



Shire of York Forward Capital Works Plan



DCA

DOMINIC CARBONE AND ASSOCIATES

Suite 7

64 Canning Highway

Victoria Park WA 6100

Phone – (08) 9472 0184

Fax – (08) 9472 0189

Mobile – 0448 120 652

Email – d.carbone@bigpond.com

TABLE OF CONTENTS

EXECUTIVE SUMMARY	i
STATEMENT BY LOCAL GOVERNMENT	1
1.0 INTRODUCTION	2
1.1 PURPOSE OF THE PLAN	2
1.2 Terms of Reference	2
1.2.1 OPENING STATEMENT.....	2
1.2.2 OVERVIEW TABLE.....	2
1.2.3 DETAILS OF INDIVIDUAL SUB-PROJECTS	3
1.2.4 FUNDING GAPS	3
1.2.5 PROJECT PRIORITIES	3
1.2.6 CONTACT PERSON.....	3
1.3 Background	3
1.3.1 ROYALTIES FOR REGIONS COUNTRY LOCAL GOVERNMENT FUND INDIVIDUAL ALLOCATION GUIDELINES	3
1.3.2 FORWARD CAPITAL WORKS PLAN	4
1.3.3 SHIRE OF YORK PROFILE	5
1.4 Methodology	6
2.0 GLOSSARY	7
3.0 GRANTS	10
3.1 Financial Assistance Grants	10
3.1.1 GENERAL PURPOSE GRANT COMPONENT	10
3.1.2 LOCAL ROAD GRANT COMPONENT	11
3.2 Roads to Recovery Grants	11
3.3 Royalties for Regions Grant Funding	12
3.3.1 COUNTRY LOCAL GOVERNMENT FUND – INDIVIDUAL LOCAL GOVERNMENT ALLOCATIONS.....	12
3.3.2 COUNTRY LOCAL GOVERNMENT FUND – REGIONAL GROUPINGS ALLOCATION	13
3.4 State Road Funds to Local Government	14
3.5 Black Spot Program	15
3.6 Regional and Local Community Infrastructure Program	16
3.6 Other Grants and Capital Contributions	16
4.0 FINANCIAL CAPACITY	19
4.1 Operating Statement	20
4.2 Infrastructure Expenditure compared to Total Asset Value	21
4.3 Annual Depreciation compared to Total Asset Value	21
4.4 Road Asset Expenditure	21

4.5	<i>Loan Borrowings</i>	22
4.6	<i>Reserve Funds</i>	22
4.7	<i>Financial Position</i>	22
4.8	<i>Financial Ratios</i>	22
4.9	<i>Financial Analysis</i>	23
5.0	CAPITAL WORKS PROGRAM	25
5.1	<i>New Works 2010/11</i>	25
5.2	<i>New Works 2011/12</i>	29
5.3	<i>New Works 2012/13</i>	32
5.4	<i>New Works 2013/14</i>	35
5.5	<i>New Works 2014/15</i>	38
6.0	MAJOR INITIATIVES	41
6.1	<i>Roads and Bridges</i>	41
6.2	<i>Footpaths</i>	46
6.3	<i>Drainage</i>	48
6.4	<i>Land</i>	49
6.5	<i>Buildings and Structures</i>	51
6.6	<i>Recreation Infrastructure</i>	54
7.0	COUNTRY LOCAL GOVERNMENT FUND	57
7.1	<i>CLGF – Individual Component</i>	57
7.2	<i>CLGF Regional Groups of Local Government</i>	58
7.3	<i>Risk Assessment</i>	59
8.0	FUNDING GAP	60
8.1	<i>Five Year Financial Plan</i>	60
8.2	<i>Life Cycle Costs</i>	60
8.3	<i>Unfunded Capital Works</i>	61
	FIVE YEAR FINANCIAL PLAN	62

EXECUTIVE SUMMARY

The Department of Regional Development and Land provided funding to each country local government to develop a Forward Capital Works Plan and issued the following guidelines:

- ➔ The plan is to address infrastructure assets only (not plant and equipment);
- ➔ The infrastructure should be owned by the Council. If not, reasons should be provided by Council wishing to spend funds on assets which it does not own;
- ➔ The plan will cover expenditure for 5 years, commencing in 2010/11;
- ➔ The plan must be approved by the Council of the local government and written endorsement of this must be provided;
- ➔ Information on capital works expenditure by Council in 2009/10 should be provided.

The Shire of York engaged Dominic Carbone and Associates to undertake the preparation of the Forward Capital Works Plan for the period 2010/11 to 2014/15 based on the following terms of reference:

Opening Statement

Opening statement on what the plan covers and confirms the local government's approval for it. It should include a commitment to review the plan each year. The signature of the Shire President and Chief Executive Officer should be included as part of the statement.

Overview Table

A table that provides an overview of the Forward Capital Works Plan by grouping of projects (e.g. roads and bridges, footpaths, drainage, open space, buildings, commercial activities, foreshores and marine safety, waste, recreation, other). The table should also include a total expenditure figure for each year to identify whether capital works expenditure is either for renewal, new assets, or asset expansion or upgrade.

Details of Individual Sub-Projects

For each individual sub-project in the plan provide the following information:

- ➔ Purpose of the project, including information on the whole of life costing, whether the project involves recurrent expenditure, expenditure for maintenance or renewal of infrastructure, or expenditure on new infrastructure.
- ➔ Background on the project.
- ➔ Explain how the project meets the intent of the Council's Strategic Plan. Expenditure (actual and budgeted on the project for 2009/10).
- ➔ Breakdown of funding sources and amount of funding for each out year, including where Council has identified the Country Local Government Fund as a funding source.
- ➔ A risk management assessment of each project, including an analysis that addresses scenarios where one or more funding sources for a project are reduced, not available or delayed.
- ➔ An indication of whether a project involves expenditure for renewal, new asset or asset expansion or upgrade.
- ➔ Any issues relating to the project.

Funding Gaps

Identification of projects with funding gaps.

Project Priorities

Prioritisation of projects for 2010/11.

Contact Person

Each country local government is to provide a contact person should Regional Development and Lands or an identified assessor need to discuss the plan in detail.

The contact person for this Plan is the Shire's CEO, Mr Ray Hooper.

Principles of Forward Capital Works Plan

The Forward Capital Works Plan was prepared based on the following principles:

- ➔ Planning for new assets aligns with the needs of the Shire and the Council's capacity to maintain them into the future.
- ➔ The social, environmental and economic impacts of creating any new assets in the Shire have been carefully considered and business plans have been prepared for major projects.
- ➔ The Shire has taken into account the renewal of assets and will ensure that they are maintained in good condition into the future.
- ➔ The amount of funding the Council allocates to Capital Works is based on what the Council can afford and is sustainable into the future.
- ➔ The Council's future revenue base from rates and other sources is likely to grow along with the community expectations for infrastructure and services.

Methodology

The following methodology was adopted in preparing the Forward Capital Works Plan, based on the guidelines issued by the Department of Regional Development and Lands:

- (1) Identification of infrastructure needs:
Identified through an ongoing planning process focusing on five-year timeframes.
- (2) Project definition:
Including the initial scoping of the project.
- (3) Business Planning:
Involved the development of a full business case or justification of the project taking into account capital and operating costs, financing and the role of local government.
- (4) Funding method resource allocation:
- (5) Determine funding methods, which may involve government grants and opportunities for public-private partnerships.

Financial Capacity

A detailed five-year financial plan has been prepared for the Shire, which is based on a balanced budget approach and the following assumptions:

- (1) CPI indexation of 3.0% from 2011/12 for operational revenue and expenditure.
- (2) Wage Price Index Growth of 3.0% from 2011/12.
- (3) Natural growth of 1%.
- (4) General Purpose Grants to increase by 5% per annum.
- (5) Local Road Grants to increase by 5% per annum.
- (6) Roads to Recovery Grants to remain constant beyond 2011/12.
- (7) Country Local Government Fund Individual local government allocation – no funding beyond 2012/13. Estimated \$55.5Million pool funding per year for 2011/12 and 2012/13.
- (8) Country Local Government Fund Regional groupings allocation – funding has been incorporated in 2010/11 on the basis that the Shire of York is part of a Regional Transitional Group, (SEARTG), if applicable to a regional project.
- (9) All current services and facilities are to be retained with no reduction in service levels.

The five-year financial plan reveals that the Shire's total available funds for asset infrastructure investment, apart from plant, furniture and equipment expenditure, are as follows:

OPERATING STATEMENT	FORECAST				
	2010-11	2011-12	2012-13	2013-14	2014-15
Total Funds Available for Infrastructure Asset Investment	7,216,920	5,118,255	3,831,790	2,636,488	1,901,478

In analysing the financial capacity of the Shire, the following conclusions have been derived:

- (1) Table 13 – Operating Revenue and Expenditure

For the financial years 2011/12 to 2012/13 the Royalties for Regions grants through the Country Local Government Fund will increase the revenue capacity of the Shire of York.

The operating expenditure is expected to remain relatively constant over the forecast period.

The data reveals that a reduction in Royalties for Regions Country Local Government Fund Individual grants will have a direct impact on the capital expenditure program of the Shire.

The change in net assets resulting from operations is impacted by the reduction in the Royalties for Regions grants and an increase in rates by 5%.

The dependency upon rates will remain relatively constant over the forecast period.

Funding of the capital expenditure program is reliant on capital grants.

(2) Table 14 – Infrastructure Expenditure

The increased expenditure on infrastructure is dependent upon the Royalties for Regions grant up to 2012/13. In 2014/15 the expenditure on infrastructure is approximately 3.32%, which is below the predicted average preservation level of 5.65% detailed in table 16.

(3) Table 15 – Depreciation on Infrastructure Assets

The depreciation on infrastructure of 1.23% is lower than the predicted average asset preservation expenditure level of 5.65% detailed in table 16.

(4) Table 16 – Road Asset Expenditure

This is external data provided by the Western Australian Local Government Association, which states that the predicted average asset preservation expenditure level is approximately 5.65%. To be read in conjunction with tables 14 and 15.

(5) Table 17 – Loan Borrowings

It is anticipated that the Shire will borrow \$1,984,155 in 2011/12 and \$330,000 in 2012/13.

The Shire's debt levels need to reduce in the long term in order that its capacity to access further loan borrowing will not be impeded.

(6) Table 18 – Reserve Funds

It is forecast that over the life of the Plan, Reserve Funds will remain relatively constant over the forecast period.

(7) Table 19 – Financial Position

The liquidity of the Shire is projected to reduce over the forecast period. The reduction is mainly due to increased investment in infrastructure and the assumption that no surplus or deficits will be generated during the forecast period.

Non-current liabilities will decrease over the forecast period.

The value of non-current assets will increase as a result of further investment in capital expenditure on infrastructure.

(8) Table 20 – Financial Ratios

Whilst the table is incomplete, the analysis of the financial ratios of the Shire indicate that over the forecasted period it will be increasing its debt ratio when compared to the benchmark ratios.

The Capital Works Program for the five-year forecast period is detailed in sections 5.0, 6.0 and 7.0.

Section 5.0

This section details the capital expenditure on infrastructure and the associated sources of funding.

CAPITAL WORKS AREA	ESTIMATES 2010/11	ESTIMATES 2011/12	ESTIMATES 2012/13	ESTIMATES 2013/14	ESTIMATES 2014/15
Land and Buildings	\$2,774,104	\$590,000	\$1,677,000	\$407,000	\$260,000
Roads Infrastructure	\$1,756,837	\$1,546,000	\$1,827,839	\$1,533,839	\$1,578,839
Recreation Infrastructure	\$2,618,000	\$3,168,600	\$435,000	\$225,000	\$10,000
Drainage Infrastructure	\$0	\$0	\$120,000	\$350,000	\$150,000
Total capital works	\$7,148,941	\$5,304,600	\$4,059,839	\$2,515,839	\$1,998,839
Represented by:					
Asset renewal	\$936,260	\$393,000	\$380,000	\$390,000	\$468,839
New assets	\$4,270,000	\$3,750,600	\$867,000	\$407,000	\$180,000
Asset expansion	\$1,024,462	\$898,000	\$1,528,839	\$1,158,839	\$980,000
Asset upgrade	\$918,219	\$263,000	\$1,284,000	\$560,000	\$370,000
Total capital works	\$7,148,941	\$5,304,600	\$4,059,839	\$2,515,839	\$1,998,839

SOURCES OF FUNDING	ESTIMATED 2010/11	ESTIMATED 2011/12	ESTIMATED 2012/13	ESTIMATED 2013/14	ESTIMATED 2014/15
External					
Road Infrastructure Grants	\$684,480	\$548,839	\$568,839	\$568,839	\$558,839
CLGF - Individual Grants	\$514,604	\$395,845	\$395,845	\$0	\$0
CLGF - Regional Grants	\$910,000	\$0	\$0	\$0	\$0
Developer Contributions	\$122,386	\$60,000	\$90,000	\$340,000	\$240,000
Other Capital Grants	\$481,000	\$1,090,000	\$658,000	\$270,000	\$125,000
Proceeds from Sale of Assets	\$650,000	\$0	\$0	\$0	\$0
Total External Funding Sources	\$3,362,470	\$2,094,684	\$1,712,684	\$1,178,839	\$923,839
Internal					
Own Resources	\$1,378,471	\$1,225,761	\$1,737,155	\$1,337,000	\$1,075,000
Reserve Funds	\$1,298,000	\$0	\$0	\$0	\$0
Loan Funds	\$1,110,000	\$1,984,155	\$330,000	\$0	\$0
Total Internal Funding Sources	\$3,786,471	\$3,209,916	\$2,067,155	\$1,337,000	\$1,075,000
TOTAL FUNDING SOURCES	\$7,148,941	\$5,304,600	\$3,779,839	\$2,515,839	\$1,998,839

Section 6.0

This section details the major initiatives the shire proposes to undertake during the forecast period of the plan per program group and addresses whole of life costing, risk assessment and performance measures.

Roads and Bridges

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
ROADS TO RECOVERY GRANTS						
West Talbot Road	\$0	\$297,275	\$60,000	\$0	\$0	\$0
Mokine Road	\$0	\$0	\$120,000	\$0	\$0	\$0
Mokine Road	\$0	\$0	\$0	\$50,000	\$0	\$0
Greenhills Road	\$98,437	\$0	\$100,000	\$0	\$0	\$0
Greenhills South Road	\$0	\$0	\$0	\$118,839	\$0	\$0

Greenhills South Road	\$0	\$0	\$0		\$80,000	\$0
Talbot Road	\$0	\$0	\$0	\$60,000	\$0	\$0
Talbot Road	\$0	\$0	\$0	\$0	\$100,000	\$0
Talbot Road	\$0	\$0	\$0	\$0	\$0	\$70,000
Top Beverley Road	\$61,183	\$0	\$0	\$70,000	\$0	\$0
Quellington Road	\$0	\$0	\$0	\$0	\$118,839	\$0
Quellington Road	\$0	\$0	\$0	\$0	\$0	\$60,000
Quellington Road	\$0	\$0	\$0	\$0	\$0	\$130,000
SPECIAL GRANTS - RRG		\$0	\$0	\$0	\$0	\$0
York - Tammin Road	\$483,233	\$394,620	\$180,000	\$0	\$0	\$0
York - Tammin Road	\$0	\$0	\$105,000	\$0	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$180,000	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$135,000	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$0	\$80,000	\$0
Spencers Brook Road	\$0	\$0	\$0	\$0	\$235,000	\$0
Spencers Brook Road	\$0	\$0	\$0	\$0	\$0	\$120,000
Spencers Brook Road	\$0	\$0	\$0	\$0	\$0	\$210,000
BLACK SPOT (RRG)		\$0	\$0	\$0	\$0	\$0
Projects require identification	\$0	\$0	\$90,000	\$0	\$0	\$0
Projects require identification	\$0	\$0	\$0	\$90,000	\$0	\$0
Projects require identification	\$0	\$0	\$0	\$0	\$90,000	\$0
Projects require identification	\$0	\$0	\$0	\$0	\$0	\$60,000
Mokine Rd	\$0	\$109,890	\$0	\$0	\$0	\$0
York - Tammin Rd	\$2,450	\$12,800	\$0	\$0	\$0	\$0
Spencers Brook Rd	\$0	\$33,700	\$0	\$0	\$0	\$0
Spencers Brook Rd	\$0	\$29,800	\$0	\$0	\$0	\$0
COUNCIL FUNDS		\$0	\$0	\$0	\$0	\$0
Subdivisional Roads	\$0	\$0	\$60,000	\$60,000	\$60,000	\$60,000
Greenhills	\$0	\$0	\$15,000	\$0	\$0	\$0
Kauring	\$7,940	\$0	\$7,000	\$0	\$0	\$0
York	\$0	\$0	\$150,000	\$150,000	\$100,000	\$180,000
Ashworth Road	\$46,094	\$0	\$20,000	\$0	\$0	\$0
Ashworth Road	\$0	\$16,567	\$70,000	\$0	\$0	\$0
Ashworth Road	\$0	\$0	\$0	\$10,000	\$0	\$0
Ashworth Road	\$0	\$0	\$0	\$10,000	\$0	\$0
Ashworth Road	\$0	\$40,000	\$0	\$0	\$0	\$0
Greenhills South Road	\$0	\$0	\$20,000	\$0	\$0	\$0
Mokine Road	\$0	\$0	\$12,000	\$0	\$0	\$0
Greenhills South Road	\$80,826	\$66,000	\$51,000	\$0	\$0	\$0
Greenhills South Road	\$0	\$0	\$0	\$20,000	\$0	\$0
Greenhills South Road	\$0	\$0	\$0	\$10,000	\$0	\$0
Avon Terrace	\$0	\$0	\$140,000	\$0	\$0	\$0
Quellington Road	\$0	\$0	\$90,000	\$0	\$0	\$0
Quellington Road	\$0	\$0	\$0	\$60,000	\$0	\$0
Quellington Road	\$0	\$0	\$0	\$0	\$100,000	
Spencers Brook Road	\$34,230		\$54,000	\$0	\$0	\$0
Qualen West Road	\$0	\$0	\$54,000	\$0	\$0	\$0
Qualen West Road	\$0	\$0	\$0	\$0	\$0	\$140,000
Doodenanning	\$25,412	\$0	\$0	\$50,000	\$0	\$0
Mannavale Road	\$0	\$0	\$0	\$70,000	\$0	\$0
Mannavale Road	\$0	\$0	\$0	\$0	\$120,000	\$0
Mannavale Road	\$0	\$0	\$0	\$0	\$0	\$70,000
Wambyn Road	\$22,730	\$0	\$0	\$60,000	\$120,000	\$0
Wambyn Road	\$0	\$0	\$0	\$0	\$0	\$70,000
Avon Terrace	\$0	\$750,000	\$0	\$114,000	\$0	\$0
Avon Terrace	\$0	\$125,111	\$0	\$0	\$0	\$38,839
Tenth Road	\$0	\$0	\$0	\$30,000	\$25,000	\$0
Leeming Road	\$0	\$0	\$0	\$40,000		\$0

Eleventh Road	\$0	\$0	\$0	\$30,000	\$25,000	\$0
Mansfield Street	\$0	\$0	\$0	\$0	\$25,000	\$0
Hardey Road	\$0	\$0	\$0	\$0	\$45,000	\$0
Doodenanning	\$0	\$0	\$0	\$0	\$0	\$80,000
Ovens Road	\$37,871	\$0	\$0	\$0	\$0	\$80,000
Marwick Road	\$0	\$0	\$0	\$0	\$80,000	\$0
Top Beverley Road	\$0	\$12,545	\$0	\$0	\$0	\$0
Talbot West Road	\$0	\$0	\$0	\$0	\$0	\$90,000
Gwanbygine East Rd	\$86,994	\$16,000	\$0	\$0	\$0	\$0
Mackie Rd	\$0	\$60,000	\$0	\$0	\$0	\$0
Various Rds	\$0	\$80,000	\$0	\$0	\$0	\$0
Subdivisional Rd	\$0	\$60,000	\$0	\$0	\$0	\$0
Durable St	\$6,621	\$13,614	\$0	\$0	\$0	\$0
Flea Pool Road	\$28,737	\$0	\$0	\$0	\$0	\$0
Cut Hill Road	\$17,180	\$0	\$0	\$0	\$0	\$0
Boyer Cutty Road	\$7,042	\$0	\$0	\$0	\$0	\$0
Lowe Street Car Park	\$28,353	\$0	\$0	\$0	\$0	\$0
Howick Street Car Park	\$6,618	\$0	\$0	\$0	\$0	\$0
Knotts Road	\$14,240	\$0	\$0	\$0	\$0	\$0
Davies St	\$10,343	\$16,386	\$0	\$0	\$0	\$0
BRIDGES						
Quellington Road Bridge	\$0	\$0	\$0	\$280,000	\$0	\$0
Mannavale Road Bridge	\$272,000	\$0	\$0	\$0	\$0	\$0
Qualen West Bridge	\$234,000	\$0	\$0	\$0	\$0	\$0
Spencers Brook Rd	\$0	\$8,000	\$0	\$0	\$0	\$0
Country Local Govt Fund		\$0	\$0	\$0	\$0	\$0
West Talbot Road	\$415,644	\$0	\$0	\$0	\$0	\$0
Avon Terrace	\$45,138	\$54,500	\$0	\$0	\$0	\$0
	\$2,073,316	\$1,521,808	\$1,398,000	\$1,697,839	\$1,403,839	\$1,458,839

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
ROADS TO RECOVERY GRANTS	\$297,295	\$297,295	\$297,295	\$297,295	\$297,295	\$297,295
SPECIAL GRANTS - RRG	\$203,287	\$263,078	\$190,000	\$210,000	\$210,000	\$210,000
BLACK SPOT (RRG)	\$183,918	\$0	\$60,000	\$60,000	\$60,000	\$60,000
WA GRANTS COMMISSION	\$0	\$0	\$0	\$280,000	\$0	\$0
COUNTRY LOCAL GOVT FUND	\$300,000	\$54,500	\$0	\$0	\$0	\$0
DEVELOPER CONTRIBUTIONS	\$17,522	\$16,386	\$30,000	\$60,000	\$60,000	\$60,000
COUNCIL FUNDS	\$749,232	\$621,442	\$819,161	\$789,000	\$775,000	\$840,000
RESERVE FUNDS	\$506,000	\$169,500	\$0	\$0	\$0	\$0
	\$2,073,316	\$1,521,808	\$1,398,000	\$1,697,839	\$1,403,839	\$1,458,839

Footpaths

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
York Footpaths	\$0	\$0	\$26,000	\$22,000	\$22,000	\$12,000
New Street	\$0	\$0	\$24,000	\$0	\$0	\$0
Panmure Road	\$0	\$0	\$30,000	\$20,000	\$20,000	\$0
Radnor Road East	\$0	\$0	\$20,000	\$0	\$0	\$0
Grey Street	\$0	\$0	\$0	\$38,000	\$0	\$0
Avon Terrace	\$0	\$0	\$0	\$20,000	\$0	\$0
Henrietta Street	\$0	\$0	\$0	\$0	\$38,000	\$20,000
Henry Road	\$0	\$0	\$0	\$0	\$20,000	\$0
Tenth Road	\$0	\$0	\$0	\$0	\$0	\$38,000
Fraser Street	\$0	\$0	\$0	\$0	\$0	\$20,000
York Footpaths	\$0	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
York Estates	\$0	\$46,000	\$0	\$0	\$0	\$0
Greenhills	\$0	\$10,000	\$0	\$0	\$0	\$0
Howick Street	\$2,431	\$0	\$0	\$0	\$0	\$0
South Street	\$923	\$0	\$0	\$0	\$0	\$0
Trewes Road	\$31,817	\$0	\$0	\$0	\$0	\$0
	\$35,171	\$86,000	\$130,000	\$130,000	\$130,000	\$120,000

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
DEVELOPER CONTRIBUTIONS	\$0	\$76,000	\$30,000	\$30,000	\$30,000	\$30,000
COUNCIL FUNDS	\$35,171	\$10,000	\$100,000	\$100,000	\$100,000	\$90,000
TOTAL FUNDING	\$35,171	\$86,000	\$130,000	\$130,000	\$130,000	\$120,000

Drainage

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Urban Stormwater Management Plan	\$0	\$0	\$0	120,000	\$0	\$0
Railway to River Drainage System	\$0	\$0	\$0	\$0	200,000	\$0
West Boundary to Railway System	\$0	\$0	\$0	\$0	150,000	150,000
South Street	\$6,072	\$0	\$0	\$0	\$0	\$0
	\$6,072	\$0	\$0	120,000	350,000	150,000

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
DEVELOPER CONTRIBUTIONS	\$6,072	\$0	\$0	\$0	\$250,000	\$150,000
COUNCIL FUNDS	\$0	\$0	\$0	\$120,000	\$100,000	\$0
TOTAL FUNDING	\$6,072	\$0	\$0	\$120,000	\$350,000	\$150,000

Buildings and Structures

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Recreation Buildings						
York Youth Centre	\$0	\$170,000	\$0	\$0	\$0	\$0
York Youth Centre	\$0	\$0	\$80,000	\$0	\$0	\$0
Men's Shed	\$0	\$0	\$0	\$0	\$10,000	\$0
Hockey Club Change Rooms	\$178,652	\$0	\$0	\$0	\$0	\$0
Recreation Centre	\$0	\$0	\$0	\$0	\$0	\$0
Recreation Centre	\$0	\$0	\$0	\$0	\$0	\$0
Recreation Centre	\$0	\$0	\$0	\$90,000	\$0	\$0
York Bowling Club	\$0	\$0	\$0	\$0	\$0	\$0
Swimming Pool						
York Swimming Pool	\$0	\$0	\$0	\$700,000	\$0	\$0
York Swimming Pool	\$33,291	\$114,604	\$0	\$0	\$0	\$0
Administration & Depot Buildings						
Administration Centre	\$0	\$0	\$10,000	\$10,000	\$10,000	\$10,000
Archive Centre	\$0	\$200,000	\$0	\$0	\$0	\$0
Records Storage	\$0	\$0	\$0	\$0	\$0	\$0
Community Buildings						
York Town Hall	\$0	\$40,000	\$0	\$330,000	\$0	\$0
York Town Hall	\$0	\$41,000	\$100,000	\$0	\$0	\$0
York Town Hall	\$0	\$120,000	\$0	\$0	\$0	\$0
York Town Hall	\$0	\$0	\$0	\$0	\$250,000	\$250,000
York Town Hall	\$0	\$131,000	\$0	\$0	\$0	\$0
York Town Hall	\$0	\$0	\$8,000	\$0	\$0	\$0
Resource Centre	\$0	\$1,500,000	\$0	\$0	\$0	\$0
Community Centre	\$0	\$250,000	\$0	\$0	\$0	\$0
Candice Bateman Pk	\$0	\$70,000	\$0	\$0	\$0	\$0
Candice Bateman Pk	\$0	\$6,000	\$0	\$0	\$0	\$0
Malebelling Fire Brigade Shed	\$0	\$50,000	\$0	\$0	\$0	\$0
Burges Siding Fire Brigade Shed	\$0	\$50,000	\$0	\$0	\$0	\$0
York Cemetery	\$0	\$0	\$0	\$0	\$0	\$0
Swinging Bridge	\$0	\$0	\$0	\$0	\$70,000	\$0
Avon Tce Banner Poles	\$25,298	\$0	\$0	\$0	\$0	\$0
Candice Bateman Pk	\$0	\$8,000	\$3,500	\$3,500	\$0	\$0
Avon Park	\$0	\$0	\$3,500	\$3,500	\$0	\$0
Howick Street Car Park Toilets	\$2,331	\$0	\$0	\$0	\$0	\$0
Gwambygine Park	\$0	\$0	\$0	\$0	\$7,000	\$0
Aged Care Facilities						
Centennial Units	\$0	\$3,500	\$0	\$0	\$0	\$0
Centennial Units	\$0	\$11,000	\$0	\$0	\$0	\$0
Housing						
Staff Housing	\$0	\$0	\$340,000	\$0	\$0	\$0
Staff Housing	\$0	\$0	\$0	\$340,000	\$0	\$0
Waste Facility Buildings						
Waste Transfer Facility	\$0	\$9,000	\$45,000	\$0	\$0	\$0
Waste Transfer Facility	\$0	\$0	\$0	\$0	\$0	\$0
	\$239,572	\$2,774,104	\$590,000	\$1,477,000	\$347,000	\$260,000

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
COUNTRY LOCAL GOVERNMENT FUND	\$0	\$414,604	\$0	\$395,845	\$0	\$0
LOTTERYWEST	\$0	\$231,000	\$40,000	\$0	\$125,000	\$125,000
OFFICE OF CRIME PREVENTION	\$0	\$20,000	\$0	\$0	\$0	\$0
DEPARTMENT OF SPORT AND RECREATION	\$0	\$0	\$0	\$273,000	\$0	\$0
BENDIGO BANK	\$0	\$50,000	\$0	\$0	\$0	\$0
REGIONAL AND LOCAL COMMUNITY INFRASTRUCTURE PROGRAM	\$0	\$30,000	\$0	\$0	\$0	\$0
DEPARTMENT OF WATER	\$0	\$0	\$30,000	\$0	\$0	\$0
COMMONWEALTH FUNDING	\$0	\$0	\$0	\$0	\$60,000	\$0
PROCEEDS SALE OF ASSETS	\$0	\$0	\$300,000	\$300,000	\$0	\$0
RESERVE FUNDS	\$0	\$828,500	\$0	\$0	\$0	\$0
LOAN FUNDS	\$0	\$800,000	\$0	\$330,000	\$0	\$0
COUNCIL FUNDS	\$239,572	\$400,000	\$220,000	\$178,155	\$162,000	\$135,000
TOTAL FUNDING	\$239,572	\$2,774,104	\$590,000	\$1,477,000	\$347,000	\$260,000

Recreation Infrastructure

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Playing Fields						
Forrest Oval Recreation Precinct	\$141,589	\$2,270,000	\$0	\$0	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$1,530,000	\$0	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$1,403,600	\$0	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$0	\$50,000	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$0	\$120,000	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$0	\$60,000	\$0	\$0
Forrest Oval Recreation Precinct	\$0	\$0	\$0	\$40,000	\$0	\$0
Forrest Oval Precinct	\$0	\$15,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	\$803,342	\$160,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	\$0	\$30,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	\$0	\$90,000	\$0	\$0	\$0	\$0
Parks & Reserves						
Barbecues upgrades	\$0	\$15,000	\$10,000	\$10,000	\$10,000	\$10,000
Mount Brown Park	\$0	\$0	\$0	\$60,000	\$0	\$0
Park Soft Fall	\$32,353	\$0	\$0	\$0	\$0	\$0
Mount Brown Park	\$0	\$0	\$10,000	\$0	\$0	\$0
RSL Memorial Park Upgrade	\$0	\$19,000	\$0	\$0	\$0	\$0
Upgrade Moto-Cross Track	\$0	\$10,000	\$25,000	\$0	\$0	\$0
Candice Bateman Park	\$280	\$0	\$70,000	\$0	\$0	\$0
Forrest Oval Playground	\$0	\$0	\$0	\$70,000	\$0	\$0
Avon Park	\$0	\$0	\$0	\$0	\$70,000	\$0
York Motto Cross Track	\$0	\$0	\$0	\$12,500	\$0	\$0
York Motto Cross Track	\$0	\$0	\$0	\$12,500	\$0	\$0
York Motto Cross Track	\$0	\$0	\$0	\$0	\$12,500	\$0
York Motto Cross Track	\$0	\$0	\$0	\$0	\$10,000	\$0
York Motto Cross Track	\$0	\$0	\$0	\$0	\$2,500	\$0
Centennial Park	\$633	\$9,000	\$0	\$0	\$0	\$0
Walk Trails						
York Walk Trails	\$0	\$0	\$120,000	\$0	\$0	\$0
Forest Walk Trails	\$0	\$0	\$0	\$0	\$120,000	\$0
	\$978,201	\$2,618,000	\$3,168,600	\$435,000	\$225,000	\$10,000



FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
COUNTRY LOCAL GOVERNMENT FUND	\$0	\$100,000	\$395,845	\$0	\$0	\$0
LOTTERYWEST	\$0	\$100,000	\$90,000	\$65,000	\$85,000	\$0
CLGF REGIONAL COMPONENT	\$0	\$0	\$910,000	\$0	\$0	\$0
DEPARTMENT OF SPORT AND RECREATION	\$243,584	\$50,000	\$450,000	\$20,000	\$0	\$0
COMMONWEALTH FUNDING	\$0	\$0	\$10,000	\$0	\$0	\$0
COMMUNITY CONTRIBUTIONS	\$0	\$0	\$100,000	\$0	\$0	\$0
PUBLIC OPEN SPACE TRUST FUNDS	\$0	\$0	\$70,000	\$0	\$0	\$0
PROCEEDS SALE OF ASSETS	\$220,000	\$650,000	\$0	\$0	\$0	\$0
RESERVE FUNDS	\$0	\$200,000	\$0	\$0	\$0	\$0
LOAN FUNDS	\$0	\$310,000	\$1,984,155	\$0	\$0	\$0
COUNCIL FUNDS	\$ 514,617	\$298,000	\$68,600	\$350,000	\$140,000	\$10,000
TOTAL FUNDING	\$978,201	\$2,618,000	\$3,168,600	\$435,000	\$225,000	\$10,000

Section 7.0

This section details the projects to be funded from CLGF individual and regional components.

CLGF Individual

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE				
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5
York Convention Centre & Sports Complex - 2010/11	\$2,270,000	\$0	\$0	\$0	\$0
York Swimming Pool Pump Upgrade - 2010/11	\$0	\$114,604	\$0	\$0	\$0
York Community Resource Centre – 2010/11	\$0	\$0	\$1,500,000	\$0	\$0
York Convention Centre & Sports Complex - 2011/12	\$0	\$0	\$0	\$1,530,000	\$0
York Swimming Pool Bowl Upgrade/Wet Deck - 2012/13	\$0	\$0	\$0	\$0	\$700,000
TOTAL COST	\$2,270,000	\$114,604	\$1,500,000	\$1,530,000	\$700,000

FUNDING SOURCES	REVENUE					
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5	TOTAL
CLGF allocation 2010/2011	\$100,000	\$114,604	\$300,000	\$0	\$0	\$514,604
CLGF Allocation 2011/2012	\$0	\$0	\$0	\$395,845	\$0	\$395,845
CLGF Allocation 2012/2013	\$0	\$0	\$0	\$0	\$395,845	\$395,845
LotteryWest Grant	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Department Sport & Recreation CSRFF	\$0	\$0	\$0	\$0	\$233,000	\$233,000
CLGF Regional Component	\$910,000	\$0	\$0	\$0	\$0	\$910,000
Loan Borrowings	\$310,000	\$0	\$600,000	\$1,134,155	\$0	\$2,044,155
Sale of Assets	\$650,000	\$0	\$0	\$0	\$0	\$650,000
Reserve Funds	\$200,000	\$0	\$600,000	\$0	\$0	\$800,000
Council Funds	\$0	\$0	\$0	\$0	\$71,155	\$71,155
TOTAL FUNDING	\$2,270,000	\$114,604	\$1,500,000	\$1,530,000	\$700,000	\$6,114,604

CLGF Regional

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE			
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4
York Convention Centre	\$2,270,000	\$0	\$0	\$0
TOTAL COST	\$2,270,000	\$0	\$0	\$0

FUNDING SOURCES	REVENUE			
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4
CLGF Regional Allocation 2010/2011	\$910,000	\$0	\$0	\$0
CLGF allocation 2010/2011	\$100,000			
LotteryWest Grant	\$100,000			
Loan Borrowings	\$310,000			
Sale of Assets	\$650,000			
Reserve Funds	\$200,000			
TOTAL FUNDING	\$2,270,000	\$0	\$0	\$0

Funding Gaps

From the data compiled in the five-year financial plan and the Forward Capital Works Plan the following funding gaps were identified:

Cash Funding Gap

OPERATING STATEMENT	FORECAST				
	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue	\$	\$	\$	\$	\$
TOTAL REVENUE	8,442,276	8,955,045	8,716,110	8,215,277	7,991,211
Expenditure					
TOTAL EXPENDITURE	(6,609,516)	(6,128,199)	(6,358,952)	(6,443,691)	(6,590,320)
Change in Net Assets resulting					
From Operations Surplus/(Deficit)	1,832,760	2,826,846	2,357,158	1,771,586	1,400,892
Plus Non Cash Items					
(Profit)/Loss on Disposal of Assets	0				
Proceeds from Sale of Assets	994,401	297,200	1,111,000	981,200	325,700
Depreciation Written Back	934,970	935,124	935,124	935,124	935,124
Self Supporting Loan income	8,968	9,617	10,313	11,060	11,860
Other	0	0	0	0	0
Net Transfer (To)/From Reserves	1,601,970	107,767	(72,869)	(75,869)	37,195
Net Principal Loan Repayments	(52,882)	(176,554)	(242,536)	(264,813)	(282,893)
Proceeds from New Loans	2,130,500	1,984,155	330,000	0	0
Plant and Equipment Purchases	(868,640)	(831,900)	(557,400)	(672,800)	(487,400)
Furniture and Equipment Purchases	(115,600)	(31,000)	(36,000)	(46,000)	(36,000)
Tools & Equipment Purchases	0.00	(3,000)	(3,000)	(3,000)	(3,000)
Opening Surplus/(Deficit)	750,473	0	0	0	0
Closing (Surplus)/Deficit	0	0	0	0	0
Total Funds Available for Infrastructure Asset Investment	7,216,920	5,118,255	3,831,790	2,636,488	1,901,478
ESTIMATED ASSET RENEWAL	7,216,920	5,304,600	3,859,839	2,715,839	1,998,839
FUNDING GAP	-	(186,345)	(28,049)	(79,351)	(97,361)

Infrastructure Renewal Gap

Life Cycle Cost	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Depreciation Expense	(\$510,550)	(\$510,704)	(\$510,704)	(\$510,704)	(\$510,704)
Capital Renewal Expenditure	\$936,260	\$393,000	\$380,000	\$390,000	\$468,839
Funding Gap	\$425,710	(\$117,704)	(\$130,704)	(\$120,704)	(\$41,865)

Infrastructure Backlog

The immediate infrastructure backlog is detailed below

CAPITAL WORKS ITEM	ESTIMATED COST \$
Men's Shed – Upgrade existing facilities	\$100,000
Records Storage Facility	\$300,000
Gwambygine Park Redevelopment	\$100,000
Mount Bakewell Walk Trail	\$90,000
TOTAL UNFUNDED WORKS	\$590,000

The preparation of the Forward Capital Works Plan involved Council members and officers who assisted in quantifying the expenditure and funding sources as well as setting the priorities for initiatives to be undertaken during the forecast period of the plan.

The Council of the Shire of York on [date] formally adopted the Forward Capital Works Plan and committed itself to undertake annual reviews of the Plan.

STATEMENT BY LOCAL GOVERNMENT

Council members and Officers were involved in the preparation of the Forward Capital Works Plan. A number of workshops were held in order that prioritisation of projects could be determined in accordance with community expectations.

The Council at its meeting held on [date] formally adopted the Forward Capital Works Plan, with a commitment to review it on an annual basis.

Accordingly this statement acknowledges the Shire's responsibilities, with the Shire President and Chief Executive Officer certifying the Council's commitment to the above.

Cr P Hooper
Shire President

Mr R Hooper
Chief Executive Officer

1.0 INTRODUCTION

1.1 PURPOSE OF THE PLAN

The Department of Regional Development and Lands (RDL) has allocated the sum of \$35,000 to each country local government to develop a Forward Capital Works Plan that is consistent with the Local Governments Strategic Plan and Asset Management Plans.

Whilst the Department acknowledges that some country local governments may not have prepared Strategic and Asset Management Plans, which are suitable for the preparation of a Forward Capital Works Plan, the Department through the Royalties for Regions Country Local Government Fund (CLGF) wishes to improve the quality of planning in country local governments over time.

The Department has issued the following guidelines in relation to the preparation of the Forward Capital Works Plan.

- The plan is to address infrastructure assets only (not plant and equipment);
- The infrastructure should be owned by the Council. If not, reasons should be provided by the Council as to why it wishes to spend funds on assets which it does not own;
- The plan will cover expenditure for 5 years, commencing in 2010/11;
- The plan must be approved by the Council of the local government and written endorsement of this must be provided;
- Information on capital works expenditure by Council in 2009/10 should be provided.

1.2 Terms of Reference

Dominic Carbone and Associates were appointed by the Shire of York to undertake the preparation of a Forward Capital Works Plan, for the period 2010/11 to 2014/15, based on the following components determined by the Department, namely:

1.2.1 Opening Statement

Opening statement on what the plan covers and confirms the local governments approval for it. It should include a commitment to review the plan each year. The signature of the Shire President and Chief Executive Officer should be included as part of the statement.

1.2.2 Overview Table

A table which provides an overview of the Forward Capital Works Plan by grouping of projects (e.g. roads and bridges, footpaths, drainage, open space, buildings, commercial activities, foreshores and marine safety, waste, recreation, other). The table should also include a total expenditure figure for each year to identify whether capital works expenditure is either for renewal, new assets, or asset expansion or upgrade.

1.2.3 Details of Individual Sub-Projects

For each individual sub-project in the plan provide the following information:

- ➔ Purpose of the project, including information on the whole of life costing, whether the project involves recurrent expenditure, expenditure for maintenance or renewal of infrastructure, or expenditure on new infrastructure.
- ➔ Background on the project.
- ➔ Explain how the project meets the intent of the Council's Strategic Plan. Expenditure (actual and budgeted on the project for 2009/10).
- ➔ Breakdown of funding sources and amount of funding for each out year, including where Council has identified the Country Local Government Fund as a funding source.
- ➔ A risk management assessment of each project, including an analysis that addresses scenarios where one or more funding sources for a project are reduced, not available or delayed.
- ➔ An indication of whether a project involves expenditure for renewal, new asset or asset expansion or upgrade.
- ➔ Any issues relating to the project.

1.2.4 Funding Gaps

Identification of projects with funding gaps.

1.2.5 Project Priorities

Prioritisation of projects for 2010/11.

1.2.6 Contact Person

Each country local government is to provide a contact person should Regional Development and Lands or an identified assessor need to discuss the plan in detail.

The contact person for this Plan is the Shire's CEO, Mr Ray Hooper.

1.3 Background

1.3.1 Royalties for Regions Country Local Government Fund Individual Allocation Guidelines

The primary objective of the Royalties for Regions Country Local Government Fund – Individual Country Local Government (CLGF) allocations is to address infrastructure backlogs across the country local government sector.

The Fund provides country local governments with additional funding for infrastructure development, asset preservation and renewal.

CLGF monies are to be used on:

1. Capital works, defined as building and engineering works that create an asset, as well as constructing or installing facilities and fixtures associated with, and form an integral part of, those works (such as buildings, floor finishes, air conditioning and security systems, but excludes items such as furniture and office equipment). The

definition encompasses the purchase of buildings and headworks cost associated with eligible projects.

2. Capital renewal, is expenditure on items which are deemed to extend the life of an asset and sustain the service of an asset at the same level on a like for like basis, such as major restoration, renovations projects including repainting, major roof and floor repairs.
3. Other infrastructure related costs, an amount not exceeding 15% of the CLGF allocation for a project may be spent on project documentation, such as architectural, structural, mechanical and hydraulic engineering plans, and construction and project management fees.
4. Staff costs; the cost of reasonable direct wages where they are a component in the construction of an infrastructure asset.

1.3.2 Forward Capital Works Plan

A Forward Capital Works Plan (FCWP) is a program of capital projects anticipated to be undertaken by the Council in the future.

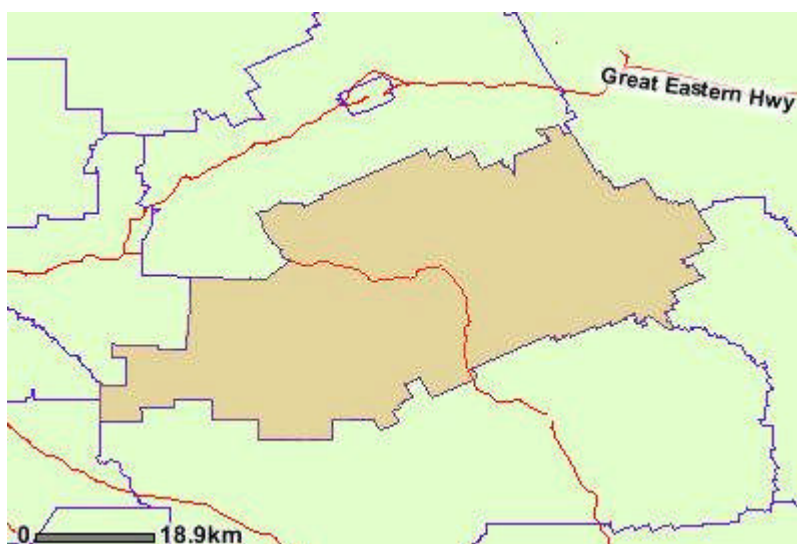
The FCWP will be reviewed on an annual basis and has been developed based on the following principles:

- ➔ Planning for new assets aligns with the needs of the Shire and the Council's capacity to maintain them into the future.
- ➔ The social, environmental and economic impacts of creating any new assets in the Shire have been carefully considered and business plans have been prepared for major projects.
- ➔ The Shire has taken into account the renewal of assets and will ensure they are maintained in good condition into the future.
- ➔ The amount of funding the Council allocates to Capital Works is based on what the Council can afford and is sustainable into the future.
- ➔ The Council's future revenue base from rates and other sources is likely to grow along with the community expectations for infrastructure and services.

1.3.3 Shire of York Profile

York is the oldest inland town in Western Australia, being situated approximately 97kms east of Perth by road in the Avon Valley, and covering 2,010km². Nestled on the banks of the Avon River, the town has maintained a vibrant spirit among its many Victorian and Federation buildings. York is renowned for its preservation of heritage buildings and sites, providing charm and character to the town. An abundance of local activities and facilities make it an attractive destination.

York offers a scenic, rural lifestyle, and a family orientated community. It is close enough to Perth for easy access, and only 45 minutes to Midland.



The 2006 Census provides the following statistics in relation to the Local Government area of York:

People:	3,116, of which 50.9% were males, and 49.1% were females.
Age:	19.4% were children aged 0-14 years, 34.5% were persons 55 years and over, median age of persons was 45 years.
Nationality:	90.5% were Australian citizens, 17.4% were born overseas.
Marital Status:	58.3% were married, 22.1% never married 14.3% separated/divorced and 5.4% widowed.
Labour Force:	1,436, of which 56.4% were employed full time, and 31.7% part time.
Occupation:	23.9% were managers, 15.9% technicians and trade workers, 13.0% professionals, 11.6% labourers, and 11.3% clerical and administrative workers.
Industry Employment:	15.2% sheep, beef cattle and grain farming, 6% school education, 4.1% cafes, restaurants and takeaway food services, 4.1% supermarket and grocery stores, and 2.7% support services.

1.4 Methodology

In relation to the Terms of Reference and the Department of Regional Development and Lands guidelines, the Forward Capital Works Plan will be prepared based on the following:

- (1) Identification of infrastructure needs:
Identified through an ongoing planning process focusing on five-year timeframes.
- (2) Project definition:
Including the initial scoping of the project.
- (3) Business Planning:
Involved the development of a full business case or justification of the project taking into account capital and operating costs, financing and the role of local government.
- (4) Funding method resource allocation:
Determine funding methods, which may involve government grants and opportunities for public/private partnership.

2.0 GLOSSARY

The following terms are defined to assist with the interpretation of this Plan.

Asset Class

Grouping of assets of a similar nature and use in an entity's operations

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 management

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.

Assets

Future economic benefits controlled by the entity as a result of past transactions or other past events. Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 months.

Capital expansion expenditure

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

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 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 new expenditure

Expenditure which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may impact revenue and will increase future operating and maintenance expenditure.

Capital renewal expenditure

Expenditure on an existing asset, which returns the service potential or the life 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 has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, e.g. 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. Where capital projects involve a

combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital upgrade expenditure

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 operating and maintenance expenditure in the future because of the increase in the Council's asset base, e.g. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Cyclic maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, 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.

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.

Infrastructure assets

Physical assets of the entity or of another entity that contribute to meeting the public's need for access to major economic and social facilities and services, e.g. 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 often have no market value.

Level of service

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

Life cycle cost

The life cycle cost (LCC) is the average cost to provide the service over the longest asset life cycle. It comprises annual maintenance and asset consumption expense, represented by depreciation expense. The life cycle cost does not indicate the funds required to provide the service in a particular year.

Loans/borrowings

Loans result in funds being received which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

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.

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 Council, e.g. parks and playgrounds, footpaths, roads and bridges, libraries.

Operating expenditure

Recurrent expenditure, which is continuously required including maintenance and depreciation, e.g. power, fuel, staff, plant equipment, on-costs and overheads.

Rate of annual asset renewal

A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure).

Recurrent expenditure

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

Recurrent funding

Funding to pay for recurrent expenditure.

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.

Strategic plan/Plan for the future

Documents Council objective for a specific period (two to five years), the principal activities to achieve the objectives, the means by which that will be carried out, estimated income and expenditure, measures to assess performance and how rating policy relates to the Council's objectives and activities.

Source: Department of Victorian Communities, 2006, Glossary.

3.0 GRANTS

The Commonwealth Government provides the following grants to local government:

1. Financial Assistance Grants (FAG's); and
2. Roads to Recovery Grants (R2R).

3.1 Financial Assistance Grants

The Financial Assistance Grants are distributed by the WA Local Government Grants Commission to local governments each year based on the principles established under the Commonwealth legislation. The general purpose grant and the road grant components are untied.

3.1.1 General Purpose Grant Component

The Commission uses a “balanced budget” approach for calculating the general purpose grants. The balanced budget is calculated as follows:

$$\text{Assessed expenditure need} - \text{assessed revenue capacity} = \text{assessed equalisation requirement}$$

Assessed revenue, involves an assessment of the revenue-raising capacity of each local government in the categories of:

- Residential and commercial/industrial rates;
- Agricultural rates;
- Pastoral rates;
- Mining rates;
- Investment earnings;
- Other revenue.

Assessed expenditure need involves the assessment of each local government's operating expenditures in the provision of core services and facilities.

Up until 2007/2008, grants were based on a four-year average of “Preliminary Equalisation Requirement” of local governments. This approach was utilised for the 2006/2007 grant allocations and was consistent with the average used by the Commission for the 2002/2003, 2003/2004 and 2004/2005 grants. In using a four-year average, the Commission uses the equalisation requirement for the last six years (from 2001/2002), and drops the highest and lowest of the six figures out of the average to remove aberrations.

This method of averaging was utilised by the Commission, as it was believed it would provide more long term stability in grant outcomes.

In March 2008 the Commission resolved to undertake a review of its current grant allocation methodology for the general purpose component of the Financial Assistance grants (FAGS). The grants for 2009/2010 were pegged at 2008/2009 levels, with an escalation applied, equivalent to the percentage increase in the total WA general purpose pool for 2009/2010, after minimum grant local governments had been deducted from the funding pool. It is the Commissions aim to complete the review during 2011.

Table 1 details the general purpose grant for the Shire of York for the next four financial years.

Table 1.

	ACTUAL				FORECAST			
GENERAL PURPOSE GRANT	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	511,664	547,912	572,666	614,279	644,993	677,423	711,105	746,660

Note: The actual grant amounts received by the Shire will differ from Table 1 for the 2009/2010 and 2010/2011 financial years as a result of advance payments made by the WA Local Government Grants Commission.

3.1.2 Local Road Grant Component

In addition to general purpose grants, local governments also receive general purpose local road grants from the Commonwealth Government, which are untied.

The current allocation methodology provides for 7% of the funding to be allocated for special projects; one third for road servicing Aboriginal communities and two thirds for bridge works.

The remaining 93% of the funding pool is distributed by the Commission using the "Asset Preservation Model". This model is used to assess the cost of maintaining each local government's road network, and has the ability to equalise road standards through the application of minimum standards. It takes into account annual and recurrent maintenance costs and the costs of reconstruction at the end of the road's useful life.

Table 2 details the local road grant for the Shire of York for the next four financial years.

Table 2.

	ACTUAL				FORECAST			
LOCAL ROAD GRANT	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	487,166	519,419	520,006	568,688	597,122	626,979	658,327	691,244

Note 1: In 2008-2009 the Shire received a special grant of \$514,000 for bridge works.

Note 2: The actual grant amounts received by the Shire will differ from Table 2 for the 2009/2010 and 2010/2011 financial years as a result of advance payments made by the WA Local Government Grants Commission.

3.2 Roads to Recovery Grants

The Roads to Recovery Program was first implemented in 2000, with two extensions to the Funding Program in 2004 and 2009. It was introduced to address the issue of local road infrastructure in Australia reaching the end of its useful life, and its replacement being beyond the financial capacity of local governments. The Roads to Recovery Program operates uniformly across Australia. Under current arrangements, each local government is guaranteed a share of the total available funding under the program. Under simple administrative procedures whereby spending decisions are made locally and reported to the government, money is paid directly from the Commonwealth Government to each local government.

Grants provided under the Roads to Recovery Program are not intended to replace the local government's spending on roads, or the funding received from the WA State Government for local road construction and maintenance.

Its focus is the renewal of roads to meet safety, transport connectivity, social and economic needs.

The current funding program spans five financial years, expiring on 30 June 2014.

Table 3 details the level of funding for the Shire of York over the life of the current program.

Table 3.

ROADS TO RECOVERY	ACTUAL				FORECAST			
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	257,182	247,229	297,275	297,275	298,839	298,839	298,839	298,839

3.3 Royalties for Regions Grant Funding

The Royalties for Regions Fund was established in October 2008 by the Western Australian Government to support and maintain strong and vibrant regions through improved infrastructure and headworks, across-government strategic regional and community services projects, and the provision of contestable grant funding. Three funding programs were created under the Fund to distribute the grant monies:

1. Country Local Government Fund;
2. Regional Community Services Fund; and
3. Regional Infrastructure and Headworks Fund.

The Royalties for Regions Fund was enshrined in legislation through the promulgation of the Royalties for Regions Act in 2009. Section 6 (2) of the Act requires the Treasurer of WA to credit to the Royalties for Regions Fund an amount equal to 25% of the forecast royalty income for the financial year. Section 8 of the Act limits the amount that can be standing in the Fund, at any time, to \$1Billion.

Section 9 of the Act, provides for the Minister for Regional Development, with the Treasurer's concurrence, to authorize the expenditure of money standing to the credit of the Fund for the following –

1. To provide infrastructure and services in regional Western Australia;
2. To develop and broaden the economic base of regional Western Australia;
3. To maximize job creation and improve career opportunities in regional Western Australia.

The Country Local Government Fund is the only component that has the ability to directly impact on the future revenue capacity of the Shire of York.

3.3.1 Country Local Government Fund – Individual Local Government Allocations

The objective of this Fund is to provide \$400 million over four years to target asset management and renewal for 110 local governments located within the nine regions defined under the *Regional Development Commissions Act 1993*.

The individual allocations to local governments were determined on the basis of a population component and a needs component.

The population component is calculated on the basis of \$172.50 per person. A minimum of \$400,000 and a maximum of \$900,000 were established to avoid distortions in allocations due to small or large populations.

The needs component was based on the combination of the Local Government Grants Commission 2008/09 equalisation grants and road grants.

Funding in 2008/2009 was tied to expenditure on building and renewing buildings and other infrastructure assets.

Funding for 2009/2010 was allocated to support capacity building and improved planning through:

1. Country local governments - \$35,000 provided to each local government to access expertise to develop forward capital works plans that are consistent with strategic plans and asset management plans.
2. Regional Development Commissions – up to \$100,000 provided through each Regional Development Commission to support regional groups of country local governments in the nine regions to identify, scope and plan regional infrastructure priorities.
3. Department of Local Government –
 - (a) \$2.475 million to deliver complimentary capacity building initiatives with a particular focus on strategic and asset management planning; and
 - (b) Up to \$2.5 million to assist those local government groups who have formalised their position and wish to proceed to amalgamation by investing in, for example, common operating systems and infrastructure.

In 2010/11 direct funding will be provided to individual country local governments' equivalent to 65% of the total Country Local Government Funding pool for 2010/11.

\$55.5Million per year has been provisionally allocated in 2011/12 and 2012/13; an amount equivalent to 50% of the total Country Local Government Funding pool of \$111Million. In 2013/14 all funding allocated to the Country Local Government Fund is to be delivered through the regional groupings of local governments.

Table 4 details the level of funding to be allocated to the Shire of York based on the new allocation methodology for the balance of the four year program, which expires in 2012/13.

Table 4.

CLGF - INDIVIDUAL	ACTUAL				FORECAST			
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	0	816,313	0	514,604	395,845	395,849	0	0

3.3.2 Country Local Government Fund – Regional Groupings Allocation

In 2009/10, \$100,000 in funding was provided to each of the nine Regional Development Commissions to support regional groupings of country local governments to identify and prepare business cases for larger scale infrastructure projects that leverage funding and clearly demonstrate wider community benefits across their region.

In 2010/11 35% of the total Country Local Government Funding Pool is to be directed to the identified regional groupings of local governments. The funding will be administered by each of the nine Regional Development Commissions.

Regional groups of local governments will be required to submit business cases for identified priority projects to access regional group funding in 2010/11.

The level of funding that could be secured by the Shire of York would be dependent upon:

- (a) its membership to a “regional grouping” of local governments; and

(b) the number and type of regionally significant infrastructure projects with a high enough priority within the “regional grouping” to win funding.

For the 2011/12 and 2012/13 financial years a provisional allocation of \$55.5Million per year has been allocated, representing 50% of the total Country Local Government Funding pool of \$111Million.

In 2013/14 the total Country Local Government Funding pool will be delivered through regional groupings of local governments.

Table 5.

CLGF - REGIONAL GROUPINGS	ACTUAL				FORECAST			
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	0	0	0	910,000	0	0	0	0
SEA Regional Grouping	0	0	0	1,109,909	1,585,584	1,585,584	3,171,168	3,171,168

3.4 State Road Funds to Local Government

To assist Local Government in road management, the State provides road funds for a number of programs administered by the State Road Funds to Local Government Advisory Committee.

There are three main categories of State funding for local government roads:

1. Category 1 - Local Government Program
2. Category 2 - Main Roads WA Program
3. Category 3 - State Initiatives Program

Category 1 only requires analysis as it is the only component where funding is provided to local government.

There are three sub-components to Category 1:

1. Strategic and Technical support;

Strategic and technical support covers work for local government, the costs of which cannot be related to a project, and includes road management services for local government roads on either a State or Regional road basis. There is no funding provide to local government under this component.

2. Direct Grants;

Direct Grants are provided annually to all Local Governments. The State Road Funds to Local Government Advisory Committee, using the Asset Preservation Model provided by the Western Australian Local Government Grants Commission, calculates Direct Grant allocations each year.

Given that the allocation is based on the Asset Preservation Model, it is anticipated that the level of direct grant funding will remain at a similar level for the next six years.

3. Road Project Grants.

Each local government in Western Australia is included in an appropriate region as defined by the State Road Funds to Local Government Advisory Committee, known as Regional Road Groups.

The State Road Funds to Local Government Advisory Committee allocates funds for road projects to each Regional Road Group. Allocations are based on a five year program. Each year, the State Road Funds to Local Government Advisory Committee provides Regional Road Groups with an indicative funding level for Road Project Grants.

Road Project Grants may be used for road related works (i.e. street lighting) that the Regional Road Group wishes to undertake, provided it is assessed and prioritised against other road projects in the region and the State Road Funds to Local Government Advisory Committee approval is given.

The Regional Road Group will determine project priorities and Local Governments shall accept these funding priorities.

Table 6.

RRG FUNDING	ACTUAL				FORECAST			
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	200,808	223,934	203,287	263,078	190,000	210,000	210,000	220,000

3.5 Black Spot Program

The Black Spot Program is part of the commitment to reduce crashes on Australian roads. Black Spot projects target those road locations where crashes are occurring. Black Spot Programs directly target improvements to the safety of roads with proven crash history or high-risk locations. Funding for the programs is mainly focused on cost-effective treatment of hazardous road locations, such as traffic signals and roundabouts at dangerous locations, to reduce the risk of crashes.

All road classifications are eligible for funding, including State roads, local roads and the National Land Transport Network roads. The program targets existing black spots and black lengths and also potential hazardous locations. Black spots can be at an intersection, mid block or short sections of road and black lengths are lengths of road three or more kilometres long. Black spots and black lengths are selected on the basis of recorded history, while potentially hazardous locations are selected on the basis of formal road safety audits.

The program is based on the following allocation of funds:

- ➔ Fifty percent will be spent on roads in the Perth Metropolitan Region;
- ➔ Fifty percent will be spent on rural roads including country towns and cities;
- ➔ Fifty per cent of the total program funding will be dedicated to local roads. Main Roads and Local Government will contribute funds to this component of the program on a 2:1 (Main Roads : Local Government) basis; and
- ➔ Up to fifty per cent of the total program funding will be provided for projects at hazardous locations identified by a road safety audit. However, in the case of local roads this proportion may be increased to one hundred per cent to suit the needs as recommended

by the Regional Road Groups. Similarly non metropolitan State roads may have up to one hundred percent of funding provided for projects at hazardous locations identified by a Road Safety Audit if recommended by the Main Roads Executive Director Road Network Services.

Proposals for treatments on local roads (roads under the care and control of Local Government) is evaluated through Regional Road Groups and Main Roads (joint assessment) with assistance, as required, by local Western Australia Local Government Association (WALGA) RoadWise Regional Road Safety Officers and managed by the State Road Funds to Local Government Advisory Committee through those groups.

Table 7

BLACK SPOT FUNDING	ACTUAL				FORECAST			
	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
	\$	\$	\$	\$	\$	\$	\$	\$
York	142,000	120,000	0	124,127	60,000	60,000	60,000	40,000

3.6 Regional and Local Community Infrastructure Program

On 18 June 2010, the Australian Government made an additional \$100 million available to boost the Regional and Local Community Infrastructure Program (RLCIP). This investment is intended to support local jobs and provide long-term benefits to communities by assisting Councils to build and modernise local infrastructure. Round 3 of the RLCIP provides a non-competitive, direct allocation of \$100 million to be shared amongst all local governments.

Eligible projects must be additional or additional stages of current projects, and represent value for money. Funding cannot be used for operational costs.

3.6 Other Grants and Capital Contributions

The following contributions have been incorporated in the Plan:

Table 8

2010/2011		
Source of Funding	Purpose	Amount \$
Developer Contributions	Construction of subdivisional roads	\$46,386
Developer Contributions	Construction of footpaths	\$76,000
LotteryWest	York Town Hall Disabled Access	\$20,000
LotteryWest	York Town Hall Patching & Painting	\$131,000
LotteryWest	Construction of York Convention & Sporting Complex	\$100,000
WA Government Crime Prevention	York Youth Centre	\$20,000
Department of Sport & Recreation	York Netball Court Lighting	\$50,000
Bendigo Bank	York Town Hall Disabled Access	\$50,000
Regional and Local Community infrastructure Program	York Town Hall Disabled Access	\$30,000

Table 9

2011/2012		
Source of Funding	Purpose	Amount \$
Developer Contributions	Construction of subdivisional roads	\$30,000
Developer Contributions	Construction of footpaths	\$30,000
LotteryWest	Construction of York Walk Trails	\$90,000
LotteryWest	Construct skate park	\$40,000
Department of Sport & Recreation	Construction of Multi-Purpose Courts & Other Infrastructure	\$450,000
Department of Water	Construction of fencing to Waste Transfer Facility	\$30,000
Australian Government ANZAC Memorial Fund	New seating & lighting to ANZAC Memorial	\$10,000
York Community	Contribution towards construction of York Convention & Sporting Complex	\$100,000
Developer Public Open Space Contributions	Installation of new play equipment at Candice Bateman Park	\$70,000

Table 10

2012/2013		
Source of Funding	Purpose	Amount \$
Developer Contributions	Construction of subdivisional roads	\$60,000
Developer Contributions	Construction of footpaths	\$30,000
WA Local Government Grants Commission	Widen and Resurface of Quellington Bridge	\$280,000
LotteryWest	Construct Mount Brown Walk Trail	\$30,000
LotteryWest	Installation of new play equipment at York Sporting Complex playground	\$35,000
Department of Sport & Recreation	Installation of Security System & Lighting York Sporting Complex	\$20,000
Department of Sport & Recreation	Construction of Storage Areas	\$40,000
Department of Sport & Recreation	Upgrade to Pool Bowl and Wet Deck Area	\$233,000

Table 11

2013/2014		
Source of Funding	Purpose	Amount \$
Developer Contributions	Construction of subdivisional roads	\$60,000
Developer Contributions	Construction of footpaths	\$30,000
Developer Contributions	Construction of Storm Water Drainage Systems	\$250,000
LotteryWest	Installation of new play equipment Avon Park	\$35,000
LotteryWest	Construction of Forest Walk Trail	\$50,000
LotteryWest	Upgrade to Stage & Change-Rooms York Town Hall – Stage 1	\$125,000
Commonwealth Funding	Refurbishment of Swinging Bridge	\$60,000

Table 12

2014/2015		
Source of Funding	Purpose	Amount \$
Developer Contributions	Construction of subdivisional roads	\$60,000
Developer Contributions	Construction of footpaths	\$30,000
Developer Contributions	Construction of Storm Water Drainage Systems	\$150,000
LotteryWest	Upgrade to Stage & Change-Rooms York Town Hall – Stage 2	\$125,000

4.0 FINANCIAL CAPACITY

The forecast revenues and expenditures for the Shire of York are based on the following assumptions.

- (1) CPI indexation of 3.0% from 2011/12 for operational revenue and expenditure.
- (2) Wage Price Index Growth of 3.0% from 2011/12.
- (3) Natural growth of 1%.
- (4) General Purpose Grants to increase by 5% per annum.
- (5) Local Road Grants to increase by 5% per annum.
- (6) Roads to Recovery Grants to remain constant beyond 2011/12.
- (7) Country Local Government Fund Individual local government allocation – no funding beyond 2012/13. Estimated \$55.5Million pool funding per year for 2011/12 and 2012/13.
- (8) Country Local Government Fund Regional groupings allocation – funding has been incorporated in 2010/11 on the basis that the Shire of York is part of a Regional Transitional Group, SEARTG, if applicable to a regional project.
- (9) All current services and facilities are to be retained with no reduction in service levels.

4.1 Operating Statement

Table 7 below reveals total funds available, from all sources, for expenditure on asset renewal, expansion and development of new assets.

Table 13.

OPERATING STATEMENT	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue	\$	\$	\$	\$	\$	\$	\$	\$
General Purpose '-Rates	2,683,574	2,877,169	3,048,721	3,294,088	3,455,267	3,616,756	3,762,321	3,864,238
General Purpose '-Grants	1,224,043	1,584,186	1,344,792	896,938	2,547,960	1,700,247	1,369,432	1,437,904
General Purpose '-Other	49,740	49,740	49,740	274,293	247,477	531,335	255,219	259,130
Governance	46,443	249,232	400,787	166,550	16,250	16,250	16,250	16,250
Law, Order, Public Safety	345,205	60,978	181,540	418,875	68,835	68,835	68,835	68,835
Health	19,121	25,808	18,532	56,800	57,700	58,627	59,582	60,565
Education and Welfare	20,048	19,526	19,843	22,029	22,690	23,371	24,072	24,794
Community Amenities	611,835	588,902	661,876	618,092	609,774	589,801	611,115	628,337
Recreation and Culture	165,521	104,272	1,007,264	1,399,927	894,642	866,650	694,132	376,456
Transport	801,343	1,434,881	1,102,938	1,034,949	783,704	836,209	1,088,788	981,446
Economic Services	375,732	53,161	134,048	130,500	124,055	277,777	131,610	135,558
Other Property and Services	207,691	166,298	275,307	129,235	126,692	130,253	133,920	137,698
TOTAL REVENUE	6,550,296	7,214,153	8,245,388	8,442,276	8,955,045	8,716,110	8,215,277	7,991,211
Expenditure								
General Purpose	(180,635)	(135,331)	(97,130)	(191,499)	(183,465)	(188,573)	(193,864)	(199,315)
Governance	(349,247)	(409,989)	(514,697)	(1,024,748)	(381,344)	(392,613)	(404,220)	(416,176)
Law, Order, Public Safety	(328,508)	(305,113)	(326,266)	(420,624)	(430,558)	(440,789)	(451,328)	(462,182)
Health	(158,134)	(186,076)	(183,433)	(330,397)	(335,342)	(345,063)	(355,075)	(365,388)
Education and Welfare	(70,639)	(56,048)	(59,373)	(83,708)	(78,258)	(80,029)	(81,854)	(83,733)
Community Amenities	(824,574)	(908,634)	(1,005,176)	(1,271,343)	(1,156,693)	(1,189,540)	(1,223,528)	(1,258,504)
Recreation and Culture	(949,565)	(1,040,248)	(1,192,419)	(1,512,445)	(1,794,068)	(1,901,200)	(1,934,824)	(1,961,928)
Transport	(4,153,452)	(1,291,581)	(1,472,122)	(1,214,108)	(1,226,417)	(1,263,479)	(1,225,253)	(1,262,589)
Economic Services	(339,350)	(321,241)	(496,008)	(473,094)	(461,716)	(474,916)	(488,511)	(492,715)
Other Property and Services	(468,385)	(149,632)	(267,966)	(87,550)	(80,339)	(82,751)	(85,234)	(87,790)
TOTAL EXPENDITURE	(7,822,489)	(4,803,893)	(5,614,590)	(6,609,516)	(6,128,199)	(6,358,952)	(6,443,691)	(6,590,320)
Change in Net Assets resulting								
From Operations Surplus/(Deficit)	(1,272,193)	2,410,260	2,630,798	1,832,760	2,826,846	2,357,158	1,771,586	1,400,892
Plus Non Cash Items								
(Profit)/Loss on Disposal of Assets	(336,600)	(5,919)	(80,821)	0	0	0	0	0
Proceeds from Sale of Assets	505,136	127,577	251,867	994,401	297,200	1,111,000	981,200	325,700
Depreciation Written Back	4,028,946	1,116,696	1,103,167	934,970	935,124	935,124	935,124	935,124
Self Supporting Loan income	9,895	7,799	8,363	8,968	9,617	10,313	11,060	11,860
Other	(21,297)	6,477	3,108	0	0	0	0	0
Net Transfer (To)/From Reserves	(142,661)	(779,255)	(21,494)	1,601,970	107,767	(72,869)	(75,869)	37,195
Net Principal Loan Repayments	(36,533)	(7,799)	(8,363)	(52,882)	(176,554)	(242,536)	(264,813)	(282,893)
Proceeds from New Loans	0	0	0	2,130,500	1,984,155	330,000	0	0
Plant and Equipment Purchases	(647,936)	(400,620)	(772,030)	(868,640)	(831,900)	(557,400)	(672,800)	(487,400)
Furniture and Equipment Purchases	(38,804)	(50,384)	(69,919)	(115,600)	(31,000)	(36,000)	(46,000)	(36,000)
Tools & Equipment Purchases	0	0	0	0.00	(3,000)	(3,000)	(3,000)	(3,000)
Opening Surplus/(Deficit)	483,399	544,066	1,146,781	750,473	0	0	0	0
Closing (Surplus)/Deficit	(544,066)	(1,146,781)	(750,473)	0	0	0	0	0
Total Funds Available for Infrastructure Asset Investment	1,987,286	1,822,117	3,440,984	7,216,920	5,118,255	3,831,790	2,636,488	1,901,478

Note: The table above has been compiled on a balanced budget approach. No surpluses or deficits have been taken into account.

4.2 Infrastructure Expenditure compared to Total Asset Value

Table 14.

INFRASTRUCTURE EXPENDITURE	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
Infrastructure Expenditure	2,674,026	2,273,121	4,282,933	8,201,160	6,170,500	4,456,239	3,437,639	2,525,239
Value of Assets (Property, Plant, Equipment and Infrastructure)	21,322,683	22,357,449	59,592,274	65,864,063	70,802,239	73,212,354	74,733,669	75,998,084
% of Funds Available For Infrastructure Asset Investment	9.28%	8.12%	13.67%	12.45%	8.72%	6.09%	4.60%	3.32%

Note: The infrastructure expenditure forecasts in Table 14 reflects the estimated expenditure, whereas Table 13 reflects the discretionary funds available to be spent on infrastructure.

4.3 Annual Depreciation compared to Total Asset Value

Table 15

DEPRECIATION	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
Annual Depreciation	4,028,946	1,116,696	1,103,167	934,970	935,124	935,124	935,124	935,124
Value of Assets (Property, Plant, Equipment and Infrastructure)	21,415,177	22,445,618	25,178,744	65,864,063	70,802,239	73,212,354	74,733,669	75,998,084
% of Depreciation to Value of Assets	18.81%	4.98%	4.38%	1.42%	1.32%	1.28%	1.25%	1.23%

4.4 Road Asset Expenditure

Table 16

ROAD ASSETS EXPENDITURE	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
Required Preservation Expenditure	2,582,000	2,819,000	Data Not Available					
Percent	5.4%	5.9%	Data Not Available					
Expenditure On Preservation	1,307,000	2,096,000	Data Not Available					
Percent	2.7%	4.4%	Data Not Available					
Total Value of Road Infrastructure	11,533,143	12,559,776	47,858,444					

Note: The value of road infrastructure for 2007/08 and 2008/09 financial years was understated as a result of the Shire of York over-depreciating its road assets. The Shire in June 2009 engaged an engineering consultant to undertake a revaluation of the Shires infrastructure with the results being reflected in the 2009/2010 financial year. For the purpose of calculating the percentage of expenditure on preservation, the 2009/2010 figures were used.

4.5 Loan Borrowings

Table 17

LOAN BORROWINGS	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
Existing Debt - Council Works	0	0	0	-43,914	1,919,649	3,671,581	3,747,828	3,476,795
Existing Debt - Self Supporting	74,229	66,430	58,067	49,099	39,482	29,169	18,109	6,249
New Loans - Council Works	0	0	0	2,130,500	1,984,155	330,000	0	0
New Loans - Self Supporting	0	0	0	0	0	0	0	0
TOTAL DEBT	74,229	66,430	58,067	2,135,685	3,943,286	4,030,750	3,765,937	3,483,044

4.6 Reserve Funds

Table 18

RESERVE FUNDS	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
Cashed Back Reserves	2,034,539	2,813,794	2,835,288	1,233,318	1,125,551	1,198,420	1,274,289	1,237,094

4.7 Financial Position

Table 19

FINANCIAL POSITION	ACTUAL			FORECAST				
	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
	\$	\$	\$	\$	\$	\$	\$	\$
-Equity	23,791,345	26,201,605	63,058,509	64,891,269	67,718,115	70,075,273	71,846,859	73,247,750
-Current Assets	3,313,428	4,616,161	4,233,309	Breakdown not available				
-Current Liabilities	(840,461)	(767,655)	(773,682)	Breakdown not available				
Net Current Assets/Liabilities	2,472,967	3,848,506	3,459,627	1,115,547	811,818	846,324	831,782	685,366
-Non Current Assets	21,415,177	22,445,618	25,265,878	65,942,834	70,881,010	73,291,125	74,812,440	76,076,855
-Non Current Liabilities	(96,799)	(92,519)	(80,526)	(2,167,112)	(3,974,713)	(4,062,177)	(3,797,364)	(3,514,471)

4.8 Financial Ratios

Table 20

RATIOS	BENCH MARK	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	AVERAGE
Current	1.0>	1.74	2.49	1.97	Insufficient data to calculate					2.12
Debt	<1.0	0.04	0.03	0.01	0.03	0.06	0.05	0.05	0.05	0.04
Debt Service	<0.10	0.01	0.00	0.00	Insufficient data to calculate					0.01
Rate Coverage	0.27>	0.42	0.40	0.37	0.52	0.43	0.47	0.50	0.52	0.46
Outstanding Rates	<0.05	0.07	0.09	0.09	Insufficient data to calculate					0.08
Gross Debt to Revenue	<0.60	0.01	0.01	0.01	0.34	0.49	0.52	0.49	0.47	0.33
Untied Cash to Trade Creditors	1.0>	1.29	3.31	0.51	Insufficient data to calculate					2.30
Gross Debt to Economically Realisable Assets	<0.30	0.01	0.01	0.01	Insufficient data to calculate					0.01

4.9 Financial Analysis

In analysing the financial capacity of the Shire, the following conclusions have been derived:

(1) Table 13 – Operating Revenue and Expenditure

For the financial years 2011/12 to 2012/13 the Royalties for Regions grants through the Country Local Government Fund will increase the revenue capacity of the Shire of York.

The operating expenditure is expected to remain relatively constant over the forecast period.

The data reveals that a reduction in Royalties for Regions Country Local Government Fund Individual grants will have a direct impact on the capital expenditure program of the Shire.

The change in net assets resulting from operations is impacted by the reduction in the Royalties for Regions grants and an increase in rates by 5%.

The dependency upon rates will increase by 15% over the forecast period.

Funding of the capital expenditure program is reliant on new loan borrowings, reserve fund and grant funding.

(2) Table 14 – Infrastructure Expenditure

The increased expenditure on infrastructure is dependent upon the Royalties for Regions grant up to 2012/13. In 2014/15 the expenditure on infrastructure is approximately 3.32%, which is below the predicted average preservation level of 5.65%.

(3) Table 15 – Depreciation on Infrastructure Assets

The depreciation on infrastructure of 1.23% is lower than the predicted average asset preservation expenditure level of 5.65% detailed in table 16.

(4) Table 16 – Road Asset Expenditure

This is external data provided by the Western Australian Local Government Association, which states that the predicted average asset preservation expenditure level is approximately 5.65%. To be read in conjunction with tables 14 and 15.

(5) Table 17 – Loan Borrowings

It is anticipated that the Shire will borrow \$1,985,155 in 2011/12 and \$330,000 in 2012/13.

The Shire's debt levels need to reduce in the long term in order that its capacity to access further loan borrowing will not be impeded.

(6) Table 18 – Reserve Funds

It is forecast that over the life of the Plan, Reserve Funds will remain relatively constant.

(7) Table 19 – Financial Position

The liquidity of the Shire is projected to decrease over the forecast period.

Non-current liabilities will increase substantially up to 2012/13, and then start to reduce as loan repayments are made.

The value of non-current assets will increase as a result of further investment in capital expenditure on infrastructure.

(8) Table 20 – Financial Ratios

Whilst the table is incomplete, the analysis of the projected financial ratios of the Shire indicate that over the forecast period it will be increasing its debt ratios when compared to the benchmark ratios.

5.0 CAPITAL WORKS PROGRAM

The Annual Budget links the achievements within the overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Strategic Plan), medium term (Plan for the Future), and short term (Annual Budget).

The preparation of the budget begins with Officers preparing the operating and capital components of the budget. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings. A proposed Budget is prepared in accordance with the Act and submitted to Council for approval.

The Capital Works Program for the five year period is as follows.

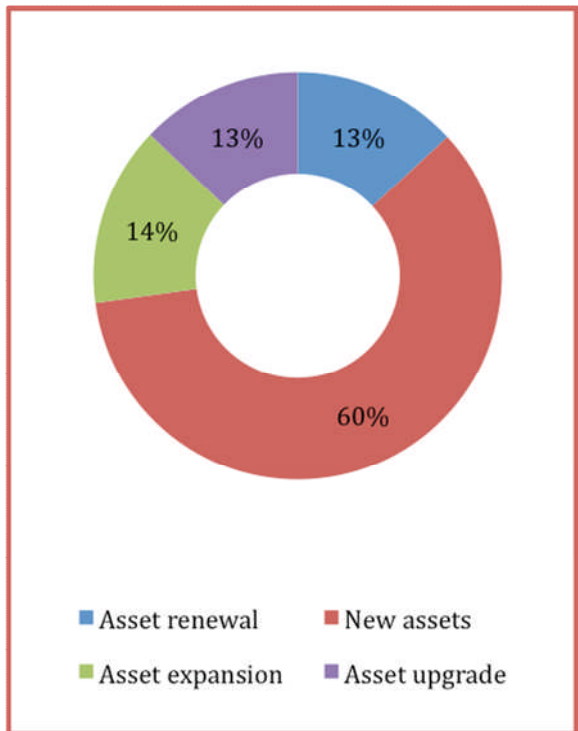
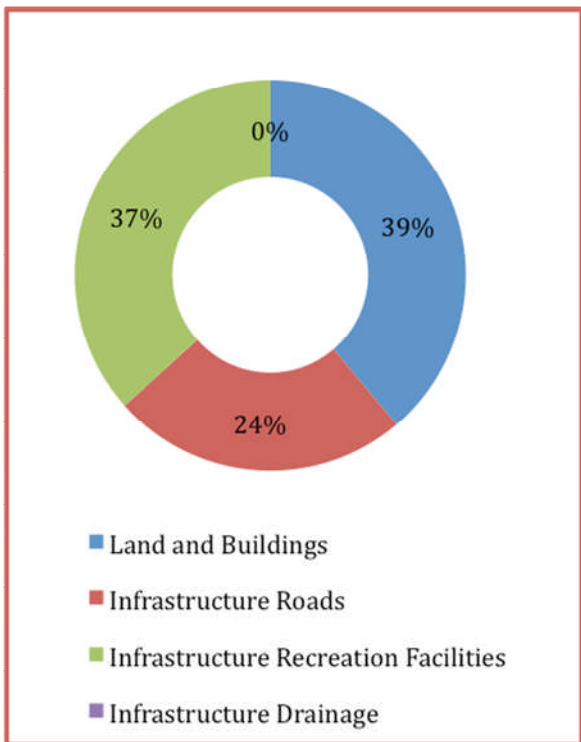
5.1 New Works 2010/11

CAPITAL WORKS AREA	PROJECT COST (\$)
ROADS, FOOTPATHS & OTHER	
Asset Renewal	
Local roads	137,656
Bridges	8,000
Total asset renewal	145,656
New Assets	
Local Roads	60,000
Footpaths	86,000
Total new assets	146,000
Asset Expansion	
Local Roads	82,567
Regional Road Group	394,620
Roads to Recovery	297,275
Street Lighting	15,000
Total asset expansion	789,462
Asset Upgrade	
Local Roads	301,000
Regional Road Group	186,190
Royalties for Regions	54,500
Car Parks	134,029
Total asset upgrades	675,719
TOTAL ROADS, FOOTPATHS & OTHER	1,756,837

CAPITAL WORKS AREA	PROJECT COST (\$)
BUILDINGS	
Asset renewal	
Community Facilities	381,000
Recreation Facilities	114,604
Total asset renewal	495,604
New assets	
Recreation Facilities	170,000
Community Facilities	1,684,000
Total new assets	1,854,000
Asset expansion	
Community Facilities	201,000
Waste Facilities	9,000
Total asset expansion	210,000
Asset Upgrade	
Municipal Offices	200,000
Aged Care Facilities	14,500
Total asset upgrade	214,500
TOTAL BUILDINGS	2,774,104
RECREATION	
Asset renewal	
Playing Fields	280,000
Parks & Reserves	15,000
Total asset renewal	295,000
New assets	
Playing Fields	2,270,000
Total new assets	2,270,000
Asset expansion	
Playing Fields	15,000
Parks & Reserves	10,000
Total asset expansion	25,000
Asset upgrade	
Parks & Reserves	28,000
Total asset upgrades	28,000
TOTAL RECREATION	2,618,000
TOTAL DRAINAGE	0
TOTAL CAPITAL WORKS	7,148,941

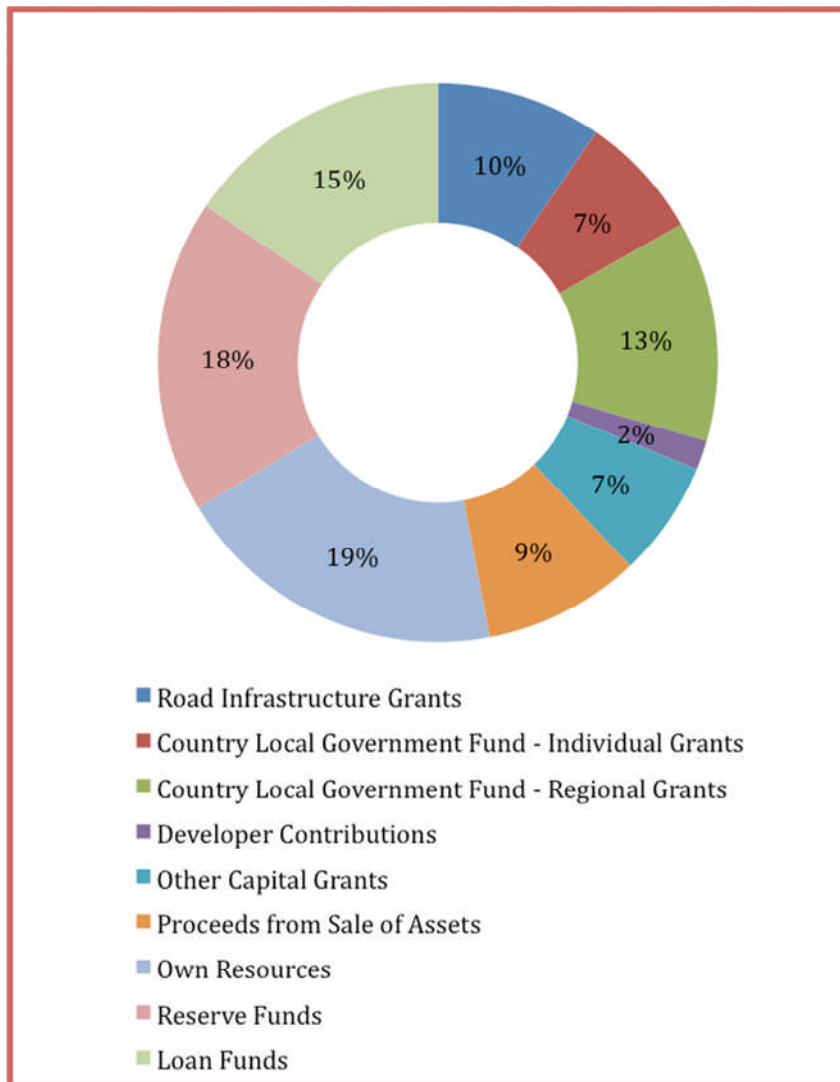
This section analyses the planned Capital Expenditure for the 2010/2011 financial year, and the sources of funding.

CAPITAL WORKS AREA	ESTIMATES \$
Land and Buildings	2,774,104
Infrastructure Roads	1,756,837
Infrastructure Recreation Facilities	2,618,000
Infrastructure Drainage	0
Total Capital Works	<u>7,148,941</u>
Represented by:	
Asset renewal	936,260
New assets	4,270,000
Asset expansion	1,024,462
Asset upgrade	918,219
Total Capital Works	<u>7,148,941</u>



SOURCES OF FUNDING **ESTIMATED**
\$

External	
Road Infrastructure Grants	684,480
Country Local Government Fund - Individual Grants	514,604
Country Local Government Fund - Regional Grants	910,000
Developer Contributions	122,386
Other Capital Grants	481,000
Proceeds from Sale of Assets	650,000
	3,362,470
Internal	
Own Resources	1,378,471
Reserve Funds	1,298,000
Loan Funds	1,110,000
	3,786,471
Total Funding Sources	7,148,941



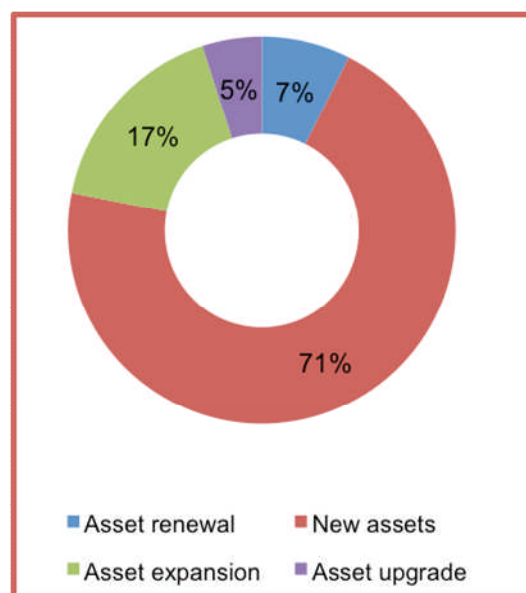
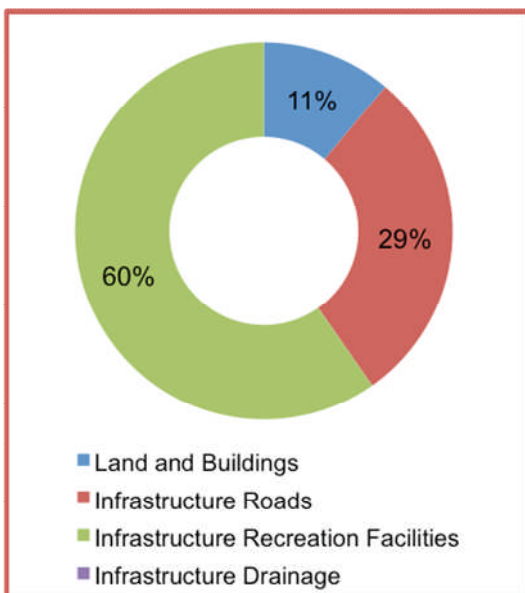
5.2 New Works 2011/12

CAPITAL WORKS AREA	PROJECT COST (\$)
ROADS, FOOTPATHS & OTHER	
Asset Renewal	
Local roads	265,000
Roads to Recovery	100,000
Total asset renewal	365,000
New Assets	
Local roads	60,000
Footpaths	130,000
Total new assets	190,000
Asset Expansion	
Local Roads	244,161
Regional Road Group	285,000
Roads to Recovery	198,839
Total asset expansion	728,000
Asset Upgrade	
Local Roads	155,000
Regional Road Group	90,000
Car Parks	18,000
Total asset upgrades	263,000
TOTAL ROADS, FOOTPATHS & OTHER	1,546,000
BUILDINGS	
Asset renewal	
Municipal Offices	10,000
Community Facilities	8,000
Total asset renewal	18,000
New assets	
Recreation Facilities	80,000
Community Facilities	7,000
Housing	340,000
Total new assets	427,000
Asset expansion	
Community Facilities	100,000
Waste Facilities	45,000
Total asset expansion	145,000
TOTAL BUILDINGS	590,000

CAPITAL WORKS AREA	PROJECT COST (\$)
RECREATION	
Asset renewal	
Parks & Reserves	10,000
Total asset renewal	10,000
New assets	
Playing Fields	2,933,600
Parks & Reserves	80,000
Walk Trails	120,000
Total new assets	3,133,600
Asset expansion	
Parks & Reserves	25,000
Total asset expansion	25,000
TOTAL RECREATION	3,168,600
TOTAL CAPITAL WORKS	5,304,600

This section analyses the planned Capital Expenditure for the 2011/2012 financial year, and the sources of funding.

CAPITAL WORKS AREA	ESTIMATES \$
Land and Buildings	590,000
Infrastructure Roads	1,546,000
Infrastructure Recreation Facilities	3,168,600
Infrastructure Drainage	0
Total capital works	5,304,600
Represented by:	
Asset renewal	393,000
New assets	3,750,600
Asset expansion	898,000
Asset upgrade	263,000
Total capital works	5,304,600



SOURCES OF FUNDING

ESTIMATES
\$

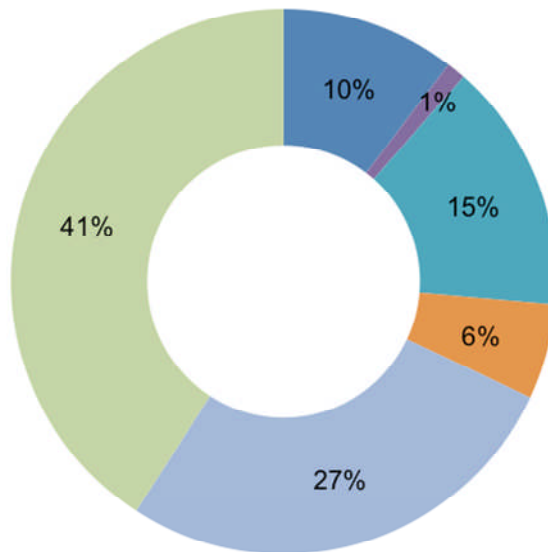
External

Road Infrastructure Grants	548,839
Country Local Government Fund - Individual Grants	0
Country Local Government Fund - Regional Grants	0
Developer Contributions	60,000
Other Capital Grants	790,000
Proceeds from Sale of Assets	300,000
Total External Funding Sources	1,698,839

Internal

Own Resources	1,435,261
Reserve Funds	0
Loan Funds	2,170,500
Total Internal Funding Sources	3,605,761

Total Funding Sources 5,304,600



- Road Infrastructure Grants
- Other Capital Grants
- Own Resources
- Developer Contributions
- Proceeds from Sale of Assets
- Loan Funds

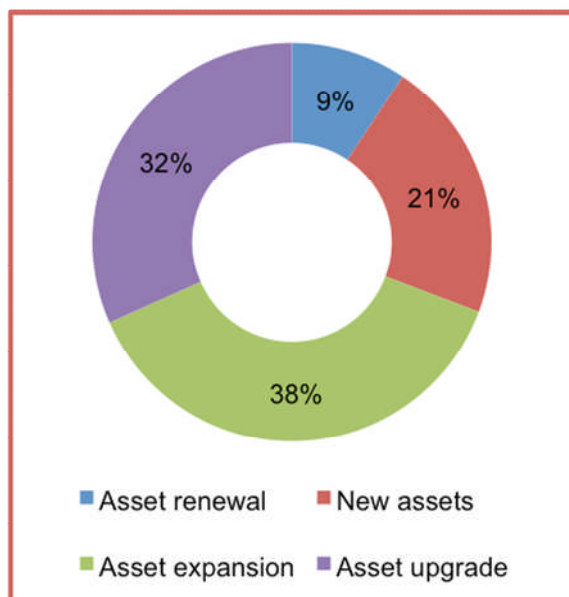
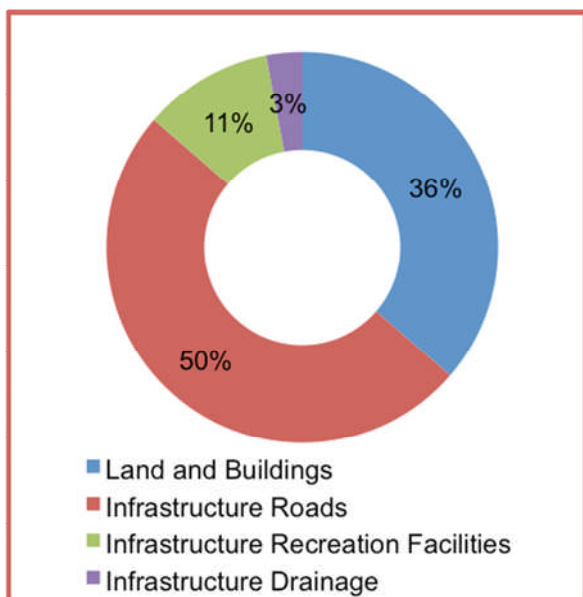
5.3 New Works 2012/13

CAPITAL WORKS AREA	PROJECT COST (\$)
ROADS, FOOTPATHS & OTHER	
Asset Renewal	
Local Roads	290,000
Roads to Recovery	70,000
Total asset renewal	360,000
New Assets	
Local roads	60,000
Footpaths	130,000
Land acquisition for raw materials purposes	200,000
Total new assets	390,000
Asset Expansion	
Local Roads	150,000
Regional Road Group	315,000
Roads to Recovery	228,839
Total asset expansion	693,839
Asset Upgrade	
Local Roads	214,000
Regional Road Group	90,000
Bridges	280,000
Total asset upgrades	584,000
TOTAL ROADS, FOOTPATHS & OTHER	2,027,839
BUILDINGS	
Asset renewal	
Municipal Offices	10,000
Total asset renewal	10,000
New assets	
Community Facilities	7,000
Housing	340,000
Total new assets	347,000
Asset expansion	
Recreation Facilities	90,000
Community Facilities	330,000
Total asset expansion	420,000
Asset Upgrade	
Recreation Facilities	700,000
Total asset upgrade	700,000
TOTAL BUILDINGS	1,477,000
RECREATION	
Asset renewal	
Parks & Reserves	10,000
Total asset renewal	10,000

CAPITAL WORKS AREA	PROJECT COST (\$)
RECREATION (Continued)	
New assets	
Parks & Reserves	130,000
Total new assets	130,000
Asset expansion	
Playing Fields	270,000
Parks & Reserves	25,000
Total asset expansion	295,000
TOTAL RECREATION	435,000
DRAINAGE	
Asset expansion	
Town Streets	120,000
Total asset expansion	120,000
TOTAL DRAINAGE	120,000
TOTAL CAPITAL WORKS	4,059,839

This section analyses the planned Capital Expenditure for the 2012/2013 financial year, and the sources of funding.

CAPITAL WORKS AREA	ESTIMATES \$
Land and Buildings	1,477,000
Infrastructure Roads	2,027,839
Infrastructure Recreation Facilities	435,000
Infrastructure Drainage	120,000
Total capital works	4,059,839
Represented by:	
Asset renewal	380,000
New assets	867,000
Asset expansion	1,528,839
Asset upgrade	1,284,000
Total capital works	4,059,839



SOURCES OF FUNDING

ESTIMATES

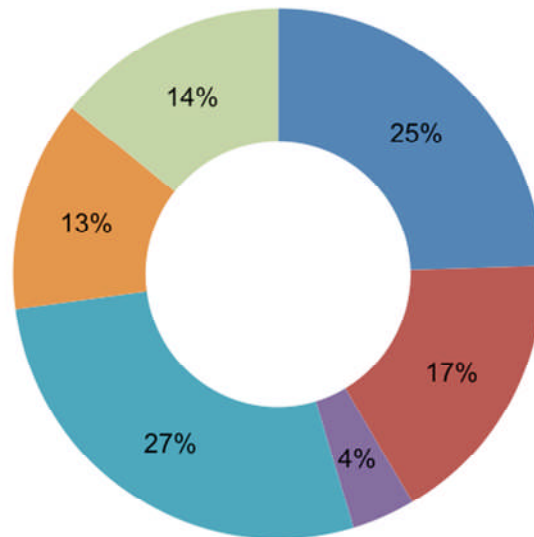
\$

External

Road Infrastructure Grants	568,839
Country Local Government Fund - Individual Grants	395,845
Country Local Government Fund - Regional Grants	0
Developer Contributions	90,000
Other Capital Grants	638,000
Proceeds from Sale of Assets	300,000
Total External Funding Sources	1,992,684

Internal

Own Resources	1,737,155
Reserve Funds	0
Loan Funds	330,000
Total Internal Funding Sources	2,067,155
Total Funding Sources	4,059,839



- Road Infrastructure Grants
- Country Local Government Fund - Individual Grants
- Developer Contributions
- Other Capital Grants
- Proceeds from Sale of Assets
- Own Resources
- Loan Funds

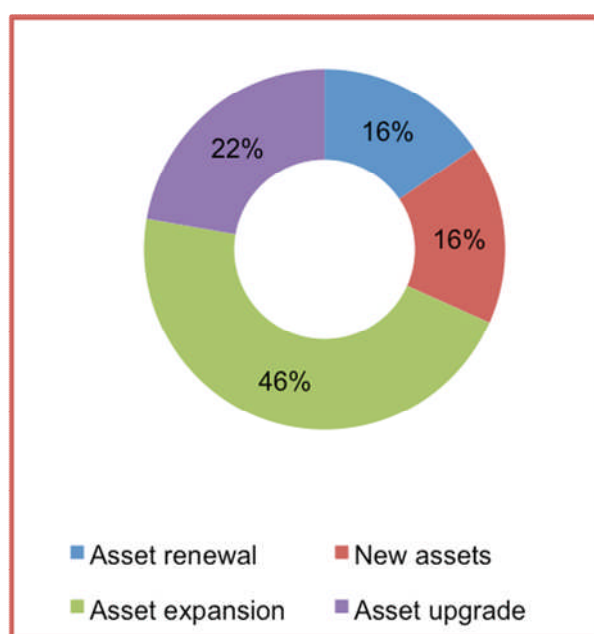
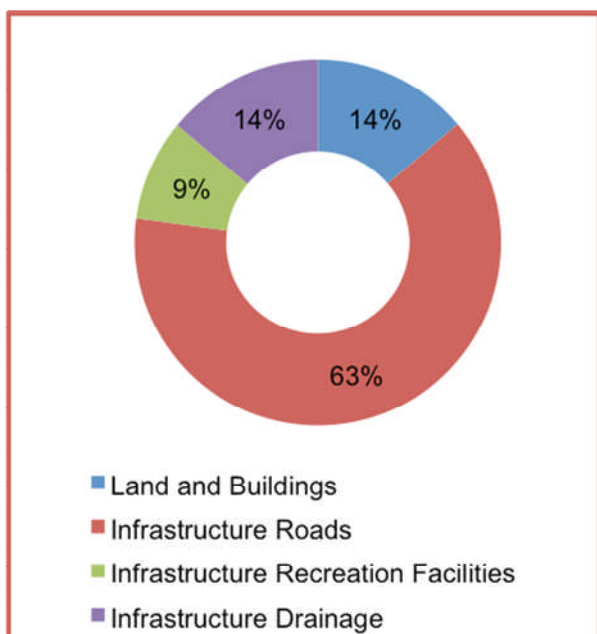
5.4 New Works 2013/14

CAPITAL WORKS AREA	PROJECT COST (\$)
ROADS, FOOTPATHS & OTHER	
Asset Renewal	
Local roads	300,000
Total asset renewal	300,000
New Assets	
Local roads	60,000
Footpaths	130,000
Total new assets	190,000
Asset Expansion	
Local Roads	220,000
Regional Road Group	315,000
Roads to Recovery	298,839
Develop land for raw materials extraction	60,000
Total asset expansion	893,839
Asset Upgrade	
Local Roads	120,000
Regional Road Group	90,000
Total asset upgrades	210,000
TOTAL ROADS, FOOTPATHS & OTHER	1,593,839
BUILDINGS	
Asset renewal	
Municipal Offices	10,000
Community Facilities	70,000
Total asset renewal	80,000
New assets	
Municipal Offices	10,000
Community Facilities	7,000
Total new assets	17,000
Asset expansion	
Community Facilities	250,000
Total asset expansion	250,000
TOTAL BUILDINGS	347,000
RECREATION	
Asset renewal	
Parks & Reserves	10,000
Total asset renewal	10,000
New assets	
Parks & Reserves	80,000
Walk Trails	120,000
Total new assets	200,000

CAPITAL WORKS AREA	PROJECT COST (\$)
RECREATION (Continued)	
Asset expansion	
Parks & Reserves	15,000
Total asset expansion	15,000
TOTAL RECREATION	225,000
DRAINAGE	
Asset upgrade	
Town Streets	350,000
Total asset upgrade	350,000
TOTAL DRAINAGE	350,000
TOTAL CAPITAL WORKS	2,515,839

This section analyses the planned Capital Expenditure for the 2013/2014 financial year, and the sources of funding.

CAPITAL WORKS AREA	ESTIMATES \$
Land and Buildings	347,000
Infrastructure Roads	1,593,839
Infrastructure Recreation Facilities	225,000
Infrastructure Drainage	350,000
Total capital works	2,515,839
Represented by:	
Asset renewal	390,000
New assets	407,000
Asset expansion	1,158,839
Asset upgrade	560,000
Total capital works	2,515,839



SOURCES OF FUNDING

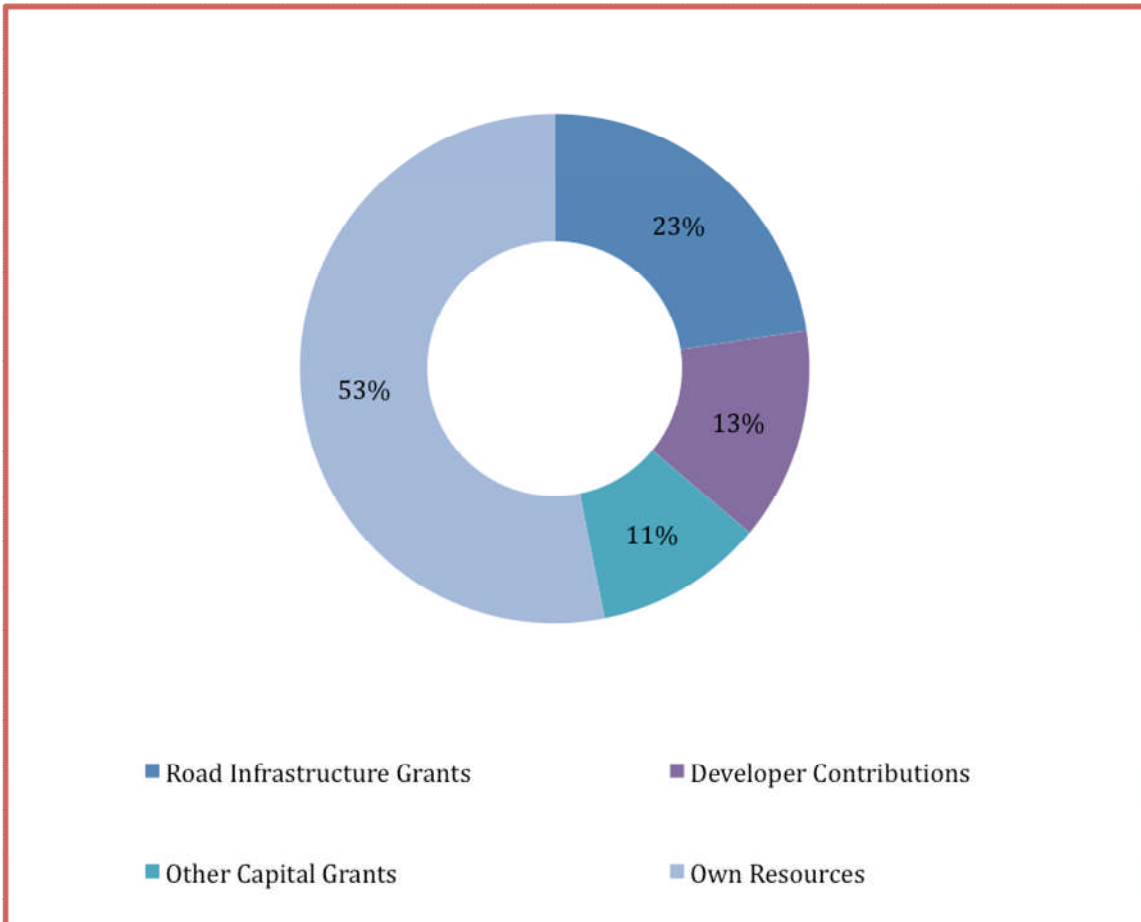
ESTIMATES
\$

External

Road Infrastructure Grants	568,839
Country Local Government Fund - Individual Grants	0
Country Local Government Fund - Regional Grants	0
Developer Contributions	340,000
Other Capital Grants	270,000
Proceeds from Sale of Assets	0
Total External Funding Sources	1,178,839

Internal

Own Resources	1,337,000
Reserve Funds	0
Loan Funds	0
Total Internal Funding Sources	1,337,000
Total Funding Sources	2,515,839

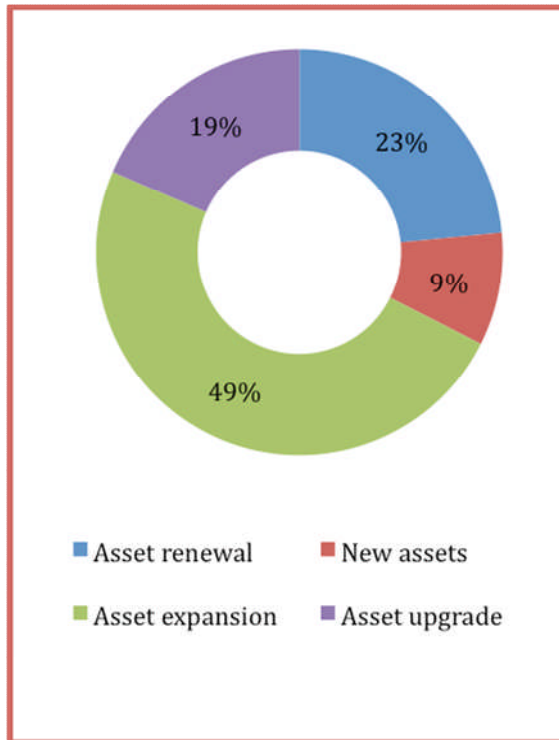
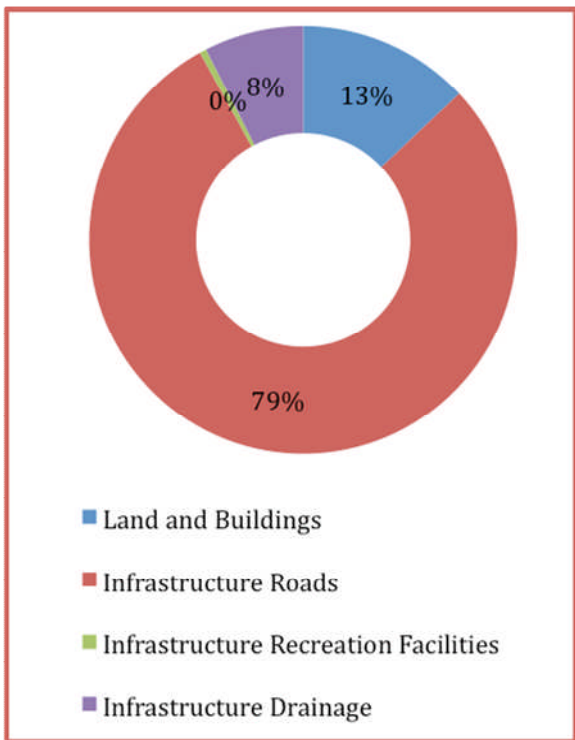


5.5 New Works 2014/15

CAPITAL WORKS AREA	PROJECT COST (\$)
ROADS, FOOTPATHS & OTHER	
Asset Renewal	
Local roads	448,839
Total asset renewal	448,839
New Assets	
Local roads	60,000
Footpaths	120,000
Total new assets	180,000
Asset Expansion	
Local Roads	140,000
Regional Road Group	330,000
Roads to Recovery	260,000
Total asset expansion	730,000
Asset Upgrade	
Local Roads	160,000
Regional Road Group	60,000
Total asset upgrades	220,000
TOTAL ROADS, FOOTPATHS & OTHER	1,578,839
BUILDINGS	
Asset renewal	
Municipal Offices	10,000
Total asset renewal	10,000
Asset expansion	
Community Facilities	250,000
Total asset expansion	250,000
TOTAL BUILDINGS	260,000
RECREATION	
Asset renewal	
Parks & Reserves	10,000
Total asset renewal	10,000
TOTAL RECREATION	10,000
DRAINAGE	
Asset upgrade	
Town Streets	150,000
Total asset upgrade	150,000
TOTAL DRAINAGE	150,000
TOTAL CAPITAL WORKS	1,998,839

This section analyses the planned Capital Expenditure for the 2014/2015 financial year, and the sources of funding.

CAPITAL WORKS AREA	ESTIMATES \$
Land and Buildings	260,000
Infrastructure Roads	1,578,839
Infrastructure Recreation Facilities	10,000
Infrastructure Drainage	150,000
Total capital works	1,998,839
Represented by:	
Asset renewal	468,839
New assets	180,000
Asset expansion	980,000
Asset upgrade	370,000
Total capital works	1,998,839



SOURCES OF FUNDING

ESTIMATES

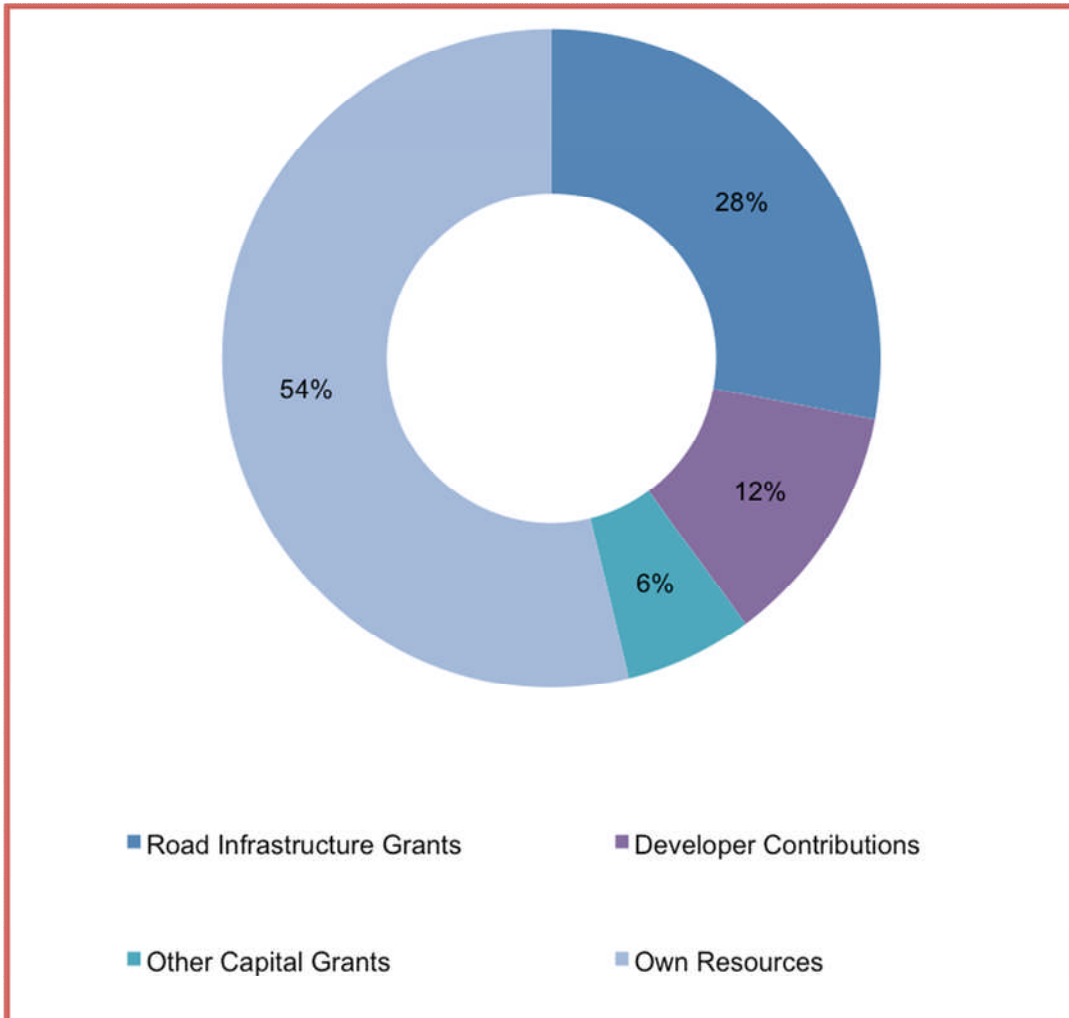
\$

External

Road Infrastructure Grants	558,839
Country Local Government Fund - Individual Grants	0
Country Local Government Fund - Regional Grants	0
Developer Contributions	240,000
Other Capital Grants	125,000
Proceeds from Sale of Assets	0
Total External Funding Sources	923,839

Internal

Own Resources	1,075,000
Reserve Funds	0
Loan Funds	0
Total Internal Funding Sources	1,075,000
Total Funding Sources	1,998,839



6.0 MAJOR INITIATIVES

For the purposes of this Plan, the infrastructure initiatives have been grouped as follows.

<u>Program Group</u>	<u>Sub-group</u>
Roads, Bridges and Footpaths	Roads Bridges Footpath construction
Drainage	Road drainage Urban stormwater management plan Other
Land	Acquisition for roads Gravel supplies
Buildings and Structures	Recreation buildings Administration & Municipal offices Depots Community buildings Housing
Recreation Facilities	Playing fields Parks and reserves Swimming pool Walk Trail Construction Other

6.1 Roads and Bridges

Council is responsible for the provision of road infrastructure including the sealing, the installation of kerbing and traffic facilities, bridges, street lighting and car parks for its townsites and rural areas.

Asset management provides for the necessary preventative maintenance to ensure the functionality and safety of its roads and bridges.

Objective and Strategic Plan Linkage:

To ensure the safety of traffic and to sustain the serviceability of roads and bridges, in accordance with the Shire's Strategic Objectives:

- ⇒ To have in place the infrastructure to enable the community to develop;
- ⇒ To meet community needs in terms of physical infrastructure and overall community services;
- ⇒ To provide and maintain high quality services and infrastructure in an efficient and cost effective way; and
- ⇒ To ensure a safe community environment.

Whole of Life Costing

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for the services covered in this Asset Class are as follows:

Table 21

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$589,720	\$641,719	\$647,521	\$680,080	\$645,735	\$665,105
Depreciation	\$511,904	\$312,911	\$312,911	\$312,911	\$312,911	\$312,911
Total	\$1,101,624	\$954,630	\$960,432	\$992,991	\$958,646	\$978,016

Maintenance of road infrastructure is funded from Council's operating budget and grants, where available. The future maintenance expenditure forecasts are based on feedback received from Council Officers. Maintenance expenditure levels are considered to be adequate and are at the maximum level that the Shire can afford. The Shire intends to prepare an Asset Management Plan in 2011, which will disclose the required maintenance expenditures at the identified service levels.

Risk Assessment

RISK RATING					
Likelihood	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	M	H	H	E	E
Likely	M	M	H	H	E
Possible	L	M	M	H	E
Unlikely	L	M	M	H	H
Rare	L	L	M	M	H

Risk Rating	Action Required
L Low Risk	Managed by Routine Procedures
M Medium Risk	Planned Action Required
H High Risk	Prioritised action required
E Extreme Risk	Immediate corrective action required

1. Finance Risk

The Plan reveals that there is a range of projects subject to external funding.

Roads to Recovery – The current funding program spans five financial years, expiring on 30 June 2014. It is anticipated that the program will continue.

Black-Spot – Projects are identified through the preparation of a road safety audit. The projects identified in the Plan fit the criteria and will be subject to funding.

Regional Road Group – Projects are identified by local governments through a project application submission process. Priorities from applications received are determined by the Regional Road Group based on the five year plans submitted by each local government within the Regional Road Group. The projects identified in the Plan fit the criteria and will be subject to funding.

Developer Contributions – Revenue subject to subdivisional and/or development approvals.

Risk Rating:

Low (Likelihood – Rare; Consequences – Minor)

2. Cost Overruns And Delays

The estimates prepared are based on the Shire's unit costs per kilometre and information supplied in relation to Roads to Recovery, Regional Road Group and Black-Spot programs.

Risk Rating:

Low (Likelihood – Rare; Consequences – Minor)

3. Site Risk

Allowances are made within the Shire's estimates for site specific risks including clay, rock and salt.

Risk Rating:

Low (Likelihood – Rare; Consequences – Minor)

Performance Measure

- (1) Length of roads and footpaths replaced and constructed each year.
- (2) Undertake annual inspection and condition assessment.

Table 22

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
ROADS TO RECOVERY GRANTS							
West Talbot Road	Expansion	\$0	\$297,275	\$60,000	\$0	\$0	\$0
Mokine Road	Expansion	\$0	\$0	\$120,000	\$0	\$0	\$0
Mokine Road	Expansion	\$0	\$0	\$0	\$50,000	\$0	\$0
Greenhills Road	Renewal	\$98,437	\$0	\$100,000	\$0	\$0	\$0
Greenhills South Road	Expansion	\$0	\$0	\$0	\$118,839	\$0	\$0
Greenhills South Road	Expansion	\$0	\$0	\$0	\$0	\$80,000	\$0
Talbot Road	Expansion	\$0	\$0	\$0	\$60,000	\$0	\$0
Talbot Road	Expansion	\$0	\$0	\$0	\$0	\$100,000	\$0
Talbot Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$70,000
Top Beverley Road	Renewal	\$61,183	\$0	\$0	\$70,000	\$0	\$0
Quellington Road	Expansion	\$0	\$0	\$0	\$0	\$118,839	\$0
Quellington Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$60,000
Quellington Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$130,000
SPECIAL GRANTS - RRG							
York - Tammin Road	Expansion	\$483,233	\$394,620	\$180,000	\$0	\$0	\$0
York - Tammin Road	Expansion	\$0	\$0	\$105,000	\$0	\$0	\$0
York - Tammin Road	Expansion	\$0	\$0	\$0	\$180,000	\$0	\$0
York - Tammin Road	Expansion	\$0	\$0	\$0	\$135,000	\$0	\$0
York - Tammin Road	Expansion	\$0	\$0	\$0	\$0	\$80,000	\$0
Spencers Brook Road	Expansion	\$0	\$0	\$0	\$0	\$235,000	\$0
Spencers Brook Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$120,000
Spencers Brook Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$210,000
BLACK SPOT (RRG)							
Projects require identification	Upgrade	\$0	\$0	\$90,000	\$0	\$0	\$0
Projects require identification	Upgrade	\$0	\$0	\$0	\$90,000	\$0	\$0
Projects require identification	Upgrade	\$0	\$0	\$0	\$0	\$90,000	\$0
Projects require identification	Upgrade	\$0	\$0	\$0	\$0	\$0	\$60,000

Mokine Rd	Upgrade	\$0	\$109,890	\$0	\$0	\$0	\$0
York - Tammin Rd	Upgrade	\$2,450	\$12,800	\$0	\$0	\$0	\$0
Spencers Brook Rd	Upgrade	\$0	\$33,700	\$0	\$0	\$0	\$0
Spencers Brook Rd	Upgrade	\$0	\$29,800	\$0	\$0	\$0	\$0
MUNICIPAL FUND ROADS							
Subdivisional Roads	New	\$0	\$0	\$60,000	\$60,000	\$60,000	\$60,000
Greenhills	Upgrade	\$0	\$0	\$15,000	\$0	\$0	\$0
Kauring	Renewal	\$7,940	\$0	\$7,000	\$0	\$0	\$0
York	Renewal	\$0	\$0	\$150,000	\$150,000	\$100,000	\$180,000
Ashworth Road	Expansion	\$46,094	\$0	\$20,000	\$0	\$0	\$0
Ashworth Road	Expansion	\$0	\$16,567	\$70,000	\$0	\$0	\$0
Ashworth Road	Expansion	\$0	\$0	\$0	\$10,000	\$0	\$0
Ashworth Road	Renewal	\$0	\$0	\$0	\$10,000	\$0	\$0
Ashworth Road	Upgrade	\$0	\$40,000	\$0	\$0	\$0	\$0
Greenhills South Road	Expansion	\$0	\$0	\$20,000	\$0	\$0	\$0
Mokine Road	Expansion	\$0	\$0	\$12,000	\$0	\$0	\$0
Greenhills South Road	Expansion	\$80,826	\$66,000	\$51,000	\$0	\$0	\$0
Greenhills South Road	Expansion	\$0	\$0	\$0	\$20,000	\$0	\$0
Greenhills South Road	Renewal	\$0	\$0	\$0	\$10,000	\$0	\$0
Avon Terrace	Upgrade	\$0	\$0	\$140,000	\$0	\$0	\$0
Quellington Road	Expansion	\$0	\$0	\$90,000	\$0	\$0	\$0
Quellington Road	Expansion	\$0	\$0	\$0	\$60,000	\$0	\$0
Quellington Road	Expansion	\$0	\$0	\$0	\$0	\$100,000	\$0
Spencers Brook Road	Renewal	\$34,230	\$0	\$54,000	\$0	\$0	\$0
Qualen West Road	Renewal	\$0	\$0	\$54,000	\$0	\$0	\$0
Qualen West Road	Renewal	\$0	\$0	\$0	\$0	\$0	\$140,000
Doodenanning	Renewal	\$25,412	\$0	\$0	\$50,000	\$0	\$0
Mannavale Road	Renewal	\$0	\$0	\$0	\$70,000	\$0	\$0
Mannavale Road	Renewal	\$0	\$0	\$0	\$0	\$120,000	\$0
Mannavale Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$70,000
Wambyn Road	Expansion	\$22,730	\$0	\$0	\$60,000	\$120,000	\$0
Wambyn Road	Expansion	\$0	\$0	\$0	\$0	\$0	\$70,000
Avon Terrace	Upgrade	\$0	\$750,000	\$0	\$114,000	\$0	\$0
Avon Terrace	Renewal	\$0	\$125,111	\$0	\$0	\$0	\$38,839
Tenth Road	Upgrade	\$0	\$0	\$0	\$30,000	\$25,000	\$0
Leeming Road	Upgrade	\$0	\$0	\$0	\$40,000	\$0	\$0
Eleventh Road	Upgrade	\$0	\$0	\$0	\$30,000	\$25,000	\$0
Mansfield Street	Upgrade	\$0	\$0	\$0	\$0	\$25,000	\$0
Hardey Road	Upgrade	\$0	\$0	\$0	\$0	\$45,000	\$0
Doodenanning	Upgrade	\$0	\$0	\$0	\$0	\$0	\$80,000
Ovens Road	Upgrade	\$37,871	\$0	\$0	\$0	\$0	\$80,000
Marwick Road	Renewal	\$0	\$0	\$0	\$0	\$80,000	\$0
Top Beverley Road	Renewal	\$0	\$12,545	\$0	\$0	\$0	\$0
Talbot West Road	Renewal	\$0	\$0	\$0	\$0	\$0	\$90,000
Gwanbygine East Rd	Upgrade	\$86,994	\$16,000	\$0	\$0	\$0	\$0
Mackie Rd	Upgrade	\$0	\$60,000	\$0	\$0	\$0	\$0
Various Rds	Upgrade	\$0	\$80,000	\$0	\$0	\$0	\$0
Subdivisional Rd	New	\$0	\$60,000	\$0	\$0	\$0	\$0
Durable St	Upgrade	\$6,621	\$13,614	\$0	\$0	\$0	\$0
Flea Pool Road	Upgrade	\$28,737	\$0	\$0	\$0	\$0	\$0
Cut Hill Road	Upgrade	\$17,180	\$0	\$0	\$0	\$0	\$0
Boyer Cutty Road	Upgrade	\$7,042	\$0	\$0	\$0	\$0	\$0
Lowe Street Car Park	Upgrade	\$28,353	\$0	\$0	\$0	\$0	\$0
Howick Street Car Park	Upgrade	\$6,618	\$0	\$0	\$0	\$0	\$0
Knotts Road	Renewal	\$14,240	\$0	\$0	\$0	\$0	\$0
Davies St	Upgrade	\$10,343	\$16,386	\$0	\$0	\$0	\$0
BRIDGES							
Quellington Road Bridge	Upgrade	\$0	\$0	\$0	\$280,000	\$0	\$0

Mannavale Road Bridge	Upgrade	\$272,000	\$0	\$0	\$0	\$0	\$0
Qualen West Bridge	Upgrade	\$234,000	\$0	\$0	\$0	\$0	\$0
Spencers Brook Rd	Renewal	\$0	\$8,000	\$0	\$0	\$0	\$0
Country Local Govt Fund			\$0	\$0	\$0	\$0	\$0
West Talbot Road	Expansion	\$415,644	\$0	\$0	\$0	\$0	\$0
Avon Terrace	Upgrade	\$45,138	\$54,500	\$0	\$0	\$0	\$0
		\$2,073,316	\$1,521,808	\$1,398,000	\$1,697,839	\$1,403,839	\$1,458,839

Table 23

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
ROADS TO RECOVERY GRANTS						
West Talbot Road	\$0	\$297,275	\$60,000	\$0	\$0	\$0
Mokine Road	\$0	\$0	\$120,000	\$0	\$0	\$0
Mokine Road	\$0	\$0	\$0	\$50,000	\$0	\$0
Greenhills Road	\$98,436	\$0	\$100,000	\$0	\$0	\$0
Greenhills South Road	\$0	\$0	\$18,839	\$118,839	\$0	\$0
Greenhills South Road	\$0	\$0	\$0	\$0	\$80,000	\$0
Talbot Road	\$0	\$0	\$0	\$60,000	\$0	\$0
Talbot Road	\$0	\$0	\$0	\$0	\$100,000	\$0
Talbot Road	\$0	\$0	\$0	\$0	\$0	\$70,000
Top Beverley Road	\$73,728	\$0	\$0	\$70,000	\$0	\$0
Quellington Road	\$0	\$0	\$0	\$0	\$118,839	\$0
Quellington Road	\$0	\$0	\$0	\$0	\$0	\$60,000
Quellington Road	\$0	\$0	\$0	\$0	\$0	\$130,000
Avon Terrace	\$125,111	\$0	\$0	\$0	\$0	\$38,839
SPECIAL GRANTS - RRG						
York - Tammin Road	\$203,287	\$263,078	\$120,000	\$0	\$0	\$0
York - Tammin Road	\$0	\$0	\$70,000	\$0	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$120,000	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$90,000	\$0	\$0
York - Tammin Road	\$0	\$0	\$0	\$0	\$53,333	\$0
Spencers Brook Road	\$0	\$0	\$0	\$0	\$156,667	\$0
Spencers Brook Road	\$0	\$0	\$0	\$0	\$0	\$80,000
Spencers Brook Road	\$0	\$0	\$0	\$0	\$0	\$140,000
BLACK SPOT (RRG)						
Projects require identification	\$0	\$0	\$60,000	\$0	\$0	\$0
Projects require identification	\$0	\$0	\$0	\$60,000	\$0	\$0
Projects require identification	\$0	\$0	\$0	\$0	\$60,000	\$0
Projects require identification	\$0	\$0	\$0	\$0	\$0	\$40,000
Mokine Rd	\$0	\$73,237	\$0	\$0	\$0	\$0
York - Tammin Rd	\$0	\$8,537	\$0	\$0	\$0	\$0
Spencers Brook Rd	\$0	\$22,477	\$0	\$0	\$0	\$0
Spencers Brook Rd	\$0	\$19,876	\$0	\$0	\$0	\$0
WA GRANTS COMMISSION						
Quellington Road Bridge	\$0	\$0	\$0	\$280,000	\$0	\$0
COUNTRY LOCAL GOVT FUND						
Avon Terrace	\$0	\$54,500	\$0	\$0	\$0	\$0
West Talbot Road	\$300,000	\$0	\$0	\$0	\$0	\$0
DEVELOPER CONTRIBUTIONS						
Subdivisional Roads	\$17,522	\$0	\$30,000	\$60,000	\$60,000	\$60,000
Davies Street	\$0	\$16,386	\$0	\$0	\$0	\$0
COUNCIL FUNDS	\$749,232	\$621,442	\$819,161	\$789,000	\$775,000	\$840,000
RESERVE FUNDS	\$506,000	\$169,500	\$0	\$0	\$0	\$0
	\$2,073,316	1,521,808	1,398,000	1,697,839	1,403,839	1,458,839

6.2 Footpaths

Council is responsible for the provision of footpath infrastructure, including concrete, sealed and block paving within townsites in the Shire.

Asset management provides for the necessary preventative maintenance to ensure the functionality and safety of its footpaths.

Objective and Strategic Plan Linkage:

To ensure the safety of pedestrians and to sustain the serviceability of footpaths in accordance with the Shire's Strategic Objectives:

- ⇒ To have in place the infrastructure to enable the community to develop;
- ⇒ To meet community needs in terms of physical infrastructure and overall community services;
- ⇒ To provide and maintain high quality services and infrastructure in an efficient and cost effective way; and
- ⇒ To ensure a safe community environment.

Whole of Life Costing and Maintenance

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for this Asset Class are as follows:

Table 24

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
Depreciation	\$5,473	\$5,473	\$5,473	\$5,473	\$5,473	\$5,473
Total	\$10,473	\$10,473	\$10,473	\$10,473	\$10,473	\$10,473

Maintenance of footpath infrastructure is funded from Council's operating budget and grants, where available. The future maintenance expenditure forecasts are based on feedback received from Council Officers. Maintenance expenditure levels are considered to be adequate and are at the maximum level that the Shire can afford. The Shire intends to prepare an Asset Management Plan in 2011, which will disclose the required maintenance expenditures at the identified service levels.

Risk Assessment

1. Finance Risk

The Plan reveals that there is a range of projects subject to external funding.

Developer Contributions – If contributions are not received, then the identified footpath projects will not proceed.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

2. Cost Overruns And Delays

The estimates prepared are based on current year market rates plus a CPI increase to provide unit costs per lineal metre for footpath construction.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

3. Site Risk

Allowances are made within the Shire's estimates for site specific risks including clay, rock and salt.

Risk Rating: Low (Likelihood – Rare; Consequences – Minor)

Performance Measure

- (1) Length of footpaths replaced and constructed each year.
- (2) Undertake annual inspection and condition assessment.

Table 25

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
York Footpaths	New	\$0	\$0	26,000	22,000	22,000	12,000
New Street	New	\$0	\$0	24,000	\$0	\$0	\$0
Panmure Road	New	\$0	\$0	30,000	20,000	20,000	\$0
Radnor Road East	New	\$0	\$0	20,000	\$0	\$0	\$0
Grey Street	New	\$0	\$0	\$0	38,000	\$0	\$0
Avon Terrace	New	\$0	\$0	\$0	20,000	\$0	\$0
Henrietta Street	New	\$0	\$0	\$0	\$0	38,000	20,000
Henry Road	New	\$0	\$0	\$0	\$0	20,000	\$0
Tenth Road	New	\$0	\$0	\$0	\$0	\$0	38,000
Fraser Street	New	\$0	\$0	\$0	\$0	\$0	20,000
York Footpaths	New	\$0	30,000	30,000	30,000	30,000	30,000
York Estates	New	\$0	46,000	\$0	\$0	\$0	\$0
Greenhills	New	\$0	10,000	\$0	\$0	\$0	\$0
Howick Street	New	\$2,431	\$0	\$0	\$0	\$0	\$0
South Street	New	\$923	\$0	\$0	\$0	\$0	\$0
Trewes Road	New	\$31,817	\$0	\$0	\$0	\$0	\$0
		\$35,171	\$86,000	\$130,000	\$130,000	\$130,000	\$120,000

Table 26

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
DEVELOPER CONTRIBUTIONS						
Various Footpaths	\$0	\$30,000	\$30,000	\$30,000	\$30,000	\$30,000
York Estates	\$0	\$46,000	\$0	\$0	\$0	\$0
COUNCIL FUNDS	\$35,171	\$10,000	\$100,000	\$100,000	\$100,000	\$90,000
TOTAL FUNDING	\$35,171	\$86,000	\$130,000	\$130,000	\$130,000	\$120,000

6.3 Drainage

Council is responsible for the provision of urban storm water drainage infrastructure including piped assets, pits and drainage structures within the York townsite.

Asset management provides for the necessary preventative maintenance to ensure the functionality and performance of its drainage network.

Objective:

To provide a drainage network that is well designed and reliable that protects the community and its property, which is proactively and sustainably managed in accordance with the Shire's Strategic Objectives:

- ⇒ To have in place the infrastructure to enable the community to develop;
- ⇒ To meet community needs in terms of physical infrastructure and overall community services;
- ⇒ To provide and maintain high quality services and infrastructure in an efficient and cost effective way; and
- ⇒ To ensure a safe community environment.

Whole of Life Costing and Maintenance

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for this Asset Class are as follows:

Table 27

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$1,524	\$1,524	\$1,524	\$1,524	\$4,000	\$7,000
Total	\$1,524	\$1,524	\$1,524	\$1,524	\$4,000	\$7,000

Maintenance of drainage infrastructure is funded from Council's operating budget. The future maintenance expenditure forecasts are based on feedback received from Council Officers. Maintenance expenditure levels are considered to be adequate and are at the maximum level that the Shire can afford. The Shire intends to prepare an Asset Management Plan in 2011, which will disclose the required maintenance expenditures at the identified service levels.

Risk Assessment

1. Finance Risk

The Plan reveals that there is a range of projects subject to external funding.

Developer Contributions - If contributions are not received, then the identified drainage projects will not proceed.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

2. Cost Overruns And Delays

The estimates prepared are based on current year market rates plus a CPI increase to provide unit costs per lineal metre for drainage construction.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

3. Site Risk

Allowances are made within the Shire's estimates for site specific risks including clay, rock and salt.

Risk Rating: Low (Likelihood – Rare; Consequences – Minor)

Performance Measure

- (1) Length of drainage replaced and constructed each year.
- (2) Undertake annual inspection and condition assessment.

Table 28

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Urban Stormwater Management Plan	Expansion	\$0	\$0	\$0	120,000	\$0	\$0
Railway to River Drainage System	Upgrade	\$0	\$0	\$0	\$0	200,000	\$0
West Boundary to Railway System	Upgrade	\$0	\$0	\$0	\$0	150,000	150,000
South Street	New	\$6,072	\$0	\$0	\$0	\$0	\$0
		\$6,072	\$0	\$0	120,000	350,000	150,000

Table 29

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
DEVELOPER CONTRIBUTIONS						
Railway to River Drainage System	\$0	\$0	\$0	\$0	\$100,000	\$0
West Boundary to Railway System	\$0	\$0	\$0	\$0	\$150,000	\$150,000
South Street	\$6,072	\$0	\$0	\$0	\$0	\$0
COUNCIL FUNDS	\$0	\$0	\$0	\$120,000	\$100,000	\$0
TOTAL FUNDING	\$6,072	\$0	\$0	\$120,000	\$350,000	\$150,000

6.4 Land

Council is responsible for the acquisition of land for a range of initiatives relating to the provision of services and facilities to its community, including land that can be utilised for sources of raw materials such as gravel for road construction purposes

Objective:

To acquire land associated with the provision of services and facilities.

Whole of Life Costing and Maintenance

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for this Asset Class are as follows:

Table 30

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$0	\$0	\$0	\$0

The purchase price represents the life cycle cost for land.

Risk Assessment

1. Finance Risk

Anticipated expenditure on land acquisition over the life of this plan is not reliant on external funding.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

2. Cost Overruns And Delays

The estimates are based on known market rates for land prices in 2010 dollar terms.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

Performance Measure

(1) Acquisition of land within identified timelines.

Table 31

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Gravel Supplies	New	\$0	\$0	\$0	\$200,000	\$0	\$0
Gravel Supplies	Expansion	\$0	\$0	\$0	\$0	\$60,000	\$0
Land Purchase	New	\$108,652	\$0	\$0	\$0	\$0	\$0
		\$108,652	\$0	\$0	\$200,000	\$60,000	\$0

Table 32

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
COUNCIL FUNDS	\$108,652	\$0	\$0	\$200,000	\$60,000	\$0
TOTAL FUNDING	\$108,652	\$0	\$0	\$200,000	\$60,000	\$0

6.5 Buildings and Structures

Council is responsible for the provision of buildings and other associated structures including community halls, sporting pavilions, administration centres and other community facilities.

Asset management provides for the necessary preventative maintenance to ensure the functionality and performance of its building infrastructure.

Objective:

Manage and develop the Shires built infrastructure for long term sustainability, residential amenity and public safety.

Ensure the Council's building infrastructure are sustainably managed and maintained.

Whole of Life Costing and Maintenance

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for this Asset Class are as follows:

Table 33

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$345,297	\$564,136	\$612,322	\$618,833	\$635,447	\$654,515
Depreciation	\$140,555	\$140,555	\$140,555	\$140,555	\$140,555	\$140,555
Total	\$485,852	\$704,691	\$752,877	\$759,388	\$776,002	\$795,070

Maintenance of building infrastructure is funded from Council's operating budget and grants, where available. The future maintenance expenditure forecasts are based on feedback received from Council Officers. Maintenance expenditure levels are considered to be adequate and are at a sustainable level that the Shire can afford. The Shire intends to prepare an Asset Management Plan in 2011, which will disclose the required maintenance expenditures at the identified service levels.

Risk Assessment

1. Finance Risk

The Plan reveals that there are a range of projects within this Asset Class that are subject to external funding.

CLGF – Individual – Projects are identified through a prioritisation process by the Council and will be subject to funding consideration through the Forward Capital Works Plan approval process.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

2. Cost Overruns And Delays

The estimates prepared are based on known information at the time of compilation of this Plan.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

3. Site Risk

Allowances are made within the Shire's estimates for site specific risks including clay, rock and salt.

Risk Rating: Low (Likelihood – Rare; Consequences – Minor)

Performance Measure

- (1) Community satisfaction with Buildings and other structures in the Shire.
- (2) Number of Buildings and/or other structures with unacceptable risks present.
- (3) Undertake annual inspection and condition assessment.

Table 34

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Recreation Buildings							
York Youth Centre	New	\$0	\$170,000	\$0	\$0	\$0	\$0
York Youth Centre	New	\$0	\$0	\$80,000	\$0	\$0	\$0
Men's Shed	New	\$0	\$0	\$0	\$0	\$10,000	\$0
Hockey Club Change Rooms	New	\$178,652	\$0	\$0	\$0	\$0	\$0
Recreation Centre	Renewal	\$0	\$0	\$0	\$0	\$0	\$0
Recreation Centre	Upgrade	\$0	\$0	\$0	\$0	\$0	\$0
Recreation Centre	Expansion	\$0	\$0	\$0	\$90,000	\$0	\$0
York Bowling Club	Expansion	\$0	\$0	\$0	\$0	\$0	\$0
Swimming Pool							
York Swimming Pool	Upgrade	\$0	\$0	\$0	\$700,000	\$0	\$0
York Swimming Pool	Renewal	\$33,291	\$114,604	\$0	\$0	\$0	\$0
Administration & Depot Buildings							
Administration Centre	Renewal	\$0	\$0	\$10,000	\$10,000	\$10,000	\$10,000
Archive Centre	Upgrade	\$0	\$200,000	\$0	\$0	\$0	\$0
Records Storage	New	\$0	\$0	\$0	\$0	\$0	\$0
Community Buildings							
York Town Hall	Expansion	\$0	\$40,000	\$0	\$330,000	\$0	\$0
York Town Hall	Expansion	\$0	\$41,000	\$100,000	\$0	\$0	\$0
York Town Hall	Expansion	\$0	\$120,000	\$0	\$0	\$0	\$0
York Town Hall	Expansion	\$0	\$0	\$0	\$0	\$250,000	\$250,000
York Town Hall	Renewal	\$0	\$131,000	\$0	\$0	\$0	\$0
York Town Hall	Renewal	\$0	\$0	\$8,000	\$0	\$0	\$0
Resource Centre	New	\$0	\$1,500,000	\$0	\$0	\$0	\$0
Community Centre	Renewal	\$0	\$250,000	\$0	\$0	\$0	\$0
Candice Bateman Pk	New	\$0	\$70,000	\$0	\$0	\$0	\$0
Candice Bateman Pk	New	\$0	\$6,000	\$0	\$0	\$0	\$0
Malebellling Fire Brigade Shed	New	\$0	\$50,000	\$0	\$0	\$0	\$0
Burges Siding Fire Brigade Shed	New	\$0	\$50,000	\$0	\$0	\$0	\$0
York Cemetery	New	\$0	\$0	\$0	\$0	\$0	\$0
Swinging Bridge	Renewal	\$0	\$0	\$0	\$0	\$70,000	\$0
Avon Tce Banner Poles	New	\$25,298	\$0	\$0	\$0	\$0	\$0
Candice Bateman Pk	New	\$0	\$8,000	\$3,500	\$3,500	\$0	\$0
Avon Park	New	\$0	\$0	\$3,500	\$3,500	\$0	\$0
Howick Street Car Park Toilets	Renewal	\$2,331	\$0	\$0	\$0	\$0	\$0
Gwambygine Park	New	\$0	\$0	\$0	\$0	\$7,000	\$0

Table 34 (continued)

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Aged Care Facilities							
Centennial Units	Upgrade	\$0	\$3,500	\$0	\$0	\$0	\$0
Centennial Units	Upgrade	\$0	\$11,000	\$0	\$0	\$0	\$0
Housing							
Staff Housing	New	\$0	\$0	\$340,000	\$0	\$0	\$0
Staff Housing	New	\$0	\$0	\$0	\$340,000	\$0	\$0
Waste Facility Buildings							
Waste Transfer Facility	Expansion	\$0	\$9,000	\$45,000	\$0	\$0	\$0
Waste Transfer Facility	Expansion	\$0	\$0	\$0	\$0	\$0	\$0
		\$239,572	2,774,104	\$590,000	1,477,000	347,000	260,000

Table 35

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Country Local Government Fund						
York Swimming Pool Upgrade to pump system	\$0	\$114,604	\$0	\$0	\$0	\$0
York Community Resource Centre	\$0	\$300,000	\$0	\$0	\$0	\$0
York Swimming Pool New Wet Deck	\$0	\$0	\$0	\$395,845	\$0	\$0
LotteryWest						
York Youth Centre	\$0	\$80,000	\$0	\$0	\$0	\$0
York Town Hall Disabled Access	\$0	\$20,000	\$0	\$0	\$0	\$0
York Town Hall Paint & Patch cracks	\$0	\$131,000	\$0	\$0	\$0	\$0
York Skate Park	\$0	\$0	\$40,000	\$0	\$0	\$0
York Town Hall – Upgrade Change Rooms	\$0	\$0	\$0	\$0	\$125,000	\$125,000
Office of Crime Prevention						
York Youth Centre	\$0	\$20,000	\$0	\$0	\$0	\$0
Department of Sport and Recreation						
York Swimming Pool New Wet Deck	\$0	\$0	\$0	\$233,000	\$0	\$0
York Recreation Centre New Storage Areas	\$0	\$0	\$0	\$40,000	\$0	\$0
Bendigo Bank						
York Town Hall Disabled Access	\$0	\$50,000	\$0	\$0	\$0	\$0
Regional and Local Community Infrastructure Program						
York Town Hall Disabled Access	\$0	\$30,000	\$0	\$0	\$0	\$0
Department of Water						
York Waste Transfer Facility - Fencing	\$0	\$0	\$30,000	\$0	\$0	\$0
Commonwealth Funding						
Refurbish Swinging Bridge	\$0	\$0	\$0	\$0	\$60,000	\$0
Proceeds Sale of Assets						
	\$0	\$0	\$300,000	\$300,000	\$0	\$0
Reserve Funds						
	\$0	\$828,500	\$0	\$0	\$0	\$0
Loan Funds						
	\$0	\$800,000	\$0	\$330,000	\$0	\$0
COUNCIL FUNDS	\$239,572	\$400,000	\$220,000	\$178,155	\$162,000	\$135,000
TOTAL FUNDING	\$239,572	\$2,774,104	\$590,000	\$1,477,000	\$347,000	\$260,000

6.6 Recreation Infrastructure

Council is responsible for the provision of recreation infrastructure and other associated facilities including playing fields, irrigation systems, lighting, play grounds and associated infrastructure, active and passive parks and reserves, and walk trails.

Asset management provides for the necessary preventative maintenance to ensure the functionality and performance of its recreation infrastructure.

Objective:

Ensure the Shires recreation infrastructure is maintained at a safe and functional standard.

Promote wider community participation and engagement in local community activities such as sport, recreation and leisure.

Whole of Life Costing and Maintenance

Life cycle costs are the average costs that are required to sustain the service level over the longest asset life. Life cycle costs include maintenance and depreciation expenses. The life cycle costs for this Asset Class are as follows:

Table 36

Life Cycle Cost	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Maintenance	\$263,758	\$376,038	\$387,319	\$398,956	\$419,907	\$423,433
Depreciation	\$19,292	\$50,087	\$50,241	\$50,241	\$47,765	\$44,765
Total	\$283,050	\$426,125	\$437,560	\$449,197	\$467,672	\$468,198

Maintenance of recreation infrastructure is funded from Council's operating budget and grants, where available. The future maintenance expenditure forecasts are based on feedback received from Council Officers. Maintenance expenditure levels are considered to be adequate and are at a sustainable level that the Shire can afford. The Shire intends to prepare an Asset Management Plan in 2011, which will disclose the required maintenance expenditures at the identified service levels.

Risk Assessment

1. Finance Risk

The Plan reveals that there are no projects within this Asset Class, which are subject to external funding.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

2. Cost Overruns And Delays

The estimates prepared are based on known information at the time of compilation of this Plan.

Risk Rating: Low (Likelihood – Rare; Consequences – Insignificant)

3. Site Risk

Allowances are made within the estimates for site any specific risks including clay, rock and salt.

Risk Rating: **Low (Likelihood – Rare; Consequences – Minor)**

Performance Measure

- (1) Community satisfaction with playing fields, playgrounds and parks in the Shire.
- (2) Number of playing fields, playgrounds and parks with unacceptable risks present.
- (3) Undertake annual inspection and condition assessment.

Table 37

INFRASTRUCTURE ITEM DESCRIPTION	ASSET CLASSIFICATION	EXPENDITURE					
		2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Playing Fields							
Forrest Oval Recreation Precinct	New	\$141,589	\$2,270,000	\$0	\$0	\$0	\$0
Forrest Oval Recreation Precinct	New	\$0	\$0	\$1,530,000	\$0	\$0	\$0
Forrest Oval Recreation Precinct	New	\$0	\$0	\$1,403,600	\$0	\$0	\$0
Forrest Oval Recreation Precinct	Expansion	\$0	\$0	\$0	\$50,000	\$0	\$0
Forrest Oval Recreation Precinct	Expansion	\$0	\$0	\$0	\$120,000	\$0	\$0
Forrest Oval Recreation Precinct	Expansion	\$0	\$0	\$0	\$60,000	\$0	\$0
Forrest Oval Recreation Precinct	Expansion	\$0	\$0	\$0	\$40,000	\$0	\$0
Forrest Oval Precinct	Expansion	\$0	\$15,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	Renewal	\$803,342	\$160,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	Renewal	\$0	\$30,000	\$0	\$0	\$0	\$0
Forrest Oval Precinct	Renewal	\$0	\$90,000	\$0	\$0	\$0	\$0
Parks & Reserves							
Barbecues upgrades	Renewal	\$0	\$15,000	\$10,000	\$10,000	\$10,000	\$10,000
Mount Brown Park	New	\$0	\$0	\$0	\$60,000	\$0	\$0
Park Soft Fall	New	\$32,353	\$0	\$0	\$0	\$0	\$0
Mount Brown Park	New	\$0	\$0	\$10,000	\$0	\$0	\$0
RSL Memorial Park Upgrade	Upgrade	\$0	\$19,000	\$0	\$0	\$0	\$0
Upgrade Moto-Cross Track	Expansion	\$0	\$10,000	\$25,000	\$0	\$0	\$0
Candice Bateman Park	New	\$280	\$0	\$70,000	\$0	\$0	\$0
Forrest Oval Playground	New	\$0	\$0	\$0	\$70,000	\$0	\$0
Avon Park	New	\$0	\$0	\$0	\$0	\$70,000	\$0
York Motto Cross Track	Expansion	\$0	\$0	\$0	\$12,500	\$0	\$0
York Motto Cross Track	Expansion	\$0	\$0	\$0	\$12,500	\$0	\$0
York Motto Cross Track	Expansion	\$0	\$0	\$0	\$0	\$12,500	\$0
York Motto Cross Track	New	\$0	\$0	\$0	\$0	\$10,000	\$0
York Motto Cross Track	Expansion	\$0	\$0	\$0	\$0	\$2,500	\$0
Centennial Park	Upgrade	\$633	\$9,000	\$0	\$0	\$0	\$0
Walk Trails							
York Walk Trails	New	\$0	\$0	\$120,000	\$0	\$0	\$0
Forest Walk Trails	New	\$0	\$0	\$0	\$0	\$120,000	\$0
		\$978,197	\$2,618,000	\$3,168,600	\$435,000	\$225,000	\$10,000

Table 38

FUNDING SOURCES	REVENUE					
	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Country Local Government Fund						
York Convention Centre & Sports Complex	\$0	\$100,000	\$395,845	\$0	\$0	\$0
LotteryWest						
York Convention Centre & Sports Complex	\$0	\$100,000	\$0	\$0	\$0	\$0
York Walk Trails	\$0	\$0	\$90,000	\$0	\$0	\$0
Mount Brown Walk Trail	\$0	\$0	\$0	\$30,000	\$0	\$0
Forest Walk Trails	\$0	\$0	\$0	\$0	\$50,000	\$0
Forrest Oval Playground	\$0	\$0	\$0	\$35,000	\$0	\$0
Avon Park Playground	\$0	\$0	\$0	\$0	\$35,000	\$0
CLGF Regional Component						
York Convention Centre & Sports Complex	\$0	\$0	\$910,000	\$0	\$0	\$0
Department of Sport and Recreation						
Forrest Oval Sports Complex playing surfaces	\$243,584	\$0	\$450,000	\$0	\$0	\$0
Forrest Oval Sports Complex Netball Courts	\$0	\$50,000	\$0	\$0	\$0	\$0
Forrest Oval Sports Complex Security lighting	\$0	\$0	\$0	\$20,000	\$0	\$0
Commonwealth Funding						
ANZAC Memorial	\$0	\$0	\$10,000	\$0	\$0	\$0
Community Contributions						
Forrest Oval Sports Complex playing surfaces	\$0	\$0	\$100,000	\$0	\$0	\$0
Public Open Space Trust Funds						
Candice Bateman Park Play equipment	\$0	\$0	\$70,000	\$0	\$0	\$0
Proceeds Sale of Assets	\$220,000	\$650,000	\$0	\$0	\$0	\$0
Reserve Funds	\$0	\$200,000	\$0	\$0	\$0	\$0
Loan Funds	\$0	\$310,000	\$1,984,155	\$0	\$0	\$0
Council Funds	\$ 514,613	\$298,000	\$68,600	\$350,000	\$140,000	\$10,000
TOTAL FUNDING	\$978,197	\$2,618,000	\$3,168,600	\$435,000	\$225,000	\$10,000

7.0 COUNTRY LOCAL GOVERNMENT FUND

The primary objectives of the Royalties for Regions Country Local Government Fund (CLGF) is to address infrastructure backlogs across the country local government sector. CLG Funding is available to country local governments through two streams:

- (1) The direct to individual local governments component; and
- (2) The Regional Groups of local government's component.

7.1 CLGF – Individual Component

CLGF monies must be used by a local government on the capital works component of an infrastructure project. Capital works are defined as building and engineering works that create an asset, as well as constructing and installing facilities and fixtures associated with, and forming an integrated part of, these works (i.e. buildings, floor finishes, air conditioning and security systems).

The projects identified in the Plan are as follows:

Table 39

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE				
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5
York Convention Centre & Sports Complex - 2010/11	\$2,270,000	\$0	\$0	\$0	\$0
York Swimming Pool Pump Upgrade - 2010/11	\$0	\$114,604	\$0	\$0	\$0
York Community Resource Centre – 2010/11	\$0	\$0	\$1,500,000	\$0	\$0
York Convention Centre & Sports Complex - 2011/12	\$0	\$0	\$0	\$1,530,000	\$0
York Swimming Pool Bowl Upgrade/Wet Deck - 2012/13	\$0	\$0	\$0	\$0	\$700,000
TOTAL COST	\$2,270,000	\$114,604	\$1,500,000	\$1,530,000	\$700,000

Table 40

FUNDING SOURCES	REVENUE					
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5	TOTAL
CLGF allocation 2010/2011	\$100,000	\$114,604	\$300,000	\$0	\$0	\$514,604
CLGF Allocation 2011/2012	\$0	\$0	\$0	\$395,845	\$0	\$395,845
CLGF Allocation 2012/2013	\$0	\$0	\$0	\$0	\$395,845	\$395,845
LotteryWest Grant	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Department Sport & Recreation CSRFF	\$0	\$0	\$0	\$0	\$233,000	\$233,000
CLGF Regional Component	\$910,000	\$0	\$0	\$0	\$0	\$910,000
Loan Borrowings	\$310,000	\$0	\$600,000	\$1,134,155	\$0	\$2,044,155
Sale of Assets	\$650,000	\$0	\$0	\$0	\$0	\$650,000
Reserve Funds	\$200,000	\$0	\$600,000	\$0	\$0	\$800,000
Council Funds	\$0	\$0	\$0	\$0	\$71,155	\$71,155
TOTAL FUNDING	\$2,270,000	\$114,604	\$1,500,000	\$1,530,000	\$700,000	\$6,114,604

Table 41

ANNUAL LIFE CYCLE COST	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4	PROJECT 5
Depreciation Expense	\$56,750	\$5,730	\$24,750	\$0	\$0
Maintenance Costs	\$48,919	\$18,494	\$40,092	\$0	\$0
TOTAL	\$105,669	\$24,224	\$64,842	\$0	\$0

Note: Expenditure for Projects 4 and 5 is for renewal of existing assets and life cycle costs have been included in the five-year financial plan, therefore no provision has been made in the above table.

7.2 CLGF Regional Groups of Local Government

The intention of the Regional Groupings component is to provide financial assistance to local governments to fund larger scale infrastructure projects, which clearly demonstrate wider community benefits across the region.

The Shire of York is a member of the Regional Groupings of local government known as the South East Avon Regional Transition Group (SEARTG), along with the Shires of Beverley, Cunderdin, Quairading and Tammin.

The Regional project identified and incorporated in the Plan is detailed below:

Table 42

INFRASTRUCTURE ITEM DESCRIPTION	EXPENDITURE			
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4
York Convention Centre	\$2,270,000	\$0	\$0	\$0
TOTAL COST	\$2,270,000	\$0	\$0	\$0

Table 43

FUNDING SOURCES	REVENUE			
	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4
CLGF Regional Allocation 2010/2011	\$910,000	\$0	\$0	\$0
CLGF allocation 2010/2011	\$100,000			
LotteryWest Grant	\$100,000			
Loan Borrowings	\$310,000			
Sale of Assets	\$650,000			
Reserve Funds	\$200,000			
TOTAL FUNDING	\$2,270,000	\$0	\$0	\$0

Table 44

ANNUAL LIFE CYCLE COST	PROJECT 1	PROJECT 2	PROJECT 3	PROJECT 4
Depreciation Expense	\$56,750	0	0	0
Maintenance Costs	\$48,919	0	0	0
TOTAL	\$105,669	0	0	0

7.3 Risk Assessment

RISK RATING					
Likelihood	Consequences				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	M	H	H	E	E
Likely	M	M	H	H	E
Possible	L	M	M	H	E
Unlikely	L	M	M	H	H
Rare	L	L	M	M	H

Risk Rating		Action Required
L	Low Risk	Managed by Routine Procedures
M	Medium Risk	Planned Action Required
H	High Risk	Prioritised action required
E	Extreme Risk	Immediate corrective action required

1. Finance Risk

Country Local Government Fund

Projects are identified through a prioritisation process by the Council and will be subject to funding consideration through the Forward Capital Works Plan approval process. If CLGF individual and/or regional components are not forthcoming, then the project will be re-evaluated by the Shire of York as to whether it will proceed, as its only alternative scope of funding is loan borrowings.

Risk Rating: High (Likelihood – Possible; Consequences – Major)

2. Cost Overruns And Delays

The cost estimates detailed in the Plan are based on conceptual plans. The progression of these projects, subject to funding, will better quantify the project costs and timelines.

Risk Rating: High (Likelihood – Possible; Consequences – Major)

3. Site Risk

Allowances are made within the Shire's estimates for site specific risks including clay, rock and salt.

Risk Rating: Low (Likelihood – Rare; Consequences – Minor)

8.0 FUNDING GAP

This section details the financial requirements resulting from the information contained in this Plan.

8.1 Five Year Financial Plan

The five year financial plan reveals the following funding shortfalls:

Table 45

OPERATING STATEMENT	FORECAST				
	2010-11	2011-12	2012-13	2013-14	2014-15
Revenue	\$	\$	\$	\$	\$
TOTAL REVENUE	8,442,276	8,955,045	8,716,110	8,215,277	7,991,211
Expenditure					
TOTAL EXPENDITURE	(6,609,516)	(6,128,199)	(6,358,952)	(6,443,691)	(6,590,320)
Change in Net Assets resulting From Operations Surplus/(Deficit) Plus Non Cash Items					
(Profit)/Loss on Disposal of Assets	0				
Proceeds from Sale of Assets	994,401	297,200	1,111,000	981,200	325,700
Depreciation Written Back	934,970	935,124	935,124	935,124	935,124
Self Supporting Loan income	8,968	9,617	10,313	11,060	11,860
Other	0	0	0	0	0
Net Transfer (To)/From Reserves	1,601,970	107,767	(72,869)	(75,869)	37,195
Net Principal Loan Repayments	(52,882)	(176,554)	(242,536)	(264,813)	(282,893)
Proceeds from New Loans	2,130,500	1,984,155	330,000	0	0
Plant and Equipment Purchases	(868,640)	(831,900)	(557,400)	(672,800)	(487,400)
Furniture and Equipment Purchases	(115,600)	(31,000)	(36,000)	(46,000)	(36,000)
Tools & Equipment Purchases	0.00	(3,000)	(3,000)	(3,000)	(3,000)
Opening Surplus/(Deficit)	750,473	0	0	0	0
Closing (Surplus)/Deficit	0	0	0	0	0
Total Funds Available for Infrastructure Asset Investment	7,216,920	5,118,255	3,831,790	2,636,488	1,901,478
ESTIMATED ASSET RENEWAL	7,216,920	5,304,600	3,859,839	2,715,839	1,998,839
FUNDING GAP	0	(186,345)	(28,049)	(79,351)	(97,361)

The financial plan has been prepared on a zero based budgeting approach and the shortfalls detailed above could be off-set from potential surpluses to be derived in each of the years.

8.2 Life Cycle Costs

The five year financial plan incorporates the depreciation, maintenance, operating and capital expenditure for renewal, upgrade, expansion and new assets.

Table 46 reveals the funding gap as a result of the consumption of the asset base:

Table 46

Life Cycle Cost	2010/2011	2011/2012	2012/2013	2013/2014	2014/2015
Depreciation Expense	(\$510,550)	(\$510,704)	(\$510,704)	(\$510,704)	(\$510,704)
Capital Renewal Expenditure	\$936,260	\$393,000	\$380,000	\$390,000	\$468,839
Funding Gap	\$425,710	(\$117,704)	(\$130,704)	(\$120,704)	(\$41,865)

8.3 Unfunded Capital Works

In preparing the five year financial plan, a number of projects were identified for funding over the forecast period amounting to \$590,000. However due to funding constraints these projects, based on priority setting, will need to be considered for funding in future years, and are detailed in Table 47.

Table 47

CAPITAL WORKS ITEM	ESTIMATED COST \$
Men's Shed – Upgrade existing facilities	\$100,000
Records Storage Facility	\$300,000
Gwambygine Park Redevelopment	\$100,000
Mount Bakewell Walk Trail	\$90,000
TOTAL UNFUNDED WORKS	\$590,000



Shire of York
Five Year Financial Plan
2010/11 to 2014/15