



Operational Plan

Part 2 – Financials

*Annual Budget Including Fees &
Charges*

2016-2017

Adopted June 2016
Council Minute 16/059

Contents

Statement of Revenue Policy	2
Appendix A – Estimates of Income and Expenditure for 2016/17 to 2019/20.....	5
Appendix B – Four Year Capital Works 2016 – 2020.....	7
Appendix C – Fees and Charges 2016 – 2020.....	8

**This document should be read in conjunction with
Operational Plan Part 1 – The Activities**

Goldenfields Water County Council

PO Box 220

TEMORA NSW 2666

(02) 6977 3200

www.gwcc.nsw.gov.au

Statement of Revenue Policy

Council obtains its income from the following sources:

Water Access and User Charges

Council has adopted a two-part water charge for each of its customer categories, consisting of an access charge based on meter sizing and a user charge based on the water consumed. As part of its Delivery Program, Council has set its access and usage charges for the 2016/2017 year.

Council charges interest on overdue charges. The interest rate was the maximum allowable (8.5% for 2014/15) and is yet to be confirmed for 2016/17.

Interest on Investments

Council invests surplus funds in accordance with its Investment Policy.

Fees

Council charges appropriate fees for service. These fees are based on actual costs and ensure that those who benefit from the service pay for it.

Private Works

Occasionally Council carries out private works. Any such works are undertaken at a cost to the applicant.

Grants and Subsidies

Council will receive the Pensioner Rebate Subsidy provided by the State Government in 2016/17. This subsidy offsets 55% of the total rebate provided.

Developer Contributions

Developers are required to pay the cost of providing the assets that they require. These costs usually fall into two categories:

The reticulated pipes which a developer is required to pay in full; and

A contribution towards the provision of headworks (eg. treatment plants, major pipelines etc)

Loan Borrowings

New capital infrastructure projects can be funded from borrowings. Council would normally expect that such borrowing approvals to be granted.

Council has not provided for any specific borrowings for 2016/17.

Access and Usage Charges Statement

The following is a brief explanation of how Council categorises its customer base.

Residential

Customers are categorised as residential if:

The connection is within the urbanised area serviced by a reservoir via a reticulated distribution network and the main use is for residential accommodation (but not as a hotel, motel, guest-house, boarding house, lodging house or nursing home).

It is vacant land within the urbanised area serviced by a reservoir via a reticulated distribution network.

Non-Residential Rural

Customers are categorised as non-residential rural if:

The connection is located outside an urbanised area, is serviced directly from a main and the main use is for stock and domestic.

Non-Residential Other

Customers are categorised as non-residential other if:

The connection is within the urbanised area serviced by a reservoir via a reticulated distribution network and the main use is for commercial, industrial, community or institutional.

Other remote and direct connections to mains outside of urbanised areas where there is no commercial rural activity.

Non-Residential High Volume Monthly

Customers are categorised as non-residential high volume monthly if:

The main use is for commercial, industrial, community or institutional and the customer uses over 50,000kl pa.

Non-Residential Bulk Councils

Young, Harden and Cootamundra Councils together with water supplied to Riverina Water customers are categorised as non-residential Bulk Councils.

Projected Yield

In 2016/17 water charges are proposed under the following categories, with the total forecast yield and percentage of total projected yield to be raised from each category as follows:

Customer Categories	\$000's	% Within Category	% Category of Total
Residential	5,288		29.32%
Access Charges	1,229	23.24%	
Usage Charges	4,059	76.76%	
Non-Residential Rural	3,468		19.23%
Access Charges	1,292	37.25%	
Usage Charges	2,176	62.75%	
Non-Residential Other	2,307		12.79%
Access Charges	839	36.37%	
Usage Charges	1468	63.63%	
Non-Residential High Volume Monthly	1,635		9.07%
Access Charges	41	2.51%	
Usage Charges	1,594	97.49%	
Non-Residential Bulk Councils	5,335		29.58%
Access Charges	1,271	23.82%	
Usage Charges	4,064	76.18%	
TOTAL PROJECTED YIELD	18,033		100.00%

Appendix A – Estimates of Income and Expenditure for 2016/17 to 2019/20

Goldenfields Water County Council

Estimates of Income & Expenditure

for the years 2015/16 to 2019/20

Income & Expenses (Special Schedule 3 format)

(\$000's)	2015/16 Original Budget	2015/16 March QBR	2016/17 Projected Budget	2017/18 Projected Budget	2018/19 Projected Budget	2019/20 Projected Budget
Income						
Residential Access Charges	1,185	1,190	1,229	1,266	1,304	1,343
Residential Usage Charges	4,560	3,960	4,059	4,181	4,306	4,435
Non-Residential Access Charges	3,360	3,360	3,443	3,546	3,653	3,762
Non-Residential Usage Charges	10,325	9,360	9,801	10,095	10,398	10,710
Interest	1,050	1,220	1,260	1,298	1,337	1,377
Other Income	320	306	350	361	371	382
Operating Grants & Contributions	160	96	160	165	170	175
Capital Grants & Contributions	600	1,622	865	1,021	1,048	1,075
Total Income from Continuing Operations	21,560	21,114	21,167	21,932	22,586	23,260
Expenses						
Management	3,600	3,921	4,662	4,802	4,946	5,094
Operations & Maintenance:						
Mains	1,445	1,445	1,659	1,709	1,760	1,813
Reservoirs	185	185	239	246	254	261
Pumping Stations	3,470	3,170	3,347	3,447	3,551	3,657
Treatment	660	660	726	748	770	793
Other	755	755	710	731	753	776
Less: Plant Dep'n Costed to Operations	(240)	-	-	-	-	-
Depreciation	5,075	5,440	5,440	5,603	5,771	5,944
Miscellaneous Expenses	15	15	350	20	21	21
Total Expenses from Continuing Operations	14,965	15,591	17,133	17,306	17,826	18,360
Net Operating Result from Continuing Operations	6,595	5,523	4,034	4,626	4,761	4,899
Gain or loss on disposal of assets	-	-	-	-	-	-
Net Operating Result from All Operations	6,595	5,523	4,034	4,626	4,761	4,899
Net Operating Result before Capital Items	5,995	3,901	3,169	3,605	3,713	3,824

Goldenfields Water County Council

Capital Works Program for the years 2015/16 to 2019/20

Capital Budget Statement

(\$000's)	2015/16 Original Budget	2015/16 March QBR	2016/17 Projected Budget	2017/18 Projected Budget	2018/19 Projected Budget	2019/20 Projected Budget
Capital Expenditure						
New Assets						
- Plant & Equipment	100	757	75	75	75	75
- Land & Buildings	530	1,254	100	380	-	-
- Water Supply Infrastructure	1,720	2,490	3,352	810	810	810
Renewal Assets (Replacement)						
- Plant & Equipment	838	775	907	937	756	977
- Land & Buildings		50	220	50	50	50
- Water Supply Infrastructure	450	1,697	3,983	1,730	1,695	1,695
Total Capital Expenditure	3,638	7,023	8,637	3,982	3,386	3,607
Capital Funding						
Charges & Other Untied Funding						
Capital Grants & Contributions		462	40	620	490	490
Reserves:						
- External Restrictions/Reserves	-	-				
- Internal Restrictions/Reserves	3,068	5,991	8,017	2,762	2,276	2,477
New Loans	-	-				
Receipts from Sale of Assets						
- Plant & Equipment	570	570	580	600	620	640
- Land & Buildings	-	-				
Total Capital Funding	3,638	7,023	8,637	3,982	3,386	3,607
Net Capital Funding	-	-	-	-	-	-

Appendix B – Four Year Capital Works 2016 – 2020

	2016-17	2017-18	2018-19	2019-20
Capital-Expenditure				
New System Assets				
Investigations	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Developer Paid	\$ 40,000	\$ 40,000	\$ 40,000	\$ 40,000
Mains	\$ 120,000	\$ 120,000	\$ 120,000	\$ 120,000
Reservoirs	\$ -	\$ -	\$ -	\$ -
Pumping Stations	\$ 592,000	\$ -	\$ -	\$ -
Treatment	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Bores	\$ 400,000	\$ -	\$ -	\$ -
Services-Meters	\$ 125,000	\$ 125,000	\$ 125,000	\$ 125,000
Backflow Devices	\$ -	\$ 450,000	\$ 450,000	\$ 450,000
Plant and Equipment	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Buildings	\$ -	\$ 380,000	\$ -	\$ -
Temora Workshop	\$ 100,000	\$ -	\$ -	\$ -
Total New System Assets	\$ 1,527,000	\$ 1,265,000	\$ 885,000	\$ 885,000
Mandamah	\$ 2,000,000	\$ -	\$ -	\$ -
Total New System Assets (Including Mandamah)	\$ 3,527,000	\$ 1,265,000	\$ 885,000	\$ 885,000
Renewals				
Mains	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000
Reservoirs	\$ 900,000	\$ 535,000	\$ 500,000	\$ 500,000
Pumping Stations	\$ 2,138,000	\$ 250,000	\$ 250,000	\$ 250,000
Treatment	\$ -	\$ -	\$ -	\$ -
Bores	\$ -	\$ -	\$ -	\$ -
Services-Meters	\$ 145,000	\$ 145,000	\$ 145,000	\$ 145,000
Plant and Equipment	\$ 256,500	\$ 256,500	\$ 256,500	\$ 256,500
Buildings	\$ 220,000	\$ 50,000	\$ 50,000	\$ 50,000
Total Renewals	\$ 4,459,500	\$ 2,036,500	\$ 2,001,500	\$ 2,001,500
Plant Purchase	\$ 650,000	\$ 680,000	\$ 700,000	\$ 720,000
Plant Sales	-\$ 580,000	-\$ 600,000	-\$ 620,000	-\$ 640,000
Total Plant Purchase / Sales	\$ 70,000	\$ 80,000	\$ 80,000	\$ 80,000
Capital Grand Total	\$ 8,056,500	\$ 3,381,500	\$ 2,966,500	\$ 2,966,500

Appendix C – Fees and Charges 2016 – 2020

Service	Fee (\$)		
	2015/16	2016/17	2016/17
			Quarterly
Access Charges (Annual)			Charge
Residential			
20mm Connection	178.40	183.40	45.85
25mm Connection	279.00	286.40	71.60
32mm Connection	457.00	469.40	117.35
40mm Connection	714.20	733.60	183.40
50mm Connection	1,116.00	1,146.20	286.55
80mm Connection	2,857.20	2,934.60	733.65
Non-Residential-Rural			
20mm Connection	566.60	582.40	145.60
25mm Connection	885.40	910.00	227.50
32mm Connection	1,450.60	1,491.20	372.80
40mm Connection	2,266.60	2,330.00	582.50
50mm Connection	3,541.80	3,640.60	910.15
80mm Connection	9,067.00	9,320.20	2,330.05
Non-Residential-Other (Includes:- Commercial, Industrial, Institutional, Community, Direct and Remote)			
20mm Connection	312.80	321.40	80.35
25mm Connection	488.80	502.40	125.60
32mm Connection	800.80	823.20	205.80
40mm Connection	1,251.40	1,286.20	321.55
50mm Connection	1,955.20	2,009.80	502.45
80mm Connection	5,005.60	5,145.40	1,286.35
100mm Connection	7,821.20	8,039.60	2,009.90
Non-Residential-High Volume Monthly			
20mm Connection	265.20	272.40	68.10
25mm Connection	414.00	426.00	106.50
32mm Connection	678.60	697.80	174.45
40mm Connection	1,060.80	1,090.56	272.64
50mm Connection	1,657.80	1,704.00	426.00
80mm Connection	4,243.80	4,362.00	1,090.50
100mm Connection	6,631.20	6,816.00	1,704.00
150mm Connection	14,920.20	15,336.60	3,834.15
Non-Residential Bulk Councils			
68% of 20mm Res charge (X equivalent no. of 20mm connections)	121.20	124.20	
Vacant Unconnected Properties			
20mm Connection (applicable to new subdivisions after 1/07/11)	178.40	183.40	
Consumption Charges (per kilolitre)			
Residential Charge all consumption	2.18	2.24	
Non-Residential Rural all consumption	1.50	1.54	
Non-Residential Other all consumption	1.81	1.86	
Non-Residential High Volume Monthly all consumption	1.96	2.02	
Non-Residential Bulk Council all consumption	1.48	1.52	
Standpipe Water Sales (Commercial, Portable, & Temporary)	4.36	4.48	
Maximum Retail Charge for Standpipe Water Sales	5.80	5.95	
Temporary Portable Metered Hydrant Charges			
Deposit for Non Local Customer	1,000.00	1,000.00	
Short Term Hire - each week or part thereof	70.00	71.00	
Annual Hire per annum of part thereof (nil consumption allow)	295.00	300.00	
All Portable Standpipe Water Sales per kilolitre	4.36	4.48	

Service	Fee (\$)	
	2015/16	2016/17
Water Connection Application (New or reconnection)		
Water Connection Application Fee (including Site Inspection)	260.00	265.00
Development Proposals		
Assess development proposals (incl subdivision, strata & community/neighbourhood plans - per connection):		
Up to 5 connections	209.00	214.00
6 to 15 connections	183.00	188.00
16 to 30 connections	156.00	160.00
> 30 connections	POA	POA
Infrastructure Charges		
Retail DSP areas - per equivalent tenement	7,429.00	7,800.00
Bulk Council DSP areas - per equivalent tenement	6,794.00	7,134.00
Equivalent Tenement (ET) = 250 Kilotres per annum		
Tapping, Service and Meter Charges		
20mm Connection	1,565.00	1,610.00
25mm Connection	1,727.00	1,775.00
32mm Connection	2,191.00	2,250.00
40mm Connection	2,612.00	2,685.00
50mm Connection	3,081.00	3,170.00
> 50mm Connection	At Cost	At Cost
20mm Connection where service pipe has already been laid	147.00 + Meter	325.00
Downsizing a Connection: half the regular cost of the resultant connection size		
Pipe Locations		
Locate Only (Minimum 1 Hour)	Cost (min \$120)	Cost (min \$133/hr)
Locate & Expose (min 24 hours notice) (Minimum 1 Hour)	Cost (min \$120)	Cost (min \$133)
Backflow Prevention		
Installation of RPZD device (plus cost of device)	593.00	610.00
	\$161 +	
Inspection & Testing of Backflow Prevention Device (per device)	\$120/hr	\$166 + \$133/hr
Installation of Double Check Valve	237.00	245.00
Yearly Servicing of Double Check Valve	59.00	60.00
Engineering Services		
Site Inspections (per visit)	260.00	265.00
Pressure Testing of New Mains	650.00	665.00
Chlorination/Disinfection of New Mains	650.00	665.00
Cutting in of New Mains:-		0.00
100mm Mains	At Cost	At Cost
> 100mm Mains	At Cost	At Cost
Site Survey (per day)	780.00	800.00
Design and Drafting including Plans (per day)	885.00	905.00
Private Works Hire		
Private Works Admin Fee	10% (Max \$500)	10% (Max \$500)
Hire rates for Labour, Plant & Equipment	POA	POA

Maximum Retail Charge for Standpipe Water Sales	Fee (\$)			
	2015/16	2016/17		
Administrative Fees				
Search Inquiry Certificate Fee - s603 (per property)	75.00	State Govt Fee	**	
Urgent Certificates - fee for provision of s603 certificate required in les	150.00	State Govt Fee (x2)	**	
Disconnection Attendance Fee - Permanent or Temporary (Non-paym	130.00	133.00		
Reconnection Fee after Temporary Disconnection	130.00	133.00		
Debt Recovery Attendance Fee	130.00	133.00		
Meter Test Deposit (non-refundable if meter registers less than 3% more than the correct quantity):-				
20 or 25mm meter	130.00	133.00		
32 or 40mm meter	195.00	200.00		
50 or 80mm meter	260.00	265.00		
> 80mm meter	At Cost	At Cost		
Special Meter Reading (refundable if routine reading by Council proven to be in error):				
Routine service - minimum 48 hours notice	77.00	80.00		
Same day service	130.00	133.00		
Special Inquiry/Certificate/Attendance Fee per hour (min 1hr)	130.00	133.00		
Installation of Remote Meter Reading Device	At Cost	At Cost		
Interest on Overdue accounts (unpaid > 28 days from posting)	8.50%	Max % Allowable	**	
Processing of Dishonoured Cheques	55.00	55.00		
Copy of documents (per copy) freely available from website	33.00	33.00		
Request for information under the Government Information (Public Access) Act 2009:-				
Access to records concerning personal affairs:-				
Application Fee	30.00	30.00		
Processing Charge (/hr after first 20hrs)	30.00	30.00		
Internal review	40.00	40.00		
Amendment of records	No Cost	No Cost		
As advised by Office of Local Government, not available at time of printing			**	