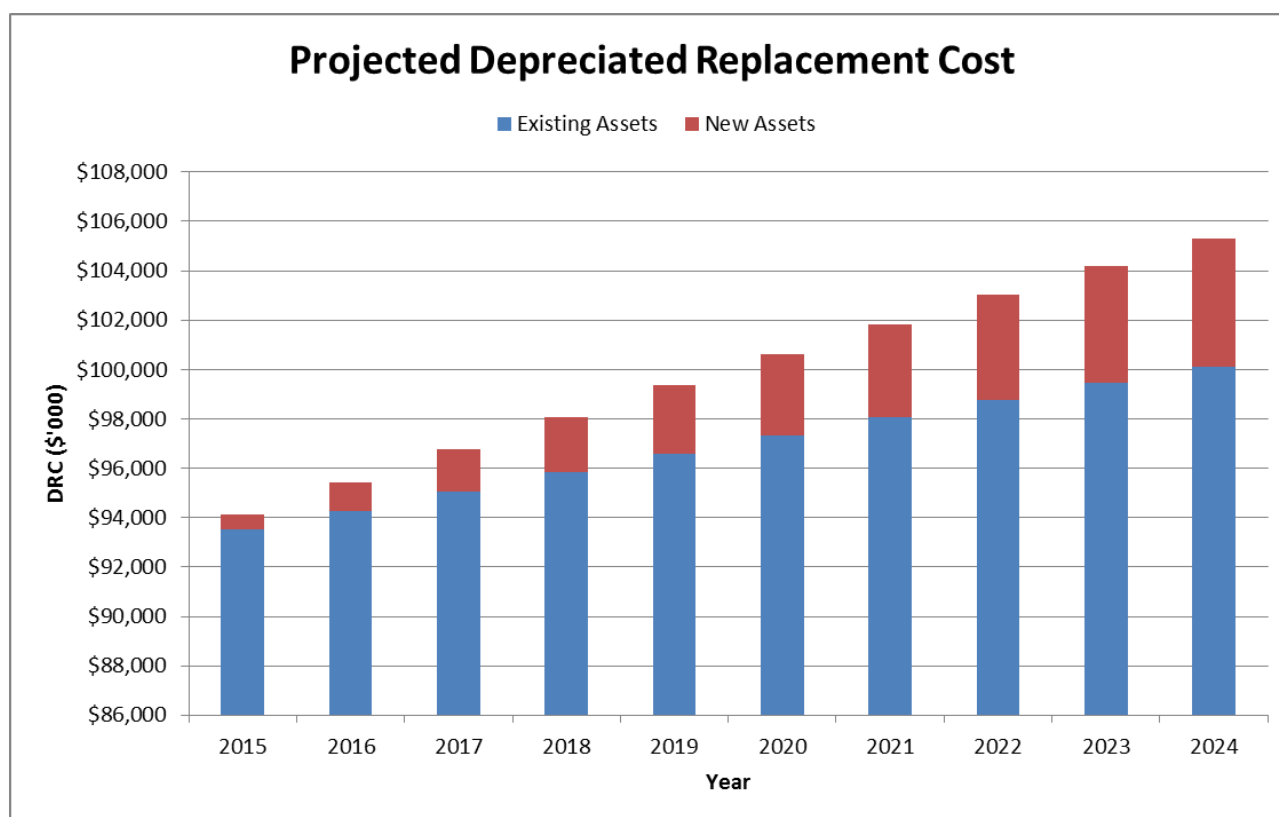


Figure 11: Projected Depreciated Replacement Cost

6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required maintenance and capital expenditure and asset values, depreciation expense and carrying amount estimates. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan and risks that these may change are shown in Table 6.4.

Table 6.4: Key Assumptions made in AM Plan and Risks of Change

Key Assumptions	Risks of Change to Assumptions
Effective rate rises of 12.68% proposed over the next three years are approved	If rate rises are not approved Junee Shire Councils road network is not financially sustainable
Road Reseals assumed life 20 years	A reduction in life will cause an increased cost of renewal
Road Pavements assumed life 100 years	A reduction in life will cause an increased cost of renewal
Gravel Road resheets assumed life 15 years	A reduction in life will cause an increased cost of renewal
Assumed life of concrete structures Bridges and culverts 100 years	A reduction in life will cause an increased cost of renewal
Replacement values are averaged over recent construction works	Road construction can vary in cost from job to job and season to season
Seasonal variations are not extreme	Extreme wet seasons could cause an increase need for maintenance, similarly dry seasons could cause a reduction in maintenance
Shires Rural production remains the same	Depending on industry development within the Shire could change the amount of grain produced with a follow on effect of grain transportation and pavement deterioration
Population Growth occurs as per forecast	If this region became a significant growth centre there would be a need for new road assets to meet the demand.
Discount rate 3.2% to convert to current values	If Inflation is higher than 3.2% there will be less funds available for roadworks.

6.5 Forecast Reliability and Confidence

The expenditure and valuations projections in this AM Plan are based on best available data. Currency and accuracy of data is critical to effective asset and financial management. Data confidence is classified on a 5 level scale in accordance with Table 6.5.

Table 6.5: Data Confidence Grading System

Confidence Grade	Description
A Highly reliable	Data based on sound records, procedures, investigations and analysis, documented properly and recognised as the best method of assessment. Dataset is complete and estimated to be accurate $\pm 2\%$
B Reliable	Data based on sound records, procedures, investigations and analysis, documented properly but has minor shortcomings, for example some of the data is old, some documentation is missing and/or reliance is placed on unconfirmed reports or some extrapolation. Dataset is complete and estimated to be accurate $\pm 10\%$
C Uncertain	Data based on sound records, procedures, investigations and analysis which is incomplete or unsupported, or extrapolated from a limited sample for which grade A or B data are available. Dataset is substantially complete but up to 50% is extrapolated data and accuracy estimated $\pm 25\%$
D Very Uncertain	Data is based on unconfirmed verbal reports and/or cursory inspections and analysis. Dataset may not be fully complete and most data is estimated or extrapolated. Accuracy $\pm 40\%$
E Unknown	None or very little data held.

The estimated confidence level for and reliability of data used in this AM Plan is shown in Table 6.5.1.

Table 6.5.1: Data Confidence Assessment for Data used in AM Plan

Data	Confidence Assessment	Comment
Demand drivers	Very Uncertain	Refer to Table 6.4 Key Assumptions
Growth projections	Reliable	Refer to Table 6.4 Key Assumptions
Operations expenditures	Highly reliable	Data extracted from Councils accounting system
Maintenance expenditures	Highly reliable	Data extracted from Councils accounting system
Projected Renewal exps. - Asset values	Reliable	Information based on Councils asset register and sound engineering knowledge and history of the road network
- Asset residual values	Reliable	Determined from experience with renewal of existing roads
- Asset useful lives	Very Uncertain	Much of Councils road infrastructure is significantly younger than the assumed useful life – human experience has not seen the end of the useful lives of our roads assets
- Condition modelling	Uncertain	Condition modelling has been carried out by highly experience long term engineering staff that has carried out visual inspections of the road. No detailed analysis has been carried out.
- Network renewals	Reliable	Based on assumed useful lives
- Defect repairs	Highly reliable	Projected data based on accurately recorded historical data
Upgrade/New expenditures	Highly reliable	Based on recent expenditure of similar projects
Disposal expenditures	N/A	N/A

Over all data sources, the data confidence is assessed as **Medium** confidence level for data used in the preparation of this AM Plan.

7. PLAN IMPROVEMENT AND MONITORING

7.1 Status of Asset Management Practices

7.1.1 Accounting and financial systems

Australian Accounting Standards	<p>Sets out the financial reporting standards relating to infrastructure assets. Standards of particular relevance to infrastructure assets include:-</p> <p>AASB 116 Property, Plant and Equipment – prescribes requirements for recognition and depreciation of property, plant and equipment assets.</p> <p>AASB 136 Impairment of Assets – aims to ensure that assets are carried at amounts that are not in excess of their recoverable amounts.</p> <p>AASB 1021 – Depreciation of Non-Current Assets – specifies how depreciation is to be calculated</p> <p>AAS 1001 Accounting Policies – specifies the policies that Council is to have for recognition of assets and depreciation</p> <p>AASB 1041 Accounting for the reduction of Non-Current Assets – specifies the frequency and basis of calculating depreciation and revaluation basis used for assets</p> <p>AAS 1015 Accounting for acquisition of assets – method of allocating the value to new assets on acquisition</p> <p>AASB 1051 Land Under Roads</p>
---------------------------------	---

Junee Shire Council uses the Authority Accounting Systems provided through Civica.

Accountabilities for financial systems

Councils Corporate Services Department

Capital/maintenance threshold

Council capitalises all works that extend the life of the asset into the future. Generally there is a \$1000 cut off between maintenance and capital however it is considered on a job by job basis.

Required changes to accounting financial systems arising from this AM Plan

No changes are required.

7.2.1 Asset management system

NAMS.PLUS2

Asset registers

Kept in excel spread sheets

Linkage from asset management to financial system

Long Term Financial Plan is considered when Council is setting its budget to the best of Councils ability to match the Asset Management Plan.

Accountabilities for asset management system and data maintenance

Councils Engineering Department

Required changes to asset management system arising from this AM Plan

Council needs to improve its Asset register with more detailed segmentation of roads to better cater for capital renewal works and revaluations.

7.2 Improvement Program

The asset management improvement plan generated from this asset management plan is shown in Table 7.2.

Table 7.2: Improvement Plan

Task No	Task	Responsibility	Resources Required	Timeline
1	Check Asset Register for Accuracy	DES	Completed in house	Ongoing
2	Collect roadside asset data	DES	Completed in house	Ongoing
3	Make available new technologies as they become available	DES	Completed in house	Ongoing
4	Re-evaluate network condition	DES	Completed in house	Ongoing
5	Revalue Road Asset using "Fair Value"	DES	Completed in house	Completed 2012/2013 To be revised 2017/18
6	Re-evaluate future expenditure needs from historical data and risk evaluation	DES	Completed in house	Ongoing

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed during annual budget planning processes and amended to recognise any material changes in service levels and/or resources available to provide those services as a result of budget decisions.

The AM Plan will be updated annually to ensure it represents the current service level, asset values, projected operations, maintenance, capital renewal and replacement, capital upgrade/new and asset disposal expenditures and projected expenditure values incorporated into the organisation's long term financial plan.

The AM Plan has a life of 4 years (Council election cycle) and is due for complete revision and updating within 12 months of each Council election.

7.4 Performance Measures

The effectiveness of the asset management plan can be measured in the following ways:

- The degree to which the required projected expenditures identified in this asset management plan are incorporated into the organisation's long term financial plan,
- The degree to which 1-5 year detailed works programs, budgets, business plans and organisational structures take into account the 'global' works program trends provided by the asset management plan,
- The degree to which the existing and projected service levels and service consequences (what we cannot do), risks and residual risks are incorporated into the organisation's Strategic Plan and associated plans,
- **The Asset Renewal Funding Ratio achieving the target of 1.0.**

8. REFERENCES

IPWEA, 2006, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM

IPWEA, 2008, 'NAMS.PLUS Asset Management', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/namsplus.

IPWEA, 2009, 'Australian Infrastructure Financial Management Guidelines', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/AIFMG.

IPWEA, 2011, 'International Infrastructure Management Manual', Institute of Public Works Engineering Australia, Sydney, www.ipwea.org.au/IIMM

Organisation, 'Strategic Plan 20XX – 20XX',

Organisation, 'Annual Plan and Budget'.

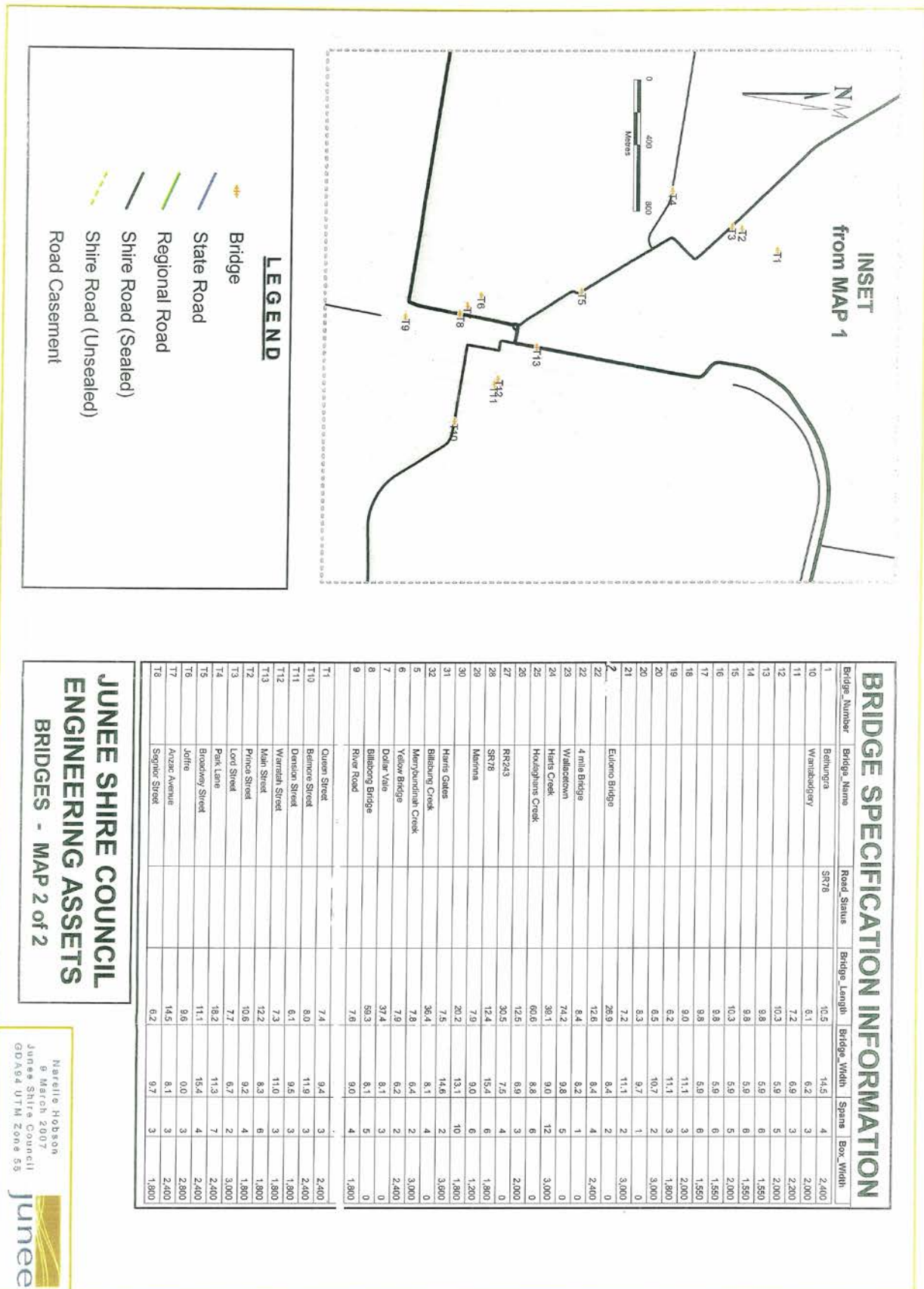
9. APPENDICES

Appendix 1	Shire Map Showing Road and Bridges
Appendix 2	Town Map showing Road and Bridges
Appendix 3	Town Map showing Kerb and Gutter
Appendix 4	Town Map showing Footpaths
Appendix 5	Shire Map showing 200km of Road Network that do not meet technical standards
Appendix 6	Current and Desired Levels of Service
Appendix 7	Projected 10 year Capital Renewal and Replacement Works Program (NAMS2)
Appendix 8	Projected 10 year Capital Upgrade/New Works Program (Nams2)
Appendix 9	Budgeted Expenditures Accommodated in LTFP (Form 3 Expenditure)
Appendix 10	Abbreviations
Appendix 11	Glossary

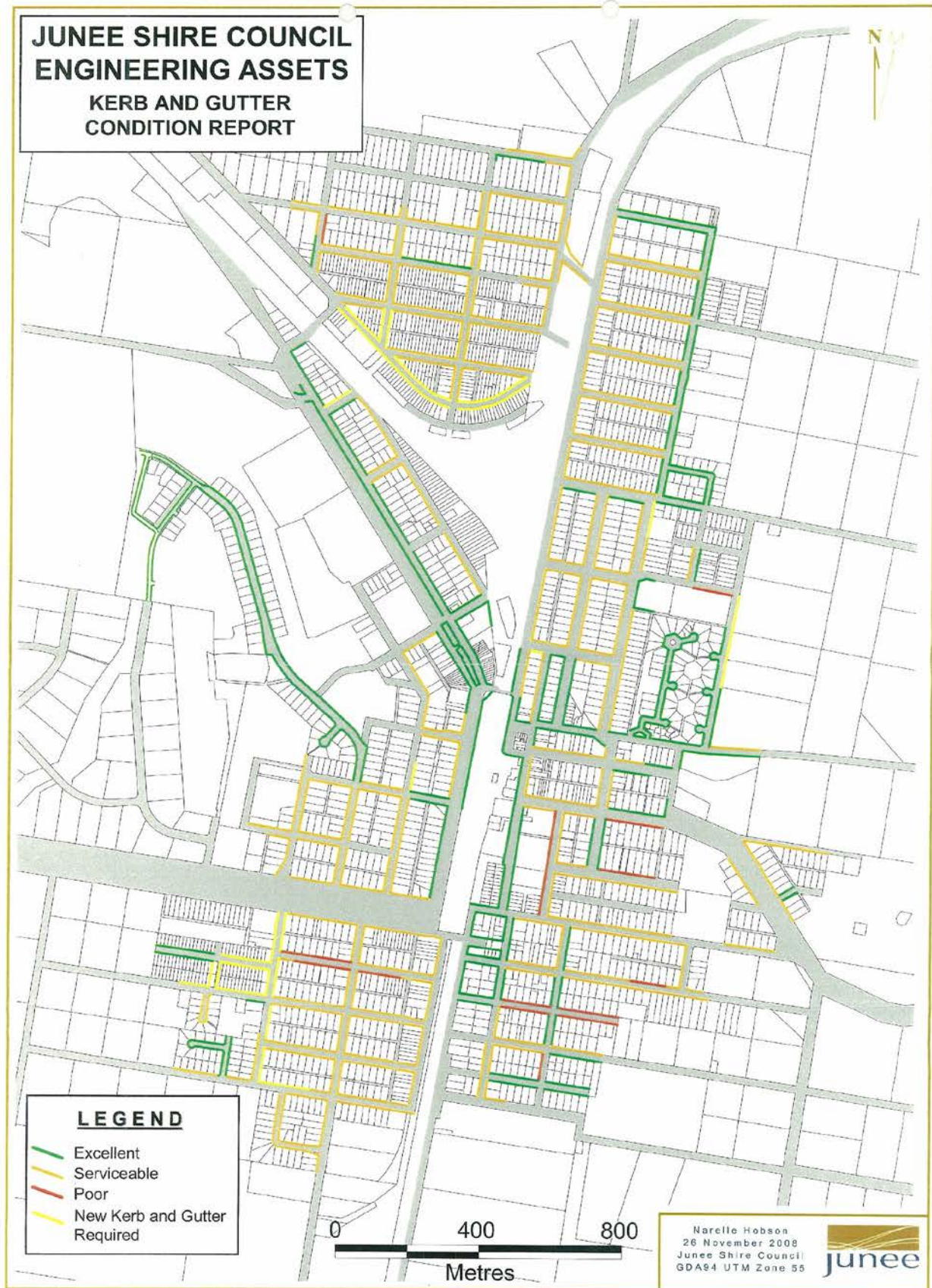
Appendix 1 Shire Map Showing Road and Bridges



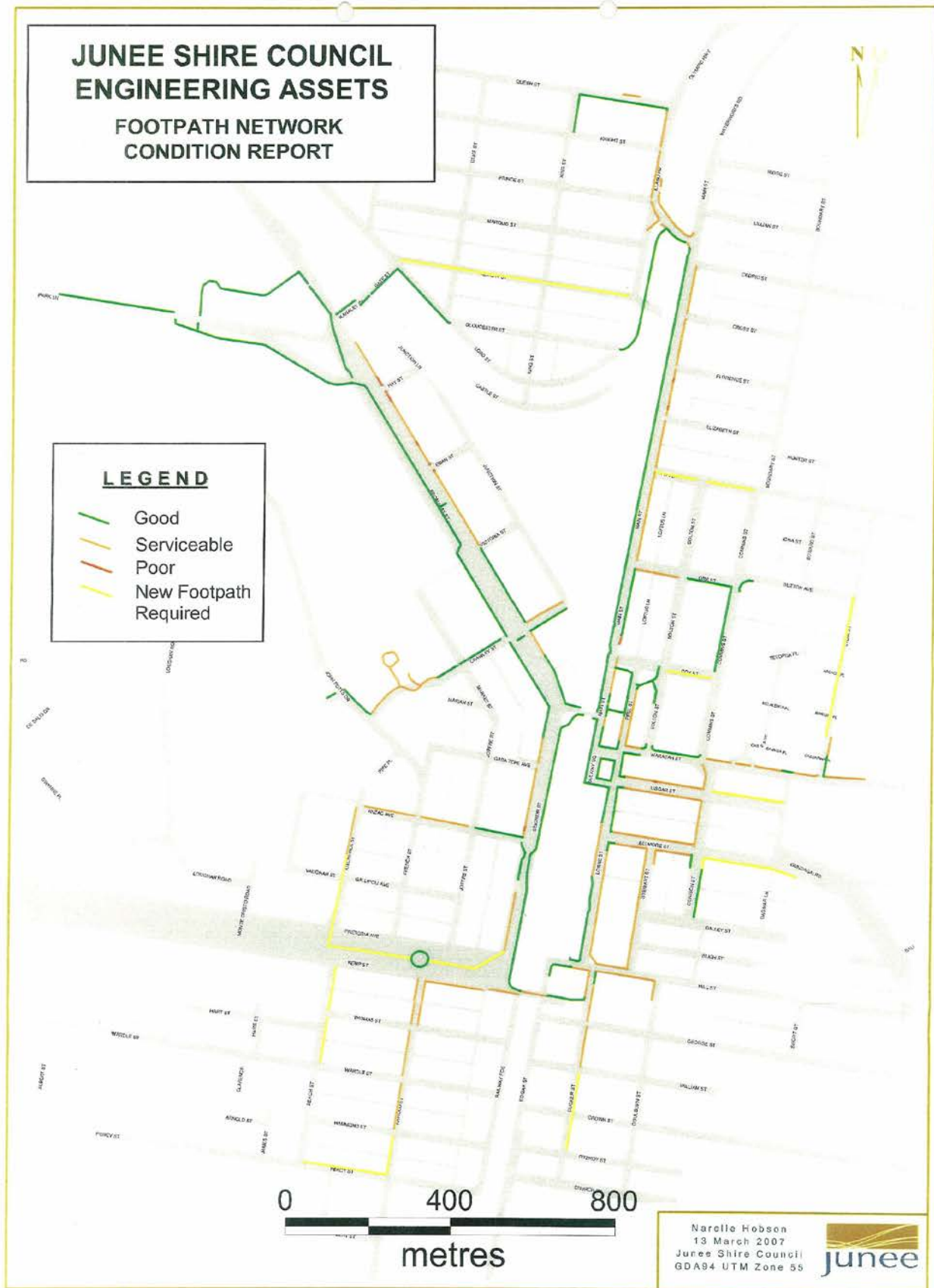
Appendix 2 Town Map showing Road and Bridges



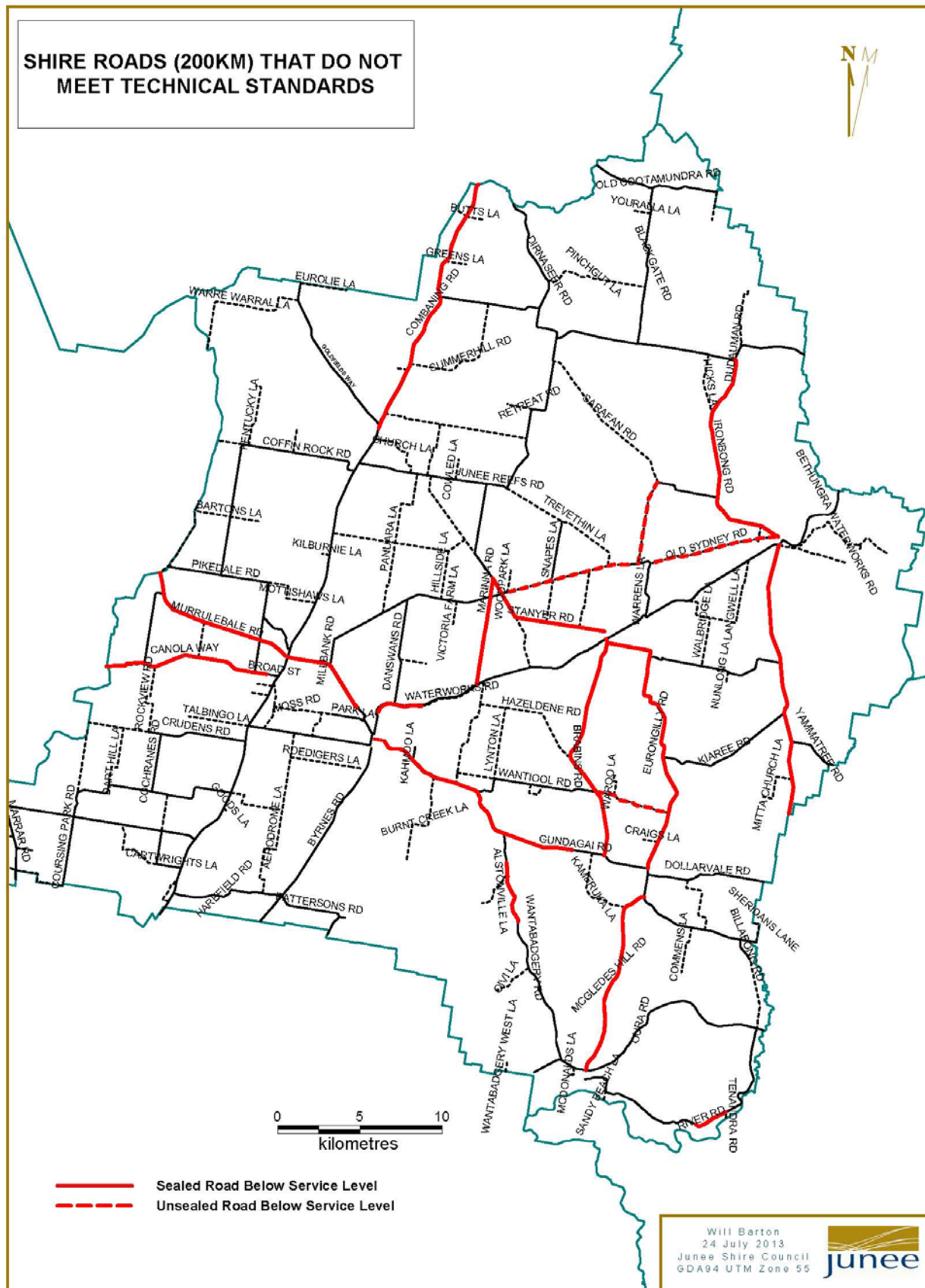
Appendix 3 Town Map showing Kerb and Gutter



Appendix 4 Town Map showing Footpaths



Appendix 5 Shire Map showing 200km of Road Network that do not meet Technical Standards



Appendix 6 Current and Desired Service Levels

ROAD HIERARCHY - TECHNICAL LEVELS OF SERVICE (DESIRED)						
Hierarchy Category	Category 1 – Regional and Rural Local Sealed Roads Carrying >200VPD at 100KPH	Category 2 – Local Sealed Arterial Roads Carrying >50 and <200VPD Including Town Streets	Category 3 – Sealed Collector Roads Carrying > 20 and < 50 VPD	Category 4 – Local Sealed Feeder Roads Carrying >10 and <50VPD Including Town Lanes	Category 5 – Local Unsealed Feeder Roads Carrying > 10 and <50VPD Including Town Lanes	Category 6 – Local Unsealed Access Roads Carrying <10VPD
Design Speed	100KPH	100KPH	80KPH	80KPH	80KPH	60KPH
Surface	SEALED	SEALED	SEALED	SEALED	GRAVEL	ALL WEATHER
Travel Lanes	2 LANE	2 LANE	1 LANE	1 LANE	1 LANE	1 LANE
Lane Width	3.5 METRE	3 METRE	4 METRE	4 METRE	4 METRE	4 METRE
1m Sealed Shoulder	YES	NO	NO	NO	NO	NO
1m Gravel Shoulder	YES	YES	YES	YES	Yes	NO
Line Marking	YES	OVER CRESTS	OVER CRESTS	NO	NO	NO
Guideposts	YES SPACED AT 150M	YES SPACED AT 250M	YES SPACED AT 250M	ONLY AT CULVERTS AND CURVES	ONLY AT CULVERTS AND CURVES	ONLY AT DANGEROUS LOCATIONS
Roughness Counts	TBA	TBA	TBA	TBA	TBA	TBA
Causeways (Water over Road 1:25 Year Storm Event)	NO	YES	YES	YES	YES	YES
Culverts (Designed to 1:25 Year Storm Event)	YES	YES	YES	YES	NO	NO
Signs – Crests	YES	YES	YES	YES	YES	NO
Signs – Curves	YES	YES	YES	YES	YES	NO
Signs – Advisory Speed	YES	YES	YES	YES	YES	NO
Vegetation Clearance – Shoulder	6 METRE	4 METRE	4 METRE	4 METRE	4 METRE	4 METRE
Vegetation – Clearance Height	5.5 METRE	4.6 METRE	4.6 METRE	4.6 METRE	4.6 METRE	4.6 METRE

ROAD HIERARCHY - COMMUNITY LEVELS OF SERVICE (CURRENT)						
Hierarchy Category	Category 1 – Regional and Local Sealed Roads Carrying >200VPD	Category 2 – Local Sealed Arterial Roads Carrying>50 and <200VPD	Category 3 – Sealed Collector Roads Carrying > 20 and > 50 VPD	Category 4 – Local Sealed Feeder Roads Carrying >10 and <50VPD	Category 5 – Local Unsealed Feeder Roads Carrying > 10 and <50VPD	Category 6 – Local Unsealed Access Roads Carrying <10VPD
Road Inspection Interval	1 Month (Byrnes Road weekly)	3 Months	6 Months	12 Months	12 Months	12 Months
Shoulder Grass Sprayed Annually	YES	YES	YES	YES	YES	YES
Roadside Slashing	IF REQUIRED	IF REQUIRED	IF REQUIRED	IF REQUIRED	NO	NO
Pothole Patching Response Time (Pothole greater than 300mm dia)	2 DAYS	1 WEEK	1 MONTH	3 MONTH	6 MONTH	12 MONTH
Guidepost Defect – Response Time	3 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	NA
Sign Defect – Response Time	3 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	NA
Vegetation Defect – Response Time	1 MONTH	6 MONTH	6 MONTH	12 MONTH	12 MONTH	24 MONTH

Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program

Year	Item	Description	Estimate
2015		Network Renewals	(\$000)
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2015		Defect Repairs	
2015		Total	\$1,965
2016		Network Renewals	
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2016		Defect Repairs	
2016		Total	\$1,965
2017		Network Renewals	
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2017		Defect Repairs	
2017		Total	\$1,965

Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program

Year	Item	Description	Estimate
2018		Network Renewals	Estimate
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2018		Defect Repairs	
2018		Total	\$1,965
			((\$000))
Year	Item	Description	Estimate
2019		Network Renewals	
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2019		Defect Repairs	
2019		Total	\$1,965
2020		Network Renewals	
	1	Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2020		Defect Repairs	
2020		Total	\$1,965

JUNEE SHIRE COUNCIL – ROAD AND BRIDGE ASSET MANAGEMENT PLAN

Appendix 7 Projected 10 year Capital Renewal and Replacement Works Program

Year	Item	Description	Estimate
2024		Network Renewals	
		Urban Streets - Reseal	\$54
	2	Urban Streets - Pavement Renewals	\$215
	3	Rural Unsealed Road - Resheeting	\$670
	4	Rural Sealed Roads - Reseals	\$333
	5	Rural Sealed Roads - Pavement Renewals	\$536
	6	Regional Road - Reseals	\$68
	7	Regional Road - Pavement Renewals	\$89
2024		Defect Repairs	
2024		Total	\$1,965

Appendix 8 Projected Upgrade/New 10 year Capital Works Program

(\$000)

Year	Item	Description	Estimate
2015	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2015		Total	\$582

2016	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2016		Total	\$582

2017	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2017		Total	\$582

2018	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2018		Total	\$582

2019	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2019		Total	\$582

2020	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2020		Total	\$582



2021	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2021		Total	\$582

2022	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2022		Total	\$582

2023	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2023		Total	\$582

2024	1	Regional Road - Upgrade	\$162
	2	Rural Sealed Road - Upgrade	\$420
2024		Total	\$582

Appendix 9 Budgeted Expenditures Accommodated in LTFP

NAMS.PLUS2 Asset Management										June SC																					
© Copyright. All rights reserved. The Institute of Public Works Engineering Australia.																															
 																															
Transport_S1_V1 Asset Management Plan																															
First year of expenditure projections 2015 (yr ending 30 June)																															
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Transport</p> <p>Asset values as at 30 June 2014</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Current replacement cost</td> <td style="text-align: right;">\$105,898</td> <td style="text-align: right;">(000)</td> </tr> <tr> <td>Depreciable amount</td> <td style="text-align: right;">\$43,874</td> <td style="text-align: right;">(000)</td> </tr> <tr> <td>Depreciated replacement cost</td> <td style="text-align: right;">\$92,988</td> <td style="text-align: right;">(000)</td> </tr> <tr> <td>Annual depreciation expense</td> <td style="text-align: right;">\$1,086</td> <td style="text-align: right;">(000)</td> </tr> </table> </div> <div style="width: 50%;"> <p>Calc CRC from Asset Register</p> <p>0000 \$0 (000)</p> <p>This is a check for you.</p> </div> </div>																				Current replacement cost	\$105,898	(000)	Depreciable amount	\$43,874	(000)	Depreciated replacement cost	\$92,988	(000)	Annual depreciation expense	\$1,086	(000)
Current replacement cost	\$105,898	(000)																													
Depreciable amount	\$43,874	(000)																													
Depreciated replacement cost	\$92,988	(000)																													
Annual depreciation expense	\$1,086	(000)																													
<p>Operations and Maintenance Costs from New Assets</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>Additional operations costs</td> <td style="text-align: right;">0.00%</td> </tr> <tr> <td>Additional maintenance</td> <td style="text-align: right;">2.68%</td> </tr> <tr> <td>Additional depreciation</td> <td style="text-align: right;">2.48%</td> </tr> </table> <p>Planned renewal budget (information only)</p> <p>You may use these values calculated from your data or overwrite the links.</p>										Additional operations costs	0.00%	Additional maintenance	2.68%	Additional depreciation	2.48%	<p>Existing %ages calculated from data in worksheet</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>0.00% of CRC (10 yr average)</td> </tr> <tr> <td>2.68% of CRC (10 yr average)</td> </tr> <tr> <td>2.48% of Dep Amt</td> </tr> <tr> <td>1.54% of CRC</td> </tr> </table>										0.00% of CRC (10 yr average)	2.68% of CRC (10 yr average)	2.48% of Dep Amt	1.54% of CRC		
Additional operations costs	0.00%																														
Additional maintenance	2.68%																														
Additional depreciation	2.48%																														
0.00% of CRC (10 yr average)																															
2.68% of CRC (10 yr average)																															
2.48% of Dep Amt																															
1.54% of CRC																															
Planned Expenditures from LTFP																															
20 Year Expenditure Projections Note: Enter all values in current 2015 values																															
Financial year ending June 30	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034											
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000											
Expenditure Outlays included in Long Term Financial Plan (in current \$ values)											Average of first 10 year Expenditure Outlays from LTFP																				
Operations																															
Operations budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Management budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
AM systems budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Total operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Maintenance																															
Reactive maintenance budget	\$1,176	\$1,176	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175											
Planned maintenance budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Specific maintenance items budget	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Total maintenance	\$1,176	\$1,176	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175	\$1,175											
Capital																															
Planned renewal budget	\$1,634	\$1,804	\$1,882	\$1,863	\$1,845	\$1,828	\$1,811	\$1,794	\$1,778	\$1,763	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800											
Planned upgrade/new budget	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162	\$162											
Non-growth contributed asset value	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Asset Disposals																															
Est Cost to dispose of assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Carrying value (DRC) of disposed assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Additional Expenditure Outlays Requirements (e.g from Infrastructure Risk Management Plan)											Average of first 10 years Expenditure Outlays required from IMRP																				
Additional Expenditure Outlays required and not included above	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034											
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000											
Operations	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
Capital Renewal	to be incorporated into Forms 2 & 2.1 (where Method 1 is used) OR Form 2B Defect Repairs (where Method 2 or 3 is used)																														
Capital Upgrade	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0											
User Comments #2																															
Forecasts for Capital Renewal using Methods 2 & 3 (Form 2A & 2B) & Capital Upgrade (Form 2C)											Average of first 10 years Capital Renewal & Upgrade Forecasts																				
Forecast Capital Renewal from Forms 2A & 2B	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034											
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000											
Forecast Capital Upgrade from Form 2C	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965	\$1,965											
	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582	\$582											

Appendix 10 Abbreviations

AAAC	Average annual asset consumption
AM	Asset management
AM Plan	Asset management plan
ARI	Average recurrence interval
ASC	Annual service cost
BOD	Biochemical (biological) oxygen demand
CRC	Current replacement cost
CWMS	Community wastewater management systems
DA	Depreciable amount
DRC	Depreciated replacement cost
EF	Earthworks/formation
IRMP	Infrastructure risk management plan
LCC	Life Cycle cost
LCE	Life cycle expenditure
LTFP	Long term financial plan
MMS	Maintenance management system
PCI	Pavement condition index
RV	Residual value
SoA	State of the Assets
SS	Suspended solids
SRV	Special Rate Variation
vph	Vehicles per hour
WDCRD	Written down current replacement cost

Appendix 11 Glossary

Annual service cost (ASC)

- 1) Reporting actual cost
The annual (accrual) cost of providing a service including operations, maintenance, depreciation, finance/opportunity and disposal costs less revenue.
- 2) For investment analysis and budgeting
An estimate of the cost that would be tendered, per annum, if tenders were called for the supply of a service to a performance specification for a fixed term. The Annual Service Cost includes operations, maintenance, depreciation, finance/opportunity and disposal costs, less revenue.

Asset

A resource controlled by an entity as a result of past events and from which future economic benefits are expected to flow to the entity. Infrastructure assets are a sub-class of property, plant and equipment which are non-current assets with a life greater than 12 months and enable services to be provided.

Asset category

Sub-group of assets within a class hierarchy for financial reporting and management purposes.

Asset class

A group of assets having a similar nature or function in the operations of an entity, and which, for purposes of disclosure, is shown as a single item without supplementary disclosure.

Asset condition assessment

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset so as to determine the need for some preventative or remedial action.

Asset hierarchy

A framework for segmenting an asset base into appropriate classifications. The asset hierarchy can be based on asset function or asset type or a combination of the two.

Asset management (AM)

The combination of management, financial, economic, engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Asset renewal funding ratio

The ratio of the net present value of asset renewal funding accommodated over a 10 year period in a long term financial plan relative to the net present value of projected capital renewal expenditures identified in an asset management plan for the same period [AIFMG Financial Sustainability Indicator No 8].

Average annual asset consumption (AAAC)*

The amount of an organisation's asset base consumed during a reporting period (generally a year). This may be calculated by dividing the depreciable amount by the useful life (or total future economic benefits/service potential) and totalled for each and every asset OR by dividing the carrying amount (depreciated replacement cost) by the remaining useful life (or remaining future economic benefits/service potential) and totalled for each and every asset in an asset category or class.

Borrowings

A borrowing or loan is a contractual obligation of the borrowing entity to deliver cash or another financial asset to the lending entity over a specified period of time or at a specified point in time, to cover both the initial capital provided and the cost of the interest incurred for providing this capital. A borrowing or loan provides the means for the borrowing entity to finance outlays (typically physical assets) when it has insufficient funds of its own to do so, and for the lending entity to make a financial return, normally in the form of interest revenue, on the funding provided.

Capital expenditure

Relatively large (material) expenditure, which has benefits, expected to last for more than 12 months. Capital expenditure includes renewal, expansion and upgrade. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital expenditure - expansion

Expenditure that extends the capacity of an existing asset to provide benefits, at the same standard as is currently enjoyed by existing beneficiaries, to a new group of users. It is discretionary expenditure, which increases future operations and maintenance costs, because it increases the organisation's asset base, but may be associated with additional revenue from the new user group, eg. extending a drainage or road network, the provision of an oval or park in a new suburb for new residents.

Capital expenditure - new

Expenditure which creates a new asset providing a new service/output that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operations and maintenance expenditure.

Capital expenditure - renewal

Expenditure on an existing asset or on replacing an existing asset, which returns the service capability of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it generally has no impact on revenue, but may reduce future operations and maintenance expenditure if completed at the optimum time, eg. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, resurfacing an oval.

Capital expenditure - upgrade

Expenditure, which enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operations and maintenance expenditure in the future because of the increase in the organisation's asset base, eg. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility.

Capital funding

Funding to pay for capital expenditure.

Capital grants

Monies received generally tied to the specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital investment expenditure

See capital expenditure definition.

Capitalisation threshold

The value of expenditure on non-current assets above which the expenditure is recognised as capital expenditure and below which the expenditure is charged as an expense in the year of acquisition.

Carrying amount

The amount at which an asset is recognised after deducting any accumulated depreciation / amortisation and accumulated impairment losses thereon.

Class of assets

See asset class definition

Component

Specific parts of an asset having independent physical or functional identity and having specific attributes such as different life expectancy, maintenance regimes, risk or criticality.

Core asset management

Asset management which relies primarily on the use of an asset register, maintenance management systems, job resource management, inventory control, condition assessment, simple risk assessment and defined levels of service, in order to establish alternative treatment options and long-term cashflow predictions. Priorities are usually established on the basis of financial return gained by carrying out the work (rather than detailed risk analysis and optimised decision-making).

Cost of an asset

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, including any costs necessary to place the asset into service. This includes one-off design and project management costs.

Critical assets

Assets for which the financial, business or service level consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation. Critical assets have a lower threshold for action than non-critical assets.

Current replacement cost (CRC)

The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a technologically modern equivalent new asset (not a second hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Deferred maintenance

The shortfall in rehabilitation work undertaken relative to that required to maintain the service potential of an asset.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value.

Depreciated replacement cost (DRC)

The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset.

Depreciation / amortisation

The systematic allocation of the depreciable amount (service potential) of an asset over its useful life.

Economic life

See useful life definition.

Expenditure

The spending of money on goods and services. Expenditure includes recurrent and capital outlays.

Expenses

Decreases in economic benefits during the accounting period in the form of outflows or depletions of assets or increases in liabilities that result in decreases in equity, other than those relating to distributions to equity participants.

Fair value

The amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties, in an arm's length transaction.

Financing gap

A financing gap exists whenever an entity has insufficient capacity to finance asset renewal and other expenditure necessary to be able to appropriately maintain the range and level of services its existing asset stock was originally designed and intended to deliver. The service capability of the existing asset stock should be determined assuming no additional operating revenue, productivity improvements, or net financial liabilities above levels currently planned or projected. A current financing gap means service levels have already or are currently falling. A projected financing gap if not addressed will result in a future diminution of existing service levels.

Heritage asset

An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Impairment Loss

The amount by which the carrying amount of an asset exceeds its recoverable amount.

Infrastructure assets

Physical assets that contribute to meeting the needs of organisations or the need for access to major economic and social facilities and services, eg. roads, drainage, footpaths and cycleways. These are typically large, interconnected networks or portfolios of composite assets. The components of these assets may be separately maintained, renewed or replaced individually so that the required level and standard of service from the network of assets is continuously sustained. Generally the components and hence the assets have long lives. They are fixed in place and are often have no separate market value.

Investment property

Property held to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production or supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business.

Key performance indicator

A qualitative or quantitative measure of a service or activity used to compare actual performance against a standard or other target. Performance indicators commonly relate to statutory limits, safety, responsiveness, cost, comfort, asset performance, reliability, efficiency, environmental protection and customer satisfaction.

Level of service

The defined service quality for a particular service/activity against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental impact, acceptability and cost.

Life Cycle Cost *

1. **Total LCC** The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
2. **Average LCC** The life cycle cost (LCC) is average cost to provide the service over the longest asset life cycle. It comprises average operations, maintenance expenditure plus asset consumption expense, represented by depreciation expense projected over 10 years. The Life Cycle Cost does not indicate the funds required to provide the service in a particular year.

Life Cycle Expenditure

The Life Cycle Expenditure (LCE) is the average operations, maintenance and capital renewal expenditure accommodated in the long term financial plan over 10 years. Life Cycle Expenditure may be compared to average Life Cycle Cost to give an initial indicator of affordability of projected service levels when considered with asset age profiles.

Loans / borrowings

See borrowings.

Maintenance

All actions necessary for retaining an asset as near as practicable to an appropriate service condition, including regular ongoing day-to-day work necessary to keep assets operating, eg road patching but excluding rehabilitation or renewal. It is operating expenditure required to ensure that the asset reaches its expected useful life.

- **Planned maintenance**

Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, actioning the work and reporting what was done to develop a maintenance history and improve maintenance and service delivery performance.

- **Reactive maintenance**

Unplanned repair work that is carried out in response to service requests and management/supervisory directions.

- **Specific maintenance**

Maintenance work to repair components or replace sub-components that needs to be identified as a specific maintenance item in the maintenance budget.

- **Unplanned maintenance**

Corrective work required in the short-term to restore an asset to working condition so it can continue to deliver the required service or to maintain its level of security and integrity.

Maintenance expenditure *

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure, which was anticipated in determining the asset's useful life.

Materiality

The notion of materiality guides the margin of error acceptable, the degree of precision required and the extent of the disclosure required when preparing general purpose financial reports. Information is material if its omission, misstatement or non-disclosure has the potential, individually or collectively, to influence the economic decisions of users taken on the basis of the financial report or affect the discharge of accountability by the management or governing body of the entity.

Modern equivalent asset

Assets that replicate what is in existence with the most cost-effective asset performing the same level of service. It is the most cost efficient, currently available asset which will provide the same stream of services as the existing asset is capable of producing. It allows for technology changes and, improvements and efficiencies in production and installation techniques

Net present value (NPV)

The value to the organisation of the cash flows associated with an asset, liability, activity or event calculated using a discount rate to reflect the time value of money. It is the net amount of discounted total cash inflows after deducting the value of the discounted total cash outflows arising from eg the continued use and subsequent disposal of the asset after deducting the value of the discounted total cash outflows.

Non-revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to the organisation, eg. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Operations

Regular activities to provide services such as public health, safety and amenity, eg street sweeping, grass mowing and street lighting.

Operating expenditure

Recurrent expenditure, which is continuously required to provide a service. In common use the term typically includes, eg power, fuel, staff, plant equipment, on-costs and overheads but excludes maintenance and depreciation. Maintenance and depreciation is on the other hand included in operating expenses.

Operating expense

The gross outflow of economic benefits, being cash and non-cash items, during the period arising in the course of ordinary activities of an entity when those outflows result in decreases in equity, other than decreases relating to distributions to equity participants.

Operating expenses

Recurrent expenses continuously required to provide a service, including power, fuel, staff, plant equipment, maintenance, depreciation, on-costs and overheads.

Operations, maintenance and renewal financing ratio

Ratio of estimated budget to projected expenditure for operations, maintenance and renewal of assets over a defined time (eg 5, 10 and 15 years).

Operations, maintenance and renewal gap

Difference between budgeted expenditures in a long term financial plan (or estimated future budgets in absence of a long term financial plan) and projected expenditures for operations, maintenance and renewal of assets to achieve/maintain specified service levels, totalled over a defined time (e.g. 5, 10 and 15 years).

Pavement management system (PMS)

A systematic process for measuring and predicting the condition of road pavements and wearing surfaces over time and recommending corrective actions.

PMS Score

A measure of condition of a road segment determined from a Pavement Management System.

Rate of annual asset consumption *

The ratio of annual asset consumption relative to the depreciable amount of the assets. It measures the amount of the consumable parts of assets that are consumed in a period (depreciation) expressed as a percentage of the depreciable amount.

Rate of annual asset renewal *

The ratio of asset renewal and replacement expenditure relative to depreciable amount for a period. It measures whether assets are being replaced at the rate they are wearing out with capital renewal expenditure expressed as a percentage of depreciable amount (capital renewal expenditure/DA).

Rate of annual asset upgrade/new *

A measure of the rate at which assets are being upgraded and expanded per annum with capital upgrade/new expenditure expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure/DA).

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operations and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition above.

Remaining useful life

The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining useful life is useful life.

Renewal

See capital renewal expenditure definition above.

Residual value

The estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are expected to generate some savings or revenue to offset operating costs, eg public halls and theatres, childcare centres, sporting and recreation facilities, tourist information centres, etc.

Risk management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Section or segment

A self-contained part or piece of an infrastructure asset.

Service potential

The total future service capacity of an asset. It is normally determined by reference to the operating capacity and economic life of an asset. A measure of service potential is used in the not-for-profit sector/public sector to value assets, particularly those not producing a cash flow.

Service potential remaining

A measure of the future economic benefits remaining in assets. It may be expressed in dollar values (Fair Value) or as a percentage of total anticipated future economic benefits. It is also a measure of the percentage of the asset's potential to provide services that is still available for use in providing services (Depreciated Replacement Cost/Depreciable Amount).

Specific Maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, replacement of air conditioning equipment, etc. This work generally falls below the capital/ maintenance threshold and needs to be identified in a specific maintenance budget allocation.

Strategic Longer-Term Plan

A plan covering the term of office of councillors (4 years minimum) reflecting the needs of the community for the foreseeable future. It brings together the detailed requirements in the Council's longer-term plans such as the asset management plan and the long-term financial plan. The plan is prepared in consultation with the community and details where the Council is at that point in time, where it wants to go, how it is going to get there, mechanisms for monitoring the achievement of the outcomes and how the plan will be resourced.

Sub-component

Smaller individual parts that make up a component part.

Useful life

Either:

- (a) the period over which an asset is expected to be available for use by an entity, or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the organisation.

Value in Use

The present value of future cash flows expected to be derived from an asset or cash generating unit. It is deemed to be depreciated replacement cost (DRC) for those assets whose future economic benefits are not primarily dependent on the asset's ability to generate net cash inflows, where the entity would, if deprived of the asset, replace its remaining future economic benefits.

Source: IPWEA, 2009, AIFMG Glossary

Additional and modified glossary items shown *



JUNEE SHIRE COUNCIL

COMMUNITY ENGAGEMENT STRATEGY

April 2013

ATTACHMENT 4



JUNEE SHIRE COUNCIL

COMMUNITY ENGAGEMENT STRATEGY: April 2013

INTRODUCTION

A Community Engagement Strategy will give the Junee Shire community a clear understanding of:

- Council's commitment to Community Engagement
- Strategy objectives and standards
- Key stakeholders and engagement methods
- What level of engagement will occur, and
- How the Community Engagement process will be managed; including feedback for the community and evaluation of the Community Engagement process.

Community engagement is a way of including the views of the Junee Shire community in the Council's planning and decision making processes. In other words, the Council will engage the community to identify, understand and develop strategies to address and respond to their needs and concerns for now and in the future.

COUNCIL'S COMMITMENT TO COMMUNITY ENGAGEMENT

In recent years Junee Shire Council has made a more determined effort to engage the community, involving the community in a broad range of Council decisions and activities.

In conjunction with the wider community, Council has facilitated the completion of the "making tracks" Community Strategic Plan for the Junee Shire to 2022 (CSP). The Plan is focused on 'making tracks' – not standing still – and gives a clear direction for the future prosperity and wellbeing of the Junee community.

Under the theme of "A Livable Community" the CSP highlighted the importance of maintaining services, in particular ensuring appropriate future provisions for roads, drainage and building maintenance. To this end, the CSP states the role of Junee Shire Council to seek to provide for the increasing cost of maintaining and improving public infrastructure – roads, drainage, buildings. An increase in rate income derived from a special rate variation is an avenue to receive additional funding.

STRATEGY OBJECTIVES STANDARDS

Objectives

The following objectives should be observed when planning and implementing community engagement activities:

- Ensure Council Officers understand and effectively implement the Community Engagement Strategy and Policy
- Provide the Junee Shire community with opportunities to participate in decision making on both present and future issues
- Ensure participants and stakeholders represent a cross section of the community
- Incorporate a range of community engagement methods that:
 - Facilitate community awareness of the engagement topic
 - Gives the community opportunities to provide feedback
- Proactively and regularly inform the community about the outcomes from the community engagement activities
- Provide Council with a range of ideas, suggestions and general comments gathered from the engagement activities
- Ensure that Council, in exercising its power of decision making, is informed of and able to respond to the community needs and interest.

Standards

Junee Shire Council will measure the quality of each community engagement activity against the following standards:

- All communication will meet the needs of the targeted community
- All Council Officers and external consultants employed by Council, involved in implementing engagement activities, will have appropriate skills and experience to undertake engagement tasks
- An adequate period of notice will be given for each community engagement activity - the period of notice will not be less than two weeks for any activity that requires people to attend or get involved in an engagement activity
- Participants will represent a cross section of the community.

KEY STAKEHOLDERS AND ENGAGEMENT METHODS

The following stakeholder list and engagement methods have been identified to assist in developing the special rate variation application consultation initiatives.

Group	Involving	Engagement Method
Industry	<ul style="list-style-type: none">• Farmers• Major Business Owners• Junee Business and Trades Association• 	<ul style="list-style-type: none">• Information sessions – held after hours so farmers and business owners can attend• Web Survey• Distribution of flyer and paper survey

Community	<ul style="list-style-type: none"> • Schools • Sporting and recreation groups • Clubs • Aged Community • Volunteers • Charitable groups • Church groups • Health Services • Village groups • 	<ul style="list-style-type: none"> • Web Survey – promoted through newsletter, newspaper • Information sessions for all residents • Distribution of flyer and paper survey
State and Federal MPs	<ul style="list-style-type: none"> • Mr Micheal McCormack, Federal member for Junee • Mr Adrian Piccoli, State member for Junee 	<ul style="list-style-type: none"> • Mayor and General Manger – meet to discuss key issues
Media	<ul style="list-style-type: none"> • Local newspaper • Council newsletter • Facebook page • Twitter account • Council website 	<ul style="list-style-type: none"> • General manager and Council staff to co-ordinate and monitor media and social media
Council	<ul style="list-style-type: none"> • Council Staff 	<ul style="list-style-type: none"> • Web Survey (electronic) • Written Survey (hardcopy) • Information sessions

WHAT LEVEL OF COMMUNITY ENGAGEMENT WILL OCCUR?

Junee Shire Council will implement different levels of engagement depending on the issue, and its immediate or long term impact on the community. In this instance the Council will reach a minimum Level 3 engagement with the aim of attaining Level 4. The levels of engagement are as follows:

Level 1 – INFORM - Giving information to the community

Level 2 – CONSULT - Obtaining community feedback

Level 3 – INVOLVE - Participating directly with the community

Level 4 – COLLABORATE - Partnering with the community to create solutions

Level 5 – EMPOWER - Placing the final decision making in the hands of the community

HOW WILL COMMUNITY ENGAGEMENT ACTIVITIES BE MANAGED?

- Each community engagement activity will be the responsibility of the Junee Council Manager appointed as project manager
- When planning community engagement, Managers need to ensure that resources (staff and finance) for engagement activities across Council are effectively allocated and managed. Where possible, engagement activities will be combined with other activities that target similar community groups
- Every effort will be made to attract and reach a cross section of community by using a wide range of communication methods.

FEEDBACK TO PARTICIPANTS AND THE COMMUNITY

Upon completion of a community engagement activity, outcomes from the activity will be communicated to all participants and the community. A report will be developed for Council outlining the community engagement outcomes, considerations and recommendations.

Appendix to Strategy - Recommendation from April 2013 Review

EVALUATION OF COMMUNITY ENGAGEMENT PROCESS 2013/2014 SRV APPLICATION

Council's Special Rate Variation Application (SRV) for the 2013/2014 financial year was lodged with IPART on 11 March 2013.

In order to fulfill the requirements of the SRV Application, council embarked on an extensive community engagement process. The activities undertaken to inform, consult and involve the community were guided by Council's 'Community Engagement Strategy' (The Strategy).

The Strategy states that "Upon completion of a community engagement activity, an evaluation will be conducted to assess:

- The degree of community representation
- Suitability of the various types of communication and publicity methods
- Methods utilized for engaging the community
- Timing
-

The results of the assessment will be used to improve future engagement plans and processes."

This report serves to evaluate Council's performance in the Community Engagement process leading up to the 2013/2014 Application, lodged in March 2013.

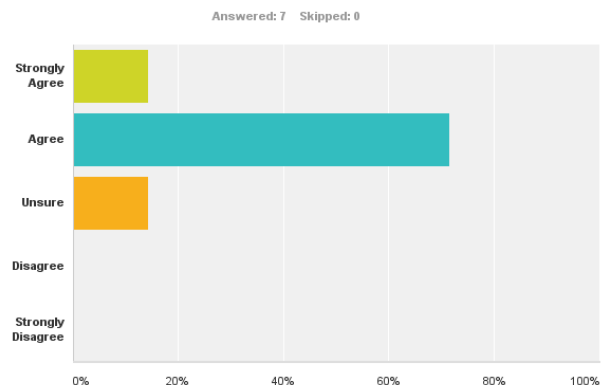
The Junee SRV Community Survey was well supported by the community, particularly Illabo residents. 202 surveys were received which equates to one completed survey for every ten homes across the Junee Shire Council area.

At the time of the community engagement activities, anecdotal evidence suggested that the community were tired of the consultation toward the end of the process. For this reason, Council decided not to embark on a community wide evaluation of our performance, especially given that the engagement process would start again for a second SRV application towards the end of the 2013 year.

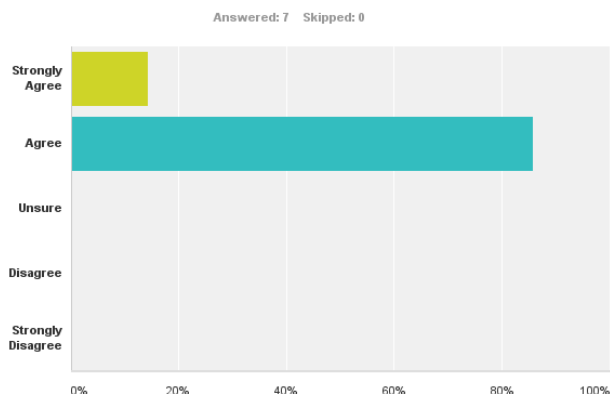
Instead Council staff prepared an online survey for an internal evaluation and distributed it to management and other staff who were directly involved in the Community Engagement process for the 2013/2014 SRV Application.

Overwhelmingly, survey participants either agreed (71%) or strongly agreed (14%) that “...the people Council engaged with (felt) that the consultation was worthwhile”. When asked to comment, contributors stated “Positive responses at the workshops”, “many questions were answered” and “I heard people who attended the meetings say that their attendance and listening to the speakers made them better aware of why Council was seeking the variation”.

Q5 Did the people Council engaged with feel that the consultation was worthwhile?



Q11 Did Council succeed in making information available to those we were targeting?



Respondents also either agreed (86%) or strongly agreed (14%) that the “...Council succeeded in making information available to those (they) were targeting”. Comments supporting this idea included “Especially rural constituents with the RFS SMS (message) -the rural workshops were better attended than the town ones”.

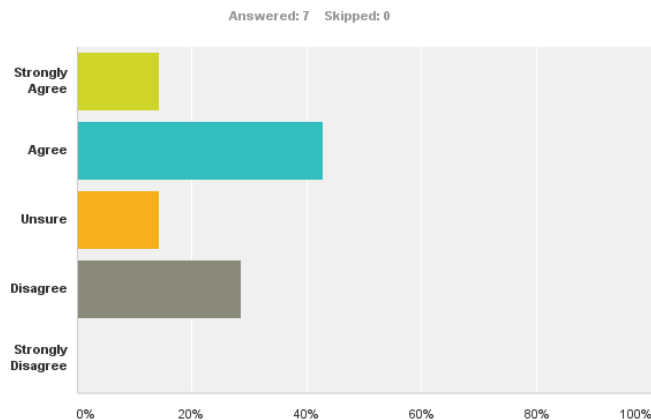
Together, the responses to these two questions show that our community engagement activities were successful in getting the information to the community and also that the community felt it was a worthwhile experience.

The majority of responses to the survey were positive, giving the overall impression that Council was successful in:

- Letting staff know what the engagement process was and the time frame for completing it
- Engaging the community in worthwhile and meaningful consultation
- Disseminating information to the community and also making sure that all information was relevant to the process and easily accessible

We also received some mixed results to some questions with regard to providing feedback and the timeframe for the consultation.

Q4 Did the Council provide feedback to those consulted?



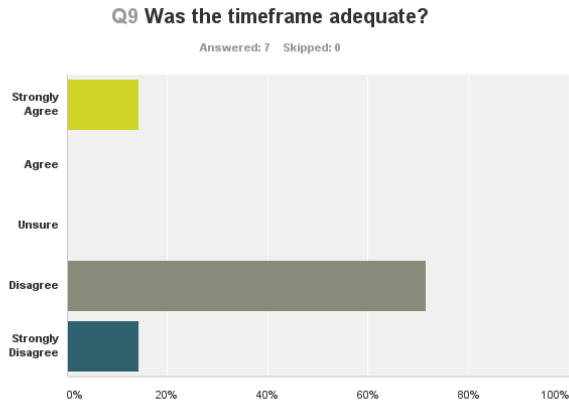
Survey contributors either strongly agreed (14%), agreed (42%), were unsure (14%) or disagreed (29%) that “Council provide(d) feedback to those consulted”.

Feedback was provided in the Autumn 2013 edition of the community newsletter, this immediately followed the community engagement activities and our final submission of the SRV application. The feedback included a variety of general comments received from the community in the SRV community survey. Comments on the SRV process were also made in the Winter 2013 and Spring 2013 editions of the community newsletter.

No specific comments were given for this question, however we can surmise that staff have mixed ideas about the type and level of feedback Council should be providing to

the community. A more concerted effort to provide specific and directed feedback would improve this result.

The theme of timing received an overall poor response from the staff surveyed.



Question 9 asked “Was the timeframe adequate?” with 71% of responses disagreeing and 14% strongly disagreeing.

Some of the comments made for this question include “The community consultation felt rushed” and “Definitely not”.

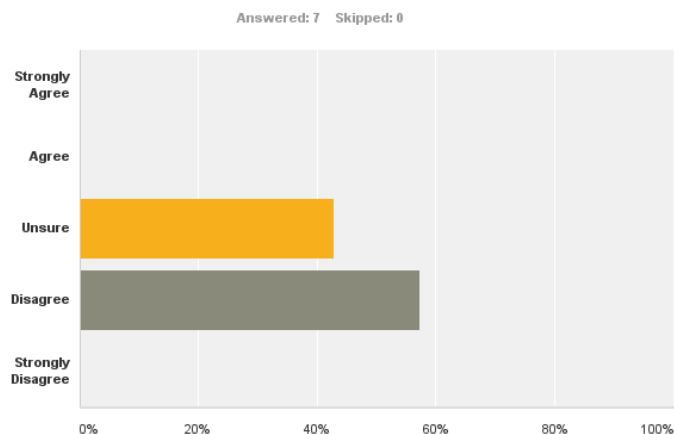
In line with these opinions, a majority of staff (71%) also felt that not enough time was allowed for responses (to the survey) (Question 10). Some comments included “some responses to the survey indicated that there was not enough time given to respond and so many people would have missed the opportunity” and “too rushed, we would have got more responses if the time to respond was longer”.

From this we can see that Council staff feel that if more time was allowed for the community engagement process and more time was given for the community to respond when seeking their input, then Council’s result could be improved.

Staff also felt that the engagement was unsuccessful in consulting “... hard to reach and under represented community groups/sectors/members”.

Some comments made were “we probably could have done better with more time” and “too few people turned up for the events”.

Q3 Was the Council successful in consulting 'hard to reach' and under represented community groups/sectors/members?



Therefore staff feel that Council could improve this result with more time to advertise the engagement activities which would hopefully be reflected in an increase in attendance at the community engagement events.

Overall, the objectives of Council's community engagement strategy were met. The community responded well to engagement activities and our SRV application was generally supported.

If Council wishes to improve its performance for the next series of Community engagement activities then the following must occur:

- more time for the engagement process is required,
- More time allowed for the advertisement of community engagement events
- more time allowed for the community to provide comment/input
- More detailed/specific feedback needs to be provided to the community.



JUNEE SHIRE COUNCIL

EXTRACTS OF MEDIA

ATTACHMENT 5





Extracts of Media used to
support a Special Rate Variation
2014-2017

SPECIAL RATE VARIATION APPLICATION

The Special Rate Variation (SRV) Application for the 2013/14 financial year was lodged with the Independent Pricing and Regulatory Tribunal (IPART) on 11 March 2013.

The Junee SRV Community Survey was well supported by the community, particularly the Illabo residents.

202 surveys were received which equates to one completed survey for every ten homes across the Junee Shire Council area. The number of community responses to the survey was excellent - congratulations! - and thank you for participating.

In the main, the results from this survey were consistent with the IRIS Research Community Surveys in 2006 and 2011. That is, the community is prepared to pay more in rates to ensure service levels are not reduced.

The SRV application will be determined by IPART around the 30 June 2013. The application is a public document and available for inspection on the IPART

website. There are also additional details available on the Council's website.

While the majority of people surveyed support the proposed 10% rate increase in 2013/14 the following general comments from respondents help form an impression of what people generally think about rate rises.

"If at all possible, it would be a good idea to see a work roster of the areas that surround the Junee Shire of where the Council is working"

The Council's outdoor workforce numbers about 20 people. They manage and maintain a road network in excess of 900km. That's almost equivalent to driving to Sydney and back. It is understandable that people living in the southern area of the Shire will not always notice roadwork being carried out in the northern parts. A new addition to the Community Newsletter is a map that shows where roadworks have been taking place. This will be a regular edition to the Newsletter.



Residents rate rise

Survey shows backing for shire's funding push

"To run your own survey is a joke. No one believes the results. Not to increase sewer and waste means rural people subsidise town dwellers: this is not acceptable. I am sick of subsidising a pool I never use, parks I never use and now sewerage and town garbage collection."

IRIS Research conducted independent community surveys in 2006 and 2011 for the Council. The guidelines for the SRV application required up-to-date community consultation. An independent survey would have involved spending additional money and engaging IRIS again to conduct another survey. Due to budget restrictions this option was not supported.

The proposal not to increase waste and sewerage rates if the SRV application is successful is there to offset the burden of increasing the general land rates. Waste and sewerage funds are in separately held accounts to the general fund. NSW Councils are not permitted to cross subsidise funds from waste or sewer accounts to other activity areas within the organisation.

The pool, library, parks and gardens are assets that enjoy high levels of community support. This is evident through people using them and the information collected in community surveys. The facilities are available to everybody in the Shire. People's circumstances change over time. Facilities that may have been overlooked in the past may become appealing or vital to individuals in future years. While it is acknowledged that some rural and town people may not use these facilities, it would be rare where friends, children, grandchildren or extended family haven't enjoyed using these facilities.

"While we agree the town looks great these days and more visitors and tourists are coming to town, it doesn't seem to have assisted a lot of our shops and small business who are either struggling or shutting down"

Yes, we all need to encourage people to shop locally. The Community's plan (Community Strategic Plan 2012-22) includes a number of actions to support local business initiatives. They are progressively being implemented, including support for the Junee Business and Trades Association. Nobody wants to see vacant shops in our town. We will try and provide some more information in upcoming newsletters on programs that are designed to help businesses.

"When services and infrastructure suffer or decline, the town goes backwards and people no longer want to live here."

Thank you for your comments. We still have a way to go with our infrastructure. Unfortunately as it gets older the cost of repairing it gets higher.

Just like your home, if you don't paint the outside at regular intervals, it ends up costing you a lot more in the long run.

"It would be great to see Junee shire maintained at the high level it is at present and if this means a rate rise, so be it. Keep up the good work."

It is terrific to hear from people who are passionate about the community they live in.

Responsibilities of Your Council

Governance
Health Inspections
Building Control
Town Planning, Policy & Approvals
Environmental Management
Youth Services
Family Day Care
Community Transport
Library

Sewerage Services
Garbage Services
Parks and Gardens
Sporting Fields/
Recreation Facilities
Drainage
Road Maintenance and Construction
Economic Development



Junee Shire Council
Belmore Street
Junee NSW 2663

Ph: 02 6924 8100
Fx: 02 6924 2497

Em: jsc@junee.nsw.gov.au

CONTACT

Emergencies:

Sewerage Blockages:
6924 1040

Dogs/Animals:
0427 694 272

Roads: 0429 396 412
0428 694 271

Works Depot:
6924 1949

JUNEE BUSINESS & TRADES

On 19 February 2013, 20 business owners and community members were treated to a fantastic Business After Hours evening held at GEO.

Attendees were entertained by some of the inmates including the Choir, Chinese Dragon Dancers and Drumming group, before being treated to a delicious dinner and dessert. They then received a guided tour of the Jail with Andy Walker and his staff, looking into some of the fantastic initiatives that GEO incorporate into the inmates lives, including the industries and cultural centre.

Of particular interest to most who attended was the industries centre where inmates create an array of products for sale including children's toys, which provides the inmates with a gained skill upon release.

Thank you to Andy Walker and the team for this great opportunity.

JBT host these events every 2-3 months for local business owners and staff to learn about our fellow businesses in a relaxed and social setting. All details are posted on the website as they become available:

<http://www.visitjunee.com.au/work.aspx>



Councillors

Lola Cummins (Mayor)
Neil Smith (Deputy Mayor)
Matt Austin
Bob Callow
Andrew Clinton
Pam Halliburton
Martin Holmes
Colin Randall
Jo Ward

Staff

James Davis
General Manager
John Whitfield
Director Corporate and
Community Services
Col Macaulay
Director Engineering Services
Ralph Tambasco
Director Development and
Environmental Services

www.junee.nsw.gov.au

WHAT'S PLANNED FOR 2013/14?

COMMUNITY COMMENTS ARE WELCOME

Each year about this time every council in NSW places its planning documentation and budgets on exhibition to explain what works and programs are proposed to be carried out over the next four years with particular emphasis on the first year.

The suite of documents is bundled up into what is called the Integrated Planning and Reporting framework or IP&R. The Junee Shire documents on exhibition include:

- Community Strategic Plan "making tracks" 2025
- Combined Delivery Program Operational Plan 2013/17
- Financial Estimates 2013/17
- Long Term Financial Plan 2013/23
- Workforce Plan

The Community Strategic Plan, as its name suggests is the Community's plan and has a broad set of goals that represent the collective views of the Community and what things both tangible and intangible they would like our place to be or represent in 2025. The Council, by the nature of its role is responsible for delivering many of these goals, the remainder need the assistance of residents, community groups and other government agencies.

The Combined Delivery Program Operational Plan and Financial Estimates bring to life what it is the Council can do over the next four years to match the goals in the Community Strategic Plan, within its resourcing capabilities.

The Long Term Financial Plan includes the first four years from the Financial Estimates and then applies CPI impacts and the capital works programs to the remaining six years to provide a long term view of the Council's financial position and sustainability.

The Asset Management Plans and Workforce Plan are substantially the same as previous years and make good reading for those that like to immerse themselves in the details.

For several years the Council has recognised the tight financial position it is in and, without taking steps to improve its predicted cash position and operating result, is financially unsustainable in the long term. This statement is predicated on the Community's preference to maintain existing levels of service. The Council can, of course, choose to reduce its levels of service to the Community but the Community has expressed a preference for retaining those services.

The area of roads maintenance, road resealing and road renewal works has suffered in recent years and we need to intensify our program of renewing and resealing roads to extend their useful life and keeps the road in a safe condition.

The Long Term Financial Plan provides a strong signal to the Community that the Council needs to consider significant

reductions in expenditure and/or increases in operating revenue in order to achieve long term financial sustainability. This has led to the introduction of revenue to be sourced from future Special Rate Variation (SRV) applications.

The community recently supported the 2013/14 SRV application and we will hear whether it has been successful, or not, in mid-June. The Community will recall from information and workshops this year that an additional SRV application will be submitted in February 2014 for a three year period 2014/2017.

In order for this process to comply with the State Government's guidelines to lodge a multi-year SRV application, two sets of Financial Estimates are needed in this IP&R exhibition - one that reflects proposed SRV approval and one that doesn't. Clearly, in the Financial Estimates that reflect no SRV increase the levels of services provided by this organisation are cut back across numerous functional areas.

If proposed SRV applications are rejected in full or in part, the Council would need to reduce services not only in the roads area but in other areas of its budget in order to remain financially sustainable. This is an unpalatable difficult task but a necessary one. The Community will be involved in a more detailed engagement process from September 2013 to February 2014 for the three year SRV application where different options can be discussed and modified.

The IP&R documentation is physically available at a number of locations across the shire or on Council's Website. Written submissions are welcomed and should be received by 4pm Thursday 27 June 2013.

Community Strategic Plan 2025 Theme – A Liveable Community		
	Objective Ensure our services and facilities are the best they can be using the resources available.	
	Strategic Initiative Maintain current access to health and medical services.	
	Delivery Program 2013/17	
	Principle Activity Facilities for health and medical service providers in Junee meet the community's needs.	
Operational Plan		Performance Measure
Actions		
Continually assess the needs of the Junee community to ensure appropriate health and medical services are available.		IRIS community survey.
Ensure that a suitable Medical Centre to be used by medical and allied health service providers is available in Junee.		Building maintenance program completed.

An example of the new format being used in the delivery program. What do you think?

www.junee.nsw.gov.au

PUBLIC EXHIBITION OF DRAFT INTEGRATED PLANNING AND REPORTING PLANS

Community members, businesses and other stakeholders are invited to make submissions on the Draft Plans.

Submissions may be made in writing to Council up until 4:00pm Thursday, 27 June 2013. Submissions may be delivered to Junee Shire Council or mailed to the General Manager, Junee Shire Council, PO Box 93, JUNEE NSW 2663.

Copies of the Plans may be viewed at the following locations:-

- Council's offices
- Junee Library
- Jail Brake Inn Cafe, Olympic Highway, Old Junee
- Wantabadgery Store, Jewnee Street, Wantabadgery
- Bethungra Village Store, Olympic Highway, Bethungra
- Illabo Hotel/Store, Olympic Highway, Illabo.



Junee Shire Council
Belmore Street
Junee NSW 2663

Ph: 02 6924 8100
Fx: 02 6924 2497

Em: jsc@junee.nsw.gov.au

CONTACT

Emergencies:

Sewerage Blockages:
6924 1040

Dogs/Animals:
0427 694 272

Roads: 0429 396 412
0428 694 271

Works Depot:
6924 1949

Staff

James Davis
General Manager

John Whitfield
Director Corporate and
Community Services

Col Macaulay
Director Engineering
Services

Ralph Tambasco
Director Development and
Environmental Services

Councillors
Lola Cummins (Mayor)

Neil Smith (Deputy
Mayor)

Matt Austin

Bob Callow

Andrew Clinton

Pam Halliburton

Martin Holmes

Colin Randall

Jo Ward

OTHER WAYS TO KEEP INFORMED

The Council engages with its community in a number of ways. Members of the community can access the range of information on offer via saving these links to your computer, ipad or smart phone:



www.junee.nsw.gov.au
www.visitjunee.com.au
www.visitjunee.com.au/work.aspx



twitter.com/ThinkJunee
twitter.com/Junee_Shire
twitter.com/TourismJunee



Find us on
Facebook

www.facebook.com/juneejunction
www.facebook.com/JuneeSpecialRatesVariation
www.facebook.com/pages/Junee-Library/370258633005062
www.facebook.com/visitjunee
www.facebook.com/juneernr
www.facebook.com/SouthWestRegionalFamilyDayCare

Junee Shire Council

Proposed Rate Increases through a Special Rate Variation Application (SRV)

EXECUTIVE SUMMARY

Junee Shire Council is proposing to seek a Special Rate Variation in the 2013-2014 financial year. The total rate increase proposed is 10% which includes the announced rate peg limit of 3.4% in 2013-2014. Therefore an additional 6.6% in rates is being sought so that the Council can continue its road resealing and road renewal program.

A series of Community Consultation Workshops are ongoing to inform interested community members, there is also a survey to gauge community support or otherwise for the 10% increase in rates for 2013-2014.

The Council's Long Term Financial Plan has established the need for further rate increases over the next few years. This will be the subject of a subsequent Special Rate Variation application in future years. This will be explained in the next four year Delivery Program being prepared now and will be available for public comment in May this year.

Junee Shire Council originally proposed to increase rates over a three year period and this was the premise of the Long Term Financial Plan. The increase in rates has now been extended to four years to soften the impact of this increase to its ratepayers. The overall percentage increases proposed remain the same as originally agreed to by the Council, just spread out over an extra year. Further details are available below in the "What is being proposed?" section. Please visit Council's website for more details regarding the SRV.

THE BACKGROUND

Junee Shire Council has a Long Term Financial Plan (LTFP) that shows the Council cannot maintain the levels of service it currently delivers to the Junee community without an increase in its revenue base. This financial sustainability problem was identified up to seven years ago and over that time the Council has looked at many ways to operate more efficiently and has sought alternative revenue streams.

Historically, Junee Shire has a low rate base. In 2011-2012 its revenue from Rates and Annual Charges only made up 27% of its Income from Continuing Operations. The Council is heavily dependent on government grants to fund many of its activities.

There are many other factors that have all contributed in some way to the need for a special variation in rates. Costs for materials, fuel and labour have all increased at levels well above the increases allowed by rate pegging legislation. Also, the State Government has required Councils to provide services in a number of areas without a suitable revenue source to fund them. These are given the terms 'cost-shifting' or 'unfunded

mandates'. They have driven efficiency in Council's operations but there are limits to efficiency before service levels to the community are cut.

The Council has conducted two extensive community surveys (in 2006 and in 2011) that both posed the question about whether the Junee community would rather pay more in rates in order to maintain the quality and extent of the services it currently receives or would rather not see an increase in their rates and see a lowering of services.

The community clearly supported paying more in rates and supported the Council in the services it provides. The results of the IRIS Surveys of 2006 and 2011 are available on the Council's website; www.junee.nsw.gov.au; look under Your Community -> Community News -> Latest News -> Community Survey Results.

These surveys posed three questions in relation to rating levels. The results are shown below:

IRIS Community Survey Questions	2011 Percentage level of agreement with question				Compare Surveys	
	Can't Say	Low	Medium	High	Mean 2011	Mean 2006
I would be happy to pay a little more Council rates to fund essential improvements in services and facilities	0.6	19.8	27.2	52.4	3.40	3.48
I would rather see Council rates rise than see cuts in local services	1.8	25.4	34.6	38.2	3.14	3.43
Council rate rises should be kept to a minimum even if it means that local services are cut	1.9	44.8	28.0	25.3	2.74	2.75

The surveys revealed over 50% of residents rated a high agreement to the statement "I would be happy to pay a little more Council rates to fund essential improvements in services and facilities in 2006 and 2011". Twenty percent opposed the idea, with 27% providing a moderate rating in 2011 which was also consistent with the result in 2006.

More importantly though, is the survey results to the question "I would rather see Council rates rise than see cuts in local services" indicating as high as 72% of residents would support such a proposal.

The final question "Council rate rises should be kept to a minimum even if it means that local services are cut" was not supported. The community surveys revealed that more than 2 in 5 residents were not willing to trade-off reductions in service provision by local government, even if it means the level of rate rises are kept to a minimum. Around 1 in 3 residents have a moderate level of agreement with the question whilst only 1 in 5 strongly supported the question.

PAYING MORE ATTENTION TO SHIRE ROADS

Important information about a proposed
Special Rates Variation to significantly
increase Road Renewal expenditure.



Twitter and Facebook



 **ThinkJune** @ThinkJune · Nov 27

SRV is applied to a portion of the total rate notice. Just under half of the ave. town total rate notice pic.twitter.com/WCcJM9MF51

Average Residential Rate Bill Dissected

Your total Rate Bill is divided into a number of areas.




11:22 AM - 27 Nov 2013 · Details Flag media


 [Collapse](#)  Reply  Retweet  Favorite  Buffer  More

Reply to @ThinkJune






 **ThinkJune** @ThinkJune · Nov 26

We are just popping up SRV posters in Bethungra, Illabo, Jail Break Inn and Wantabadgery. Public meetings date here june.nsw.gov.au/index.php/your...

[Expand](#)  Reply  Retweet  Favorite  Buffer  More

 **ThinkJune** @ThinkJune · Nov 26

Why does June Shire Council need to increase rate? june.nsw.gov.au

[Expand](#)  Reply  Retweet  Favorite  Buffer  More



June Shire Council

December 2, 2013

The General Manager James Davis had a wonderful meeting with June Senior Citizens today to assist them in providing feedback to the Council on the proposed Special Rate Variation planned for 2014.



Like · Comment · Share



7

76 people saw this post



Boost Post



June Shire Council

November 28, 2013

If you're wondering how the new Special Rate Variation will impact your rates, there's a way for you to work it out on the JSC website.

<http://www.june.nsw.gov.au/index.php/your-community/rate-rise-info/financial-impact.html>

Like · Comment · Share

43 people saw this post



Boost Post

Notices in Local Paper of Special Rate Variation Community Meetings



**SPECIAL RATE VARIATION
COMMUNITY CONSULTATION WORKSHOPS**

Junee Shire Council is planning to make an application for a Special Rate Variation for 2014-2017 which will be dedicated to Shire road renewals and reseals. It has scheduled the following community consultation workshops and invites you to attend. Workshops will be held at the following locations:

Monday, 25 November 2013
Junee Library - 5.30pm - 6.30pm
Junee Library - 7.00pm to 8.00pm

Wednesday, 27 November 2013
Junee Ex-Services Club - Function Room - 7.00pm to 8.00pm

Monday 2 December 2013
Illabo Uniting Church Hall - 7.00pm to 8.00pm

Wednesday 4 December 2013
Bethungra- Hotel Shirley (In conjunction with the Bethungra On the Up Committee meeting) - 6.30pm

A newsletter to all Junee Shire residents and businesses will be sent out in mid November outlining the details of the Special Rate Variations being sought, the process involved and why it needs to seek these variations. Further information is available online at: www.junee.nsw.gov.au

James Davis
General Manager

Junee Southern Cross

RM2000187

Thursday 14 November 2013

**SPECIAL RATE VARIATION
COMMUNITY CONSULTATION WORKSHOPS**

Junee Shire Council is planning to make an application for a Special Rate Variation for 2014-2017 which will be dedicated to Shire road renewals and reseals. It has scheduled the following community consultation workshops and invites you to attend. Workshops will be held at the following locations:

Monday, 25 November 2013

Junee Library - 5.30pm - 6.30pm

Junee Library - 7.00pm to 8.00pm

Wednesday, 27 November 2013

Junee Ex-Services Club - Function Room - 7.00pm to 8.00pm

Monday, 2 December 2013

Illabo Uniting Church Hall - 7.00pm to 8.00pm

Wednesday, 4 December 2013

Bethungra- Hotel Shirley (In conjunction with the Bethungra On the Up Committee meeting) - 6.30pm

A newsletter to all Junee Shire residents and businesses has been sent out outlining the details of the Special Rate Variations being sought, the process involved and why it needs to seek these variations.

Further information is available online at: www.june.nsw.gov.au

James Davis
General Manager

PO Box 93
JUNEE NSW 2663

**we use only recovered paper
and forest industry waste
in our newspapers**



Junee Southern Cross

Thursday 21 November 2013

Higher rates, better roads

OVER the next three years homeowners in Junee will be charged an extra \$168.

The increase comes as Junee Shire Council moves into the final stage of its special rates variation process to find additional revenue to pay for important roadworks.

It's not just Junee homeowners who will feel the financial squeeze, with farmers, businesses and village residents also facing an increase in their annual dues.

Funds from the special variation, an addition to the recent increase in the rate peg, will be used exclusively on Junee

Projected rates increases

Property type	Current rating	2014-2015 13.2% increase	2015-2016 9.5% increase	2016-2017 9% increase	2014-2017 total increases
Village	\$416	16	41	43	99
Residential	\$705	27	70	72	168
Farmland	\$2092	79	206	214	499
Business	\$1935	73	191	198	462

shire roads.

"For a number of years, the council's operating budget has not generated the surpluses needed to fund the work required on our road network," general manager James Davis said.

"The rationale for the proposed rate increase is to secure a financially sustainable position for the council for both the short and medium term," he said.

Mr Davis said there were two options, reducing service levels or

increasing rates and council understood neither was appealing.

Council will reseal a total of 14 to 15 kilometres this financial year from a total road network of 427km, the special rates variation

means council could reseal up to 21km each year.

"In order to maintain our road network, we should be resealing about 21km per year and over the next decade, the proposed rate rises will help get that done," engineering director Col Macaulay said.

Mr Macaulay said in previous years there wasn't enough money budgeted to conduct any reseals which meant council would have to catch up.

"(Without increases) at some point in the future, the decline will be very obvious and there won't be sufficient funds to fix the problem," he said.

www.juneesoutherncross.com.au

Junee Southern Cross

Thursday, December 12, 2013 - 3

Thursday 12 December 2013

Southern Cross

JUNEE'S OWN NEWSPAPER

THURSDAY, MARCH 14, 2013

PRICE: \$1.40

*Junee to recreate
1915 Kangaroo
March*

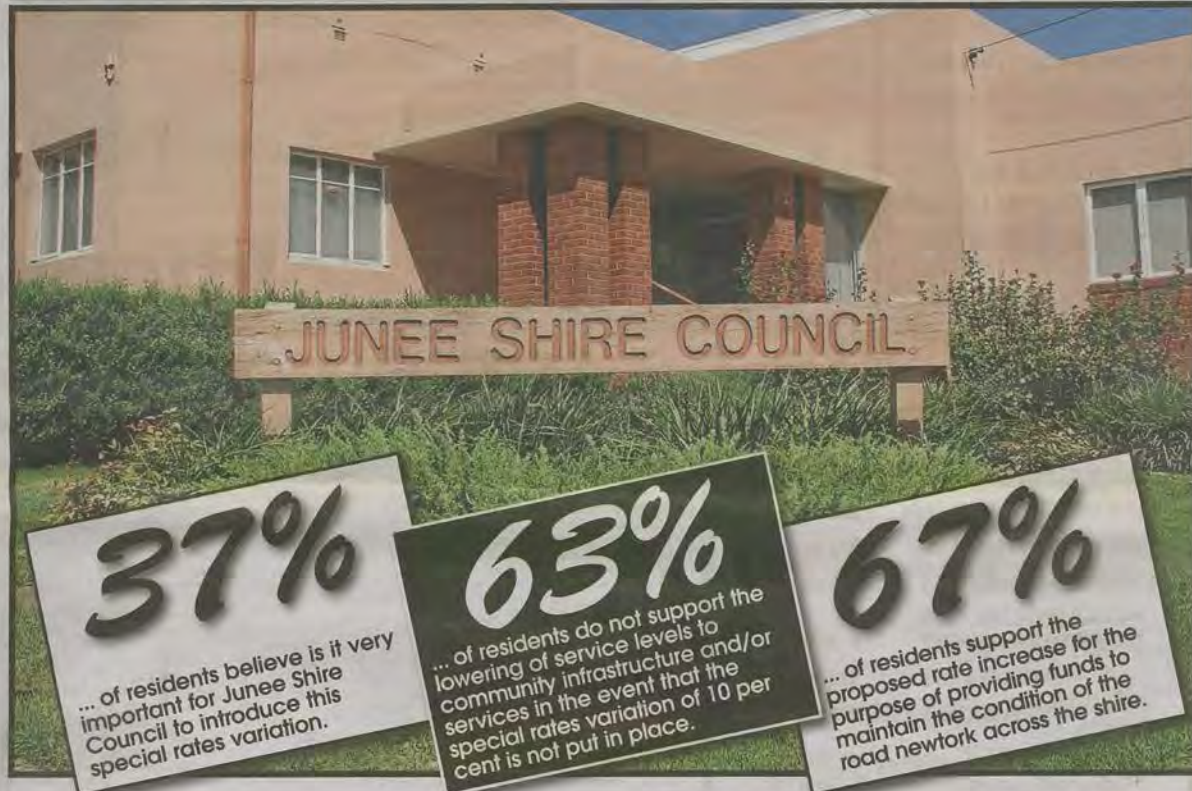
Page 2

*Windows
display Junee
pride*

Page 2

*Learn about
the Kelly Gang
matriarch*

Page 3



Residents rate rise

Survey shows backing for shire's funding push

THE cost of living may be sky rocketing, but it hasn't stopped residents from supporting an application by Junee Shire Council to increase rates.

According to a community survey, almost 70 per cent of shire residents are behind an application to the Independent Pricing and Regulatory Tribunal (IPART) seeking a special rates variation for the 2013/14 financial year.

On Monday, council submitted

the application calling for a 10 per cent increase in general rates, including the announced rate peg limit of 3.4 per cent.

If approved, it will mean an additional 6.6 per cent will be collected from ratepayers to be used for the shire's road resealing and road renewal program.

Following feedback from the 2009 Community Strategic Plan, in which residents called to be kept more informed on issues, including rate variations,

council created a community survey about the proposed rate increase and received 202 responses.

Council general manager James Davis said he was pleased with the response from the community with one in 10 ratepayers having their say.

The results showed 64 per cent of residents believed the special rates variation was important or very important compared to 21 per cent who said it

was of very low to low importance.

Around 67 per cent of residents said they supported the application compared to 25 per cent who did not, and 7 per cent who were undecided.

Mayor Lola Cummins said she was surprised with the survey results.

"I must say I was because I know people are doing it tough," she said.

"We can't hold it against any-

one who would want to hold on to their extra money.

"There are a lot of people in the shire who are on fixed incomes or benefits and prices for a lot of things are going up."

"I think it goes to show how they feel about losing services which are offered."

In the event the increase isn't approved, Mr Davis said council would find a way to deal with the situation.

■ Continued Page 2

WEATHER

Today: 31C



Friday: 32C




Saturday: 28C



www.elders.com.au
Note: Forecast is as of Wednesday morning

Thursday 14 March 2013

Submission Requests, Local Newspapers



SPECIAL RATE VARIATIONS

June Shire Council is seeking public comment on proposed Special Rates Variations. To assist the community in understanding what is being proposed, a community newsletter was sent to every house and business across the Shire.

The proposed average increases are summarised in the follow table. Additional Information is available on the website.

Rating Sub Categories	2013/14 Average General Increase	2014/15 SRV Increase from previous year 13.2%*	2015/16 SRV Increase from previous year 9.5%	2016/17 SRV Increase from previous year 9%	2014/17 SRV Gross total including rate peg
Village	\$416	\$16	\$41	\$43	\$99
Residential	\$705	\$27	\$70	\$72	\$168
Farmland	\$2092	\$79	\$206	\$214	\$499
Business	\$1935	\$73	\$191	\$198	\$462

*The increase of 13.2% in 2014/15 is the gross increase after the value of the expiring special rate variation from 2009 is removed and then reapplied. In net terms the average increase for June ratepayers in 2014/15 is only 3.78%.

The rationale for the proposed rate increases is to secure a financially sustainable position for the Council for both the short and medium term. For a number of years, the Council's operating budget has not generated the surpluses needed to appropriately fund work on the road network.

Special Rate Variation approvals above the annual rate cap will be solely dedicated to road work expenditure.

James Davis
General Manager
jdc@june.nsw.gov.au

www.june.nsw.gov.au

RM/2013/55

June Southern Cross

Thursday 12 December 2013


Notices are in place near the Wagga Boat Club. Security Guards will be onsite from Friday 21st February.

The detour will direct people around the Wagga Boat Club and Bossley Park an additional 200m walk.

This has been approved by the Wagga Wagga City Council.

SEMI-TIPPER with two way tail gate travelling to Perth in the next 2 weeks, looking for load to cover fuel expenses only.

Phone Brandon: 0428 781 496.



SPECIAL RATE VARIATIONS

June Shire Council is seeking public comment on proposed Special Rates Variations. To assist the community in understanding what is being proposed a community newsletter was sent to every house and business across the Shire in November 2013. That newsletter set out scenarios for levels of service: DECLINE and MAINTAIN.

The proposed average changes in rates have now been recalculated on Land Values as they stand in February 2014. The figures also now include the rate peg at 2.3% for 2014/15 and the value of an expiring 2009 Special Rates Variation (-\$257,249). The following table summarizes the results in four sub-categories for the DECLINE and MAINTAIN Scenarios.

Rating Sub Categories	2013/14 Average General Land Rate	DECLINE SCENARIO		MAINTAIN SCENARIO				
		2014/15 Decrease from previous year with No SRV -6.2%	2014/15 SRV Gross Increase from previous year - expiring SRV removed -11.9%	2014/15 SRV Nett Increase from previous year 2.6% (Gross 11.9%)	2015/16 SRV Increase from previous year 9.5%	2016/17 SRV Increase from previous year 9%	2014-17 3 year - SRV increase including rate peg with Nett Increase in 2014/15	
Village	\$ 490	-\$ 30	\$ 58	\$ 13	\$ 52	\$ 54	\$ 119	
Residential	\$ 654	-\$ 41	\$ 78	\$ 17	\$ 70	\$ 72	\$ 159	
Farmland	\$ 2,067	-\$ 128	\$ 246	\$ 54	\$ 220	\$ 228	\$ 502	
Business	\$ 1,938	-\$ 120	\$ 231	\$ 50	\$ 206	\$ 214	\$ 470	

The rationale for the proposed rate increases is to secure a financially sustainable position for the Council for both the short and medium term. For a number of years, the Council's operating budget has not generated the surpluses needed to appropriately fund work on the road network.

Special Rate Variation approvals above the annual rate cap will be spent on road work.

James Davis
General Manager
jdc@june.nsw.gov.au

www.june.nsw.gov.au

RM/2014/1

Tuesday 18 February 2014

Draft IP&R – Requests for Submissions

COUNCIL NOTICES


JUNEE SHIRE COUNCIL

**PUBLIC EXHIBITION OF DRAFT
INTEGRATED PLANNING AND
REPORTING PLANS**

June Shire Council has on public exhibition Draft Integrated Planning and Reporting Plans. The public, businesses and other stakeholders are invited to make submissions on the Draft Plans.

The Draft Plans on exhibition during normal office hours at:

- Council's Offices, Belmore Street, June
- June Library, 92 Lorne Street, June
- Jail Brake Inn Cafe, Olympic Highway, Old June
- Wantabadgery Store, Jewnee Street, Wantabadgery
- Bethungra Village Store, Olympic Highway, Bethungra
- Illabo Hotel/Store, Olympic Highway, Illabo
- Council's website at www.junee.nsw.gov.au

Submissions may be made in writing to Council up until 4:00pm Thursday, 27 June 2013. Submissions may be delivered to June Shire Council or mailed to the General Manager, June Shire Council, PO Box 93, JUNE NSW 2663.

These plans will be adopted after consideration of public comment at an Extraordinary meeting of Council to be held 4pm Thursday, 27 June 2013.

A copy of the Draft Plans will be available at the Council's Belmore Street Office or can be found on Council's website.

For further information, please contact the Council's Director of Corporate and Community Services on (02) 6924 8100.

James Davis **PO Box 93**
General Manager **JUNE NSW 2663**

RM1922785

Thursday 30 May 2013



Thursday 22 August 2013



- Home
- Living in Junee
- Discover Junee
- Your Community
- Youth Speak
- Engineering
- Planning & Development
- Doing Business
- Your Council
- Your Environment
- Site Map

85% of survey respondents agree to proposed rate increases

The Community overwhelmingly supports the intended Special Rates Variations according to an independent report from IRIS Research.

IRIS Research was commissioned by Council to conduct a comprehensive telephone-based survey among the area's residents. The survey sought to gauge community support and reaction to the proposed rating options.

The key finding of the survey was the overwhelming majority (85.9%) of residents in the Junee Shire supported a special rate variation to cover the gap in funding for renewal and reseals of roads, rather than the alternative of reducing the levels of services to other areas.

"The result confirms the community's understanding of the issues at play. This time around, the Council was able to provide more detail to the public on what roads the additional revenue would be spent on, the efficiencies the Council has put in place over the last 10 years and what types of service would be reduced if no rate rises were generated through Special Rates Variations", General Manager James Davis said.

The rationale for the proposed rate increases is to secure a financially sustainable position for the Council for both the short and medium term. For a number of years, the Council's operating budget has not generated the surpluses needed to appropriately fund the services council provides to the community including the maintenance and renewal of our road network.

One of the pleasing results to come from the survey was the uniform response across the Shire. There were around 110 rural residents surveyed, as well as 270 Junee town residents and about 30 residents from our villages. Residents of Junee demonstrated a real appreciation for the need to keep the condition of all roads across the shire to acceptable levels, even those in rural areas.

Latest News



GEO Prison
Build Program
Habitat for
Humanity

Australia director Christine
1 2 3 4 5 6 7 8 9 10

Quick links

- Calendar of Events
- Customer Requests
- DA Fee Calculator
- Junee Community Survey
- Online Mapping
- Positions Vacant
- Rate Rise Info
- Tourism
- Weather

Contact Us



(02) 6924 8100



Email us now

<< February 14 >>						
Su	Mo	Tu	We	Th	Fr	Sa
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15

Website Links

Your Community

[Cemeteries](#)

[Community Development](#)

[Community Groups](#)

[Community Leadership](#)

[Community News](#)

[Our Heritage](#)

Rate Rise Info

[Mayoral Statement](#)

[Newsletter](#)

[Financial Impact](#)

[SRV Road Spending](#)

[Public Meetings](#)

[Make a Submission](#)

[FAQ](#)

[Updates](#)

Junee Shire Council web pages relating to the SRV Application

Rate Rise Info

Proposed Rate Increases through a Special Rate Variation Application (SRV)

Junee Shire Council will use all the revenue generated by the SRV approvals, above the rate peg, on Road Renewals and Reseal across the Shire.

Junee Shire Council is proposing to seek a Special Rate Variation in February 2014.

A [newsletter](#) was sent out in late November to all Junee residents and ratepayers to further outline the reasons why the Council needs to seek this Special Rate Variation.

A series of [Community Consultation Workshops](#) were held to seek the community's opinion on the newsletter. |

IRIS Research conducted a wider-based community survey in early December to canvas the community's view on the proposed options contained in the newsletter. You can view the report here:



IRIS Special Rate Variation Report 2013 ([Details](#)) | pdf | 31

What is being proposed?

How will the organisation go about using additional revenue generated by the proposed increases.		
2014	SRV MAINTAIN generates \$54,533	Typically this could resheet 1.5km of gravel road. Council maintains 326km of gravel road

Extract, Junee Shire Council website

MEDIA RELEASE

10 DECEMBER 2013

Junee Shire Council



Subject – Junee Shire Council Proposed Special Rates Variation Paying Attention to the Junee Community's Needs

The Junee Community deserves a decent road network and Junee Shire Council is proposing rate rises over the next three years to ensure that its road renewal program is appropriately funded. For the average residential land rate, it will add about 65 cents per week above the rate pegging limit across the proposed three year Special Variation period.

"The rationale for the proposed rate increases is to secure a financially sustainable position for the Council for both the short and medium term. For a number of years, the Council's operating budget has not generated the surpluses needed to fund the work required on our road network." General Manager James Davis said.

At recent community meetings at Illabo, Bethungra and Old Junee, residents were walked through the proposal. Three community meetings were also held in Junee. These meetings provided information on where the additional revenue would be spent road by road. The Council is committed to allocating all of the revenue above the rate peg limit (notionally at 3% per year) to road renewals and reseals and given a commitment to report back to the community each year on that expenditure.

"There are essentially two options under consideration; increase rates or reduce levels of service in other areas so that funds can be redirected into the road network. The Council recognises that neither is particularly palatable. The Community quite rightly is very proud of their Shire and what it has achieved and we want to continue to meet the Community's expectations. That is why the Council is seeking community input." Mr Davis said.

Mayor Lola Cummins points out that the Community has been very understanding when considering two previous rate rises. *"Unfortunately, the rate rise in 2009 expires in June 2014 so the Council is proposing to apply to have that reinstated."*

The value of Council's road network is about \$93M and the Council has to clearly demonstrate how it will renew those assets over their expected life. Mr Davis said, *"This is not a discussion about maintenance (potholes) that is manageable. It's about road renewals and reseals. We are not renewing our road assets at a level that will keep them at a satisfactory level"*.

"Residents may not notice a decline in their road network now or for a few years. At some point in the future, the decline will be very obvious and there won't be sufficient funds to fix the problem" Director of Engineering Services, Col Macaulay explains. *"In 2015, the proposed Special Rate Variation will help reseal 12km of sealed road. In all, Council maintains 427km of sealed road. In order to maintain our road network, we should be resealing about 21km per year and over the next decade the proposed rate rises will help get that done"*.

The table below shows what the average impact will be across the land rating sub categories.

Rating sub categories	2013/14 Average General Land Rate	2014/15 SRV Increase from previous year 13.2% *	2015/16 SRV Increase from previous year 9.5%	2016/17 SRV Increase from previous year 9%	2014-17 SRV Gross Total including rate peg
Village	\$ 416	\$ 16	\$ 41	\$ 43	\$ 99
Residential	\$ 705	\$ 27	\$ 70	\$ 72	\$ 168
Farmland	\$ 2,092	\$ 79	\$ 206	\$ 214	\$ 499
Business	\$ 1,935	\$ 73	\$ 191	\$ 198	\$ 462

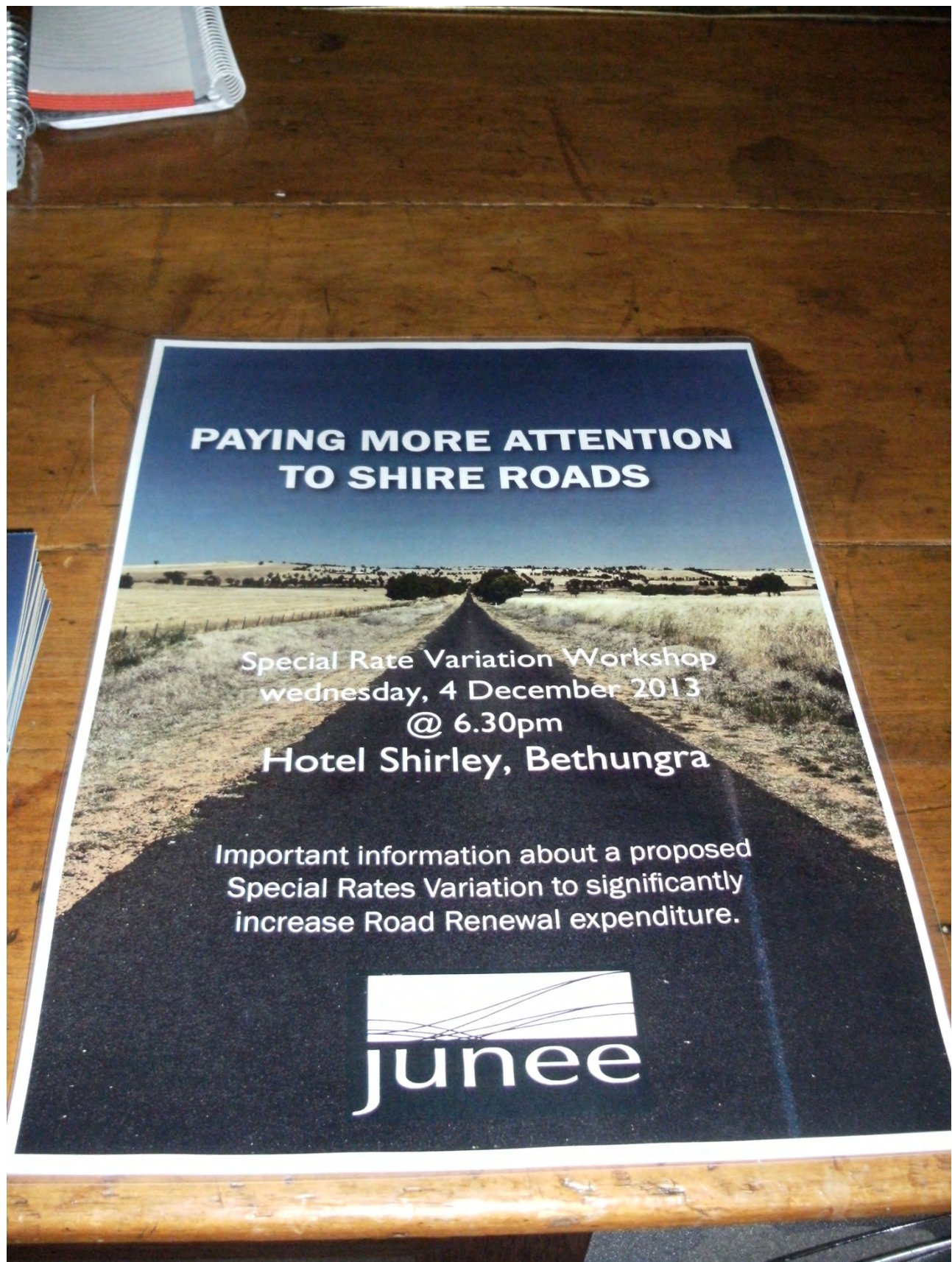
* The increase of 13.2% in 2014/15 is the gross increase after the value of the expiring special rate variation from 2009 is removed. In net terms, the average increase for Junee ratepayers in 2014/15 is only 3.78%.

A community newsletter was sent to every house and business in the Shire. The newsletter explained the financial position the Council is in, what services may be cut if the Special Rate Variation does not go ahead and the efficiency and productivity improvements that have occurred at Council over the last decade. Hard copies are located at Bethungra School Tea House, Jail Break Inn, Illabo Store, Wantabadgery Store, Junee Recreation & Aquatic Centre and the Library.

Much more information is available on Council's website. Residents are invited to contact the Council regarding their particular circumstances or make a submission online or by writing.

IRIS Research is conducting a telephone survey to ask people how they feel about the proposed increases or the alternative of reducing service levels. Three options for consideration are available and we would encourage residents to consider them carefully.

James Davis
General Manager



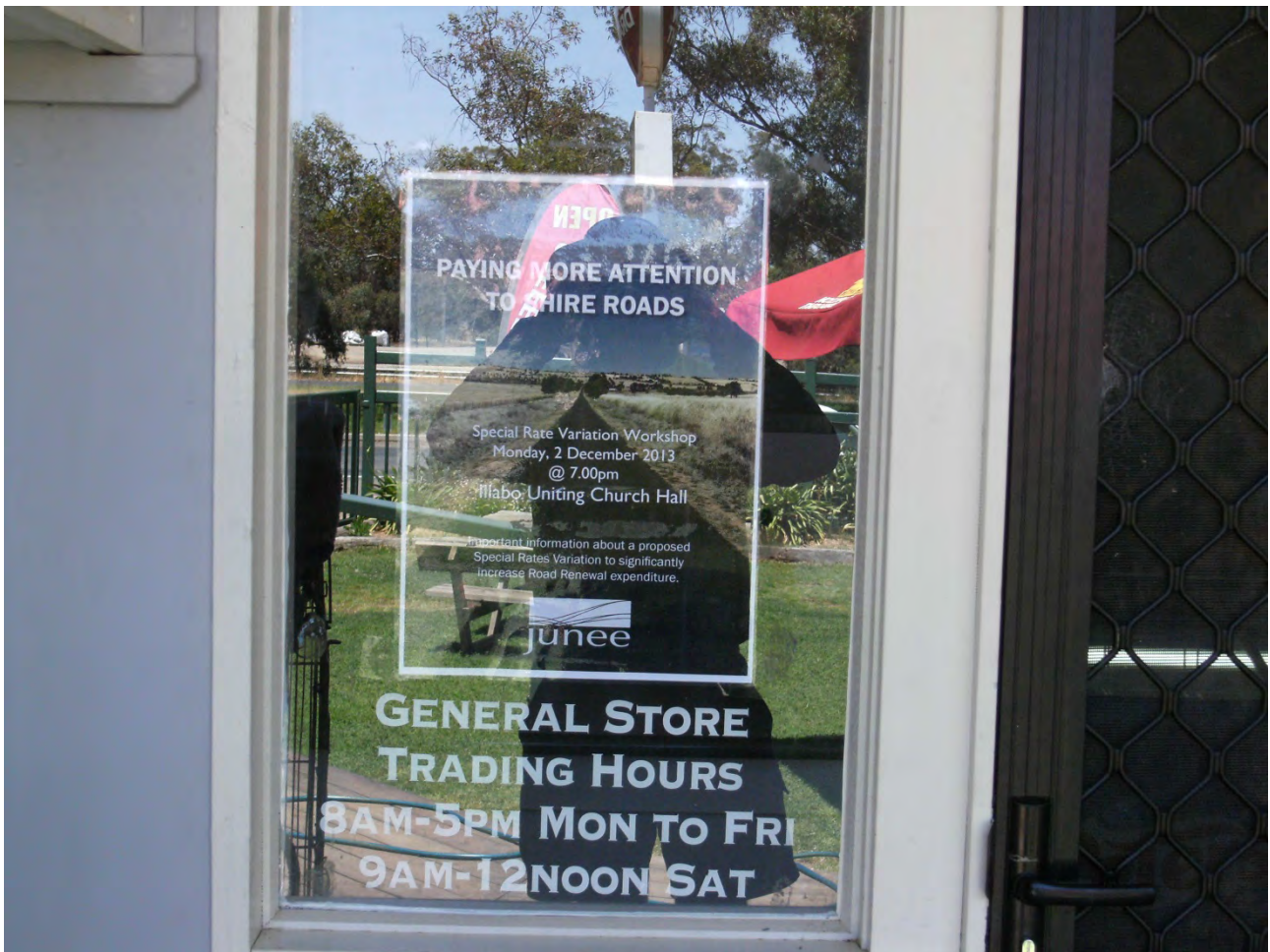
Bethungra Tea Rooms



Junee Ex-Services Memorial Club



Old Junee Hall



Illabo Store



Wantabadgery Store



Community Consultation at Bethungra Hotel Shirley