Dorset Council

2026/27 Budget Estimates

Adopted by Council
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dorset COUNCIL

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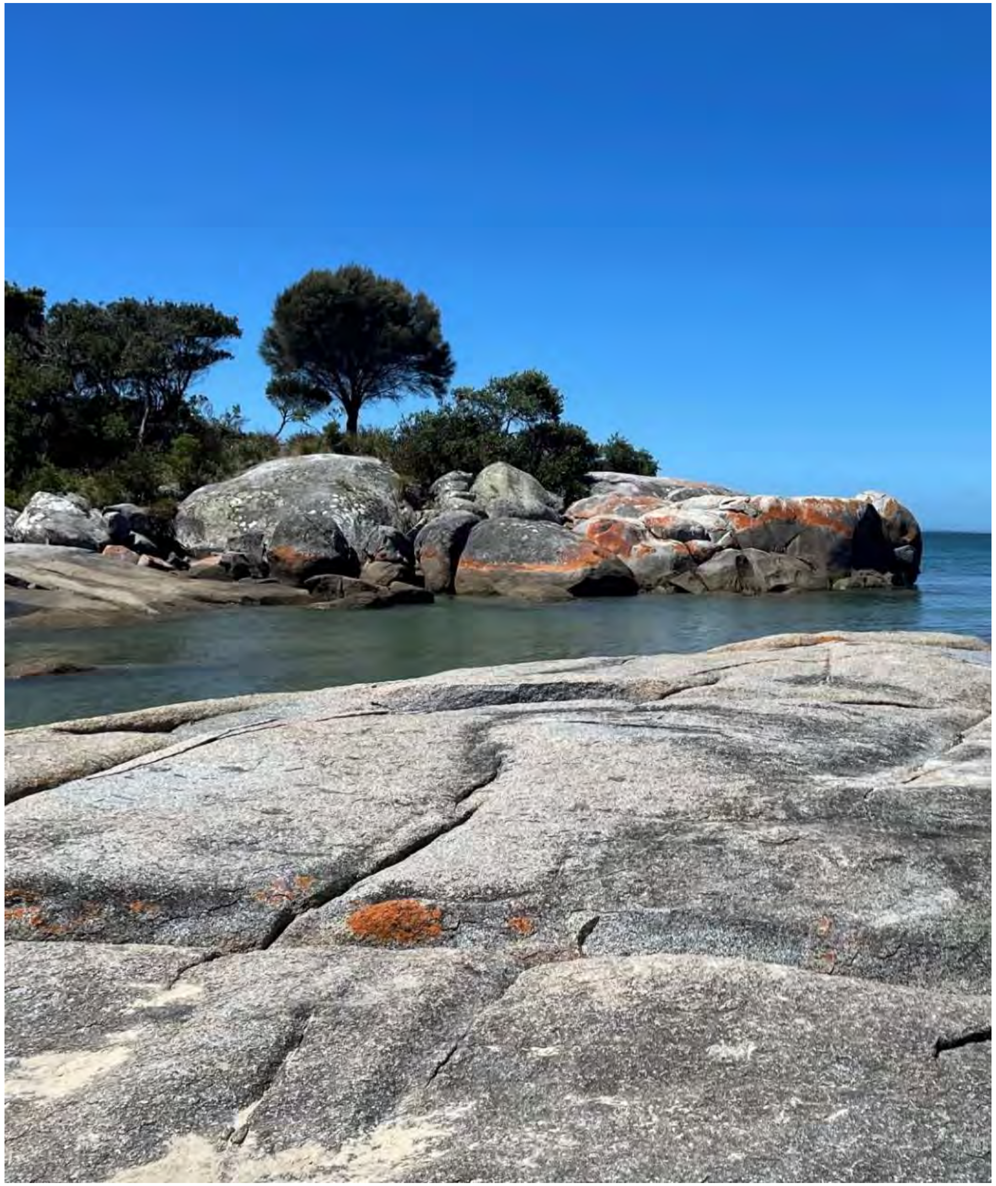
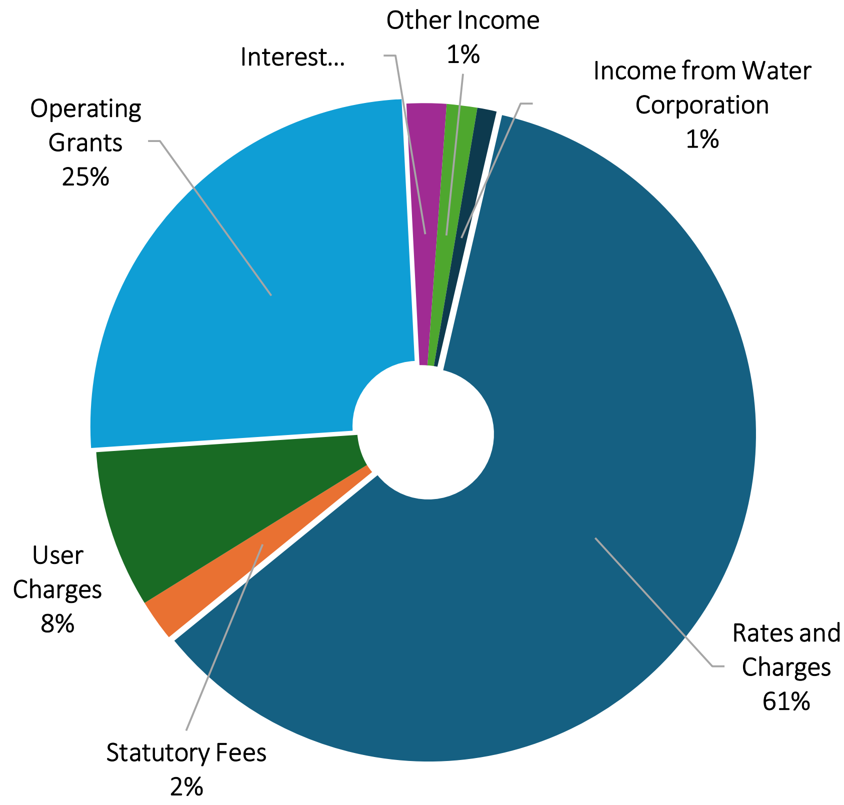
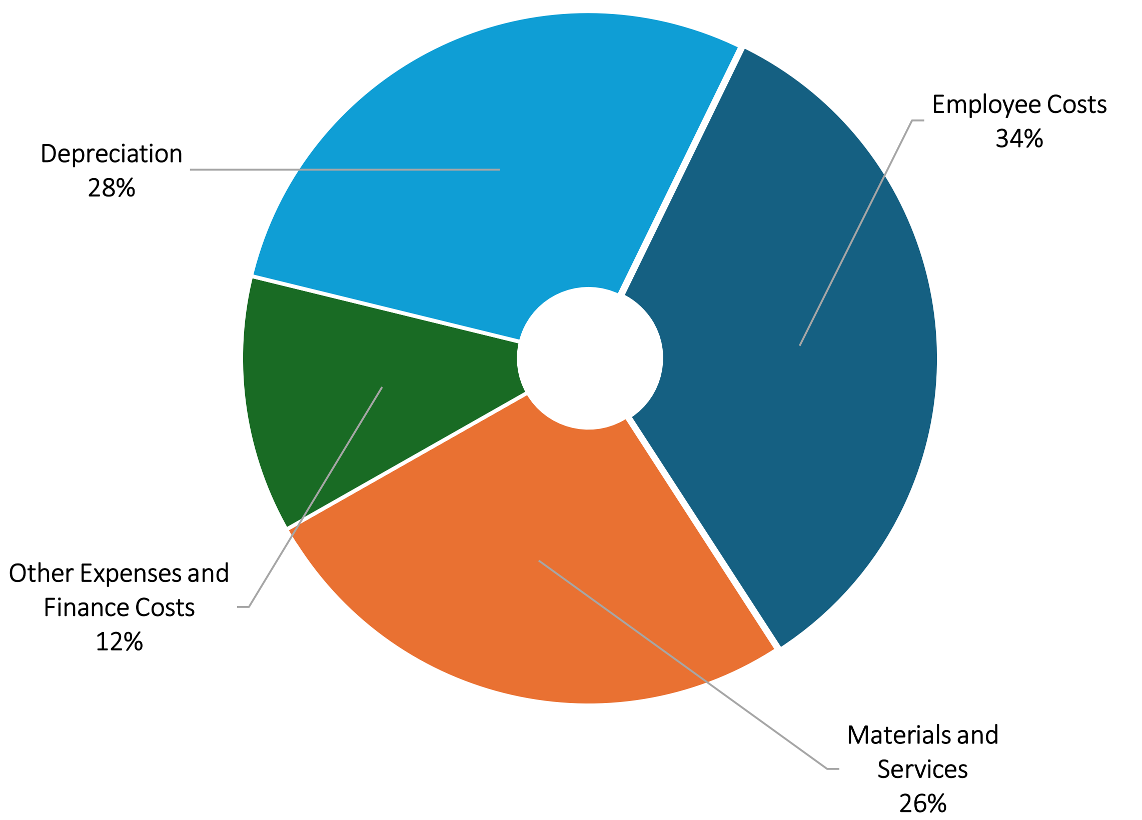


Summary of Budget Estimates

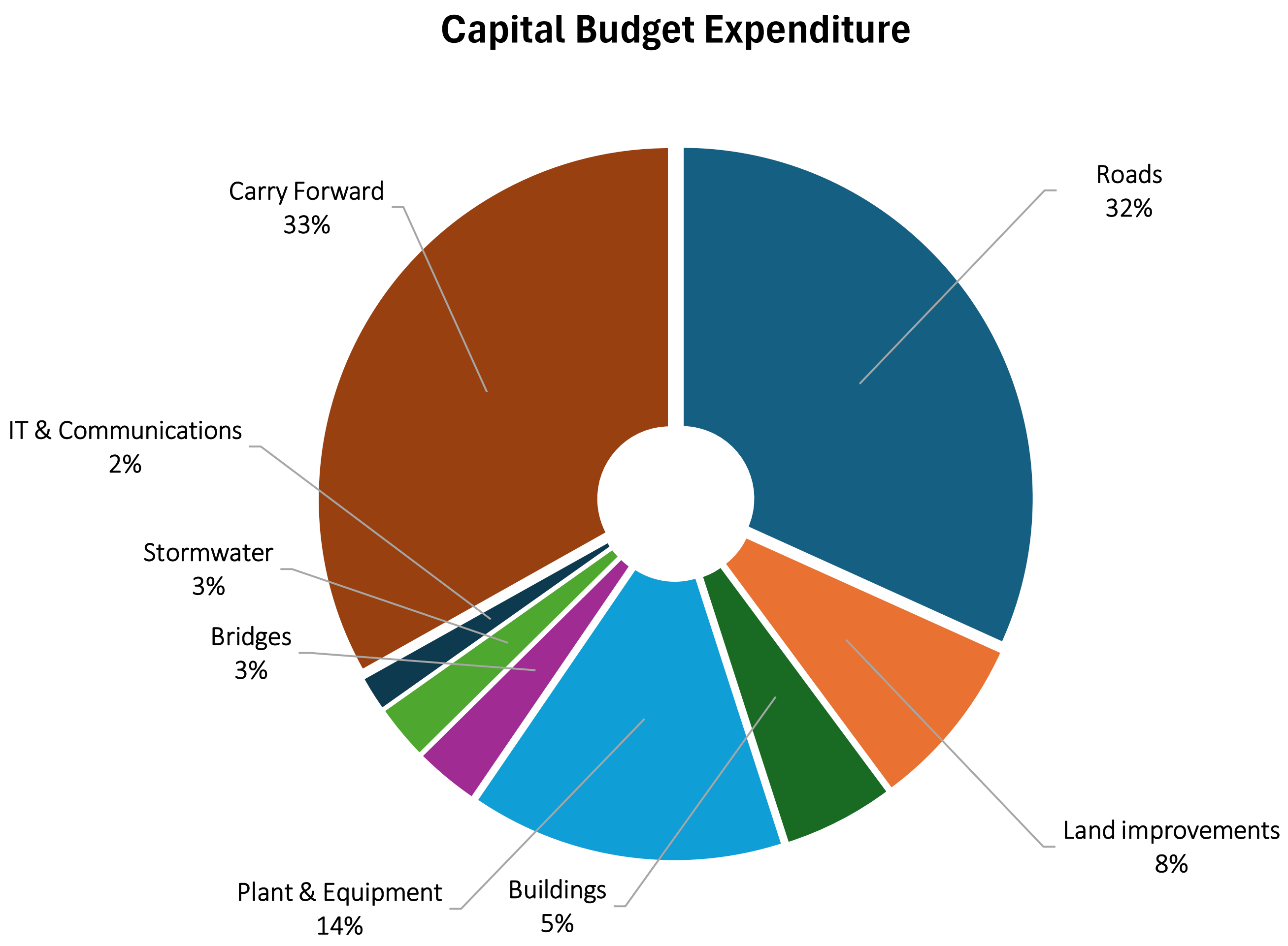
Our Budgeted Income



Our Budgeted Expenditure



Summary of Budget Estimates



Underlying Surplus Calculation

	Note	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	2025/26 Revised Budget $'000
Total Operating Income		**20,407**	**18,807**	**18,477**
Expenses (excl depreciation)		16,132	13,219	13,672
Depreciation		6,400	6,215	6,183
Total Expenses		**22,532**	**19,434**	**19,855**
Underlying Surplus/(Deficit)		**(2,125)**	**(627)**	**(1,378)**
Underlying Surplus as a % of Underlying Income		(10.4%)	(3.3%)	(7.5%)

Council's operating budget for the 2026/27 financial year estimates an underlying deficit of $2.1 million. This represents an increase of approximately $1.5 million compared with the underlying deficit forecast for the 2025/26 financial year and an increase of $0.7 million on revised budget estimates for the 2025/26.

When adjusted for one-off items, the underlying deficit is reduced to $1.3 million. This represents a 7.1% improvement on the revised 2025/26 budgeted deficit and reflects continued progress in strengthening Council underlying operating position while maintaining current service levels. One-off items for the 2026/27 financial year include:

Income

- Additional Heavy Vehicle Motor Tax Grant - $301,000
- Derby Master Plan Funding - $250,000
- Insurance reimbursement (Springfield Recreation Ground)- $57,000

Expenses

- Master planning activities for Scottsdale and Derby - $408,000
- Rail Trail maintenance - $300,000
- Priority maintenance of assets and other incidentals - $216,500
- Potential Board of Inquiry costs - $178,000
- Fixed-term employment positions - $141,000
- Consultancy - Council owned asset review - $80,000
- 2026 Local Government Elections and new Councillor incidentals - $64,000
- Scottsdale Aquatic Centre feasibility study - $40,000
- Scottsdale Railway Station concept plan - $40,000

Underlying Surplus Calculation (cont.)

The expected cash to be generated from the 2026/27 operational budget is $4.3 million, compared with $5.6 million forecast for the 2025/26 financial year.

Cash generated from operating activities is a key indicator for Council, as it represents the cash available from day-to-day operations to fund future capital and infrastructure works within the municipality.

The estimated $4.3 million to be generated in the 2026/27 financial year is less than the $7.0 million (net of external funding) required for Council's proposed capital renewal program, however, this has been accounted for in Council's Long-Term Financial plan and it is expected that operating cash flows will sufficiently cover the required capital renewal spend in future years.

An additional $2.3 million in capital grant funding will further assist Council to complete the proposed $13.1 million Capital Works Program in 2026/27.

Analysis of Budget Estimates

The key drivers for 2026/27 budget estimates are:

Income

Rates and charges have increased by $1.1 million compared with forecast actuals for 2025/26. This increase is primarily attributable to a 6.5% increase to Council's general rate revenue base, together with additional income expected from organic growth. Further increases arise from changes to the minimium general rate, the introduction of a varied minimum general rate charge for vacant land properties and higher rates revenue from properties used for wind farm and forestry purposes.

Operating grants and contributions have increased by $0.4 million on forecast actuals for 2025/26 as a result of the receipt of one-off funding for the Derby Master Plan and the Heavy Vehicle Motor Tax grant.

Statutory fees have increased by $0.1 million on forecast actuals for 2025/26 following a detailed review of the 2026/27 fee structure. These changes are intended to ensure the costs of service delivery are recovered and services remain accessible and affordable.

Income from Water Corporation has decreased by $0.1 million on forecast actuals for the 2025/26 financial year, following advice received from TasWater that dividend distributions are anticipated to be lower in 2026/27.

Council's fees and charges are set in accordance with section 205 of the Local Government Act 1993 and have increased, on average, by 5.1%.

Expenditure

Materials and services have increased by $1.4 million on forecast actuals for 2025/26 as a result of one-off expenditure required to commence initiatives under the Dorset Future Ready program,and additional maintenance works required on the North East Rail Trail and other Council assets during the 2026/27 financial year.

Employee Costs have increased by $1.2 million on forecast actuals for 2025/26 due to the addition of new positions to address increased service expectations and legislative requirements, the expected increase to wages as per Council's Enterprise Bargaining Agreement, an increase in workers compensation insurance and annualising any new or reclassified roles that were recruited during the 2025/26 financial year.

Other expenses have increased by $0.3 million on forecast actuals for 2025/26 predominently as a result of the inclusion of potential Board of Inquiry costs and increased expenditure required for the 2026 Local Government elections.

Statement of Profit and Loss

	Notes	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Actual Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Operating Income						
Rates and Charges	1	12,351	11,265	9.6%	11,157	10.7%
Statutory Fees	2	418	333	25.5%	304	37.5%
User Charges	3	1,584	1,477	7.2%	1,457	8.7%
Grants and Contributions	4	5,155	4,804	7.3%	4,791	7.6%
Interest	5	400	388	3.1%	280	42.9%
Other Income	6	305	288	5.9%	236	29.2%
Income from Water Corporation	7	194	252	(23.0%)	252	(23.0%)
Total Operating Income		**20,407**	**18,807**	**8.5%**	**18,477**	**10.4%**
Capital Income						
Capital Grants	4	2,283	2,053	11.2%	3,816	(40.2%)
Total Capital Income		**2,283**	**2,053**	**11.2%**	**3,816**	**(40.2%)**
Total income from continuing operations		**22,690**	**20,860**	**8.8%**	**22,293**	**1.8%**
Expenses						
Employee costs	8	7,579	6,382	18.8%	6,747	12.3%
Materials and services	9	5,842	4,451	31.3%	4,539	28.7%
Finance costs	10	89	74	20.3%	98	(9.2%)
Other expenses	11	2,622	2,312	13.4%	2,288	14.6%
Depreciation	12	6,400	6,215	3.0%	6,183	3.5%
Total Expenses		**22,532**	**19,434**	**15.9%**	**19,855**	**13.5%**
Surplus/(Deficit)		**158**	**1,426**	**(88.9%)**	**2,438**	**(93.5%)**
less: Capital Grants	4	(2,283)	(2,053)	(11.2%)	(3,816)	(40.2%)
Underlying Surplus/(Deficit)		**(2,125)**	**(627)**	**238.8%**	**(1,378)**	**54.2%**

Notes | Income

NOTE 1 | Rates and Charges

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
General rate	9,508	8,651	9.9%	8,544	11.3%
Waste management	2,373	2,170	9.4%	2,172	9.3%
Fire service levy	470	444	5.9%	441	6.6%
Total Rates and Charges	**12,351**	**11,265**	**9.6%**	**11,157**	**10.7%**

Rates and charges are expected to increase by $1.1 million, representing a 9.6% increase on forecast actuals for the 2025/26 financial year and a 10.7% increase on 2025/26 budget estimates.

Council has considered the following factors when determining the increase in rates and charges:

- Council's Strategic Plan, Financial Management Strategy & Long Term Financial Plan;
- Asset Management Plans and Council's capital renewals program;
- Estimates of recurrent grant funding, such as the Financial Assistance Grants program; and
- National CPI (year-to-date March Quarter: 4.6%, Hobart CPI (year-to-date March quarter: 5.1%) and the LGAT Council Cost Index 2025/26 (3.6%).

General rate

Income received from general rates is expected to increase by $857,000, representing an overall increase of 9.9% on forecast actuals for the 2025/26 financial year and an increase of 11.3% on 2025/26 budget estimates. This increase comprises:

- a 6.5% increase to Council's forecast general rate revenue for 2026/27;
- a 0.2% increase through organic growth achieved through supplementary valuations;
- a 1.1% increase from the maximum increase cap lifting to 30%;
- a 0.5% increase from the introduction of a minimum general rate for vacant land; and
- a 1.6% increase from the change in varied general rate for forestry and wind farm properties;

NOTE 1 | Rates and Charges (cont.)

Waste management

Income received from waste management is expected to increase by $203,000 representing an increase of 9.4% on forecast actuals for the 2025/26 financial year and a 9.3% increase on 2025/26 budget estimates. To maintain affordable gate fees at waste transfer stations within the municipality, Council currently recovers the cost of the State Government's Landfill Levy through the Waste Management Charge. The levy is scheduled to increase from $45.84 per tonne in 2025/26 to $70.56 per tonne in 2026/27. As a result, a higher increase in the Waste Management Charge is required to recover the additional levy costs.

Fire Service Levy

The Fire Service Contribution is set by the State Fire Commission. For the 2026/27 financial year, the minimum charge determined by the State Fire Commission is $52.00 (2025/26 FY: $50.00). The total income to be collected on behalf of the State Government is approximately $470,000.

NOTE 2 | Statutory Fees

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Land information certificates	96	90	6.7%	71	35.2%
Town planning fees	161	114	41.2%	99	62.6%
Animal control	38	36	5.6%	35	8.6%
Building services	98	91	7.7%	96	2.1%
Regulatory services	25	2	1150.0%	3	733.3%
Total Statutory Fees	**418**	**333**	**25.5%**	**304**	**37.5%**

Statutory fees relate to the delivery of planning and regulatory services within Council, including town planning and building fees, land information certificate searches, dog registrations, food licences and permits. Income from statutory fees for the 2026/27 financial year is expected to increase by $85,000, representing an increase of 25.5% on forecast actuals for the 2025/26 financial year and 37.5% on the 2025/26 budget estimates.

While most statutory fees are proposed to increase in line with the Consumer Price Index (CPI), fees associated with town planning and regulatory services have increased by a greater amount following a comprehensive review of the 2026/27 fee structure. These changes are intended to improve cost recovery while ensuring Dorset residents continue to receive services without undue financial burden. Several new fees have been introduced, and some previously discontinued fees have been reinstated for the 2026/27 financial year. Demand for planning and regulatory services is expected to remain consistent with current service levels during the 2026/27 financial year.

NOTE 3 | User Charges

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Caravan and camping fees	1,296	1,208	7.3%	1,178	10.0%
Rental and lease income	84	77	9.1%	82	2.4%
Cemetery fees	49	46	6.5%	46	6.5%
Waste disposal fees	96	90	6.7%	94	2.1%
Swimming pools	59	56	5.4%	57	3.5%
Total User Charges	**1,584**	**1,477**	**7.2%**	**1,457**	**8.7%**

User charges relate primarily to the recovery of service delivery costs through fees charged for council services. These services include cemetery fees, hall hire, caravan parks and waste transfer station access within the municipality. Fees and charges are set annually in accordance with section 205 of the *Local Government Act 1993* .

Income from user charges is expected to increase by $107,000 in the 2026/27 financial year. This represents an increase of 7.2% on forecast actuals for the 2025/26 financial year and an increase of 8.7% on 2025/26 budget estimates.

Caravan and camping fees

Income from caravan and camping fees is expected to increase by $88,000 compared with forecast actuals for the 2025/26 financial year and by $118,000 compared with 2025/26 budget estimates.

This increase is primarily driven by revised budget estimates for caravan and camping fees at the Bridport Seaside Caravan Park, reflecting proposed fee increases and anticipated occupancy levels for the 2026/27 financial year. A budget allocation of $5,650 has also been included for camping fees at Branxholm Centenary Park.

In addition, $43,000 has been budgeted for camping fees collected at Derby, which will be remitted to the Blue Derby Foundation (BDF), net of any costs incurred by Council throughout the year. A corresponding expense has been included within other expenses.

NOTE 4 | Grants and Contributions

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Federally funded	6,460	6,210	4.0%	7,525	(14.2%)
State funded	841	479	75.6%	926	(9.2%)
Other	34	21	61.9%	-	100.0%
Contributions	103	147	(29.9%)	156	(34.0%)
Total Grants and Contributions	**7,438**	**6,857**	**8.5%**	**8,607**	**(13.6%)**

Council expects income received from grants and contributions to increase by $581,000 in the 2026/27 financial year, representing an increase of 8.5% on forecast actuals for the 2025/26 financial year and a decrease of 13.6% on 2025/26 budget estimates. Expected grants and contributions for the 2026/27 financial year comprise $5.2 million in operating grants and $2.3 million in capital grants.

Government grants include all funding received from the Australian and Tasmanian Governments to support Council services and specific capital projects. Capital grants are budgeted based on the expected percentage of project completion during the financial year. For example, if a project is expected to be 80% complete by 30 June, 80% of the associated grant funding is included in the budget estimates.

NOTE 4 | Grants and Contributions (cont.)

Operating grants and contributions	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Financial Assistance Grants - General	1,591	1,552	2.5%	1,552	2.5%
Financial Assistance Grants - Road & Bridge	2,800	2,662	5.2%	2,662	5.2%
Heavy Vehicle Motor Tax*	441	441	0.0%	441	0.0%
Derby Master Plan	250	-	100.0%	-	100.0%
MTB Trails - Break O'Day Council	31	30	3.3%	30	3.3%
MTB Trails - Blue Derby Foundation	28	93	(69.9%)	93	(69.9%)
MTB Trails - Other	10	10	0.0%	10	0.0%
Other operating grants	-	11	(100.0%)	-	0.0%
Donations received	4	4	0.0%	3	33.3%
Total Operating Grants and Contributions	**5,155**	**4,804**	**7.3%**	**4,791**	**7.6%**

Operating grants are expected to increase by $351,000 in the 2026/27 financial year, representing an increase of 7.3% on forecast actuals for the 2025/26 financial year and an increase of 7.6% on 2025/26 budget estimates.

*The Heavy Vehicle Motor Tax grant allocation is expected to remain at the increased level of $441,000 in the 2026/27 financial year, compared with the historical allocation of approximately $142,000. While this increased funding has been incorporated into the budget estimates, it is considered a one-off increase is not expected to continue beyond 2026/27.

NOTE 4 | Grants and Contributions (cont.)

Capital grants and contributions	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Dorset Netball Facility Upgrades	492	5	9740.0%	250	96.8%
Dorset Playground Upgrades	113	4	2725.0%	-	100.0%
Rail Trail Project	-	73	(100.0%)	-	0.0%
Old Waterhouse Road safety improvements	-	3	(100.0%)	-	0.0%
Dorset Resource Recovery Project	-	33	(100.0%)	-	0.0%
Railway Precinct Upgrade	37	-	100.0%	-	100.0%
Golconda Road - Stage 7 & 8	-	667	(100.0%)	1,860	(100.0%)
Golconda Road - Safety Improvements	132	46	187.0%	184	(28.3%)
Bridge 1572 Haas Road	306	-	100.0%	-	100.0%
Tasmanian Relief and Recovery Funding	-	-	0.0%	300	(100.0%)
Tip Shop Extension - Scottsdale	34	-	100.0%	-	100.0%
Roads to Recovery	1,139	1,202	(5.2%)	1,202	(5.2%)
Capital contributions	30	20	50.0%	20	50.0%
Total Capital Grants and Contributions	**2,283**	**2,053**	**11.2%**	**3,816**	**(40.2%)**

Capital grants are expected to increase by $230,000 in the 2026/27 financial year, representing an increase of 11.2% on forecast actuals for the 2025/26 financial year and a decrease of 40.2% on 2025/26 budget estimates.

NOTE 5 | Interest

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Interest income	370	359	3.1%	250	48.0%
Interest on rates	30	29	3.4%	30	0.0%
Total Interest	**400**	**388**	**3.1%**	**280**	**42.9%**

Interest income is expected to increase by $12,000 in the 2026/27 financial year, which represents an increase of 3.1% on forecast actuals for the 2025/26 financial year and an increase of 42.9% on 2025/26 budget estimates.

NOTE 6 | Other Income

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Reimbursements	132	95	38.9%	83	59.0%
Private works	10	28	(64.3%)	10	0.0%
Tourism income	8	7	14.3%	13	(38.5%)
Sundry income	155	158	(1.9%)	130	19.2%
Total Other Income	**305**	**288**	**5.9%**	**236**	**29.2%**

Other income is received from a variety of sources including retail sales at the Scottsdale Visitor Information Centre and Aquatic Centre, reimbursements from external parties and income from the sale of scrap metal collected at waste transfer stations within the municipality.

Other income is expected to increase by $17,000 in the 2026/27 financial year, which represents an increase of 5.9% on forecast actuals for the 2025/26 financial year and an increase of 29.2% on 2025/26 budget estimates.

NOTE 7 | Income from Water Corporation

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Dividends	194	252	(23.0%)	252	(23.0%)
Total Income from Water Corporation	**194**	**252**	**(23.0%)**	**252**	**(23.0%)**

TasWater are expected to pay ordinary dividends during the 2026/27 financial year, subject to its underlying financial performance.

Based on advice received from TasWater, dividends of $194,000 are expected to be received during 2026/27. Council's ownership share at 30 June 2027 is forecast to be 0.97%. This represents a decrease of 23.0% compared with both forecast actuals and the budget allocation for the 2025/26 financial year.

Notes | Expenses

NOTE 8 | Employee Costs

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Wages and salaries	8,065	6,617	21.9%	7,077	14.0%
Superannuation	954	762	25.2%	833	14.5%
Payroll tax	407	345	18.0%	354	15.0%
Workers compensation	223	200	11.5%	212	5.2%
Fringe benefits tax	60	60	0.0%	50	20.0%
Less amounts capitalised	(2,130)	(1,602)	33.0%	(1,779)	19.7%
Total Employee Costs	**7,579**	**6,382**	**18.8%**	**6,747**	**12.3%**

Employee costs are expected to increase by $1,197,000 in the 2026/27 financial year, representing an increase of 18.8% on forecast actuals for the 2025/26 financial year and a 12.3% increase on 2025/26 budget estimates. The key drivers of this increase include:

- a 4.0% increase to wages in accordance with Council's Enterprise Bargaining Agreement;

- the addition of new positions to address increasing service expectations, expanded legislative compliance requirements, enhanced community engagement activities, and succession planning initiatives aimed at supporting workforce continuity and organisational capability. Fixed-term resourcing has also been included within Information Technology (IT), Human Resources (HR), and Work Health and Safety (WHS) to support modernisation and improvement of Council's systems, processes and organisational practices;

- annualisation of new or reclassified roles recruited during the 2025/26 financial year; and

- an 11.5% increase in workers' compensation insurance premiums.

Budget savings were achieved during the 2025/26 financial year due to a number of long-standing vacancies across Council. Funding for these positions has been included in the 2026/27 budget estimates, with recruitment activities expected to continue throughout the year to fill the vacant roles.

NOTE 9 | Materials and Services

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Materials	799	725	10.2%	603	32.5%
Utilities	605	555	9.0%	567	6.7%
Plant, machinery and equipment	595	537	10.8%	524	13.5%
Office administration	49	42	16.7%	72	(31.9%)
Contracts	2,612	1,972	32.5%	2,208	18.3%
Professional services	850	298	185.2%	260	226.9%
Management contracts	332	322	3.1%	305	8.9%
Total Material and Services	**5,842**	**4,451**	**31.3%**	**4,539**	**28.7%**

Materials and services are expected to increase by $1.4 million in the 2026/27 financial year, representing an increase of 31.3% on forecast actuals for the 2025/26 financial year and a 28.7% increase on 2025/26 budget estimates.

This increase is largely attributable to the following budget allocations included for the 2026/27 financial year:

- $481,000 to commence the Dorset - Future Ready initiative, including master planning for the Scottsdale and Derby townships, completion of the Ringarooma Road Specific Area Plan, a feasibility study for the Scottsdale Aquatic Centre and concept planning for the Scottsdale Railway Station precinct;
- $300,000 for additional maintenance works on the North East Rail Trail, including the Scottsdale to Wyena section;
- $165,000 for additional maintenance works at the Derby Schoolhouse Museum, Scottsdale Visitor Information Centre, Scottsdale Waste Transfer Station and recreation grounds at Springfield and Scottsdale; and
- $80,000 for consultancy services to assist with Council's asset review, including an assessment of asset utilisation and whole-of-life costs to determine the most sustainable approach to managing Council's growing asset base.

NOTE 10 | Finance Costs

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Interest payments - Bank Loans	65	51	27.5%	75	(13.3%)
Interest payments - Finance Leases	18	17	5.9%	17	5.9%
Unwinding of Discounts for provisions	6	6	0.0%	6	0.0%
Total Finance Costs	**89**	**74**	**20.3%**	**98**	**(9.2%)**

Finance costs are expected to increase by $15,000 in the 2026/27 financial year, driven by additional borrowings expected to be drawn down, the inclusion of interest payments related to the Bridport Foreshore lease agreement and the unwinding of discounts for other provisions. This represents an increase of 20.3% on forecast actuals and a decrease of 9.2% on the budget estimates for the 2025/26 financial year.

NOTE 11 | Other Expenses

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
State levies, licences and taxes	712	637	11.8%	724	(1.7%)
Insurance	245	246	(0.4%)	248	(1.2%)
Councillor allowances	195	199	(2.0%)	208	(6.3%)
Commissions	9	8	12.5%	9	0.0%
IT maintenance	222	327	(32.1%)	191	16.2%
Communications	49	43	14.0%	56	(12.5%)
Subscriptions and memberships	157	158	(0.6%)	146	7.5%
Professional development	111	43	158.1%	92	20.7%
Cost of goods sold	46	47	(2.1%)	45	2.2%
Election expenses	68	11	518.2%	10	580.0%
Community grants and donations	198	144	37.5%	194	2.1%
Advertising	55	43	27.9%	51	7.8%
Marketing	3	2	50.0%	3	0.0%
External audit fees	56	49	14.3%	54	3.7%
Internal audit fees	20	-	100.0%	20	0.0%
Bank fees and charges	46	41	12.2%	37	24.3%
Postage	34	27	25.9%	28	21.4%
Lease payments	14	12	16.7%	6	133.3%
Other sundry expenses	382	275	38.9%	166	130.1%
Total Other Expenses	**2,622**	**2,312**	**13.4%**	**2,288**	**14.6%**

NOTE 11 | Other Expenses (cont.)

Other expenses are expected to increase by $310,000 in the 2026/27 financial year, predominently as a result of increased expenditure on other sundry expenses, professional development and training, and election-related costs. This represents an increase of 13.4% on forecast actuals and 14.6% on the 2025/26 budget estimates.

Other sundry expenses

The budget allocation of $382,000 for other sundry expenses comprises:
- potential Board of Inquiry costs;
- freight and delivery charges;
- the forwarding of income received from Derby camping facilities (net of associated fees) to the Blue Derby Foundation; and
- miscellaneous operating expenses including parking, website hosting, meeting costs, catering and other administrative costs.

Community grants and donations

Each year Council provides funding and resources to support educational development and community-led projects, programs or events that contribute to the wellbeing of residents across the Dorset municipality.

The following community funding has been included in the 2026/27 budget estimates:

Scholarships

Scholarships for Dorset residents enrolled in all levels of education, including:

- a university scholarship awarded to one recipient each year, valued at $3,000 per annum for up to three years;
- an agribusiness scholarship valued at $2,500;
- an apprenticeship/traineeship scholarship valued at $1,000; and
- a high school scholarship for up to five recipients, valued at $500 each.

Community Grants

$55,000 for Council's Community Grants Program, including matching funding, small grants, and discretionary grants. Up to $25,000 of this funding is supported by proceeds from the Re-Use Centre at the Scottsdale Waste Transfer Station.

NOTE 11 | Other Expenses (cont.)

Other Community Contributions

- Mayor discretionary fund - $10,000
- Dorset Bright Futures Program contribution - $15,000.
- Additional youth program funding - $10,000.

Event Sponsorships

Funding has been allocated to support a range of community events, including:

- Spud Fest - $10,000;
- Scallop Fiesta - $6,000;
- Scottsdale Show - $5,000;
- Mannalargenna Day Festival - $5,000;
- DerbyFest - $5,000;
- North East Arts and Crafts Festival - $3,000;
- Rail Trail Run and Ride - $2,300;
- Dorset People and Business Awards - $2,000;
- Bridport Triathlon - $2,000;
- Dorset Seniors Week - $2,000;
- Jolly Lette Memorial Endurance Ride - $750;
- Australia Day Golf Event - $500;

Other Contributions

- $10,000 contribution to each of the Winnaleah and Ringarooma swimming pools to assist with annual running costs; and
- $16,000 contribution to State Emergency Service (SES) operations within the municipality, in accordance with the Memorandum of Understanding.

NOTE 12 | Depreciation

	2026/27 Budget $'000	2025/26 Forecast Actuals $'000	Variance % Movement	2025/26 Revised Budget $'000	Budget Variance % Movement
Roads	3,421	3,321	3.0%	3,320	3.0%
Bridges	667	647	3.1%	625	6.7%
Plant, machinery and equipment	836	751	11.3%	750	11.5%
Buildings	534	509	4.9%	509	4.9%
Stormwater	343	334	2.7%	333	3.0%
Land improvements	435	473	(8.0%)	472	(7.8%)
Computer and technology	130	144	(9.7%)	139	(6.5%)
Fixtures, fittings and furniture	12	14	(14.3%)	13	(7.7%)
Right of Use Assets	22	22	0.0%	22	0.0%
Total Depreciation	**6,400**	**6,215**	**3.0%**	**6,183**	**3.5%**

Council's depreciation expense is expected to increase by $185,000 in the 2026/27 financial year. This represents an increase of 3.0% on forecast actuals for the 2025/26 financial year and a 3.5% increase on the 2025/26 budget estimates.

This increase is primarily driven by the revaluation and indexation of council's asset base in the 2025/26 financial year, which has increased asset replacement values and the associated depreciation expense. Additional depreciation has also been recognised for new and renewed assets delivered through the 2025/26 capital works program.

Borrowings

Council proposes to carry forward $0.5 million of new borrowings into the 2026/27 financial year. These borrowings were originally budgeted for drawdown in 2025/26; however, the timing has been revised, and the funds are now expected to be drawn down during 2026/27.

The table below details Council's original loan amounts. However, as at 30 June 2026 and due to scheduled loan repayments, the balance is expected to total $2.3 million.

	2026/27 Budget $'000	**2025/26 Budget $'000**
Local Government Loan Program	3,200	3,200
Other borrowings	2,500	2,500
Total Borrowings	**5,700**	**5,700**

Calculation of Rates and Charges

Rating Structure

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

1. **General Rate** - calculated as a rate in the dollar on the Assessed Annual Value (AAV) of the rateable property, with a minimum amount payable;

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

General Rate

The general rate revenue base wll increase by 6.5% which is higher than the 4.75% increase originally committed to in Council's 2026-2035 Long Term Financial Plan.

The general rate cents in the dollar on the AAV will be 5.6250 for the 2026/27 financial year (2025/26: 5.2990 cents in the dollar).

The maximum rate increase cap for the general rate will increase to 30% for all properties to continue the phased introduction of the impacts of the 2024 municipal valuation.

A varied general rate minimum charge will now apply to vacant land and will be charged at $700.00 per property.

Council will maintain the varied general rate for properties used for short-term accommodation (STA) of 11.25 cents in the dollar on the AAV for the 2026/27 financial year (2025/26: 10.598 cents in the dollar) as the valuations for STA continue to generally be lower than comparable commercial properties.

Waste Management

The standard waste mangagement charge (per property) will increase by $27.00 to $196.00 for the 2026/27 financial year (2025/26: $169.00).

Fire Service Levy

The fire service levy minimum charge (per property) will increase by $2.00 to $52.00 for the 2026/27 financial year (2025/26: $50.00).

Rates and Charges Schedule	2026/27 $	2025/26 $
General Rate		
General rate cents in the dollar of AAV	5.625	5.299
General Rate Minimum Charge	579.00	543.00
Varied General Rate Minimum Charge - Vacant Land	700.00	-
Varied General Rate (cents in the dollar on AAV) Properties used for Short Stay Visitor Accommodation	11.25	10.598
Varied General Rate (cents in the dollar on AAV) Properties used for Primary Production - Forestry	9.664	7.745
Varied General Rate (cents in the dollar on AAV) Wind Farm	8.521	7.785
Waste Management		
Standard Waste Management Charge (per property)	196.00	169.00
Kerbside Garbage Collection		
Small (80 Litre) MGB	160.00	150.00
Medium (120 Litre) MGB	188.00	176.00
Large (240 Litre) MGB	367.00	344.00
Kerbside Recycling Service	178.00	167.00
Fire Service Levy		
Scottsdale and Bridport Volunteer Brigade Districts	0.2835	0.2586
General Land District	0.2849	0.2706
Fire Service Levy Minimum Charge	52.00	50.00

Instalment Payments of Rates and Charges

Payments can be made via four instalments in 2026/27. Daily interest will be charged on any outstanding amounts.

The following table indicates the instalment dates for the 2026/27 financial year.

	Due Date	Interest Applied
Instalment 1	30 September 2026	15 October 2026
Instalment 2	30 November 2026	15 December 2026
Instalment 3	31 January 2027	15 February 2027
Instalment 4	31 March 2027	15 April 2027

Dorset Council

2026/27 Capital Expenditure Budget

2026/27 Capital Expenditure Budget | Summary

A Capital Works Program totalling $13.1 million is recommended. The 2025/26 capital budget was $13.0 million (including budget variations); however, $4.3 million of this budget is expected to be carried forward into the 2026/27 financial year.

Total Capital Expenditure Budget

	Renewal $'000	New & Upgrade $'000	Overhead Wages Allocation $'000	Total Budget $'000
Bridges	20	325	52	397
Roads	3,614	-	543	4,157
Stormwater	42	255	45	342
Buildings	394	195	88	677
Land Improvements	549	368	143	1,060
Plant and Equipment	1,640	13	249	1,902
IT and Communications	134	56	29	219
Carry Forward Projects	1,820	1,952	565	4,337
Total	**8,213**	**3,164**	**1,714**	**13,091**

Funding the Budget

	Total Budget $'000	External Funding $'000	Council Funding $'000
Bridges	397	-	397
Roads	4,157	15	4,142
Stormwater	342	-	342
Buildings	677	-	677
Land Improvements	1,060	100	960
Plant and Equipment	1,902	347	1,555
IT and Communications	219	-	219
Carry Forward Projects	4,337	1,499	2,838
Total	**13,091**	**1,961**	**11,130**

Further capital projects approved subject to the receipt of external funding total $1.3 million. Of this amount, $1.1 million is expected to be received via external grant funding, with $0.2 million funded by Council.

Capital Expenditure approved subject to funding

	Total Budget $'000	External Funding $'000	Council Funding $'000
Plant and Equipment	18	9	9
Bridges	620	496	124
Buildings	536	518	18
Land Improvements	165	120	45
Total	**1,339**	**1,143**	**196**

If all external funding is received the Capital Works Program will total $14.4 million for the 2026/27 financial year, of which Council will fund a total of $11.3 million.

2026/27 Capital Expenditure Budget | Highlights

Roads

Council's total capital expenditure for roads amounts to $4,157,000. Key projects include:

- annual resheeting and reseal program;
- Golconda Road pavement renewal (segments 2 & 3); and
- Main Street, Bridport pavement & kerb renewal .

Plant and Equipment

Council's total capital expenditure for plant and equipment amounts to $1,902,000. Major purchases include:

- garbage truck replacement;
- backhoe replacement (construction); and
- two 6.5 Tonne Tipper Truck replacements.

Land Improvements

Council's total capital expenditure for land improvements amounts to $1,060,000. Key projects include:

- Bridport Hall - hotmix car park;
- Tomahawk Reserve - playground replacement;
- Scottsdale Stadium/Aquatic Centre - hotmix car park; and
- Scottsdale Waste Transfer Station - new weighbridge.

Buildings

Council's total capital expenditure for buildings amounts to $677,000. Key projects include:

- Council Chambers - roof repairs/replacement (upper and lower levels);
- Council Chambers - upper-level office redesign and renovations;
- CCTV camera upgrades; and
- Branxholm Hall - planning & design for male toilet renewal.

Bridges and Stormwater

Council's total capital expenditure for bridges and stormwater amounts to $739,000. Key projects include:

- upgrade of Bridge 1550 Barnbougle Rd (Tuckers Creek), North Scottsdale;
- upgrade of Bridge 1570 Burrow's Road (Tuckers Creek), North Scottsdale; and
- Union St, Scottsdale - stormwater and kerb upgrade.

IT and Communications

Council's total capital expenditure for IT and communications amounts to $219,000. Key projects and purchases include:

- annual hardware and software renewal program;
- WHS software; and
- Starlink installation at Scottsdale Waste Transfer Station.

Carry forward projects:

Council's total carry forward amounts to $4,337,000. Key projects to be completed include:

- Purchase Flocon Truck (road maintenance);
- Upgrade to Bridge 1569 Jensens Rd, North Scottsdale;
- Upgrade to Bridge 1572 Haas Rd, Legerwood; and
- Completion of playground upgrades at the Lions Adventure Playground, Bridport and the Scottsdale Children's Reserve.