

# Budget 2015-2016

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## Introduction

The 2015-16 Budget has been prepared in the context of the Council Plan 2013-17, the Strategic Resource Plan and the Financial Sustainability Plan. The Budget seeks to balance the community's needs for services and infrastructure with the objective to minimise the increase in rates and charges.

The Budget has also been prepared in the context of the proposal by the Victorian Government to introduce a rate capping framework commencing in 2016-17. This framework does not apply during the 2015-16 financial year, and details of the rate capping framework remain unknown at this stage. However the implications of rate capping will be significant for future years. This has led to some reductions of proposed capital works and borrowings in 2015-16 (relative to previous forecasts), in order that decisions which impact on future years can be made with a full understanding of the rate capping framework.

While rate capping will have significant implications, Nillumbik's finances are in a sound position. Council recently received an overall low-risk (green light) assessment of financial sustainability in the Victorian Auditor-General's report on the 2013-14 financial year. In 2013-14, Council concluded the funding of its statutory liability of \$4.6 million for the Local Authorities Superannuation Fund Defined Benefit Plan, which arose from the Global Financial Crisis and had been the major cause of higher rate increases over the past two years.

By eliminating this liability during the past two years, Council is now able to direct an additional \$2.8 million of annual revenue towards capital works in 2015-16, assisting Council to fund renewal of existing assets and investment in new infrastructure.

During preparation of this Budget, Council has also updated its Strategic Resource Plan, which provides projections of income and expenditure over the next ten years. In light of proposed rate capping, Council has reduced the level of expected growth in operating costs, which now means that future resourcing reflects the existing level of service delivery, with no real-terms growth. However Council's recurrent funding for capital works is still projected to grow at 5% per annum from 2016-17 onwards. The updated Strategic Resource Plan shows that from 2016-17 the annual increase in rates and charges per property is expected to average 3.4% over the rest of the decade. These projections will need to be revisited once the rate capping framework is defined.

In the coming 2015-16 year, the average increase in rates and charges per property will be 5.5% which is consistent with previous forecasts. Apart from normal cost increases, the key factors that have contributed to this increase are a \$0.363 million reduction in net revenue from leisure facilities; new operating costs of \$0.148 million for the recently-opened Hurstbridge Family Centre; a freeze in the level of Commonwealth Government financial assistance grants; and the allocation of an extra \$0.330 million for capital works as part of the annual five per cent uplift in capital works funding. The Budget also includes \$0.686 million in extra debt servicing capacity, to service a new loan of \$3.650 million proposed as part of the \$15.800 million Eltham Leisure Centre aquatic redevelopment for 2016-17.

Council will also increase funding for the rehabilitation of its two former landfill sites by \$0.110 million as part of a long-term funding strategy to meet EPA requirements, which will be offset by a saving of \$0.109 million through the Commonwealth Government's abolition of the carbon price during 2014.

Key projects and major initiatives funded in the 2015-16 Budget include:

### Capital Works

- \$1.200 million for detailed design of the aquatic facilities upgrade at Eltham Leisure Centre. This project will occur over the next three years at a total cost of \$15.800 million.
- \$2.150 million for redevelopment of pavilion facilities at Eltham North Reserve
- \$0.750 million for an on-road trail between Wattle Glen and Hurstbridge
- \$0.500 million to begin works on the Diamond Creek to Hurstbridge recreation trail
- \$0.250 million to construct a footbridge over the Diamond Creek at Diamond Creek reserve
- \$0.400 million to upgrade Plenty Park
- \$0.542 million to upgrade Woodridge Pre-School

- \$0.382 million to upgrade Eltham Child Care Centre
- \$0.835 million for works at Eltham Community and Reception Centre including asbestos roof replacement
- \$0.250 million to install solar panels at the Civic Centre

#### Policy, Planning and Services Initiatives

- \$66,000 for extra sportsground maintenance
- \$30,000 for sportsgrounds planning
- \$70,000 to continue to provide two fee-free Green Waste drop-off days
- \$90,000 to plan for the Hurstbridge intergenerational housing project
- \$20,000 to prepare the Housing Strategy and \$30,000 for heritage investigations
- \$42,000 to commence implementation of the Domestic Wastewater Management Plan
- \$40,000 to commence the Kangaroo Ground Township Plan
- \$20,000 to complete the Yarrambat Township Plan
- \$20,000 to update the Green Wedge Management Plan
- \$10,000 to update the Climate Change Action Plan
- \$40,000 to continue implementation of the Economic Development Strategy
- \$20,000 to continue implementation of the Cultural Plan
- \$20,000 to continue implementation of the Positive Ageing Strategy
- \$30,000 to continue implementation of the Municipal Health and Wellbeing Plan
- \$38,000 in transitional funding for Family Day Care

The Budget continues to provide significant resources to maintain and renew existing infrastructure, including roads (\$2.150 million), footpaths (\$0.410 million), bridges (\$90,000), sports-grounds/pavilions (\$0.180 million), major leisure centres and community halls (\$0.530 million), recreation trails (\$0.225 million), other Council buildings (\$0.580 million), disability access works (\$0.120 million) and playgrounds (\$0.250 million).

#### **Rates and Charges**

The Budget proposes a 5.5% average increase in rates and charges per property.

The increase in rates and charges is comprised of the following elements:

- The Waste Management Charge will increase by 2.07% in order to fund operating costs (including the State Government Landfill Levy, the kerbside hard waste collection service, and continued rehabilitation works at the former Plenty and Kangaroo Ground landfills).
- The Municipal Charge will decrease from \$100.33 to \$93.50 per property. The Municipal Charge is calculated on the basis of net cost shifting onto Council from other levels of government. While this has improved marginally since the 2014-15 Budget, it still represents a cost of more than two million in 2015-16.
- The balance of the overall increase in rates and charges is due to changes in the rate in the dollar. For 2015-16, the change in the rate in the dollar is projected to be 6.68%.

There has also been growth of 0.69% in the number of rateable property assessments. This means that the 5.5% average increase per property will result in a 6.19% increase in total revenue from rates and charges in 2015-16.

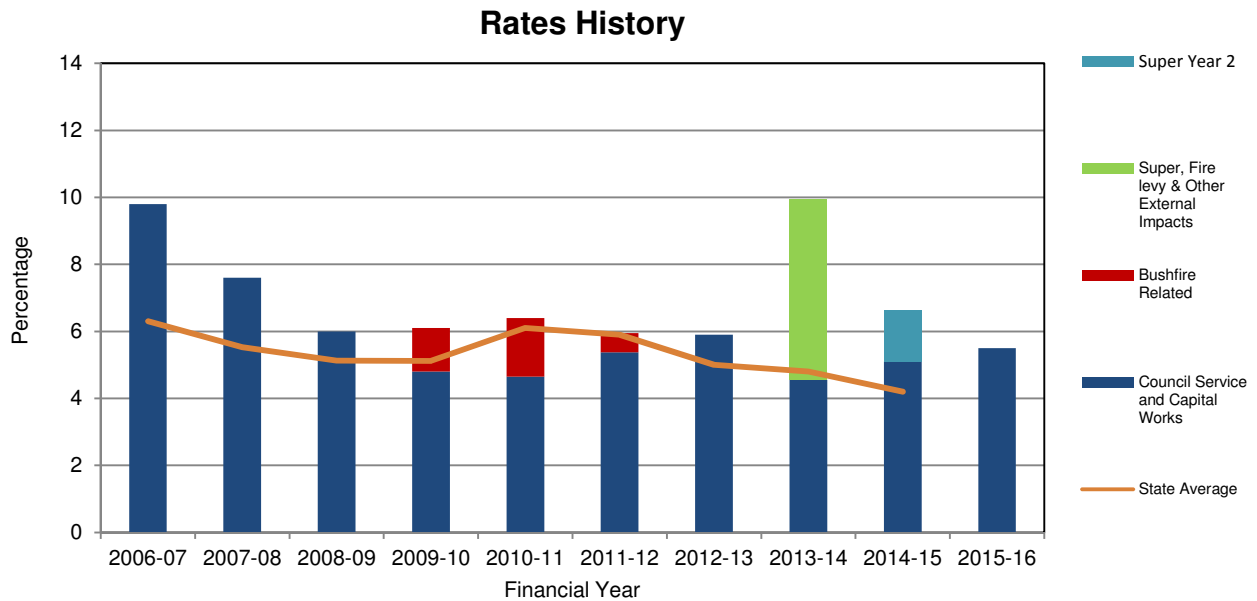
#### **Process**

The proposed budget will be exhibited for public consultation from 29 April 2015 to 28 May 2015. Residents and other interested members of the community are able to view the budget and make written submissions which will be considered by Council in June.

## Budget Trends and Summary

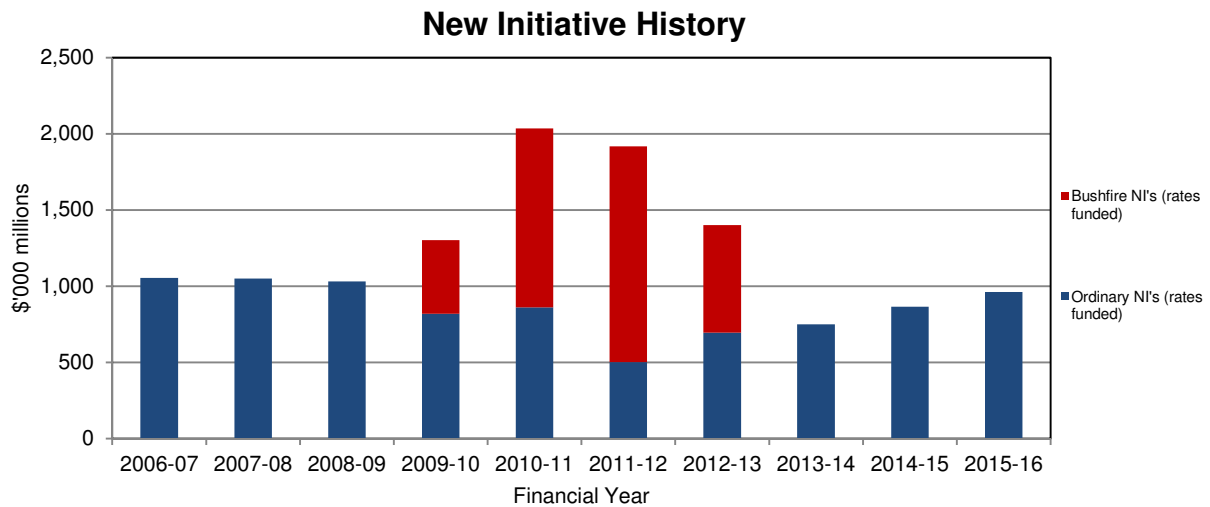
Council has prepared a Budget for the 2015-16 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget trends and outcomes information is provided below about the rates and charges increase, new initiative funding, borrowing, operating result, cash and investments, capital works, financial position and financial sustainability to highlight significant trends that have influenced budget decisions and the projected financial outcomes resulting from the 2015-16 budget.

### 1. Rate Trends and Outcomes



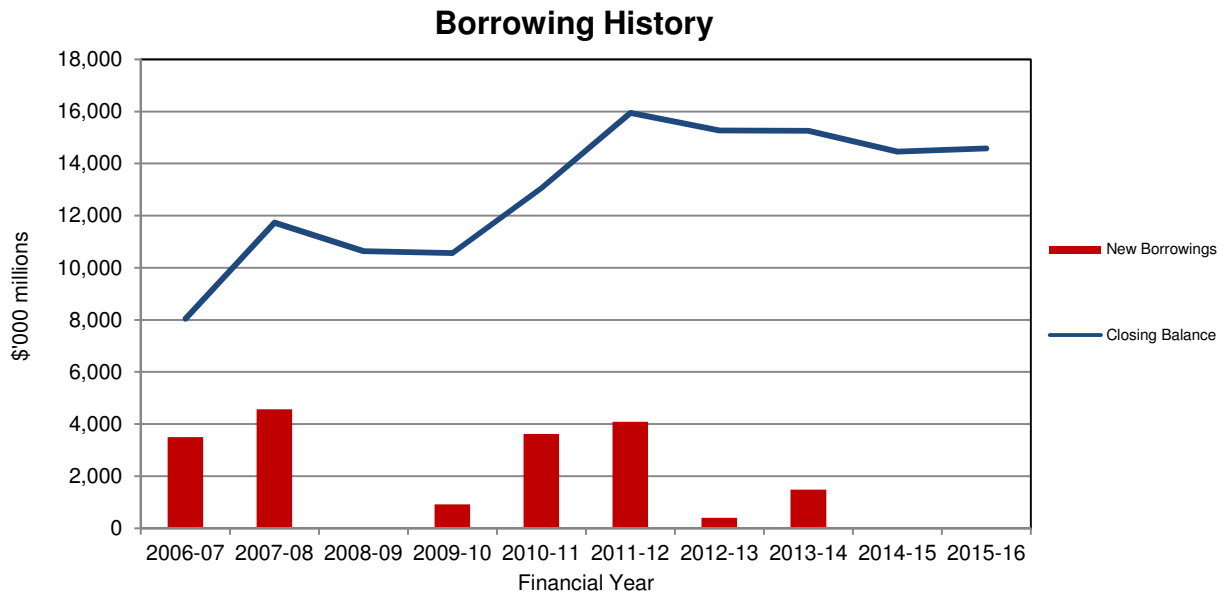
The graph above outlines Council's budgeted rate increases from 2006-07 to 2015-16 in comparison to the State average increase as published by the Municipal Association of Victoria in its annual rate report. While overall rate increases for the period 2009-10 to 2012-13 remained above the State average, this was mainly due to the impact of the bushfire component of the budget rate rise. For 2015-16, rates and charges revenue will increase by an average of 5.5% per assessment for general services, investments in infrastructure and external cost pressures, which results in total rates and charges of \$60.112 million, (including supplementary rates, and special rates schemes).

## 2. New Initiative Trends and Outcomes



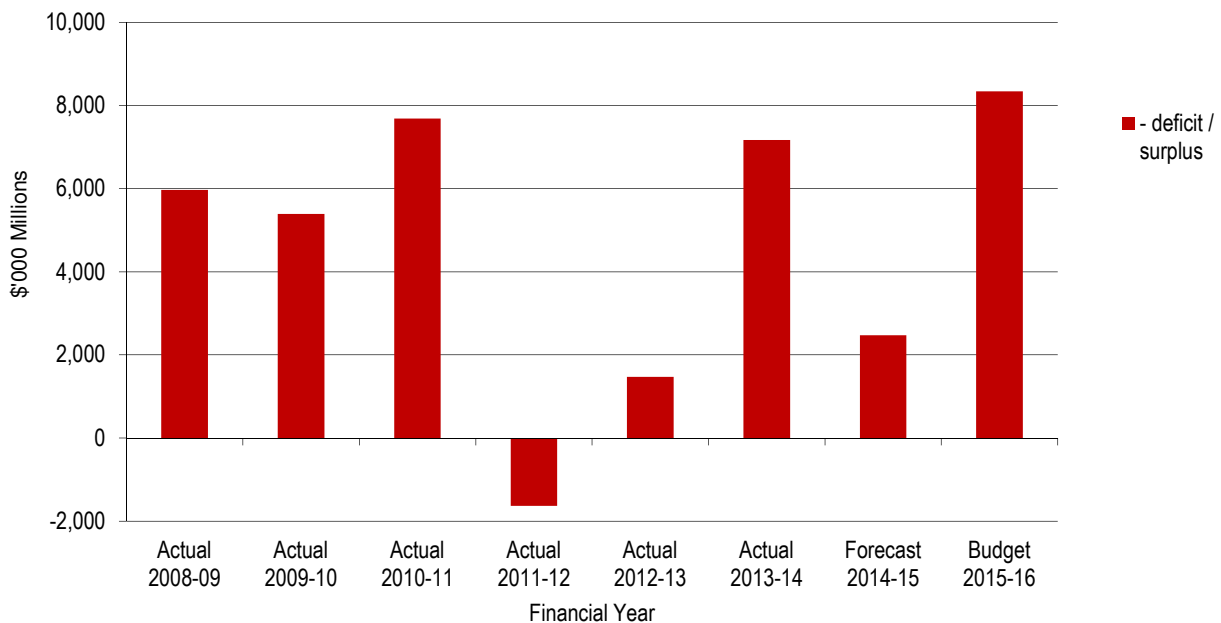
Each year Council makes provision for service delivery improvement and policy and strategy development through New Initiatives. The graph above outlines budgeted rate funding for both bushfire and ordinary service new initiatives from 2006-07 to 2015-16. While other funding sources are sought by Council to fund these projects (e.g. grants or contributions), rates is a major funding component for these items. Since 2009-10, Council has managed the need to fund bushfire recovery, fire prevention and emergency management partly through the reduction of ordinary new initiative projects. In 2008-09, just over one million was allocated to fund ordinary new initiative projects. By 2011-12, this had reduced to \$0.501 million. This reduction is greater when taking inflation into account. Whilst there has been slight increases in Ordinary New Initiative funding since 2012-13, there is proposed to be a further increase in 2015-16. The overall expenditure is still slightly below 2008-09 levels.

## 3. Borrowing Trends and Outcomes



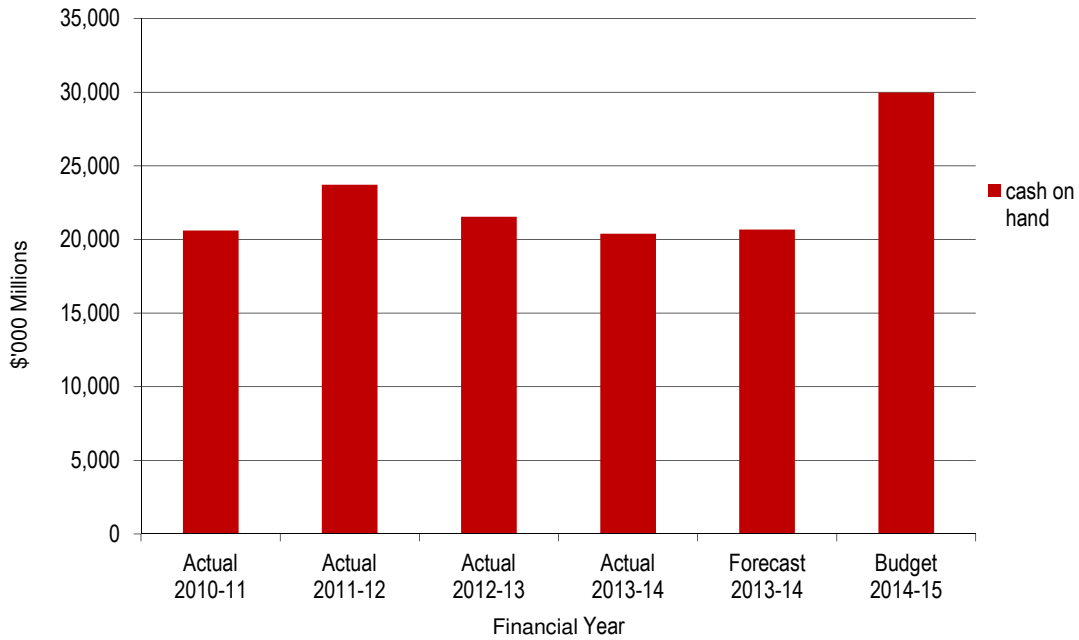
The graph on the preceding page outlines Council's loan borrowing over the period 2006-07 to 2015-16. Due to timing of project completion, estimated borrowings in the budget may be carried over to other financial years and taken-up at the end of the year when the project is completed. Over the period 2009-10 to 2013-14, Council has undertaken some significant capital works projects that have required loan funding. These include the Civic Centre Refurbishment, Community Bank Stadium - Diamond Creek, Eltham Library and the Hurstbridge Family Centre which was completed in 2014. This borrowing has seen debt levels rise from \$10.570 million in 2009-10 to an estimated \$14.581 million in 2015-16. For 2015-16, Council is not anticipating any new borrowings for capital projects. Borrowings remain within the Auditor-General's low risk range. Further details of Council's borrowing strategy can be found in Section 9.1 of this document.

#### 4. Operating Outcome



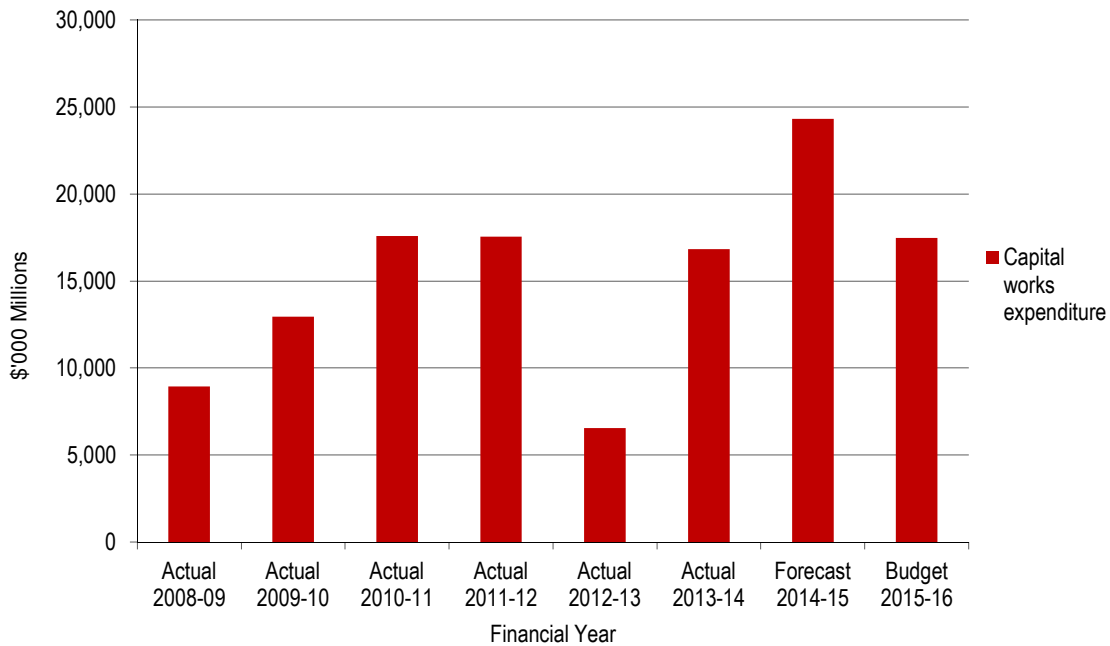
The expected operating result for the 2015-16 year is a surplus of \$8.338 million (before spending on capital works, also excluding borrowings and reserve movements). This is an increase of \$5.865 million from the 2014-15 Budget forecast. The higher operating result is mainly due to increased rate revenue and additional non-recurrent capital grants in 2015-16. The operating loss in the 2011-12 financial year was due to the recognition (for accounting purposes) of the superannuation liability as an expense. When taking into account capital expenditure (instead of depreciation) and reserve and borrowing movements, Council is budgeting a rate determination method surplus of \$150,000, which is considered a minimum level for an organisation with a \$81.801 million operating income budget. Detailed operating results by business unit have been included in the Appendix E for information.

## 5. Cash and investments



Cash and investments are expected to increase from the forecast 2014-15 year end position by \$9.302 million during the year to \$29.978 million as at 30 June 2016. This is due to overall movements in accounts receivables, accounts payables and additional one-off land sales of \$8.400 million expected in 2015-16. The lower forecast result for 2014-15 relates to the recognition of projects carried over from the previous financial year in the projections.

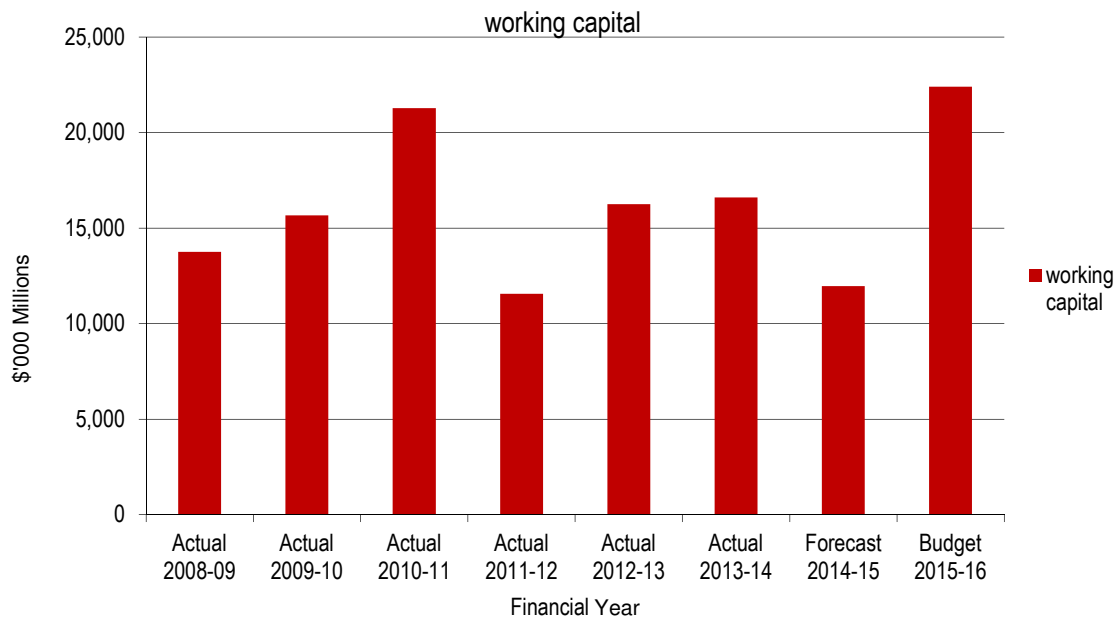
## 6. Capital works





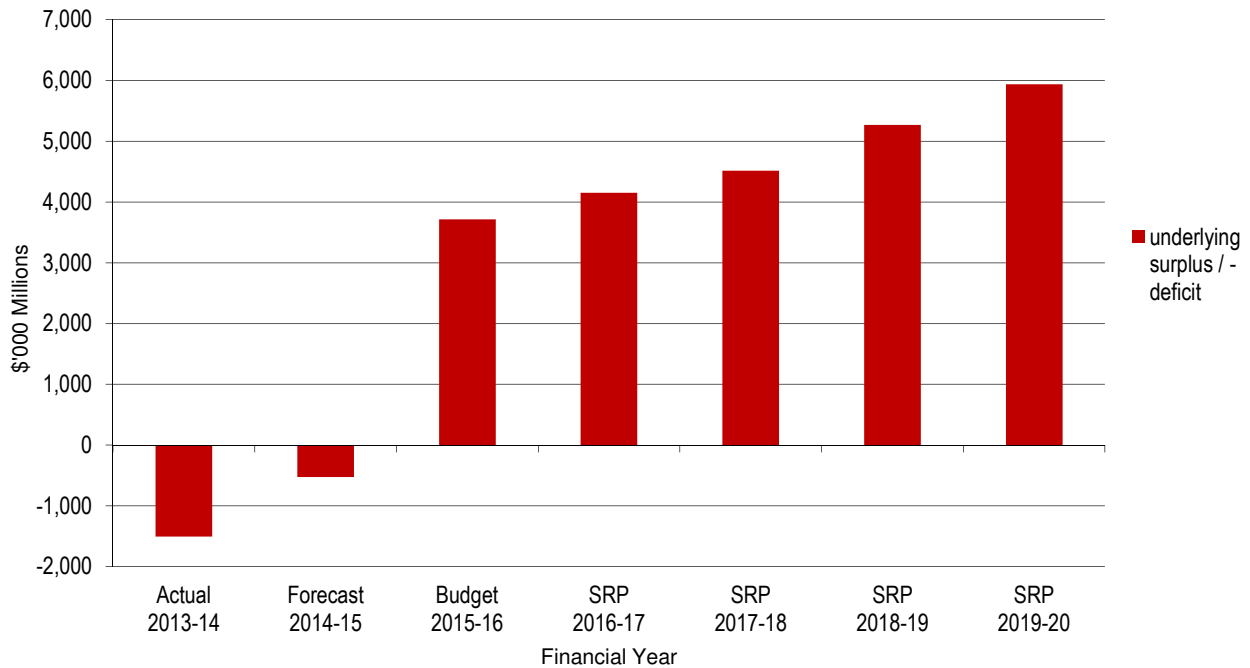
The Capital Works program for 2015-16 will be \$17.470 million, of which \$8.858 million will be funded by rates, \$4.622 million will be funded by grants and contributions, \$3.469 million will be funded from Council reserves and \$0.521 million will be funded by revenue from fleet asset sales. The reduction from the 2014-15 Budget forecast reflects the inclusion of carry forward projects from 2013-14 in the 2014-15 projections. The capital expenditure program has been set and prioritised based on a rigorous process that has enabled Council to assess the need for key projects. This year's program includes a number of key projects including the new pavilion at Eltham North Reserve, Stage 1 of the Eltham Leisure Centre Aquatic upgrade, drainage renewal and upgrade works, upgrade and renewal works for Eltham Community Reception Centre and rehabilitation works at Plenty and Kangaroo Ground landfills.

## 7. Financial position



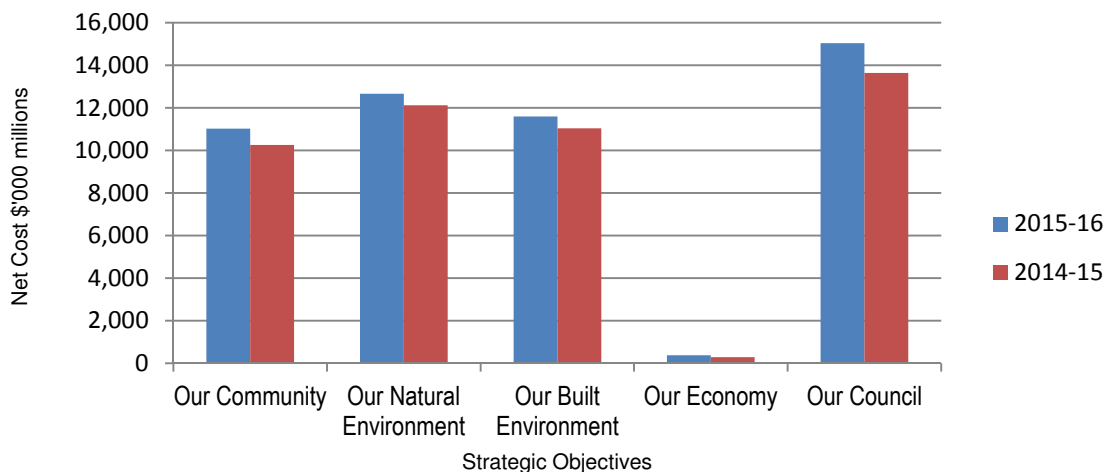
The financial position is expected to improve with net assets (net worth) to increase by \$8.338 million to \$656.781 million and net current assets (working capital) will increase by \$10.439 million to \$22.402 million as at 30 June 2015. This is mainly due to the increase in cash and investments from one-off land sales anticipated in 2015-16.

## 8. Financial sustainability



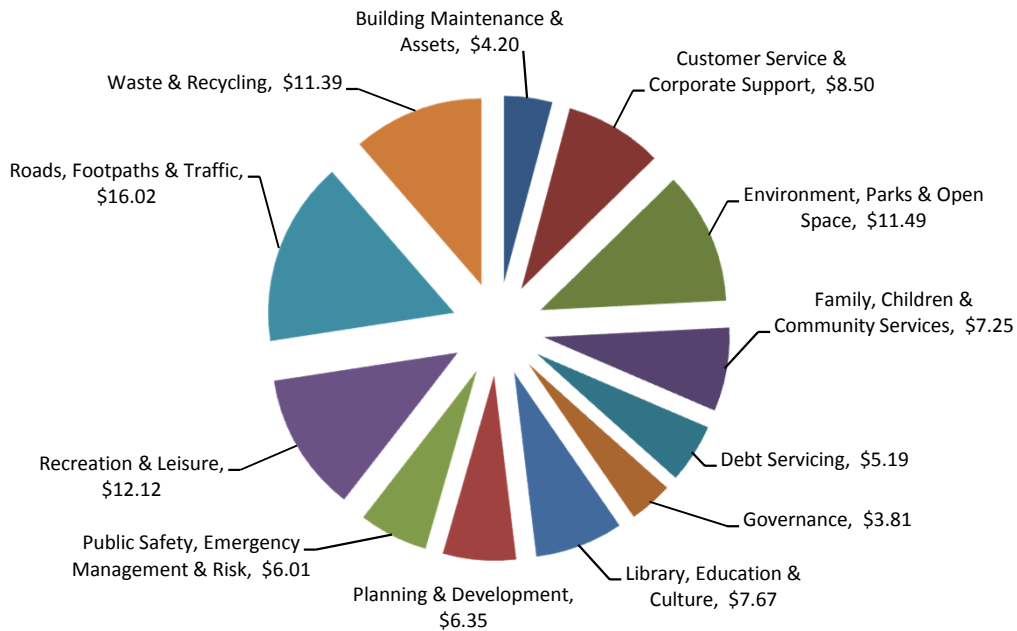
A Strategic Resource Plan (SRP) for the years 2015-16 to 2019-20 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the plan is to enhance the Council's financial sustainability in the medium to long term, while still achieving the organisation's strategic objectives as specified in the Council Plan. While the Plan projects that Council's operating result will be around \$8.338 million, the underlying result is lower. This difference is due to capital revenue (grants and developer contributions) being received during this period to fund a number of major capital works projects. The movement in the underlying surplus from a forecast deficit in 2014-15 to a budgeted surplus in 2015-16 is due to operating grants and rates funded projects that were carried over from the 2013-14 year being included in the Forecast 2014-15 result. Once carry over funding is included in the analysis, the Forecast underlying surplus for 2014-15 would be \$2.873 million.

## 9. Strategic objectives



The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2015-16 year.

### 10. Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100.00 that Council spends.

This budget has been developed through a rigorous process of consultation and review and management endorses it as financially responsible. More detailed budget information is available throughout this document.

## **Budget Principles and Legislation**

### **1. Budget principles**

In developing the budget, guidelines were prepared and distributed to all Council officers with budget responsibilities. The guidelines set out the key budget principles upon which the officers were to prepare their budgets. The principles included:

- Existing fees and charges to be increased in line with Consumer Price Index (CPI), council's cost base for that service or market levels
- Grants to be based on confirmed funding levels
- New revenue sources to be identified where possible
- Service levels to be maintained at 2014-15 levels with the aim to use less resources with an emphasis on innovation and efficiency
- Salaries and wages have been increased based on the Enterprise Agreement increment of 3.1% plus any other award entitlements.
- Real savings in expenditure and increases in revenue identified in 2014-15 must be preserved.

### **2. Legislative requirements**

Under the Local Government Act 1989 ("the Act"), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government (Planning and Reporting) Regulations 2014 ("the Regulations") which support the Act.

The 2015-16 budget is for the year 1 July 2015 to 30 June 2016 and is prepared in accordance with the Act and Regulations. The budget includes standard statements being a budgeted Income Statement, Balance Sheet, Cash Flows and Capital Works. These statements have been prepared for the year ended 30 June 2016 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the budget.

The budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan for the years 2015-16 to 2018-19 (section 7), Rating Strategy (section 8) and Other Long Term Strategies (section 9) including borrowings and infrastructure.

## Budget influences

This section explains Council's approach to maintaining the financial sustainability of Nillumbik Shire for both the short and long term. This involves the management of short-term budget influences within the context of longer-term challenges.

Financial sustainability is a key challenge for all governments.

Council manages its finances through an annual Budget, which identifies the expected revenue and expenditure for each year. The Budget is the means by which Council makes a formal commitment of resources to provide funding for services and projects.

A medium-term perspective is provided by the Strategic Resource Plan (SRP), which forms part of the Council Plan. This provides a ten-year forecast of revenues and expenditures based on a series of assumptions. It identifies the resources necessary to implement the Council Plan over coming years. It also provides the necessary long-term perspective to assess financial sustainability, particularly for long-term issues such as infrastructure renewal.

Council has adopted a Financial Sustainability Plan to guide Council's long-term approach to financial management. The Financial Sustainability Plan (FSP) identifies the context and challenges for Council in terms of financial sustainability, and also establishes a series of measures and targets. The projected performance of Council in achieving the targets over the next 10 years is shown in the annual Budget. Details are provided in Appendix G of the Budget.

## Longer Term Financial Issues and Challenges

This section considers the longer-term issues and challenges that impact upon Nillumbik's financial sustainability.

### Nillumbik Shire in context

Nillumbik is an outer-metropolitan municipality located on the urban fringe of Melbourne. While small by metropolitan standards, Nillumbik is a medium-sized municipality in comparison to all Victorian councils.

Known as the 'Green Wedge Shire', Nillumbik comprises 432 square kilometres. It contains a relatively small urban area, where land use is predominantly residential. The other 90% of the shire is rural land located outside the Urban Growth Boundary, where land is used mainly for farming, conservation or rural residential purposes. Commercial and industrial land activity in the shire is very limited. Major activity centres at Eltham and Diamond Creek provide mainly retail services to local markets. Housing is mainly detached dwellings with relatively high numbers of residents per household. Providing a consistent level of service to communities in the rural parts of Nillumbik involves additional cost to Council.

Nillumbik has an estimated resident population of 62,724 and 22,881 rate assessments (Source: Victoria Grants Commission data at June 2014). In Nillumbik, there are 2.7 residents per assessment. This ratio is the highest in the state, and around 50% higher than the state average. In simple terms, when comparing Nillumbik to other municipalities, the demand is high (number of residents needing Council services and infrastructure) while the supply is low (number of property assessments from which rates are raised). This situation is essentially attributable to the absence of large scale commercial and industrial land use within the shire, and the predominance of larger family homes rather than smaller dwellings.

Nillumbik's population has a very high socio-economic profile as determined by the Socio-Economic Index for Areas (SEIFA) data from the Australian Bureau of Statistics (used by the Victoria Grants Commission). Nillumbik has the highest socio-economic ranking of any municipality in Victoria. While this is a positive feature of life in Nillumbik, it also means that Council is negatively impacted in terms of entitlements to external grant funding, particularly for those grants based on community disadvantage and need.

While Nillumbik has experienced some success in obtaining external grant funding for some specific projects in recent years, constrained budgets at State and Commonwealth government level mean that Council cannot rely substantially on discretionary grant funding into the future. Recurrent grants have continued to demonstrate a long-term decline in real terms.

Nillumbik is smaller than most neighbouring municipalities and is less able to achieve the economies of scale that larger metropolitan councils enjoy. However Council has undertaken a series of service reviews and benchmarking studies over recent years which have confirmed that Nillumbik is relatively efficient in terms of its costs for service delivery. According to data from the Victoria Grants Commission, Nillumbik is well below the Victorian average for both rates and charges per resident, and expenditure per resident.

Council has an annual turnover of around \$80 million, and owns infrastructure assets with a net valuation (gross replacement cost less depreciation) of more than \$600 million. Apart from land, these assets comprise more than \$60 million in buildings, and around \$300 million in other infrastructure such as roads, bridges, drains and footpaths. Council's assets depreciate at more than \$9 million per annum. Funding the annual cost for renewal of these existing assets is a major issue for Council. Underspending on asset renewal does not represent a saving to Council as it merely defers the expenditure until future years.

Council has increased its loan borrowings in recent years to fund several major projects. This has seen the indebtedness level rise close to the threshold of the Auditor General's medium-risk range. Some further borrowings are already anticipated for capital works projects. This means that Council has very little capacity for any further borrowings in the medium term. Sales of surplus assets may provide some funding however this is a non-recurrent source of revenue.

In summary, the characteristics of Nillumbik as outlined above mean that Council needs to rely heavily upon its own recurrent revenue to fund services, renewal of existing infrastructure, and provision of new assets. A sufficient underlying surplus needs to be achieved after funding of recurrent costs, if Council is to have the resources to implement major infrastructure projects.

While there will be a continued focus on opportunities to generate a surplus from fees and charges and from productivity savings in operating expenditure, the impact of these measures is likely to be marginal. The restricted nature of Council's revenue-raising powers in the Local Government Act means that the underlying surplus will need to be funded primarily from rate revenue.

## **Financial Sustainability Challenges for Nillumbik**

Like many Victorian municipalities, Nillumbik faces a number of challenges that require financial discipline and innovation to meet community needs. These include:

### **Structural and Demographic challenges**

- As noted above, Nillumbik has more residents per rate assessment than any other Victorian council. With 2.7 residents per assessment (compared to a state average of 1.8), Nillumbik rate assessments need to fund services for 50% more residents than the state average. The number of residents is the major factor in determining Council's expenditure needs, which means that rates per assessment in Nillumbik are relatively high, even though rates per resident are lower than the state average.
- Nillumbik is a small municipality by metropolitan standards, and is not able to achieve the economies of scale available to larger metropolitan councils. Despite this, spending per resident in Nillumbik is below state averages.
- Nillumbik is 90% rural by land area, however only a small proportion of the population lives in the rural area. This creates additional costs for servicing residents in the more remote parts of the shire.
- Despite being 90% rural, Nillumbik is designated as a metropolitan municipality and is not eligible for certain government grants that fund programs or projects for rural communities.

- The Nillumbik community has a very high socio-economic status (highest of any Victorian municipality). While this is a positive measure of community wellbeing, it does mean that Council receives a smaller share of government grants.
- An ageing local community will place more demands upon Council services in the years ahead.

### **Legacy challenges**

- Rehabilitation of two former landfill sites at Plenty and Kangaroo Ground is required in accordance with EPA requirements.
- Council is liable to fund shortfalls in the Local Authorities Superannuation Fund Defined Benefit Plan. This was closed to new members in 1993 but all Victorian councils must still contribute if the fund's investment performance is not sufficient to meet entitlements of continuing and former employees.

### **Infrastructure challenges**

- Council needs to address the funding gap for renewal and maintenance of existing infrastructure assets. Currently Council assets depreciate at more than \$9 million per annum, however Council has historically only spent around \$6 million per annum on renewal of these assets. Underspending on renewal is not a saving, as higher costs will eventually be borne by future ratepayers.
- A number of Nillumbik's major facilities are quite old and require significant expenditure to upgrade them to contemporary standards, both in terms of community expectations and current design standards. Examples include the Eltham Leisure Centre and the Diamond Creek Community Centre.
- Local conditions present a number of infrastructure challenges for Council. Nillumbik has steep topography and is heavily treed, which both add to infrastructure and maintenance costs. Also, when much of Nillumbik was first subdivided, only low-scale infrastructure was provided. Community expectations for roads, footpaths and drainage are now different, and a higher level of infrastructure is often required.

### **Service challenges**

- Council has increasing responsibilities for emergency management. Natural disaster events such as bushfires and floods have placed significant demands upon Council in recent years, both in terms of prevention measures (tree clearing, drainage improvements) and community recovery programs.
- Climate change adaptation represents a significant challenge in terms of droughts, fires, floods and other extreme weather events. There is also a significant community expectation that Council will take a lead role in environmental sustainability.
- Community expectations about the standard and range of services provided by Council continue to rise, however it is rare for existing service levels to be reduced to offset these cost impacts.
- Community expectations about consultation and engagement, and the use of technology to communicate with Council are also increasing.

### **Cost-shifting challenges**

- Nillumbik continues to suffer from long-term declines in government grants for general services, and the erosion in the value of specific service grants. In 2015-16 this cost is estimated at more than \$2 million.
- Changes to standards set by government often lead to a higher cost to Council in service delivery. Examples include expansion of preschool services, and stricter requirements for power-line tree clearing.
- The imposition of state and federal government costs upon councils (e.g. Fire Service Levy, landfill levy) increases costs for Council and ratepayers.

## **Conclusion**

Like most councils, Nillumbik faces a range of short and long term financial challenges which require prudent management. Council has adopted a long-term Financial Sustainability Plan to guide its financial decision-making. Details regarding the targets from the Financial Sustainability Plan are provided Appendix I of the Budget document. The 2015-16 Budget and the updated Strategic Resource Plan have been developed to support the achievement of the Financial Sustainability Plan targets over the medium to long term.

## Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the Local Government Act 1989 (the Act) and Local Government (Planning and Reporting) Regulations 2014 (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2015-16 budget, which is included in this report, is for the year 1 July 2015 to 30 June 2016 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2016 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, Officers firstly review and update Council's long term financial projections. Financial projections for four years are included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with Officers preparing the operating and capital components of the annual budget during December and January. A draft consolidated budget is then prepared and various iterations are considered by Council at informal briefings during February and March. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted and a copy submitted to the Minister by 30 June each year. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers update Council's long term financial projections	Nov 2014 - Dec 2014
2. Officers prepare draft operating and capital budgets	Dec 2014 - Jan 2015
3. Council considers draft budgets at briefings of Councillors	Feb 2015 - Mar 2015
4. Proposed budget submitted to Council for approval	28 April 2015
5. Public notice advising intention to adopt budget	30 April 2015
6. Budget available for public inspection and comment	30 April 2015 - 28 May 2015
7. Community engagement process undertaken	30 April 2015 - 28 May 2015
8. Submissions period closes (28 days)	28 May 2015
9. Submissions considered by Policy and Services Committee	9 Jun 2015
10. Budget and submissions presented to Council for adoption	23 Jun 2015
11. Copy of adopted budget submitted to the Minister	25 Jun 2015

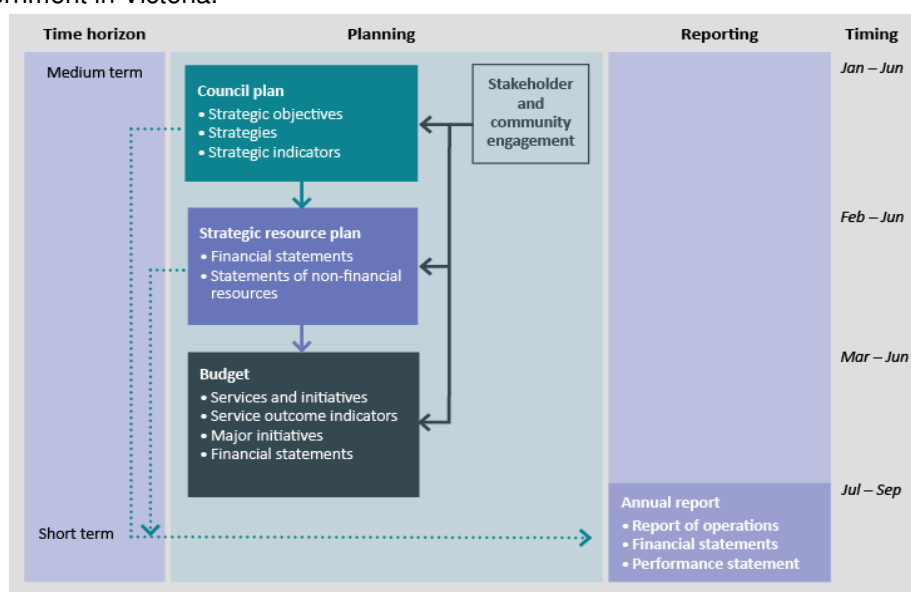


## 1. Linkage to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term, medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Audited Statements).

### 1.1 Strategic planning framework

The Strategic Resource Plan, included in the Council Plan, summarises the financial and non-financial impacts of the objectives and strategies and determines the sustainability of these objectives and strategies. The Annual Budget is then framed within the Strategic Resource Plan, taking into account the services and initiatives included in the Annual Budget which contribute to achieving the strategic objectives specified in the Council Plan. The diagram below depicts the planning and accountability framework that applies to local government in Victoria.



Source: Department of Environment, Land, Water and Planning  
(Formerly the Department of Transport, Planning and Local Infrastructure)

The Council Plan includes Strategic Objectives, Strategies, Indicators and a Strategic Resource Plan which can be defined as follows:

- Strategic Objectives – the outcomes Council wants to achieve within its four-year term
- Strategies – how Council will achieve each objective
- Indicators – how progress towards the objectives will be evaluated
- Strategic Resource Plan – a four-year budget outlining how the strategies will be financed and resourced

Each year, Council will produce an Annual Plan identifying how Council will work towards achieving the objectives in the Council Plan. Council priorities, major projects, capital works, service improvements as well as actions in response to Council strategies will be set out in the Annual Plan.

Progress against the Annual Plan will be detailed in Council's Annual Report, with major projects and service highlights reported to Council in a quarterly progress report.

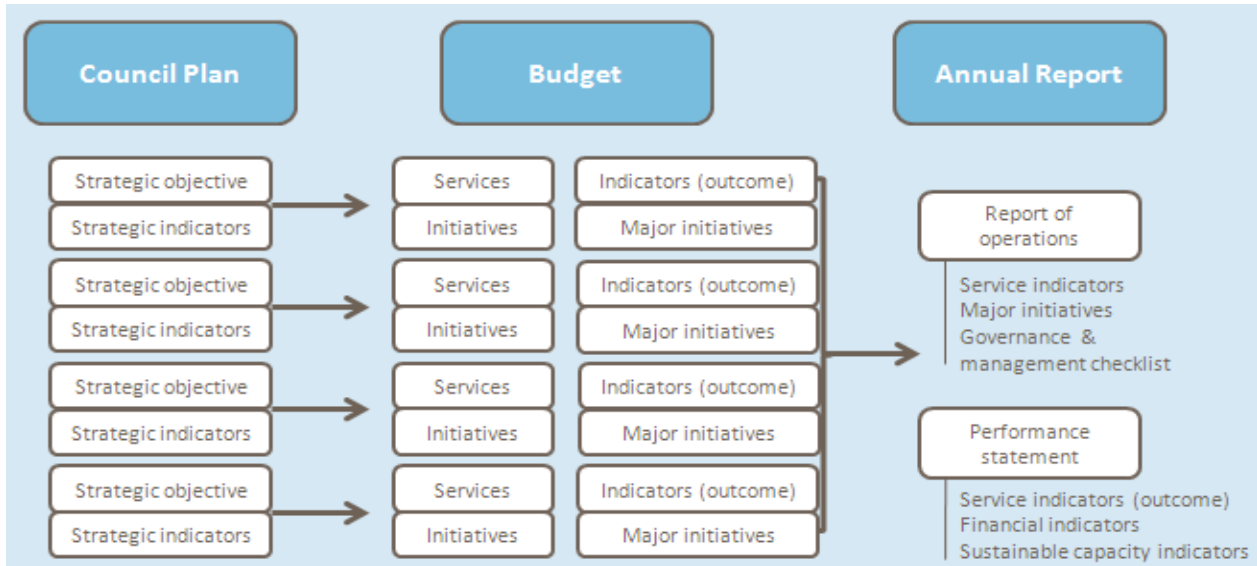
## 1.2 Strategic objectives

The Council delivers activities and initiatives under 51 major service categories. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan for the 2013-17 years. The following table lists the four Strategic Objectives as described in the Council Plan.

Strategic Objective	Description
1. Our goal is to enable and encourage healthy, safe and resilient communities through the provision of quality services to build a better future for Nillumbik residents.	Nillumbik has a healthy, active and connected local community that enjoys good health and strong engagement into education and employment.  Our residents enjoy varied recreational and cultural pursuits and have a strong sense of feeling part of their local community and townships. They feel strongly that they can turn to their neighbours for help and feel safe in Nillumbik. Our residents are aware of the risk of natural disasters such as bushfires and the need to be well-prepared.
2. Our goal is to preserve and nurture the natural environment of the Green Wedge through responsible leadership and stewardship for current and future generations.	Nillumbik is known as the Green Wedge Shire – the 'lungs' of Melbourne - and more than 90% of the Shire is rural.  Our residents value highly our unique natural environment, characterised by the tree canopy, remnant vegetation, significant species and ecosystems, conservation areas, rich agricultural land, open spaces and healthy waterways. As the custodians of this beautiful place, Council has a responsibility to protect the Green Wedge and to demonstrate and encourage environmentally sustainable practices to reduce our environmental impacts.
3. Our goal is to provide infrastructure and to plan for a built environment which respects and preserves the unique character of the Green Wedge Shire.	Nillumbik has a unique character and heritage and we want to ensure that future development in our municipality reflects the Shire's charm and minimise the impact on the natural environment.  Through the provision of roads, footpaths, drains, community buildings and other assets, we aim to provide a built environment where facilities and infrastructure meet the current and future needs of our community.
4. Our goal is to develop a prosperous local economy through partnerships with local business, governments and the community consistent with our Green Wedge values	Nillumbik has two major activity centres – Eltham and Diamond Creek. These townships offer residents and visitors distinctive village-style shopping, access to professional services and public transport and places to meet and socialise. The Shire also has a number of smaller townships, each with its own unique character and heritage.  The development of a vibrant and sustainable local economy will be based on the Shire's key advantages such as the natural environment and opportunities for sustainable agriculture, tourism, arts and the high level of skills and abilities of our local residents and business people.
5. Our goal is to provide good governance, leadership and responsible financial management and to make decisions in an inclusive and transparent manner.	As the leaders of the Shire and the representatives for our community, Council will demonstrate good governance and be responsible in its decision-making. We will take a long-term perspective in our financial decisions and ensure these are sustainable into the future.  Our decisions will be based on sound research and policy positions. We will give the community an opportunity to have a say about decisions which affect them and we will keep them informed about these decisions, as well as Council services, activities and events.

## 2. Services, initiatives and service performance indicators

This section provides a description of the services and major initiatives to be funded in the Budget for the 2015-16 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of service performance indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



Source: Department of Environment, Land, Water and Planning  
(Formerly the Department of Transport, Planning and Local Infrastructure)

Activities describe ongoing services, whereas 'Major Initiatives' describe one-off projects, or new additions to ongoing service levels. Footnotes to Activities refer to specific initiatives that are detailed in the following pages.

### 2.1 Strategic Objective 1: Our Community

Our goal is to enable and encourage healthy, safe and resilient communities through the provision of quality services to build a better future for Nillumbik residents. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

#### Services

Service Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Aged Services	Aged Services plan and deliver services for our ageing community.	2,429 (1,687) <b>742</b>
Animal Management	The Animal Management Unit works under the required legislative framework to protect the welfare of animals and the community.	94 (66) <b>28</b>

Arts & Cultural Services	The Arts and Cultural Services unit is responsible for the cultural vitality and community engagement in the arts across the Shire.	568 <u>(10)</u> <b>558</b>
Community Facilities & Halls Network	The Community Halls Network manage a diverse range of quality, easily accessible and reasonably priced venues that are available for the social, educational, artistic, leisure and commercial pursuits of the community.	606 <u>(217)</u> <b>389</b>
Leisure Services	This program is responsible for four key areas of services delivery – facility management, facility development, leisure planning and community development.	412 <u>(152)</u> <b>260</b>
Community Development	This activity facilitates connections and structures across community and Council that enable communities to respond to change and emerging opportunities. This includes Metro Access and inclusion (relating particularly to disability inclusion), volunteer development and community transport and place management.	1,226 <u>(188)</u> <b>1,038</b>
Community Services & Social Development	The Unit facilitates and leads an integrated approach towards the development and delivery of children and family services in Nillumbik.	222 <u>-</u> <b>222</b>
Emergency Management	This program implements, monitors and evaluates the Fire Prevention Program and Emergency Management Plan to ensure plans are in place to protect the Nillumbik community.	501 <u>(18)</u> <b>483</b>
Family Services	The Family Services Unit facilitates and leads an integrated approach towards the development of children and family services in Nillumbik.	2,272 <u>(957)</u> <b>1,315</b>
Leisure Facilities	This program creates diverse and accessible leisure opportunities that encourage personal development, strengthens communities and enhances the health and well being of local residents and visitors.	8,806 <u>(7,935)</u> <b>871</b>
Community & Leisure Facilities Management	This program manages Council's Leisure Services, Facility Planning and Major Leisure Facilities Contracts.	254 <u>-</u> <b>254</b>
Library Services	Public library services are provided at two locations offering a customer focused service that caters for the cultural, educational and recreational needs of residents and provides a focal point for the community where they can meet, relax and enjoy the facilities and services offered.	2,556 <u>-</u> <b>2,556</b>
Living and Learning Network	Living and Learning Nillumbik works creatively with individuals, communities and government to provide programs that respond to the personal, professional, social, and learning needs of our diverse community.	1,647 <u>(1,190)</u> <b>457</b>
Municipal Laws Co-ordination	The Municipal Laws program includes community education and enforcement of road rules, litter offences and Council's Local Laws. It is also responsible for Council's animal management program.	1,483 <u>(1,324)</u> <b>159</b>

Environmental Health	The Public Health Unit works towards improving public health in the community through the provision of programs and services in the areas of food safety, water quality, wastewater management, tobacco reforms, infectious disease control and emergency management preparedness and recovery.	865 <u>(332)</u> <b>533</b>
Community Participation, Learning & Culture Management	The Social and Cultural Development Unit is responsible for Arts and Cultural Services, Library, Edendale and Living and Learning Nillumbik.	191 <u>-</u> <b>191</b>
Youth Services	Youth Services plans, coordinates and collaborates with community members, health agencies, schools, sporting and church groups and Government departments to deliver quality programs and services that meet the needs of young people and their families.	421 <u>(19)</u> <b>402</b>

<b>Major Initiatives (income and expenditure included in the above activities)</b>		<b>\$'000</b>
1)	Implementation 2011-17 Cultural Plan Year 5	20 <u>-</u> <b>20</b>
2)	Implementation of Positive Ageing Strategy 2013-18	20 <u>-</u> <b>20</b>
3)	Yarrambat Park Golf Course - Future Management Options	20 <u>-</u> <b>20</b>
4)	Sportsground Planning review	30 <u>-</u> <b>30</b>
5)	Liveable Nillumbik (Lot 1 Hurstbridge) Year 2	90 <u>-</u> <b>90</b>
6)	Eltham North Reserve - planning for facility upgrade	40 <u>(20)</u> <b>20</b>
7)	Implementation of Municipal Health and Wellbeing Plan	30 <u>-</u> <b>30</b>
8)	Family Day Care program support - transitional year	38 <u>-</u> <b>38</b>

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children who are enrolled in the MCH service] x 100
		Participation in the MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children who are enrolled in the MCH service] x 100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Pool Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

## 2.2 Strategic Objective 2: Our Natural Environment

Our goal is to preserve and nurture the natural environment of the Green Wedge through responsible leadership and stewardship for current and future generations. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

### Services

Service Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Edendale	Edendale is a centre for life-long learning , which enhances community awareness of environmental sustainability, and is a focus for local environmental programs and environmental education for schools and the community.	923 <u>(304)</u> <b>619</b>
Environmental Works	The Environmental Works Unit is responsible for managing Council's environmentally significant reserves and roadsides. The Unit also provides support to Friends and Landcare Groups who undertake works on Council land through provision of revegetation materials, advice and contractor support.	829 <u>-</u> <b>829</b>
Environmental Planning	The Environmental Planning Unit is responsible for coordinating Council's environmental sustainability policy development and key programs including those aimed at water conservation and stormwater protection initiatives, energy efficiency projects and programs and land management incentive programs.	1,021 <u>(46)</u> <b>975</b>
Environmental Services Management	This Unit has responsibility for the overall management of the Environmental Planning and Environmental Health staff and delivery of the work program, as well as management of projects that are at a Section rather than Unit level.	226 <u>-</u> <b>226</b>
Parks & Open Space Maintenance	Parks Maintenance is responsible for the maintenance and improvement of open space, playgrounds, trees, wetlands, sportsgrounds, roadsides, park furniture and high priority areas.	3,933 <u>(24)</u> <b>3,909</b>
Waste Services	This Unit provides sustainable waste management services including encouraging waste minimisation practices, collection of waste, resource recovery and land fill rehabilitation.	6,636 <u>(538)</u> <b>6,098</b>
<b>Major Initiatives (income and expenditure included in the above activities)</b>		<b>\$'000</b>
9)	Additional Sportsground maintenance	67 <u>(3)</u> <b>64</b>
10)	Domestic Wastewater Management Plan (septic tanks) Implementation	42 <u>-</u> <b>42</b>

11)	Biodiversity Land Management Officer (native vegetation) (0.4 EFT)	35 (26) <b>9</b>
12)	Preparation of Climate Change Action Plan 2016-20	10 <u>-</u> <b>10</b>
13)	Open Farm Day 2015	11 (5) <b>6</b>
14)	Free Green Waste - 2 occasions per annum	70 <u>-</u> <b>70</b>

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

### 2.3 Strategic Objective 3: Our Built Environment

Our goal is to provide infrastructure and to plan for a built environment which respects and preserves the unique character of the Green Wedge Shire. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

#### Services

Service Area	Description of services provided	Expenditure (Revenue) <b>Net Cost</b> \$'000
Asset Management	This service manages and maintains all of Council's built infrastructure to an acceptable and safe standard.	748 <u>-</u> <b>748</b>
Building	The Building Unit has a dual role. It both contributes to the discharge of Council's statutory obligations to the Building Act (1993) and also competes as a 'commercial' operator in a competitive, deregulated marketplace for 'permission related' services.	518 (276) <b>242</b>
Building Maintenance	The Building Maintenance Unit maintains Council buildings in a functional, safe and clean manner.	1,483 <u>-</u> <b>1,483</b>
Construction	The Construction Unit delivers and manages construction projects based on the Council's Capital Works Program. It maintains, upgrades and provides new assets for the community.	430 (101) <b>329</b>



Engineering Design	This Section has a number of roles including: community consultation and design for Special Charge Schemes for the construction of roads, drains and other infrastructure, design and preparation of documentation for the construction of roads, drains and other infrastructure and Urban Design Guidelines for Nillumbik.	524 — <b>524</b>
Planning and Building Admin	The Planning and Building Administration Unit supports the Statutory Planning and Building units in the administration of the Nillumbik Planning Scheme and the Building Regulations.	872 <u>(101)</u> <b>771</b>
Road Maintenance	This service implements and reviews maintenance programs for roads, footpaths, drains, on-road bike paths and recreational trails to meet community needs and expectations, statutory compliance and environmental best practice.	4,480 <u>(3)</u> <b>4,477</b>
School Crossing Program	This program ensures pedestrians are able to cross the road safely.	472 <u>(143)</u> <b>329</b>
Property Management	This Unit manages Council's property portfolio, including the acquisition of public open space and sale of surplus Council land.	8,756 <u>(8,460)</u> <b>296</b>
Fleet Maintenance	This Unit provides scheduled and reactive maintenance of fleet vehicles and major plant and minor fabrication works.	310 <u>(51)</u> <b>259</b>
Statutory Planning	The Statutory Planning Unit administers the Nillumbik Planning Scheme in accordance with the requirements of the Planning and Environment Act (1987) and Council's Deed of Delegation.	1,469 <u>(236)</u> <b>1,233</b>
Strategic & Economic Planning Management	This Unit has responsibility for the overall management of the Strategic Planning and Economic Development staff and delivery of the work program, as well as management of projects that are at a Section rather than Unit level.	226 — <b>226</b>
Strategic Planning	This Unit deals primarily with land use planning and implementing land use policy through changes to the planning scheme. It is also responsible for providing Council with advice on adjoining municipalities and State planning initiatives in relation to land use planning.	513 — <b>513</b>
Traffic & Transport / Mgmt.	This unit liaises with ratepayers, the general public and community groups on strategic issues and concerns associated with traffic, parking and road safety issues. It also advocates to State and Federal governments to improve transport throughout the Shire.	1,310 <u>(1,145)</u> <b>165</b>

**Major Initiatives (income and expenditure included in the above activities)**

**\$'000**

15)	Asset condition audit program	45 — <b>45</b>
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16)	New Asset Maintenance (Dog parks, new rain gardens at Civic Centre and Hurstbridge Wetland maintenance)	48	-	<b>48</b>
17)	Yarrambat Township Plan amendment (Year 2 of 2)	20	-	<b>20</b>
18)	Housing Strategy (Year 3)	20	-	<b>20</b>
19)	Heritage Investigations (Year 1)	30	-	<b>30</b>
20)	Green Wedge Mgmt. Plan Review	20	-	<b>20</b>
21)	Kangaroo Ground Township Plan (Year 1 of 3)	40	-	<b>40</b>

#### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

#### 2.4 Strategic Objective 4: Our Economy

Our goal is to develop a vibrant and prosperous local economy through partnerships with local business, governments and the community, consistent with our Green Wedge values. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

## Services

Service Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Tourism & Business Development	This service builds business networks and industry partnerships, manages business and tourism-related infrastructure projects and delivers business seminars and information. This Unit is also responsible for economic development strategy and policy.	678 (293) <b>385</b>

### Major Initiatives (income and expenditure included in the above activities) \$'000

22)	Economic Development Strategy Implementation and review (Year 5 of 5)	40 <u>-</u> <b>40</b>
23)	Business Development Officer (0.4 EFT)	40 <u>-</u> <b>40</b>

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100

## 2.5 Strategic Objective 5: Our Council

Our goal is to provide good governance, leadership and responsible financial management and to make decisions in an inclusive and transparent manner. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

## Services

Service Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Councillors, Chief Executive and Executive Team	This area includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	2,613 <u>-</u> <b>2,613</b>
Finance and Rates/ Valuation Management	This section provides accounting services including both statutory and internal accounts management and reporting. It is also responsible for all rates and valuation matters including the management of Council's property database, rate debtors and debt collection.	5,907 (3,803) <b>2,104</b>
Application Services	This Unit administers the corporate business applications and associated systems and ensures the availability, integrity and reliability of corporate systems so that Council is able to meet its business requirements and goals.	978 <u>-</u> <b>978</b>

Communications	The Communications Section assists both the Council and the organisation to communicate its decisions, services, activities and events to Nillumbik residents and the wider community through the provision of high-quality information.	734 (3) <b>731</b>
Council Property Administration	This service maintains and manages leases and licences in relation to Council properties.	156 (276) <b>(120)</b>
Customer Service	This service provides frontline customer service, cashier and reception services for Council including the coordination and implementation of the Service Excellence Program for the delivery of customer service for the organisation.	531 (4) <b>527</b>
Operations Centre Management	This program provides customer service and support to business units within Infrastructure Maintenance.	1,256 - <b>1,256</b>
Governance	This Unit manages Council's overall governance matters including coordination of council meetings, electoral matters, Councillors' code of conduct, Council Plan and relevant legislative implications.	779 - <b>779</b>
Information Services	This service provides electronic records and document management services to Council including mail processing, archiving and records management.	666 - <b>666</b>
Information Technology Management	This service provides information technology services and solutions with access to reliable and relevant information, equipping our staff to deliver community requirements.	1,912 - <b>1,912</b>
Organisational Development	This service provides Council with organisation development support. Key service delivery is in the areas of workforce planning, staff development, policy and systems, health and well being and industrial relations.	1,206 (30) <b>1,176</b>
Risk and Insurance	This Unit is responsible for the management of Council's risk and insurance portfolios including the development and maintenance of a strategic approach to risk. Key areas of focus are around occupational health and safety, workcover management and staff health & well being. Optimising the performance of Council's insurance portfolios is also a priority for this service area.	1,518 (100) <b>1,418</b>
Technical Services	This Unit administers the operations of Council's Information Technology core systems including Council's network, helpdesk, database platforms, software licensing, telecommunication systems, disaster recovery and web applications.	995 - <b>995</b>

**Major Initiatives (income and expenditure included in the above activities) \$'000**

24)	Council Website development	60 - <b>60</b>
25)	Records management (replace obsolete software and transfer files)	65 - <b>65</b>
26)	Service Reviews / Rate capping preparation	45 - <b>45</b>
27)	NearMap photography	20 - <b>20</b>

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interests of the community

## 2.6 Performance statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the *Local Government Act 1989* and included in the 2015-16 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

## 2.7 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Our Community	11,023	25,117	(14,094)
Our Natural Environment	12,656	13,568	(912)
Our Built Environment	11,595	22,112	(10,516)
Our Economy	385	678	(293)
Our Council	15,034	19,250	(4,216)
<b>Total services &amp; initiatives</b>	<b>50,693</b>	<b>80,724</b>	<b>(30,031)</b>
<b>Other non-attributable</b>			
Depreciation & amortisation	9,639		
Debt redemption	(797)		
Written down value of asset sold	8,921		
Transfer to and from reserves	(12,471)		
<b>Deficit before funding sources</b>	<b>55,985</b>		
Rates & charges	(59,701)		
Capital grants & contributions	(4,622)		
<b>Total funding sources</b>	<b>(64,323)</b>		
<b>(Surplus) / Deficit for the year</b>	<b>(8,338)</b>		

## 2.8 Reconciliation with Rate Determination Outcome

The rates and charges increase required for 2015-16 was determined after analysing the resources needed to fund Council's operational and capital projects. Council aims for a modest cash surplus of \$150,000 after considering all operational requirements, debt repayment commitments and capital works requirements.

	<b>Net Cost (Revenue) \$'000</b>	<b>Expenditure \$'000</b>	<b>Revenue \$'000</b>
Our Community	11,023	25,117	(14,094)
Our Natural Environment	12,656	13,568	(912)
Our Built Environment	11,595	22,112	(10,516)
Our Economy	385	678	(293)
Our Council	15,034	19,250	(4,216)
<b>Total services &amp; initiatives</b>	<b>50,693</b>	<b>80,724</b>	<b>(30,031)</b>
Rates funded capital expenditure	8,858		
<b>Deficit before rates funding</b>	<b>59,551</b>		
Rates & charges	(59,701)		
<b>Total rates funding</b>	<b>(59,701)</b>		
<b>Surplus for the year</b>	<b>(150)</b>		

### 3. Analysis of operating budget

This section analyses the expected revenues and expenses of the Council for the 2015-16 year.

#### 3.1 Budgeted income statement

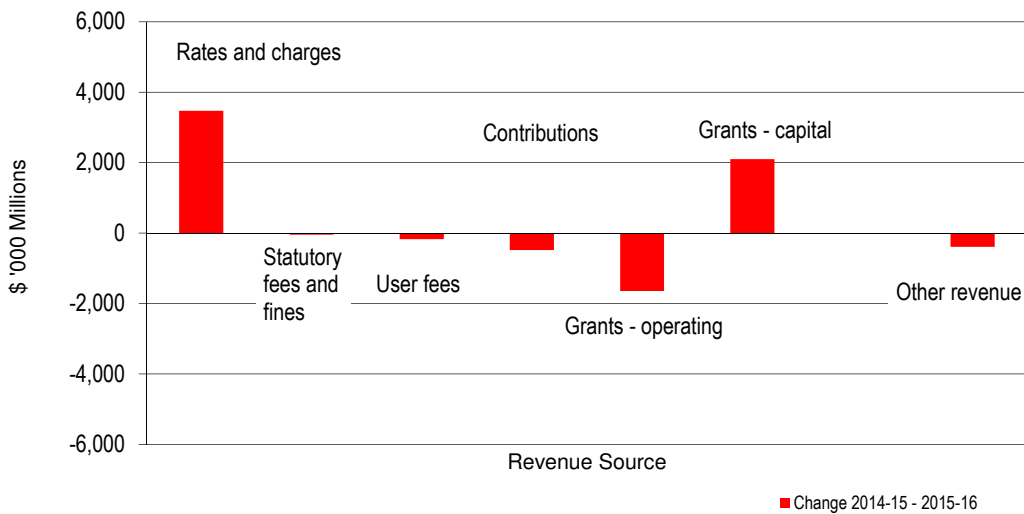
	Ref	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Total income	3.2	83,106	85,957	2,851
Total expenses	3.3	(80,633)	(77,619)	3,014
<b>Surplus (deficit) for the year</b>		<b>2,473</b>	<b>8,338</b>	<b>5,865</b>
Grants – capital non-recurrent	3.2.6	(2,413)	(4,517)	(2,104)
Contributions - non-monetary assets		-	-	-
Capital contributions - other sources	3.2.4	(585)	(105)	480
<b>Adjusted underlying surplus (deficit)</b>		<b>(525)</b>	<b>3,716</b>	<b>4,241</b>

##### 3.1.1 Adjusted underlying surplus (\$4.241 million increase)

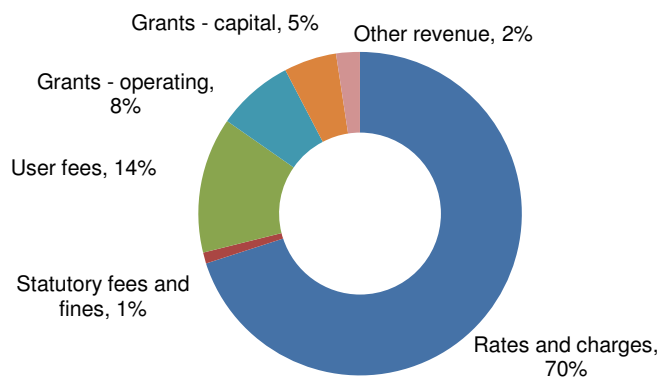
The adjusted underlying result is the net surplus or deficit for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2015-16 year is a surplus of \$3.716 million which is an increase of \$4.241 million from the 2014-15 year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year. The forecast deficit in 2014-15 is due to operating grants and rates funded projects that were carried over from the 2013-14 year being included in the Forecast 2014-15 result.

#### 3.2 Operating revenue

Revenue Types		Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Rates and charges	3.2.1	56,638	60,112	3,474
Statutory fees and fines	3.2.2	990	948	(42)
User fees	3.2.3	11,815	11,640	(175)
Contributions	3.2.4	585	105	(480)
Grants - operating	3.2.5	8,246	6,605	(1,641)
Grants - capital	3.2.6	2,413	4,517	2,104
Net gain on sale of assets	3.2.7	-	-	-
Other revenue	3.2.8	2,419	2,030	(389)
<b>Total operating revenue</b>		<b>83,106</b>	<b>85,957</b>	<b>2,851</b>



Source: Appendix A



Source: Appendix A

### 3.2.1 Rates and charges (\$3.474 million increase)

Rates and charges will increase by an average of 5.50% per assessment. The variance of \$3.474 million represents a 6.13% increase from the 2014-15 forecast and reflects adjustments for supplementary rate revenue received at the mid year financial review. The projected outcome for 2015-16 rates and charges revenue is \$60.112 million, which includes rates income from supplementary valuations and special rates, as well as the general rates and charges.

### 3.2.2 Statutory fees and fines (\$42,000 decrease)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

The decrease in statutory fees and fines is mainly the result of a one off prosecution income received in 2014-15.

A detailed listing of statutory fees is included in Appendix G.



### **3.2.3 User fees (\$0.175 million decrease)**

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of leisure and other community facilities and the provision of human services such as family day care and home help services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases are generally consistent with cost increases.

Revenue from user charges is projected to decrease by 1.48%. The main reason for this is a reduction in revenue from Leisure facilities since the opening of Watermarc in Greensborough. A detailed listing of fees and charges is included in Appendix G "Nillumbik Shire Council 2015-16 Fees and Charges."

### **3.2.4 Contributions (\$0.480 million decrease)**

Contributions relate to monies paid by residents in regard to road construction schemes, developer contributions or monies paid by clubs for other minor capital works.

Contributions are projected to decrease by \$0.480 million from the 2014-15 Budget forecast due to completion of a number of capital works accounted in the 2014-15 forecast including Special Charge Schemes, construction of the Eltham SES Shed, A.E. Cracknell Cricket net upgrades totalling \$0.585 million.

### **3.2.5 Grants - Operating (\$1.641 million decrease)**

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is expected to decrease by 19.90% or \$1.641 million compared to the 2014-15 Budget forecast. This reduction is mainly due to a reduction in New Initiative grant funding relating to projects carried forward from 2013-14 to 2014-15. Refer to Appendix F for a listing of operating grant funding types and sources.

### **3.2.6 Grants - Capital (\$2.104 million increase)**

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall, the level of capital grants has increased by 87.19% or \$2.104 million compared to the 2014-15 Budget forecast due mainly to specific funding for large capital works projects in 2015-16 including the Eltham Leisure Aquatic upgrade and the New Pavilion - Eltham North Reserve. Section 5. Analysis of Capital Budget includes a more detailed analysis of the grants and contributions expected to be received during the 2015-16 year.

### **3.2.7 Net gain on sale of assets**

There are anticipated land sales to the value of \$8.400 million in the 2015-16 budget. The written down value of these land sales are estimated to be the same as the sale value. Therefore there will be no expected net gain on sale of assets in 2015-16.

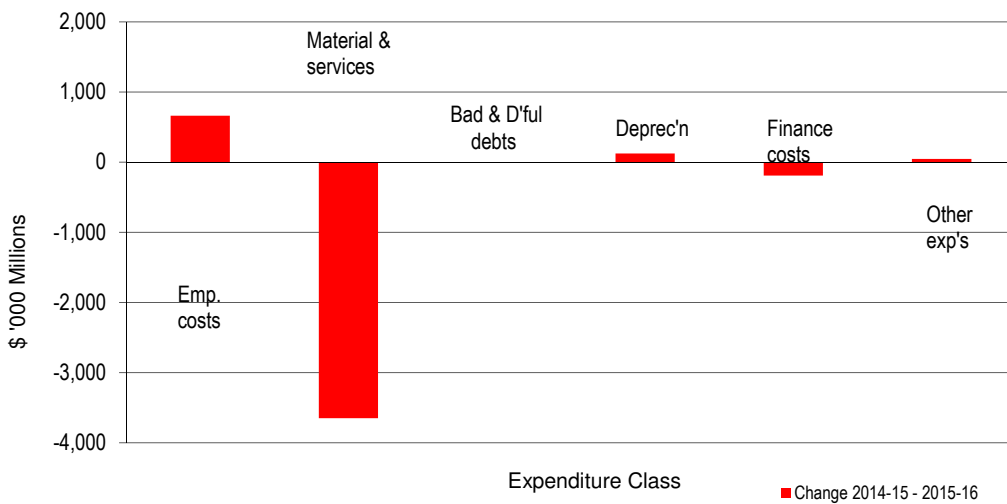
### **3.2.8 Other revenue (\$0.389 million decrease)**

Other revenue relates to a range of items including interest revenue on investments and rate arrears. Conservative budget estimates on expected open space development revenue receipts, reduced future investment income and valuation sales estimates have been the major drivers for this reduction.

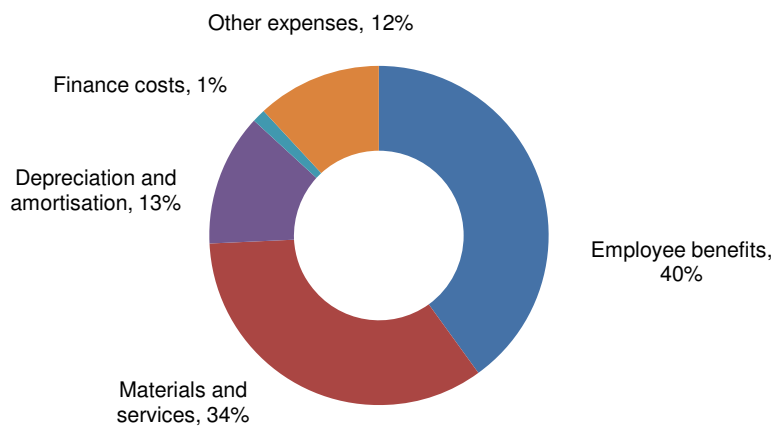
Other revenue is forecast to drop by 16.08% or \$0.389 million compared to the 2014-15 Budget forecast.

### 3.3 Operating expenditure

Expenditure Types	Ref	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Employee benefits	3.2.1	30,459	31,122	663
Materials and services	3.2.2	30,271	26,619	(3,652)
Bad and doubtful debts		3	-	(3)
Depreciation and amortisation	3.2.3	9,515	9,639	124
Finance costs	3.2.4	1,186	995	(191)
Other expenses	3.2.5	9,199	9,244	45
<b>Total operating expenditure</b>		<b>80,633</b>	<b>77,619</b>	<b>(3,014)</b>



Source: Appendix A



### 3.3.1 Employee benefits (\$0.663 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements and employer superannuation. It also covers casual employees as well as permanent employees.

Employee costs are forecast to increase by \$0.663 million compared to the 2014-15 forecast. This increase relates to three key factors:

- Salaries and wages have been increased based on the Enterprise Agreement increment of 3.1%.
- Increases in staff numbers resulting from 2014-15 new initiatives becoming ongoing. The cost of this in 2015-16 will be \$0.105 million. This has been offset by the abolition of some positions during the past year.
- The residual increase relates to award increments, remuneration reviews, increase of casual resources, and increased permanent staff numbers funded by government grants, additional revenue or rates.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below:

Department	Budget 2015-16 \$'000	Composition			
		Permanent Full Time \$'000	Permanent Part Time \$'000	Limited Tenures \$'000	Casual \$'000
Infrastructure Services	10,583	10,292	267	-	24
Environment & Planning	6,014	4,909	1079	-	26
Community & Leisure	7,021	2,891	3359	401	370
Corporate Services	5,790	4,411	1344	-	35
Executive Services	533	533	-	-	-
<b>Total</b>	<b>29,941</b>	<b>23,036</b>	<b>6,049</b>	<b>401</b>	<b>455</b>

A summary of the number of full time equivalent (FTE) Council staff in relation to the above expenditure is included below:

Department	Budget FTE	Composition		
		Permanent Full Time	Permanent Part Time	Limited Tenures
Infrastructure Services	121.55	118.60	2.95	-
Environment & Planning	64.17	49.15	15.02	-
Community & Leisure	68.31	27.54	36.74	4.03
Corporate Services	56.68	42.00	14.68	-
Executive Services	3.00	3.00	-	-
<b>Total</b>	<b>313.71</b>	<b>240.29</b>	<b>69.39</b>	<b>4.03</b>

An analysis of employee benefits cost by departments changes from the Forecast Budget to 2015-16 Budget has identified no material change.

In summary, staff EFT numbers (not including casual employees) during the budget period are as follows:

Type of employment	Forecast	Budget	Variance
	2014-15 \$'000	2015-16 \$'000	EFT's
Permanent	308.58	309.68	1.10
Limited tenures	4.93	4.03	(0.90)
<b>Total EFT</b>	<b>313.51</b>	<b>313.71</b>	<b>0.20</b>

### 3.3.2 Materials and services (\$3.652 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to decrease by 12.06% or \$3.652 million compared to the 2014-15 Budget forecast.

The decrease in materials and services expenditure in 2015-16 is primarily due to the carry over of budgeted new initiatives for ordinary items from 2013-14 to 2014-15. Of these New Initiatives totalling \$2.166 million, \$0.724 million was expected to be funded by government grants. This expenditure also includes the recognition of carry over project funds from other years, which has also been a contributing factor to the variance.

### 3.3.3 Depreciation and amortisation (\$0.124 million increase)

Depreciation is an accounting measure which attempts to allocate the value of Council's property, plant and equipment including infrastructure such as roads and drains assets over their useful life. The increase of \$0.124 million for 2015-16 reflects the actual trend that has been demonstrated in recent years and the recognition of major new assets onto the asset register. Refer to section 5 Analysis of Capital Budget for a more detailed analysis of Council's capital works program for the 2015-16 year.

### 3.3.4 Finance costs (\$0.191 million decrease)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The decrease (16.10% compared to 2014-15 forecast) is a result of existing loans life cycles reducing resulting in less interest to be repaid as well as no new borrowings anticipated in 2015-16 for capital works projects.

### 3.3.5 Other expenses (\$45,000 increase)

Other expenses relate to a range of unclassified items including contributions to community groups, advertising, insurances, motor vehicle registrations and other miscellaneous expenditure items. Other expenses are forecast to decrease by 0.48% or \$45,000 compared to the 2014-15 Budget forecast.

### 3.4 Underlying result

	Budget 2014-15 \$'000	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance to Forecast \$'000
<b>Surplus (deficit) for the year</b>	<b>2,804</b>	<b>2,473</b>	<b>8,338</b>	<b>5,865</b>
Net gain on disposal of property, infrastructure, plant and equipment	-	-	-	-
Grants – Capital	(778)	(2,413)	(4,517)	(2,104)
Contribution- Capital	(65)	(585)	(105)	480
<b>Underlying surplus (deficit) from P/L</b>	<b>1,961</b>	<b>(525)</b>	<b>3,716</b>	<b>4,241</b>
Prior Year Revenue to fund programs /projects		3,398		(3,398)
<b>Underlying surplus (deficit) incl. Prior Year Revenue</b>	<b>1,961</b>	<b>2,873</b>	<b>3,716</b>	<b>843</b>

The underlying result is the net surplus or deficit for the year adjusted for capital contributions, gains or losses on disposal of non-operating assets sold and other once-off adjustments. It is a measure of financial sustainability as it is not impacted by non-recurring or once-off items of revenues and expenses which can distort the operating result.

The underlying result for the 2015-16 year is a surplus of \$3.716 million, which is an increase of \$4.241 million over the 2014-15 Budget forecast based on operating income and expenditure. The projected deficit in 2014-15 relates to operating grants and/or rate funded projects carried over from the 2013-14 year. Once this prior year funding is taken into account, the underlying surplus is \$2.873 million for 2014-15.

## 4. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2015-16 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

### 4.1 Budgeted cash flow statement

	Ref	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	4.1.1			
Rates and charges		60,453	59,334	(1,119)
Statutory fees and fines		990	948	(42)
User fees		11,815	11,640	(175)
Grants - operating		6,605	6,551	(54)
Grants - capital		2,413	4,517	2,104
Contributions - monetary		585	105	(480)
Interest received		917	918	1
Dividends received		0	0	0
Trust funds and deposits taken		0	0	0
Other receipts		1,947	1,467	(480)
Net GST refund / payment		0	0	0
Employee costs		(30,706)	(30,865)	(159)
Materials and services		(26,932)	(26,512)	420
Trust funds and deposits repaid		0	0	0
Other payments		(9,237)	(9,945)	(708)
<b>Net cash provided by / (used in) operating activities</b>		18,850	18,159	(692)
<b>Cash flows from investing activities</b>	4.1.2			
Proceeds from sale of property, infrastructure, plant and equipment		6,429	8,921	2,492
Payments for property, infrastructure, plant and equipment		(24,319)	(17,470)	6,849
Payments for investments		0	0	0
Proceeds from sale of investments		0	0	0
Loan and advances made		0	0	0
Payments of loans and advances		0	0	0
<b>Net cash provided by / (used in) investing activities</b>		(17,890)	(8,549)	9,341

<b>Cash flows from financing activities</b>	4.1.3			
Finance costs		(1,047)	(995)	52
Proceeds from borrowings		244	1,509	1,265
Repayment of borrowings		(1,516)	(821)	695
<b>Net cash provided by / (used in) financing activities</b>		(2,319)	(307)	2,012
<b>Net increase / (decrease) in cash and cash equivalents</b>		(1,359)	9,302	10,661
Cash and cash equivalents at the beginning of the year		22,035	20,676	(1,360)
<b>Cash and cash equivalents at end of the financial year</b>	4.1.4/4.2	<b>20,676</b>	<b>29,978</b>	9,302

#### 4.1.1 Operating activities (\$0.692 million decrease)

The increase in cash inflows from operating activities when compared to the 2014-15 Budget forecast is mainly due to the decrease in receipts from rates and charges which is partly offset by an increase in government receipts to be received in 2015-16.

The net cash flows from operating activities does not equal the operating result for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Cash Flow Statement. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.

	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>2,473</b>	<b>8,338</b>	5,865
Depreciation	9,515	9,639	124
Loss (gain) on sale of assets	-	-	-
Net movement in current assets and liabilities	6,862	182	(6,681)
<b>Cash flows available from operating activities</b>	<b>18,850</b>	<b>18,159</b>	(692)

#### 4.1.2 Investing activities (\$9.341 million decrease)

The large decrease in payments for investing activities represents the high level of capital works expenditure for 2014-15 due to carry forward works from 2013-14. Proceeds from the sale of assets is projected to increase by \$2.492 million due to higher projected property sales income for 2015-16.

#### 4.1.3 Financing activities (\$2.012 million increase)

This is primarily due to Council taking up a loan bond facility through the MAV which requires the repayment of interest only over the life of the bond (7 years). (Council is setting aside funding for the principal amounts to be paid out on maturity). 2015-16 incorporates loan funding of \$1.480 million originally budgeted in prior years that will be actually taken up as a bond in 2015-16.

#### 4.1.4 Cash and cash equivalents at end of the year (\$9.303 million increase)

Overall, total cash and investments is forecast to increase by \$9.303 million to \$29.978 million as at 30 June 2016. As identified above, this is mainly as a result of carry forward works from 2013-14 appearing in the 2014-15 forecast. Proceeds from the sale of assets is projected to increase by \$2.492 million due to higher projected property sales income for 2015-16.

## 4.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2016 it will have cash and investments of \$29.978 million, which has been restricted as shown in the following table.

	Ref	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Total cash and investments</b>		20,676	29,978	9,302
Restricted cash and investments				
- Statutory reserves	4.2.1	(5,033)	(6,844)	(1,810)
- Discretionary reserves	4.2.2	(4,430)	(11,101)	(6,671)
- Long service leave	4.2.3	(4,785)	(4,946)	(161)
<b>Unrestricted cash and investments</b>	<b>4.2.4</b>	<b>6,427</b>	<b>7,086</b>	<b>659</b>

Source: Appendix A

### 4.2.1 Statutory reserves (\$1.810 million increase)

These funds must be applied for specified statutory purposes in accordance with various legislative and contractual requirements. Further details regarding reserves are attached in Appendix A.

### 4.2.2 Discretionary reserves (\$6.671 million increase)

These funds are not tied to a specific purpose, and if needed Council can deploy these funds if required on other Council projects. In this case Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan. Further details regarding reserves are attached in Appendix A.

### 4.2.3 Long service leave (\$0.161 million increase)

These funds are separately identified as restricted to ensure there are sufficient funds to meet Council's obligations as set out in the Local Government (Long Service Leave) Regulations 2012.

### 4.2.4 Unrestricted cash and investments (\$0.661 million increase)

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants, contributions or carried forward capital works. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.



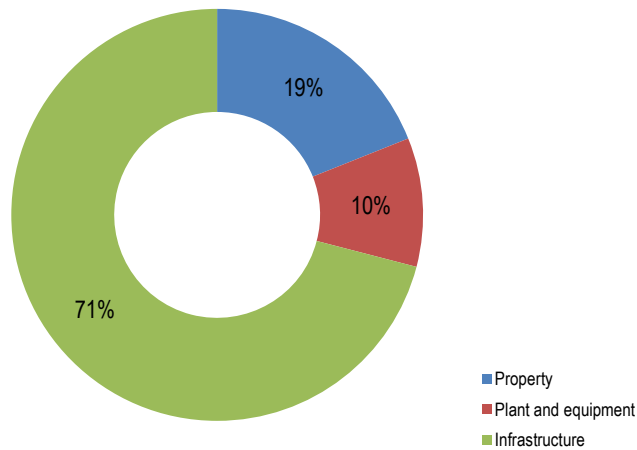
## 5. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2015-16 year and the sources of funding for the capital budget.

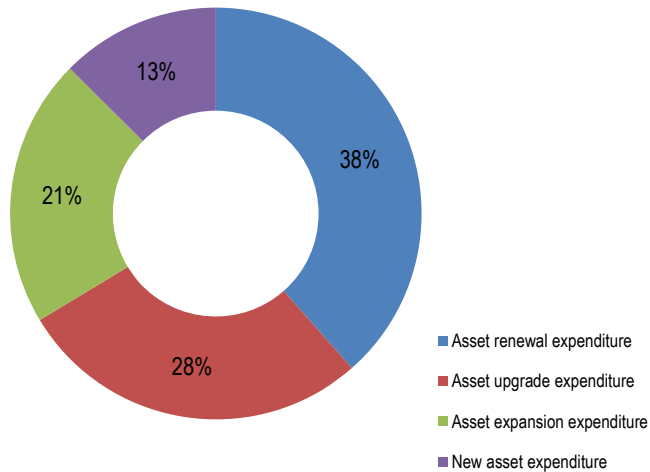
### 5.1 Capital works

Capital Works Areas	Ref	Forecast		Budget	Variance
		2015-16 %	2014-15 \$'000	2015-16 \$'000	\$'000
<b>Property</b>	5.1.1				
Land		-	-	-	-
Land improvements		-	-	-	-
<b>Total land</b>			-	-	-
Buildings		19%	4,423	<b>3,310</b>	(1,113)
Building improvements		-	-	-	-
Leasehold improvements		-	-	-	-
Heritage buildings		-	-	-	-
<b>Total buildings</b>			<b>4,423</b>	<b>3,310</b>	(1,113)
<b>Total property</b>			<b>4,423</b>	<b>3,310</b>	(1,113)
<b>Plant and equipment</b>	5.1.2				
Plant, machinery and equipment		8%	1,934	<b>1,439</b>	(495)
Fixtures, fittings and furniture		2%	145	<b>330</b>	185
Computers and telecommunications		-	-	-	-
Heritage plant and equipment		-	-	-	-
Library books		-	-	-	-
<b>Total plant and equipment</b>			<b>2,079</b>	<b>1,769</b>	-310
<b>Infrastructure</b>	5.1.3				
Roads		14%	5,508	<b>2,434</b>	(3,074)
Bridges		2%	378	<b>340</b>	(38)
Footpaths and cycleways		4%	786	<b>730</b>	(56)
Drainage		3%	558	<b>500</b>	(58)
Recreational, leisure and community facilities		39%	3,316	<b>6,820</b>	3,504
Waste management		6%	500	<b>1,051</b>	551
Parks, open space and streetscapes		1%	963	<b>252</b>	(711)
Aerodromes		-	-	-	-
Off street car parks		-	-	-	-
Other infrastructure		2%	5,808	<b>264</b>	(5,544)
<b>Total infrastructure</b>			<b>17,817</b>	<b>12,391</b>	-5,426
<b>Total capital works expenditure</b>		100%	<b>24,319</b>	<b>17,470</b>	(6,849)
<b>Represented by:</b>					
Asset renewal expenditure	5.1.4		6,403	<b>6,729</b>	326
Asset upgrade expenditure	5.1.4		5,761	<b>4,861</b>	(900)
Asset expansion expenditure	5.1.4		6,881	<b>3,691</b>	(3,190)
New asset expenditure	5.1.4		5,274	<b>2,189</b>	(3,085)
<b>Total capital works expenditure</b>			<b>24,319</b>	<b>17,470</b>	(6,849)

### Budgeted total capital works class 2015-16



### Budgeted total capital works by type 2015-16



Source: Appendix A. A more detailed listing of capital works is included in Appendix C.

#### 5.1.1 Property (\$3.310 million)

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2015-16 year, \$3.310 million will be expended on building and building improvement projects. The more significant projects include Other Council Buildings renewal and upgrade (\$0.750 million), Eltham Community Reception Centre upgrade and renewal (\$0.835 million), and works at Woodridge Preschool (\$0.542 million) and Eltham Childcare Co-op (\$0.382 million).

#### 5.1.2 Plant and equipment (\$1.769 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library books.

For the 2015-16 year, \$1.769 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.439 million) and indicative playground renewal funding (\$0.250 million).

### 5.1.3 Infrastructure (\$12.391 million)

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

For the 2015-16 year, \$2.434 million will be expended on road projects. The more significant projects include Periodic Maintenance (reseals & resheeting) (\$1.300 million), Road Sealing/Rehabilitation Program (\$0.850 million) and Traffic Improvement Program (\$0.200 million).

\$6.860 million will be expended on recreational, leisure and community facilities. The more significant of these include New Pavilion at Eltham North Reserve (\$2.150 million), Eltham Leisure Centre Aquatic upgrade (\$1.200 million), Diamond Creek Trail on Road (\$0.750 million), major leisure centres & community halls renewal (\$0.530 million), Diamond Creek Trail (\$0.500 million), Wattle Glen Soccer upgrade (\$0.470 million) and sports fields, pavilions & fence renewal (\$0.180 million)

\$0.730 million will be expended on footpath construction and renewal program projects.

\$0.300 million will be expended on drainage renewal and upgrade projects.

\$1.051 million will be expended on Waste Management in relation to the rehabilitation of the landfills and Plenty and Kangaroo Ground.

\$0.340 million will be expended on Bridges including \$0.250 million for the Diamond Creek Footbridge

Other infrastructure expenditure includes Disability access works (\$0.120 million) and Street tree planting (\$79,000).

### 5.1.4 Asset renewal (\$6.729 million), upgrade (\$4.861 million), new assets (\$2.189 million) and expansion (\$3.691 million)

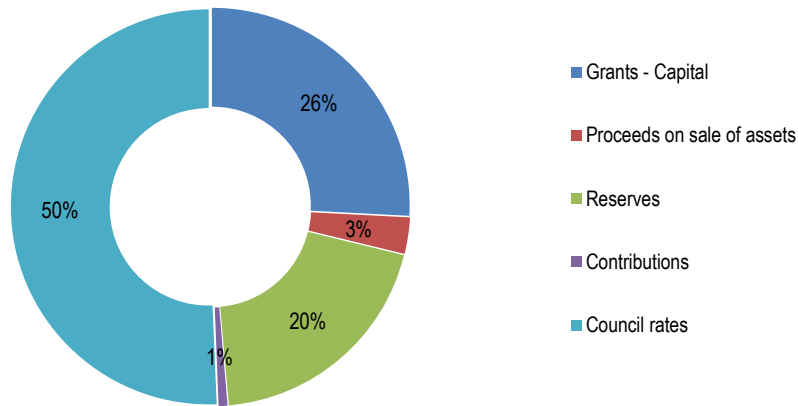
A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

The major projects in the above categories, which constitute expenditure on new assets include the Diamond Creek Trail (\$0.500 million) and Diamond Creek Trail on Road (\$0.750 million), Diamond Creek footbridge (\$0.250 million) and footpath construction program (\$0.410 million). The remaining capital expenditure represents renewals and expansion/upgrades of existing assets.

## 5.2 Funding sources

Sources of funding	Ref	Budget 2015-16 \$'000
<b>New works</b>		
<b>Current year funding</b>		
Grants - capital	5.2.1	4,517
Borrowings		-
Contributions	5.2.2	105
Other Income		-
Council rates	5.2.3	8,858
Proceeds on sale of assets	5.2.4	521
Reserve cash and investments	5.2.5	3,469
Unrestricted cash and investments		-
		<b>17,469</b>

### Budgeted total funding sources 2015-16



Source: Appendix C

#### 5.2.1 Grants - Capital (\$4.517 million)

Capital grants include all monies received from State and Federal governments for the purposes of funding the capital works program. Significant grants budgeted to be received for 2015-16 include funding for the New Pavilion at Eltham North Reserve, Eltham Aquatic Centre upgrade and Roads to Recovery grant program. A list of projects with their funding source is provided at Appendix C.

#### 5.2.2 Contributions (\$0.105 million)

Contributions relate to monies paid by residents in regard to special charge schemes, and monies paid by clubs for other minor capital works.

A total of \$0.105 million contribution is budgeted for 2015-16 mainly attributable to Council Buildings expansion works.

#### 5.2.3 Council rates (\$8.858 million)

It is expected that in 2015-16, \$8.858 million of rates revenue will be used to fund various capital projects.

#### 5.2.4 Proceeds on sale of assets (\$0.521 million)

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.521 million.

#### 5.2.5 Reserves (\$3.468 million)

A number of reserves are set aside for specific purposes. For 2015-16 \$3.468 million will be used to fund part of the new capital works program including the Eltham Community Reception Centre (\$0.800 million), Diamond Creek Trail on Road (\$0.700 million), Plant and Fleet Replacement (\$0.918 million) and Plenty & Kangaroo Ground landfill rehabilitation (\$1.051 million).

## 6. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2014-15 and 2015-16. It also considers a number of key performance indicators.

### 6.1 Budgeted balance sheet

	Ref	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Current assets</b>	6.1.1			
Cash and cash equivalents		20,676	29,978	9,302
Receivables		4,427	5,205	778
Prepayments and accruals		561	561	-
Land held for resale		745	745	-
Inventories		26	26	-
<b>Total current assets</b>		<b>26,435</b>	<b>36,515</b>	<b>10,080</b>
<b>Non-current assets</b>				
Trade and other receivables		1,100	800	(300)
Property, infrastructure, plant & equipment		655,782	654,692	(1,090)
Other financial assets		1,216	1,216	-
<b>Total non-current assets</b>		<b>658,098</b>	<b>656,708</b>	<b>(1,390)</b>
<b>Total assets</b>		<b>684,533</b>	<b>693,223</b>	<b>8,690</b>
<b>Current liabilities</b>	6.1.2			
Trade and other payables		5,563	4,950	613
Interest-bearing liabilities		821	818	3
Provisions		6,922	7,179	(257)
Trusts		1,166	1,166	-
<b>Total current liabilities</b>		<b>14,472</b>	<b>14,113</b>	<b>359</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities		13,072	13,763	(691)
Provisions		8,546	8,566	(20)
<b>Total non-current liabilities</b>		<b>21,618</b>	<b>22,329</b>	<b>(711)</b>
<b>Total liabilities</b>		<b>36,090</b>	<b>36,442</b>	<b>(352)</b>
<b>Net assets</b>		<b>648,443</b>	<b>656,781</b>	<b>8,338</b>
<b>Equity</b>	6.1.4			
Other reserves		9,464	17,945	8,481
Asset revaluation reserve		269,545	269,545	-
Retained profits		369,434	369,291	(143)
<b>Total equity</b>		<b>648,443</b>	<b>656,781</b>	<b>8,338</b>

Source: Appendix A

### 6.1.1 Current Assets (\$10.080 million increase) and Non-Current Assets (\$1.390 million decrease)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of twelve months or less. These balances are projected to increase by \$9.302 million during the year.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget. Long term debtors (non current) relating to loans to residents for special charge schemes are anticipated to decrease over the coming years due to few schemes being included in Council's five year capital program from 2015-16.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories or stocks held for sale or consumption in Council's services and other revenues due to be received in the next 12 months.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by the Council over many years. The decrease in this balance is attributable to the net result of the capital works program, depreciation of assets and the sale through sale of property, plant and equipment.

### 6.1.2 Current Liabilities (\$0.359 million decrease) and Non Current Liabilities (\$0.711 million increase)

The increase in non-current liabilities is mainly from increased provisions, while current liability increases relate to projected higher levels of creditors at 30 June 2016.

Trade and other payables are those to whom Council owes money as at 30 June. Provisions include accrued long service leave, annual leave, and provision for landfill restoration. Reduced interest rates has attributed to the increase of long service leave provision.

Interest-bearing liabilities are borrowings and finance leases of Council. Council is budgeting to repay loan principal of \$0.797 million, and take no new borrowings in 2015-16.

### 6.1.3 Working Capital (\$10.439 million increase)

Working capital is the excess of current assets above current liabilities. This calculation recognises that although Council has current assets, some of those assets are already committed to the future settlement of liabilities in the following 12 months, and are therefore not available for discretionary spending.

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Current assets</b>	26,435	36,515	10,080
<b>Current liabilities</b>	14,472	14,113	359
<b>Working capital</b>	11,963	22,402	10,439
Restricted cash and investment current assets			
- Statutory reserves	(5,033)	(6,844)	(1,811)
- Discretionary reserves	(4,430)	(11,101)	(6,671)
<b>Unrestricted working capital*</b>	<b>2,500</b>	<b>4,457</b>	<b>1,957</b>

\* Unrestricted working capital may also be committed to completion of carry forward capital works.

#### **6.1.4 Equity (\$8.338 million increase)**

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

The movement in other reserves reflects the net position of usage of investment cash reserves to partly fund the capital works program or operating project expenditure and additional transfers to reserves from transactions like developer contributions and asset sales. The projected increase in reserves is mainly due to \$8.4 million in asset sales. This is a transfer between equity balances only and does not impact on the total balance of equity.

## **6.2 Key assumptions**

In preparing the Budgeted Balance Sheet for the year ending 30 June 2016 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 95% of total rates and charges raised will be collected in the 2015-16 year.
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days.
- Long-term debtors will decrease slightly due to few new special charge schemes being planned for 2015-16 and beyond.
- Other debtors remain consistent with 2014-15 levels, while creditors are projected to decrease slightly for 2015-16.
- Employee entitlements to be increased by the indexation impact of estimated future Enterprise Agreement increases.
- The capital expenditure component of the capital works program to be \$17.470 million.
- Repayment of loan principal to be \$0.797 million, and no new borrowings anticipated.
- Reserve funds are used to fund part of the capital works program.
- All capital works planned for 2015-16 will be fully expended.
- Current and future borrowings taken by Council through the MAV loan bond facility entails the principal amount to be paid out upon maturity. Council is progressively setting aside funds to repay the principal through a dedicated reserve.

## 7. Strategic resource plan and financial performance indicators

This section considers the long term financial projections of the Council. The Act requires a Strategic Resource Plan to be prepared covering both financial and non-financial resources, and including key financial indicators for at least the next four financial years to support the Council Plan.

### 7.1 Plan development

The Act requires a Strategic Resource Plan to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan.

Council has prepared a Strategic Resource Plan (SRP) for the four years 2015-16 to 2018-19 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years. Council has also adopted a Financial Sustainability Plan with a set of targets for Council to achieve over the short and long term. The Strategic Resource Plan is used to project Council's performance in meeting this targets.

Assumptions used in preparation of the Strategic Resource Plan include:

- Maintain existing service levels with expenditure increases to generally correspond to increases in the cost base, rather than expansion of services.
- Maintain at least a \$150,000 annual cash surplus on a rate determination basis.
- Maintain effort on capital works, with 5% annual increase in the rates contribution to capital works

In preparing the SRP, the Council has also been mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Act:

- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

### 7.2 Financial resources

The following table summaries the key financial results as set out in the SRP for years 2015-16 to 2018-19. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

	Forecast		Strategic Resource Plan Projections			Trend + / o / -
	2014-15	Budget 2015-16	2016-17	2017-18	2018-19	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	2,473	8,338	6,930	8,230	9,964	+
Adjusted underlying result *	(525)	3,716	4,150	4,518	5,270	+
Cash and investments balance	20,676	29,978	24,207	29,543	31,641	+
Cash flows from operations	18,850	18,159	16,814	21,329	21,261	+
Capital works expenditure	24,319	17,470	24,955	17,947	19,311	+

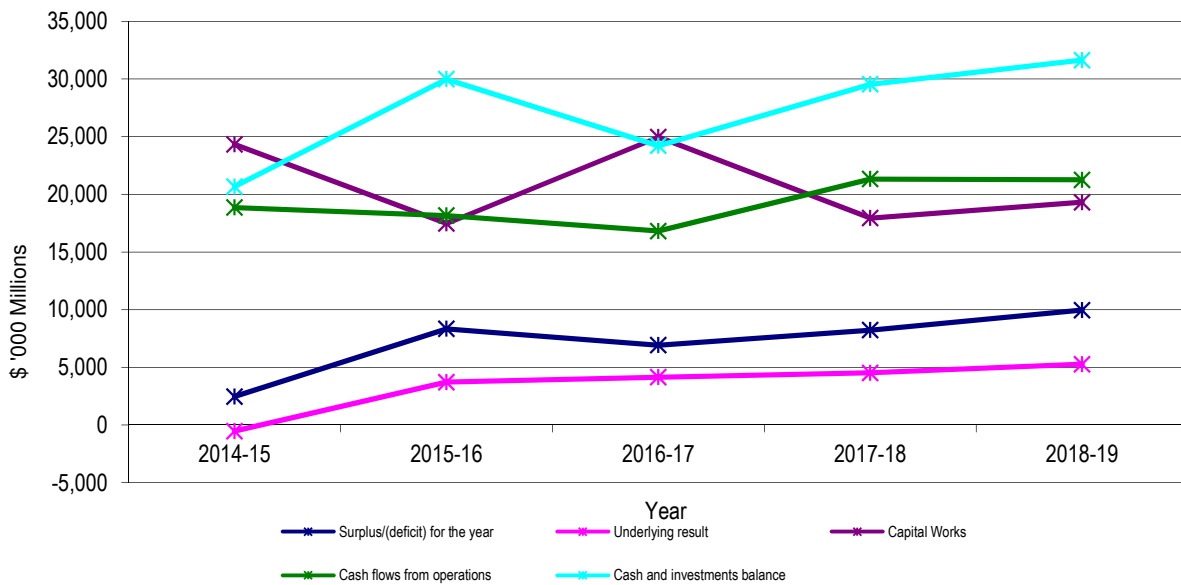
Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast deterioration in Council's financial performance/financial position indicator

\*Projected underlying result for 2014-15 includes carry over operating expenditure funded from prior years. Refer to point 3.4 on page 37 for detailed explanation.



The following graph shows the general financial indicators over the four year period of the SRP.



The key outcomes of the Plan are as follows:

- Financial sustainability (section 4)** - Cash and investments is forecast to increase over the four year period from \$20.676 million to \$31.641 million, which indicates the achievement of a balanced budget on a cash basis in each year.
- Rating strategy (section 8)** – Rate increases are forecast to gradually reduce over the next four years.
- Borrowing strategy (section 9)** – Borrowings are forecast to increase from \$15.349 million (1 July 2015) to \$18.464 million (30 June 2019) over the four year period. This is mainly due to projected borrowings for major capital projects such as the refurbishment of the Eltham Leisure Aquatic Centre.
- Infrastructure (section 9)** - Capital expenditure over the four year period will total \$79.683 million at an average of \$19.921 million.

### 7.3 Financial performance indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be used in the context of the organisation's objectives.

Indicator	Measure	Notes	Strategic Resource Plan					Trend +/-
			Forecast 2014-15	Budget 2015-16	Projections 2016-17	2017-18	2018-19	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-0.7%	4.6%	4.9%	5.2%	5.8%	+
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	182.7%	258.7%	238.7%	260.8%	269.0%	o
Unrestricted cash	Unrestricted cash / current liabilities		44.4%	50.2%	48.7%	63.4%	62.8%	+
<b>Obligations</b>								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	26.9%	24.1%	27.6%	26.9%	27.0%	o
Loans and borrowings	Interest and principal repayments / rate revenue		4.8%	3.0%	2.9%	2.8%	2.5%	+
Indebtedness	Non-current liabilities / own source revenue		27.0%	27.5%	30.0%	29.4%	29.1%	o
Asset renewal	Asset renewal expenditure / depreciation	4	67.3%	69.8%	122.6%	82.2%	75.7%	o
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	5	70.7%	73.9%	74.4%	74.8%	75.0%	o
Rates effort	Rate revenue / property values (CIV)		0.41%	0.43%	0.45%	0.46%	0.48%	o
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of assessments		\$3,529	\$3,381	\$3,472	\$3,578	\$3,674	+
Expenditure level	Specific purpose grants expended / Specific purpose grants received		100.0%	100.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,998	\$2,137	\$2,254	\$2,367	\$2,470	+
Workforce turnover *	No. of resignations & terminations / average no. of staff		11.3%	10.0%	10.0%	10.0%	10.0%	o
<b>Other</b>								
Rates per assessment	Rate revenue (less special rates-charge schemes) / Total number of assessments		\$2,468	\$2,604	\$2,704	\$2,805	\$2,909	+
Rates per assessment growth	Change in rates per assessment current year to previous year / previous year rates per assessment		6.65%	5.50%	3.84%	3.76%	3.70%	-

Key to Forecast Trend:

- + Forecast improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecast deterioration in Council's financial performance/financial position indicator

\* Council's budgeting and SRP forecasts do not include an assumption on workforce turnover as existing staffing levels are proposed to remain constant over the forward forecasts in order to deliver services

**Notes to indicators**

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period.

**2 Working Capital** – The proportion of current liabilities represented by current assets. Working capital is forecast to increase significantly in 2014-15 year due to an increase in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.

**3 Debt compared to rates** - Trend indicates a slight increase in Council's debt against its annual rate revenue through proposed new borrowings to fund major capital works for projects.

**4 Asset renewal** - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets.

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become more reliant on rate revenue compared to all other revenue sources.

**7.4 Non-financial resources**

In addition to the financial resources to be used over the planning period, Council will also require non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2015-16 year is shown below and further detail is included in section 3.2.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Forecast	Budget	Strategic Resource Plan Projections		
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
Employee costs					
- Operating	30,459	31,122	32,492	33,924	35,421
- Capital	-	-	-	-	-
<b>Total</b>	<b>30,459</b>	<b>31,122</b>	<b>32,492</b>	<b>33,924</b>	<b>35,421</b>
Permanent EFT numbers	308.6	309.7	309.7	309.7	309.7
Limited tenures	4.9	4.0	4.0	4.0	4.0
<b>Limited tenures</b>	<b>313.51</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, etc. It also covers casual employees as well as permanent employees. It should be noted that in some instances employee positions and the associated costs are funded by external grants to Council, however the employee costs listed in this table only show the gross costs to Council, not the net cost.

## **8. Rating strategy**

This section considers the Council's rating strategy including strategy development and assumptions underlying the current year rate increase and rating structure.

### **8.1 Background**

The Local Government Act provides for Councils to raise income through levying rates and charges on land and property owners. There is currently no other broad-based way for Councils to raise revenue, and rates effectively represents the balance of funds remaining to fund Council's expenditure after income from grants, user fees and other avenues have been considered.

### **8.2 Strategy development**

In developing the Strategic Resource Plan (referred to in Section 7), rates and charges are an important source of revenue, accounting for approximately 70% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it is also necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases. The table in the Budget Trends and Summary section shows trends over recent years for rates.

### **8.3 Current year rating outcome**

In 2015-16, it is proposed to increase rates and charges by an average of 5.5% per property. With additional revenue of 0.69% from growth in the number of property assessments, total rates and charges revenue will grow by 6.19% relative to the previous year.

Rates and charges are due on a quarterly instalment basis. The due dates for the 2015-16 financial year will be 30 September, 30 November, 28 February and 31 May (if any of these dates fall on a weekend, the due date will be the following Monday).

The level of rates has been set with reference to the following objectives:

- Maintain existing service levels
- Maintain a surplus result on an accrual basis and on a rate determination basis.
- Maintain and gradually increase effort on capital works, with 5% annual increase in the rates contribution to capital works

Figures in the table below show the projected rates revenue for future years. The projected outcome includes rates income from supplementary valuations and special rates, as well as the general rates and charges. Consequently the actual rates and charges increase per assessment will be lower (typically by 0.5%) than the percentage of rates and charges revenue increase. It is also noted that these figures are indicative only and may change in future to reflect changes in circumstances or assumptions that cannot currently be predicted (including rate capping from 2016-17).

Year	Rates & Charges Revenue \$'000
2014-15	56,638
2015-16	60,112
2016-17	62,691
2017-18	65,331
2018-19	68,039

#### 8.4 Rating structure

Council has established a rating structure which is comprised of two key elements. These are:

- Property values, which reflect capacity to pay
- A user pays component (e.g. waste management charge) to reflect usage of services provided by Council.

Striking a proper balance between these elements provides equity in the distribution of the rate burden across ratepayers.

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential, agricultural, or business purposes. Currently farms receive a 15% discount to encourage productive agricultural use of rural land; a further Sustainable Agriculture Rebate (as calculated under the Sustainable Agriculture Policy) is provided to eligible farming properties. Commercial and industrial properties are charged 16% more to partly reflect the tax-deductible status of rates for these owners or tenants. Vacant residential land is charged double the General Rate to encourage development of this land. This applies to the vacant land in Residential 1 and Low Density Residential zones within DPO 4.

To encourage development of the vacant residential land, Council continues to offer a rebate for completed house constructions on vacant resident land. Where the double rate was charged, Council will refund, by credit, half of the past 12 months' double rate (i.e. the extra amount exceeding the normal rate) from the date of the next supplementary valuation once a house is constructed on vacant land and a certificate of occupancy has been issued.

Council reviews its rating strategy annually. The 2015-16 Budget has been drafted based on no major change to the property categories included in the rating strategy.

Differential rates are only allowed under a Capital Improved Value (CIV) system, and Council applies a CIV rating basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, but Council does review its rating structure every year.

The existing rating structure comprises five differential rates, a Sustainable Agriculture Rebate for eligible farming properties, a rebate for completed constructions on vacant resident land, and a rate of concession for recreational land. These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. Council also has a municipal charge, and a waste management charge as allowed under the Act.

The Local Government Act 1989 states that a Council may declare a Municipal Charge to cover some of the administrative costs of the Council. The value of this charge, which is applied as per the Act to the administrative costs of Council, is calculated based on the cost influences and pressures noted above relating to reduced grants funding or cost shifting from other levels of government.

The Municipal Charge is used by Council to transparently identify the impact of cost-shifting by other levels of government. In 2015-16 it will decrease by 6.81% from \$100.33 to \$93.50 per assessment. The reduction of \$6.83 per assessment has been deducted from the Municipal Charge due to slight improvement in the level of cost shifting over the past year. Since 2003-04, Council has suffered declines in funding or had to accept the introduction of new charges and levies from State and Federal Governments to the extent that the extra annual cost to ratepayers is now \$2.136 million. This amount is reflected in the Municipal Charge.

<b>Cost Influence Type</b>	<b>Details</b>	<b>Calculated Change since 2003-04</b>
Grants	Victoria Grants Commission General	95,000
Grants	National Competition Policy Grant	325,000
Cost Shift / Grants	Library Funding	480,000
Cost Shift / Grants	Maternal and Child Health & Immunisation	327,000
Cost Shift / Grants	Home and Community Care	456,000
Cost Shift / Grants	School Crossings Supervision	266,000
Cost shift	Walking School Bus	17,000
Cost shift	State Government Fire Services Property Levy for Council properties	130,000
Cost shift	Family Day Care funding	40,000
<b>Total Impact of Cost Shifts / Grant Reductions</b>		<b>2,136,000</b>

The following table summarises the rates to be levied for the 2015-16 year. A more detailed analysis of the rates to be raised is contained in Appendix B "Statutory Disclosures".

Rate type	How applied	2014-15	2015-16
General	Cents/\$ CIV	0.003287	<b>0.003507</b>
Farm land	Cents/\$ CIV	0.002794	<b>0.002981</b>
Commercial/ industrial	Cents/\$ CIV	0.003812	<b>0.004067</b>
Vacant land - residential 1/ township zone/ LDRZ	Cents/\$ CIV	0.006573	<b>0.007012</b>
Vacant Land - Other Zones	Cents/\$ CIV	0.003287	<b>0.003507</b>
Cultural and recreational land	Cents/\$ CIV	0.001267	<b>0.001352</b>
Municipal charge	\$/ property	\$100.33	<b>\$93.50</b>
Garbage - residential standard	\$/ property	\$363.55	<b>\$371.08</b>
Garbage - residential 80 litre red bin	\$/ property	\$330.95	<b>\$337.79</b>
Garbage - residential 2 red bins	\$/ property	\$508.75	<b>\$519.26</b>
Garbage - elderly persons units	\$/ property	\$96.65	<b>\$98.65</b>

## 8.5 General revaluation of properties

During the 2013-14 year, a revaluation of all properties within the municipality was carried out. This valuation applies from 1 January 2014 for the 2014-15 and 2015-16 financial years.

Although Council proposes an overall rate and charge increase of 5.50% per assessment for 2015-16, actual results for individual properties will vary depending on their valuation.

## 9. Other strategies

This section sets out the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure, service delivery and financial sustainability.

### 9.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see Section 7), borrowings was identified as an important funding source for capital works programs. Council's Financial Sustainability Plan acknowledges that borrowing is suitable in certain circumstances, and establishes the following four principles to guide its use.

1. Council will make prudent use of loan borrowings for investment in new or upgraded assets. Council recognises that infrastructure assets are a long-term investment, and that borrowings enable the cost to be shared over time by current and future users to achieve inter-generational equity.
2. Council will keep its overall debt at a sustainable level, and will aim to keep this within the Auditor-General's low-risk range. Council may exceed the low-risk threshold for a short period if Council considers that the opportunity to access external grant funding means that additional loan borrowings are justified.
3. Over the long-term, Council will aim to reduce its overall level of borrowings.

The SRP forecasts that Council will satisfy the Auditor-General's benchmark for council borrowings by achieving the Auditor General's low-risk ("green light") assessment of Indebtedness (Non-current liabilities/ Own-sourced revenue no greater than 40%) in 2015-16 and following years.

For the 2015-16 year, Council is budgeting to repay loan principal of \$0.797 million, and will take no new borrowings during the year. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2015. Future borrowings from 2016-17 onwards will require further consideration once details of the rate capping framework become clear.

Year	New Borrowings \$'000	Principal Paid \$'000	Balance 30 June \$'000	Interest Paid \$'000
2014-15	1,480	1,516	15,263	1186
2015-16	-	797	14,466	995
2016-17	3,650	818	17,298	1,012
2017-18	1,000	695	17,603	1,122
2018-19	1,357	611	18,350	1,117

The table below shows information on borrowings specifically required by the Regulations.

	2014-15 \$	2015-16 \$
Total amount borrowed as at 1 July	15,299	15,263
Total amount to be borrowed	1,480	-
Total amount projected to be redeemed	(1,516)	(797)
Total amount proposed to be borrowed as at 30 June	15,263	14,466



Council is now using a bond facility (via the MAV) for the purpose of loan borrowings, which provides lower interest rates than traditional bank loans. The SRP assumes continued use of bonds for future borrowings. Bond interest is paid annually however the principal is repaid in full at maturity. To ensure the principal funds are available at maturity, Council will each year set aside funds in reserve to cover that year's share of the bond principal. Interest earned on these funds will be used to partly offset the interest costs payable on the bond.

Council needs to ensure that adequate rate revenue is available in future years to cover the additional principal and interest costs from proposed future borrowings, particularly the significant new loan of \$3.650 million proposed for 2016-17 for Eltham Leisure Centre. Given the introduction of rate capping in 2016-17, Council may not have discretion to set rates in that year at a level which covers the additional principal and interest costs for that loan. Council has therefore set the level of rates in 2015-16 to provide sufficient capacity to ensure that the proposed borrowings of \$3.650 million in 2016-17 can be serviced on an ongoing basis. As a result, in 2015-16 Council will transfer to the bond reserve an amount of \$0.686 million in anticipation of these future new borrowings.

## 9.2 Infrastructure

Council has adopted an asset management plan, and currently plans for its future capital expenditure based on two plans: the 10-year major projects plan and the 5-year capital works plan. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes
- Identification of capital projects through the preparation of the 10-year major projects plan and the 5-year capital works plan
- Prioritisation of capital projects within classes on the basis of evaluation criteria.

A key objective of the process is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will deteriorate, along with the capacity to deliver services to the community.

Details of Council's future allocations to renewal works and how this translates into the reduction of the renewal gap is highlighted in Appendix I - Council's Financial Sustainability Performance.

Nillumbik is similar to most municipalities in that it has historically been unable to fully fund asset renewal requirements. Council is endeavouring to provide a sufficient level of annual funding to meet ongoing asset renewal needs, and is proposing a significant increase in capital works funding from 2015-16 onwards. The graphs in Appendix I show the trend for future years.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital Program \$'000	Grants \$'000	Borrowings \$'000	Reserves / Sale of Assets \$'000	Contribution \$'000	Council Rates \$'000
2015-16	17,470	4,517	-	3,990	105	8,858
2016-17	24,955	2,162	3,650	9,317	618	9,208
2017-18	17,947	2,085	1,000	3,567	1,627	9,668
2018-19	19,311	725	1,357	3,645	3,432	10,152

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public open space. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose. Appendix A includes a Statement of Reserves which is a summary of the investment reserves for the year ending 30 June 2016.

Over the coming years, a number of Council's existing facilities will require significant funding to maintain their existing operating capacity. The Strategic Resource Plan and Council's forward capital program include assumptions regarding the likely receipt of grant, contribution or other external funding to support the delivery of the capital program. Council continues to pursue all relevant funding opportunities to provide infrastructure to the community.

### 9.3 Service delivery

The general influences affecting Council service delivery costs and revenues include the following:

	2015-16	2016-17	2017-18	2018-19
	%	%	%	%
Consumer Price Index	2.3	2.5	2.5	2.5
Rate increases	5.5	3.8	3.8	3.7
Property growth	0.5	0.5	0.5	0.5
Wages growth	3.1	3.1	3.1	3.1
Government funding*	2.5	2.5	2.5	2.5
Statutory fees	2.5	2.5	2.5	2.5
Investment return	2.5	2.5	2.5	2.5

\* No uplift applied to Victoria Grants Commission General Purpose Grant based on Federal Government freeze on grant funding.

### 9.4 Financial Sustainability Plan

Financial sustainability is a challenge for all governments, and sound financial planning is a cornerstone of good governance. The Annual Budget and the four-year Strategic Resource Plan (SRP) provide estimates of financial performance over the short and medium term. However neither the Budget nor the SRP include targets for Council to monitor its financial sustainability. In December 2013 Council adopted the Financial Sustainability Plan which was one of the key commitments made by Council in the Council Plan 2013-17.

The purpose of the Financial Sustainability Plan (the plan) is to establish targets for Council to monitor its financial sustainability on an ongoing basis. These targets include all the indicators used by the Victorian Auditor-General for the local government sector, as well as some other local measures.

The plan begins by identifying the important characteristics of Nillumbik that impact upon financial sustainability, and the challenges that are faced by Council. These include legacy issues, infrastructure challenges, service challenges and cost-shifting challenges.

It then establishes a set of financial management principles that Council will observe in making financial decisions. Finally it identifies the issues that Council needs to address to achieve financial sustainability over the long term, and sets targets for Council to monitor its progress.

The plan then sets out two sets of financial sustainability measures and targets. Firstly the plan includes all the measures used by the Victorian Auditor-General to assess the financial sustainability of local government across Victoria. There are seven of these measures, including six specific measures, and one overall measure based on the combined results of the six specific measures. The plan sets a target for Nillumbik to achieve a low-risk (green light) result on each of the Auditor-General's measures. Details of the Auditor-General's formula and the purpose of each measure are included in the plan. The plan also includes some other measures that have been included to provide additional context to reflect Nillumbik's particular circumstances. Setting these targets is a policy decision by Council.

The Financial Sustainability Plan does not itself include projections of Council's performance in achieving the targets. As detailed in the plan, these projections have been included in this annual budget document in Appendix I. Results of Council's actual performance in each financial year will be published in the Annual Report.

Full details of the Financial Sustainability Plan (including the targets) are provided in Appendix H

The 2015-16 Budget includes projections of Council's performance in meeting the targets from the Financial Sustainability Plan over the next ten years. The projected results are summarised below.

1. Council will receive a low risk ("green light") assessment from the Auditor-General each year for the next ten years on the overall assessment of financial sustainability. This overall assessment is based on the results for six specific categories of financial sustainability, and is the most comprehensive single measure.
2. Council will achieve low risk ("green light") assessments from the Auditor-General in every year for the following specific categories:
  - i) Underlying surplus
  - ii) Liquidity
  - iii) Indebtedness
  - iv) Capital replacement
  - v) Renewal Gap
3. For the category of Self-Financing, Council is projected to achieve a low risk ("green light") assessment for 2015-16. For the remaining projected years from 2016-17 through to 2024-25 Council's projected result trends drop below 20% in some years but always remains above 19% (1% short of achieving a low risk rating) which results in a low and medium risk ("yellow light") achieved for the respective years. The reason for the lower assessment is due to the lower forecasts for income from capital grants and developer contributions. It is expected that Council's projections on this measure for these later years will improve over time as projects are scoped and more accurate assumptions can be made in terms of grant eligibility. In terms of the Auditor-General's own rationale for this measure (i.e. generating cash to fund asset replacement) it is considered that Council's own measure (to progressively increase rates funding for capital works so that it is at least equal to depreciation) will help to achieve this same outcome.

In addition to the Auditor-General measures, Council has adopted some other local measures of financial sustainability. Projected results for these measures are as follows:

1. One target set by Council is to achieve each year an underlying surplus excluding capital grants. This measure differs slightly from the Auditor-General's Underlying Result as it is adjusted to exclude capital grants. As grants for capital works are usually of large value, and are not received in a regular or routine pattern, the value of these grants can distort the underlying result (potentially by creating a surplus result when a deficit would have been reported if not for the capital grants). The adjusted underlying result is projected to be a surplus in each year.

2. A rate determination (cash basis) target surplus of \$100,000 is set by Council each year. This is considered to be the bare minimum necessary for Council to deal with budget variations during the year. Council has projected to exceed this target by \$50,000 annually.

Council has set two further targets which relate to the allocation of sufficient funding to meet infrastructure renewal needs. The first target relates to the level of rates (or “own-source”) revenue that is allocated to capital works each year, relative to the level of annual depreciation. The second target relates to the size of any gap between the required level of asset renewal expenditure and the proposed level of asset renewal expenditure. Achievement of the first target provides the resources necessary to achieve the second target.

3. Rate revenue allocated to capital works is expected to exceed annual asset depreciation by 2018-19. Council has set this target to ensure that sufficient funding is available each year to renew and upgrade Council infrastructure. This addresses the historic problem of under-investment in infrastructure renewal. The projections in the Budget show that Council will significantly increase the level of rates funding that is directed to capital works in 2015-16 (as a result of the superannuation liability funding being finalised in 2014-15). This will take annual rate funding for capital works to more than \$8.8 million in 2015-16 (compared to \$6.022 million in 2014-15). Further incremental increases in funding (5% per annum) over the following three years will mean that the cost of depreciation is fully matched by rate-funded capital works by 2018-19 which is the first time in Nillumbik’s history that this has been achieved. This is a significant achievement in terms of financial sustainability. As shown in the Budget, this can then be maintained over subsequent years while keeping future rate increases at moderate levels.
4. Nillumbik has an asset renewal gap which represents the accumulated under-spending on infrastructure renewal over many years. In the Financial Sustainability Plan 2013, Council set a target to eliminate this renewal gap. The gap represents the difference between the anticipated need for infrastructure renewal spending over the coming years (based on asset condition audits), and the proposed spending in Council’s Strategic Resource Plan. The 2015 update of the Strategic Resource Plan shows that this renewal gap is expected to be eliminated by 2019-20. The significant reduction in the renewal gap during 2016-17 is primarily due to the proposed redevelopment of the aquatic facility at Eltham Leisure Centre, as this facility alone accounts for more than \$5 million of required renewal works. Elimination of the asset renewal gap will be a significant achievement for Nillumbik’s financial sustainability.

In summary, Council has adopted a Financial Sustainability Plan to guide its financial management for the long term. For the first time, the annual Budget now includes ten year projections of Council’s performance in meeting its financial sustainability targets. As noted above, Council is expected to achieve an overall low risk (“green light”) assessment from the Auditor-General each year. The projections also show Council making significant progress in the area of capital works and asset renewal, while keeping increases in rates and charges at a moderate level. Actual results on the financial sustainability targets will be reported in the Annual Report for 2015-16.

## Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 9 of this report.

This information has not been included in the main body of the budget report in the interests of clarity and conciseness. Council has decided that whilst the budget report needs to focus on the important elements of the budget and provide appropriate analysis, the detail upon which the annual budget is based should be provided in the interests of open and transparent local government.

The contents of the appendices are summarised below:

Appendix	Nature of information	Page
A	Financial statements	62
B	Statutory disclosures	87
C	Capital works program	92
D	New Initiatives	97
E	Operating results by business unit	99
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H	Financial Sustainability Plan	123
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## **Appendix A**

### **Financial statements**

This appendix presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2015-16 to 2019-20 has been extracted from the Strategic Resource Plan.

At the end of each financial year Council is required to include in the Financial Statements in its Annual Report a comparison of actual income and expenditure compared with the income and expenditure in the financial statements in the Budget.

The appendix includes the following budgeted information:

- Comprehensive Income Statement
- Rate Determination Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Investment Reserves
- Statement of Human Resources
- Other information

## Comprehensive Income Statement

For the five years ending 30 June 2020

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2014-15 \$'000	<b>2015-16 \$'000</b>	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Income</b>						
Rates and charges	56,638	60,112	62,691	65,331	68,039	70,804
Statutory fees and fines	990	948	972	996	1,021	1,046
User fees	11,815	11,640	11,990	12,349	12,720	13,101
Contributions - monetary	585	105	618	1,627	3,969	3,307
Contributions - non-monetary assets	-	-	-	-	-	-
Grants - operating	8,246	6,605	6,632	6,714	6,882	7,054
Grants - capital	2,413	4,517	2,162	2,085	725	705
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	-	-	-	-	-
Other income	2,419	2,030	1,931	1,984	2,055	2,143
Fair value adjustments for investment property	-	-	-	-	-	-
Share of net profits/(losses) of associated and joint ventures	-	-	-	-	-	-
<b>Total income</b>	<b>83,106</b>	<b>85,957</b>	<b>86,996</b>	<b>91,086</b>	<b>95,411</b>	<b>98,160</b>
<b>Expenses</b>						
Employee benefits	30,459	31,122	32,492	33,924	35,421	36,986
Materials and services	30,271	26,619	27,305	28,026	28,766	29,527
Bad and doubtful debts	3	-	-	-	-	-
Depreciation and amortisation	9,515	9,639	9,623	9,842	9,921	10,052
Borrowing costs	1,186	995	1,012	1,122	1,117	1,134
Other expenses	9,199	9,244	9,634	9,942	10,222	10,511
<b>Total expenses</b>	<b>80,633</b>	<b>77,619</b>	<b>80,066</b>	<b>82,856</b>	<b>85,447</b>	<b>88,210</b>
<b>Surplus (deficit) for the year</b>	<b>2,473</b>	<b>8,338</b>	<b>6,930</b>	<b>8,230</b>	<b>9,964</b>	<b>9,950</b>
<b>Other comprehensive income</b>						
<b>Items that will not be reclassified to surplus or deficit in future periods</b>						
Net asset revaluation increment /(decrement)	-	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-	-
<b>Items that may be reclassified to surplus or deficit in future periods</b>	-	-	-	-	-	-
<b>Total comprehensive result</b>	<b>2,473</b>	<b>8,338</b>	<b>6,930</b>	<b>8,230</b>	<b>9,964</b>	<b>9,950</b>

## Comprehensive Income Statement Forward Estimates

For the five years ending 30 June 2025

	Forward Estimates				
	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	73,603	76,377	79,158	81,985	84,827
Statutory fees and fines	1,073	1,099	1,127	1,155	1,184
User fees	13,494	13,899	14,316	14,746	15,188
Contributions - monetary	5	5	5	5	5
Contributions - non-monetary assets	-	-	-	-	-
Grants - operating	7,231	7,411	7,597	7,787	7,981
Grants - capital	1,147	3,647	1,647	1,897	2,447
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	-	-	-	-
Other income	2,234	2,267	2,327	2,325	2,383
Fair value adjustments for investment property	-	-	-	-	-
Share of net profits/(losses) of associated and joint ventures	-	-	-	-	-
<b>Total income</b>	<b>98,787</b>	<b>104,705</b>	<b>106,177</b>	<b>109,900</b>	<b>114,015</b>
<b>Expenses</b>					
Employee benefits	38,624	40,505	42,481	44,555	46,538
Materials and services	30,308	31,111	31,938	32,788	33,661
Bad and doubtful debts	-	-	-	-	-
Depreciation and amortisation	10,203	10,267	10,395	10,494	10,574
Borrowing costs	1,220	839	778	543	424
Other expenses	10,809	11,116	11,433	11,760	12,097
<b>Total expenses</b>	<b>91,164</b>	<b>93,838</b>	<b>97,025</b>	<b>100,140</b>	<b>103,294</b>
<b>Surplus (deficit) for the year</b>	<b>7,623</b>	<b>10,867</b>	<b>9,152</b>	<b>9,760</b>	<b>10,721</b>
<b>Other comprehensive income</b>					
<b>Items that will not be reclassified to surplus or deficit in future periods</b>					
Net asset revaluation increment /(decrement)	-	-	-	-	-
Share of other comprehensive income of associates and joint ventures	-	-	-	-	-
<b>Items that may be reclassified to surplus or deficit in future periods</b>	-	-	-	-	-
<b>Total comprehensive result</b>	<b>7,623</b>	<b>10,867</b>	<b>9,152</b>	<b>9,760</b>	<b>10,721</b>



## Rate Determination Statement

For the five years ending 30 June 2020

Description	Forecast	Budget	Strategic Resource Plan			
	Budget		Projections			
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Recurrent Resource</b>						
Rates and charges	48,921	52,199	54,352	56,542	58,776	61,042
Garbage charge	7,718	7,912	8,339	8,789	9,263	9,762
Government grants	6,605	6,551	6,632	6,714	6,882	7,054
Statutory fees and fines	990	948	972	996	1,021	1,046
User fees	11,815	11,640	11,990	12,349	12,720	13,101
Reimbursements	94	82	84	86	88	91
Interest	917	918	791	816	857	915
Proceeds on sale - recurrent	729	521	550	700	520	550
Other revenue	1,408	1,030	1,056	1,082	1,109	1,137
<b>Total Recurrent Resource</b>	<b>79,197</b>	<b>81,801</b>	<b>84,766</b>	<b>88,074</b>	<b>91,236</b>	<b>94,698</b>
<b>Recurrent Allocation</b>						
Employee costs	30,459	31,122	32,492	33,924	35,421	36,986
Contracts	15,226	14,752	15,177	15,613	16,062	16,524
Materials and services	11,300	11,271	11,568	11,871	12,183	12,502
Bad and doubtful debts	3	-	-	-	-	-
Other expenses	9,199	9,244	9,634	9,942	10,222	10,511
	66,187	66,389	68,871	71,350	73,888	76,523
Interest expenses	1,186	995	1,012	1,122	1,117	1,134
<b>Total Recurrent Allocation</b>	<b>67,373</b>	<b>67,384</b>	<b>69,883</b>	<b>72,472</b>	<b>75,005</b>	<b>77,657</b>
<b>Net Recurrent Resource</b>	<b>11,824</b>	<b>14,417</b>	<b>14,883</b>	<b>15,602</b>	<b>16,231</b>	<b>17,041</b>
<b>Non-recurrent Resource</b>						
Tfr from reserves	4,060	440	306	306	306	306
Proceeds on sale - non-current	5,700	8,400	-	2,070	-	-
<b>Total Non-recurrent Resource</b>	<b>9,760</b>	<b>8,840</b>	<b>306</b>	<b>2,376</b>	<b>306</b>	<b>306</b>
<b>Non-recurrent Allocation</b>						
Revaluation decrements on assets	-	-	-	-	-	-
Debt redemption	1,516	797	818	695	611	658
Tfr to reserves	12,001	12,911	4,452	6,924	5,103	5,311
Capital works recharge	(420)	(420)	(439)	(459)	(479)	(501)
<b>Total Non-recurrent Allocation</b>	<b>13,097</b>	<b>13,288</b>	<b>4,831</b>	<b>7,160</b>	<b>5,235</b>	<b>5,468</b>
<b>Net Non-recurrent Resource</b>	<b>(3,337)</b>	<b>(4,448)</b>	<b>(4,525)</b>	<b>(4,784)</b>	<b>(4,929)</b>	<b>(5,162)</b>
<b>Net Operating Resource</b>	<b>8,487</b>	<b>9,969</b>	<b>10,358</b>	<b>10,818</b>	<b>11,302</b>	<b>11,879</b>

	Forecast	<b>Budget</b>	Strategic Resource Plan			
	Budget		Projections			
	2014-15	<b>2015-16</b>	2016-17	2017-18	2018-19	2019-20
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
New initiatives resource	1,641	<b>54</b>	-	-	-	-
New initiatives allocation	4,166	<b>1,015</b>	1,000	1,000	1,000	1,000
<b>Net New Initiatives Resource</b>	<b>(2,525)</b>	<b>(961)</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>
CapEx resource	18,407	<b>8,612</b>	15,747	8,279	9,159	10,081
<i>Represented by</i>						
<i>Borrowing</i>	1,480	-	3,650	1,000	1,357	3,099
<i>Other</i>	16,927	<b>8,612</b>	12,097	7,279	7,802	6,982
CapEx allocation	24,319	<b>17,470</b>	24,955	17,947	19,311	20,810
<b>Rates Funded CapEx</b>	<b>(5,912)</b>	<b>(8,858)</b>	<b>(9,208)</b>	<b>(9,668)</b>	<b>(10,152)</b>	<b>(10,729)</b>
<b>Net Budget Position</b>	<b>50</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Reconcile Back to Standard Income Statement</b>						
Less balance sheet items included						
Debt redemption	(1,516)	<b>(797)</b>	(818)	(695)	(611)	(658)
Transfer to reserves	(12,001)	<b>(12,911)</b>	(4,452)	(6,924)	(5,103)	(5,311)
Transfer from reserve	17,989	<b>4,430</b>	9,623	3,873	3,414	3,276
CapEx income from loan	1,480	-	3,650	1,000	1,357	3,099
CapEx allocation	(24,319)	<b>(17,470)</b>	(24,955)	(17,947)	(19,311)	(20,810)
<b>Total to be deducted</b>	<b>(18,367)</b>	<b>(26,748)</b>	<b>(16,952)</b>	<b>(20,693)</b>	<b>(20,254)</b>	<b>(20,404)</b>
Plus Profit & Loss items not included						
Depreciation	(9,515)	<b>(9,639)</b>	(9,623)	(9,842)	(9,921)	(10,052)
Accrued SCS contribution	-	-	-	-	-	-
Written Down Value of recurrent assets sold	(729)	<b>(521)</b>	(549)	(701)	(519)	(552)
Written Down Value of non-recurrent assets sold	(5,700)	<b>(8,400)</b>	-	(2,070)	-	-
<b>Total to be added</b>	<b>(15,944)</b>	<b>(18,560)</b>	<b>(10,172)</b>	<b>(12,613)</b>	<b>(10,440)</b>	<b>(10,604)</b>
<b>Net Surplus/(Deficit)</b>	<b>2,473</b>	<b>8,338</b>	<b>6,930</b>	<b>8,230</b>	<b>9,964</b>	<b>9,950</b>

## Rate Determination Statement Forward Estimates

For the five years ending 30 June 2025

Description	Forward Estimates				
	2020-21 \$'000	2021-22 \$'000	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000
<b>Recurrent Resource</b>					
Rates and charges	63,315	65,535	67,732	69,944	72,138
Garbage charge	10,288	10,842	11,426	12,041	12,689
Government grants	7,231	7,411	7,597	7,787	7,981
Statutory fees and fines	1,073	1,099	1,127	1,155	1,184
User fees	13,494	13,899	14,316	14,746	15,188
Reimbursements	93	95	97	100	102
Interest	976	978	1,005	971	994
Proceeds on sale - recurrent	700	520	550	700	700
Other revenue	1,165	1,194	1,224	1,255	1,286
<b>Total Recurrent Resource</b>	<b>98,335</b>	<b>101,573</b>	<b>105,074</b>	<b>108,699</b>	<b>112,262</b>
<b>Recurrent Allocation</b>					
Employee costs	38,624	40,505	42,481	44,555	46,538
Contracts	16,999	17,488	17,991	18,509	19,042
Materials and services	12,832	13,170	13,518	13,876	14,244
Bad and doubtful debts	-	-	-	-	-
Other expenses	10,809	11,116	11,433	11,760	12,097
	79,264	82,279	85,423	88,700	91,921
Interest expenses	1,220	839	778	543	424
<b>Total Recurrent Allocation</b>	<b>80,484</b>	<b>83,118</b>	<b>86,201</b>	<b>89,243</b>	<b>92,345</b>
<b>Net Recurrent Resource</b>	<b>17,851</b>	<b>18,455</b>	<b>18,873</b>	<b>19,456</b>	<b>19,917</b>
<b>Non-recurrent Resource</b>					
Tfr from reserves	2,698	1,786	3,956	1,306	1,661
Proceeds on sale - non-current	-	-	-	-	-
<b>Total Non-recurrent Resource</b>	<b>2,698</b>	<b>1,786</b>	<b>3,956</b>	<b>1,306</b>	<b>1,661</b>
<b>Non-recurrent Allocation</b>					
Revaluation decrements on assets	-	-	-	-	-
Debt redemption	3,107	2,252	4,483	1,899	2,328
Tfr to reserves	5,621	5,634	5,428	5,351	5,121
Capital works recharge	(522)	(548)	(572)	(595)	(626)
<b>Total Non-recurrent Allocation</b>	<b>8,206</b>	<b>7,338</b>	<b>9,339</b>	<b>6,655</b>	<b>6,823</b>
<b>Net Non-recurrent Resource</b>	<b>(5,508)</b>	<b>(5,552)</b>	<b>(5,383)</b>	<b>(5,349)</b>	<b>(5,162)</b>
<b>Net Operating Resource</b>	<b>12,343</b>	<b>12,903</b>	<b>13,490</b>	<b>14,107</b>	<b>14,755</b>

## Forward Estimates

	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
New initiatives resource	-	-	-	-	-
New initiatives allocation	1,000	1,000	1,000	1,000	1,000
<b>Net New Initiatives Resource</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>	<b>(1,000)</b>
CapEx resource	4,062	7,652	5,308	3,602	4,152
<i>Represented by</i>					
<i>Borrowing</i>	-	-	-	-	-
<i>Other</i>	4,062	7,652	5,308	3,602	4,152
CapEx allocation	15,255	19,405	17,648	16,559	17,757
<b>Rates Funded CapEx</b>	<b>(11,193)</b>	<b>(11,753)</b>	<b>(12,340)</b>	<b>(12,957)</b>	<b>(13,605)</b>
<b>Net Budget Position</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Reconcile Back to Standard Income Statement</b>					
Less balance sheet items included					
Debt redemption	(3,107)	(2,252)	(4,483)	(1,899)	(2,328)
Transfer to reserves	(5,621)	(5,634)	(5,428)	(5,351)	(5,121)
Transfer from reserve	5,608	5,786	7,612	3,006	3,361
CapEx income from loan	-	-	-	-	-
CapEx Allocation	(15,255)	(19,405)	(17,648)	(16,559)	(17,757)
<b>Total to be deducted</b>	<b>(18,375)</b>	<b>(21,505)</b>	<b>(19,947)</b>	<b>(20,803)</b>	<b>(21,845)</b>
Plus Profit & Loss items not included					
Depreciation	(10,203)	(10,267)	(10,395)	(10,494)	(10,574)
Accrued SCS contribution	-	-	-	-	-
Written Down Value of recurrent assets sold	(699)	(521)	(550)	(699)	(700)
Written Down Value of non-recurrent assets sold	-	-	-	-	-
<b>Total to be added</b>	<b>(10,902)</b>	<b>(10,788)</b>	<b>(10,945)</b>	<b>(11,193)</b>	<b>(11,274)</b>
<b>Net Surplus/(Deficit)</b>	<b>7,623</b>	<b>10,867</b>	<b>9,152</b>	<b>9,760</b>	<b>10,721</b>

## Balance Sheet

For the five years ending 30 June 2020

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2014-15 \$'000	<b>2015-16 \$'000</b>	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Current assets</b>						
Cash and cash equivalents	20,676	<b>29,978</b>	24,207	29,543	31,641	36,458
Trade and other receivables	4,427	<b>5,205</b>	5,136	3,400	3,500	3,400
Other assets	561	<b>561</b>	561	561	611	611
Non-current assets classified as held for sale	745	<b>745</b>	745	745	745	745
Inventories	26	<b>26</b>	27	28	28	29
<b>Total current assets</b>	<b>26,435</b>	<b>36,515</b>	<b>30,676</b>	<b>34,277</b>	<b>36,525</b>	<b>41,243</b>
<b>Non-current assets</b>						
Trade and other receivables	1,100	<b>800</b>	500	500	500	500
Investments in associates and joint ventures	-	<b>-</b>	-	-	-	-
Property, infrastructure, plant & equipment	655,782	<b>654,692</b>	669,474	674,809	683,680	693,888
Investment property	-	<b>-</b>	-	-	-	-
Intangible assets	-	<b>-</b>	-	-	-	-
Other assets	1,216	<b>1,216</b>	1,216	1,216	1,216	1,216
<b>Total non-current assets</b>	<b>658,098</b>	<b>656,708</b>	<b>671,190</b>	<b>676,525</b>	<b>685,396</b>	<b>695,604</b>
<b>Total assets</b>	<b>684,533</b>	<b>693,223</b>	<b>701,866</b>	<b>710,802</b>	<b>721,921</b>	<b>736,847</b>
<b>Current liabilities</b>						
Trade and other payables	5,563	<b>4,950</b>	3,544	3,644	3,742	5,950
Interest-bearing loans and borrowings	821	<b>818</b>	695	611	658	3,107
Provisions	6,922	<b>7,179</b>	7,446	7,724	8,013	8,313
Trust funds and deposits	1,166	<b>1,166</b>	1,166	1,166	1,166	1,166
<b>Total current liabilities</b>	<b>14,472</b>	<b>14,113</b>	<b>12,851</b>	<b>13,145</b>	<b>13,579</b>	<b>18,536</b>
<b>Non-current liabilities</b>						
Interest-bearing loans and borrowings	13,072	<b>13,763</b>	16,718	17,107	17,806	17,798
Provisions	8,546	<b>8,566</b>	8,588	8,610	8,633	8,657
<b>Total non-current liabilities</b>	<b>21,618</b>	<b>22,329</b>	<b>25,306</b>	<b>25,717</b>	<b>26,439</b>	<b>26,455</b>
<b>Total liabilities</b>	<b>36,090</b>	<b>36,442</b>	<b>38,157</b>	<b>38,862</b>	<b>40,018</b>	<b>44,991</b>
<b>Net assets</b>	<b>648,443</b>	<b>656,781</b>	<b>663,709</b>	<b>671,940</b>	<b>681,903</b>	<b>691,856</b>
<b>Equity</b>						
Reserves	9,464	<b>17,945</b>	12,774	15,826	17,515	19,550
Asset revaluation reserve	269,545	<b>269,545</b>	269,545	269,545	269,545	269,545
Retained profits	369,434	<b>369,291</b>	381,390	386,569	394,843	402,761
<b>Total equity</b>	<b>648,443</b>	<b>656,781</b>	<b>663,709</b>	<b>671,940</b>	<b>681,903</b>	<b>691,856</b>

## Balance Sheet Forward Estimates

For the five years ending 30 June 2025

	Forward Estimates				
	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>					
Cash and cash equivalents	37,158	37,607	35,937	38,313	40,617
Trade and other receivables	3,200	3,100	3,100	3,100	3,100
Other assets	611	611	611	611	612
Non-current assets classified as held for sale	745	745	745	745	745
Inventories	30	31	31	32	33
<b>Total current assets</b>	<b>41,744</b>	<b>42,094</b>	<b>40,424</b>	<b>42,801</b>	<b>45,107</b>
<b>Non-current assets</b>					
Trade and other receivables	500	500	500	500	500
Investments in associates and joint ventures	-	-	-	-	-
Property, infrastructure, plant & equipment	698,240	706,857	713,560	718,925	725,409
Investment property	-	-	-	-	-
Intangible assets	-	-	-	-	-
Other assets	1,216	1,216	1,216	1,216	1,216
<b>Total non-current assets</b>	<b>699,956</b>	<b>708,573</b>	<b>715,276</b>	<b>720,641</b>	<b>727,125</b>
<b>Total assets</b>	<b>741,700</b>	<b>750,667</b>	<b>755,700</b>	<b>763,442</b>	<b>772,232</b>
<b>Current liabilities</b>					
Trade and other payables	5,950	5,950	5,950	5,950	5,950
Interest-bearing loans and borrowings	2,252	4,483	1,899	2,328	4,147
Provisions	8,626	8,951	9,289	9,141	9,507
Trust funds and deposits	1,166	1,166	1,166	1,166	1,166
<b>Total current liabilities</b>	<b>17,994</b>	<b>20,550</b>	<b>18,304</b>	<b>18,585</b>	<b>20,770</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	15,546	11,063	9,164	6,836	2,689
Provisions	8,682	8,709	8,737	8,766	8,796
<b>Total non-current liabilities</b>	<b>24,228</b>	<b>19,772</b>	<b>17,901</b>	<b>15,602</b>	<b>11,485</b>
<b>Total liabilities</b>	<b>42,222</b>	<b>40,322</b>	<b>36,205</b>	<b>34,187</b>	<b>32,255</b>
<b>Net assets</b>	<b>699,478</b>	<b>710,345</b>	<b>719,495</b>	<b>729,255</b>	<b>739,977</b>
<b>Equity</b>					
Reserves	19,563	19,412	17,227	19,573	21,333
Asset revaluation reserve	269,545	269,545	269,545	269,545	269,545
Retained profits	410,370	421,388	432,723	440,137	449,099
<b>Total equity</b>	<b>699,478</b>	<b>710,345</b>	<b>719,495</b>	<b>729,255</b>	<b>739,977</b>

## Statement of Changes in Equity

For the five years ending 30 June 2020

\* Balances at the end of the financial year may be subject to rounding differences.

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2016</b>				
Balance at beginning of the financial year	648,443	369,434	269,545	9,464
Surplus / (deficit) for the year	8,338	8,338	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(12,911)	-	12,911
Transfer from other reserves	-	4,430	-	(4,430)
<b>Balance at end of the financial year</b>	<b>656,781</b>	<b>369,291</b>	<b>269,545</b>	<b>17,945</b>
<b>2017</b>				
Balance at beginning of the financial year	656,781	369,291	269,545	17,945
Surplus / (deficit) for the year	6,930	6,930	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(4,452)	-	4,452
Transfer from other reserves	-	9,623	-	(9,623)
<b>Balance at end of the financial year</b>	<b>663,711</b>	<b>381,392</b>	<b>269,545</b>	<b>12,774</b>
<b>2018</b>				
Balance at beginning of the financial year	663,711	381,392	269,545	12,774
Surplus / (deficit) for the year	8,230	8,230	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(6,924)	-	6,924
Transfer from other reserves	-	3,873	-	(3,873)
<b>Balance at end of the financial year</b>	<b>671,941</b>	<b>386,571</b>	<b>269,545</b>	<b>15,826</b>
<b>2019</b>				
Balance at beginning of the financial year	671,941	386,571	269,545	15,826
Surplus / (deficit) for the year	9,964	9,964	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,103)	-	5,103
Transfer from other reserves	-	3,414	-	(3,414)
<b>Balance at end of the financial year</b>	<b>681,905</b>	<b>394,846</b>	<b>269,545</b>	<b>17,515</b>
<b>2020</b>				
Balance at beginning of the financial year	681,905	394,846	269,545	17,515
Surplus / (deficit) for the year	9,950	9,950	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,311)	-	5,311
Transfer from other reserves	-	3,276	-	(3,276)
<b>Balance at end of the financial year</b>	<b>691,855</b>	<b>402,761</b>	<b>269,545</b>	<b>19,550</b>

## Statement of Changes in Equity Forward Estimates

For the five years ending 30 June 2025

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2021</b>				
Balance at beginning of the financial year	691,855	402,761	269,545	19,550
Surplus / (deficit) for the year	7,623	7,623	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,621)	-	5,621
Transfer from other reserves	-	5,608	-	(5,608)
<b>Balance at end of the financial year</b>	<b>699,478</b>	<b>410,371</b>	<b>269,545</b>	<b>19,563</b>
<b>2022</b>				
Balance at beginning of the financial year	699,478	410,371	269,545	19,563
Surplus / (deficit) for the year	10,867	10,867	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,634)	-	5,634
Transfer from other reserves	-	5,786	-	(5,786)
<b>Balance at end of the financial year</b>	<b>710,345</b>	<b>421,390</b>	<b>269,545</b>	<b>19,411</b>
<b>2023</b>				
Balance at beginning of the financial year	710,345	421,390	269,545	19,411
Surplus / (deficit) for the year	9,152	9,152	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,428)	-	5,428
Transfer from other reserves	-	7,612	-	(7,612)
<b>Balance at end of the financial year</b>	<b>719,497</b>	<b>432,726</b>	<b>269,545</b>	<b>17,227</b>
<b>2024</b>				
Balance at beginning of the financial year	719,497	432,726	269,545	17,227
Surplus / (deficit) for the year	9,760	9,760	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,351)	-	5,351
Transfer from other reserves	-	3,006	-	(3,006)
<b>Balance at end of the financial year</b>	<b>729,257</b>	<b>440,141</b>	<b>269,545</b>	<b>19,572</b>
<b>2025</b>				
Balance at beginning of the financial year	729,257	440,141	269,545	19,572
Surplus / (deficit) for the year	10,721	10,721	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	(5,121)	-	5,121
Transfer from other reserves	-	3,361	-	(3,361)
<b>Balance at end of the financial year</b>	<b>739,978</b>	<b>449,102</b>	<b>269,545</b>	<b>21,332</b>



## Statement Cash Flows

For the five years ending 30 June 2020

	Forecast Budget	Budget	Strategic Resource Plan Projections			
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b><i>Cash flows from operating activities</i></b>						
Rates and charges	60,453	59,334	62,761	67,068	67,940	70,905
Statutory fees and fines	990	948	972	996	1,021	1,046
User fees	11,815	11,640	11,990	12,349	12,720	13,101
Grants - operating	6,605	6,551	6,632	6,714	6,882	7,054
Grants - capital	2,413	4,517	2,162	2,085	725	705
Contributions - monetary	585	105	618	1,627	3,969	3,307
Interest received	917	918	791	816	857	915
Dividends received	0	0	0	0	0	0
Trust funds and deposits taken	0	0	0	0	0	0
Other receipts	1,947	1,467	1,439	1,168	1,147	1,228
Net GST refund / payment	0	0	0	0	0	0
Employee costs	(30,706)	(30,865)	(32,225)	(33,646)	(35,132)	(36,686)
Materials and services	(26,932)	(26,512)	(27,974)	(27,473)	(28,190)	(26,818)
Trust funds and deposits repaid	0	0	0	0	0	0
Other payments	(9,237)	(9,944)	(10,352)	(10,375)	(10,678)	(10,987)
<b>Net cash provided by / (used in) operating activities</b>	18,850	18,159	16,814	21,329	21,261	23,770
<b><i>Cash flows from investing activities</i></b>						
Proceeds from sale of property, infrastructure, plant and equipment	6,429	8,921	550	2,770	520	550
Payments for property, infrastructure, plant and equipment	(24,319)	(17,470)	(24,955)	(17,947)	(19,311)	(20,810)
Payments for investments	0	0	0	0	0	0
Proceeds from sale of investments	0	0	0	0	0	0
Loan and advances made	0	0	0	0	0	0
Payments of loans and advances	0	0	0	0	0	0
<b>Net cash provided by / (used in) investing activities</b>	(17,890)	(8,549)	(24,405)	(15,177)	(18,791)	(20,260)
<b><i>Cash flows from financing activities</i></b>						
Finance costs	(1,047)	(995)	(1,012)	(1,122)	(1,117)	(1,134)
Proceeds from borrowings	244	1,509	3,650	1,000	1,357	3,099
Repayment of borrowings	(1,516)	(821)	(818)	(695)	(611)	(658)
<b>Net cash provided by / (used in) financing activities</b>	(2,319)	(307)	1,820	(817)	(371)	1,307
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	(1,359)	9,303	(5,771)	5,335	2,099	4,817
Cash and cash equivalents at the beginning of the financial year	22,035	20,676	29,978	24,207	29,543	31,641
<b>Cash and cash equivalents at the end of the financial year</b>	20,676	29,978	24,207	29,543	31,641	36,458

## Statement of Cash Flows Forward Estimates

For the five years ending 30 June 2025

	Forward Estimates				
	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b><i>Cash flows from operating activities</i></b>					
Rates and charges	73,804	76,478	79,159	81,985	84,828
Statutory fees and fines	1,073	1,099	1,127	1,155	1,184
User fees	13,494	13,899	14,316	14,746	15,188
Grants - operating	7,231	7,411	7,597	7,787	7,981
Grants - capital	1,147	3,647	1,647	1,897	2,447
Contributions - monetary	5	5	5	5	5
Interest received	976	978	1,005	971	994
Dividends received	0	0	0	0	0
Trust funds and deposits taken	0	0	0	0	0
Other receipts	1,258	1,289	1,321	1,355	1,387
Net GST refund / payment	0	0	0	0	0
Employee costs	(38,311)	(40,180)	(42,143)	(44,704)	(46,172)
Materials and services	(29,786)	(30,566)	(31,368)	(32,789)	(33,663)
Trust funds and deposits repaid	0	0	0	0	0
Other payments	(11,308)	(11,635)	(11,976)	(11,730)	(12,068)
<b>Net cash provided by / (used in) operating activities</b>	<b>19,583</b>	<b>22,425</b>	<b>20,690</b>	<b>20,678</b>	<b>22,111</b>
<b><i>Cash flows from investing activities</i></b>					
Proceeds from sale of property, infrastructure, plant and equipment	700	520	550	700	700
Payments for property, infrastructure, plant and equipment	(15,255)	(19,405)	(17,648)	(16,559)	(17,757)
Payments for investments	0	0	0	0	0
Proceeds from sale of investments	0	0	0	0	0
Loan and advances made	0	0	0	0	0
Payments of loans and advances	0	0	0	0	0
<b>Net cash provided by / (used in) investing activities</b>	<b>(14,555)</b>	<b>(18,885)</b>	<b>(17,098)</b>	<b>(15,859)</b>	<b>(17,057)</b>
<b><i>Cash flows from financing activities</i></b>					
Finance costs	(1,220)	(839)	(778)	(543)	(424)
Proceeds from borrowings	0	0	0	0	0
Repayment of borrowings	(3,107)	(2,252)	(4,483)	(1,899)	(2,328)
<b>Net cash provided by / (used in) financing activities</b>	<b>(4,327)</b>	<b>(3,091)</b>	<b>(5,261)</b>	<b>(2,442)</b>	<b>(2,752)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>700</b>	<b>449</b>	<b>(1,670)</b>	<b>2,376</b>	<b>2,302</b>
Cash and cash equivalents at the beginning of the financial year	36,458	37,158	37,607	35,937	38,315
<b>Cash and cash equivalents at the end of the financial year</b>	<b>37,158</b>	<b>37,607</b>	<b>35,937</b>	<b>38,313</b>	<b>40,617</b>

## Statement of Capital Works

For the five years ending 30 June 2020

	Forecast	<b>Budget</b>	Strategic Resource Plan			
	Budget		Projections			
	2014-15	<b>2015-16</b>	2016-17	2017-18	2018-19	2019-20
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Property</b>						
Land	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-
<b>Total land</b>	-	-	-	-	-	-
Buildings	4,423	<b>3,310</b>	1,703	1,066	1,529	1,379
Building improvements	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-
<b>Total buildings</b>	<b>4,423</b>	<b>3,310</b>	<b>1,703</b>	<b>1,066</b>	<b>1,529</b>	<b>1,379</b>
<b>Total property</b>	<b>4,423</b>	<b>3,310</b>	<b>1,703</b>	<b>1,066</b>	<b>1,529</b>	<b>1,379</b>
<b>Plant and equipment</b>						
Plant, machinery and equipment	1,934	<b>1,439</b>	1,847	1,693	1,700	1,700
Fixtures, fittings and furniture	145	<b>330</b>	245	275	255	260
Computers and telecommunications	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-
Library books	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>2,079</b>	<b>1,769</b>	<b>2,092</b>	<b>1,968</b>	<b>1,955</b>	<b>1,960</b>
<b>Infrastructure</b>						
Roads	5,508	<b>2,434</b>	2,802	1,964	5,166	4,769
Bridges	378	<b>340</b>	150	150	150	1,461
Footpaths and cycleways	786	<b>730</b>	760	790	820	850
Drainage	558	<b>500</b>	600	600	1,150	1,200
Recreational, leisure and community facilities	3,316	<b>6,820</b>	14,935	7,182	5,308	4,990
Waste management	500	<b>1,051</b>	1,220	2,604	1,408	1,270
Parks, open space and streetscapes	963	<b>252</b>	427	922	1,003	2,086
Aerodromes	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-
Other infrastructure	5,808	<b>264</b>	266	701	822	845
<b>Total infrastructure</b>	<b>17,817</b>	<b>12,391</b>	<b>21,160</b>	<b>14,913</b>	<b>15,827</b>	<b>17,471</b>
<b>Total capital works expenditure</b>	<b>24,319</b>	<b>17,470</b>	<b>24,955</b>	<b>17,947</b>	<b>19,311</b>	<b>20,810</b>
<b>Represented by:</b>						
Asset renewal expenditure	6,403	<b>6,729</b>	11,802	8,088	7,513	7,918
Asset upgrade expenditure	5,761	<b>4,861</b>	11,139	5,688	7,431	4,988
Asset expansion expenditure	6,881	<b>3,691</b>	1,209	2,065	285	1,596
New asset expenditure	5,274	<b>2,189</b>	805	2,106	4,082	6,308
<b>Total capital works expenditure</b>	<b>24,319</b>	<b>17,470</b>	<b>24,955</b>	<b>17,947</b>	<b>19,311</b>	<b>20,810</b>

## Statement of Capital Works Forward Estimates

For the five years ending 30 June 2025

### Forward Estimates

	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property</b>					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
<b>Total land</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Buildings	1,629	1,229	4,479	1,329	1,579
Building improvements	-	-	-	-	-
Leasehold improvements	-	-	-	-	-
Heritage buildings	-	-	-	-	-
<b>Total buildings</b>	<b>1,629</b>	<b>1,229</b>	<b>4,479</b>	<b>1,329</b>	<b>1,579</b>
<b>Total property</b>	<b>1,629</b>	<b>1,229</b>	<b>4,479</b>	<b>1,329</b>	<b>1,579</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,700	1,700	1,700	1,700	1,700
Fixtures, fittings and furniture	80	80	80	80	80
Computers and telecommunications	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-
Library books	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,780</b>	<b>1,780</b>	<b>1,780</b>	<b>1,780</b>	<b>1,780</b>
<b>Infrastructure</b>					
Roads	2,614	2,164	2,214	2,264	3,114
Bridges	150	150	150	150	150
Footpaths and cycleways	880	910	940	970	1,000
Drainage	450	450	450	450	450
Recreational, leisure and community facilities	4,675	9,680	4,035	8,290	8,605
Waste management	1,210	2,300	1,956	-	-
Parks, open space and streetscapes	1,037	242	747	252	257
Aerodromes	-	-	-	-	-
Off street car parks	-	-	-	-	-
Other infrastructure	830	500	897	1,074	822
<b>Total infrastructure</b>	<b>11,846</b>	<b>16,396</b>	<b>11,389</b>	<b>13,450</b>	<b>14,398</b>
<b>Total capital works expenditure</b>	<b>15,255</b>	<b>19,405</b>	<b>17,648</b>	<b>16,559</b>	<b>17,757</b>
<b>Represented by:</b>					
Asset renewal expenditure	7,626	7,274	8,049	8,204	8,330
Asset upgrade expenditure	5,355	6,347	7,305	1,051	3,853
Asset expansion expenditure	285	5,285	1,785	785	5,045
New asset expenditure	1,989	499	509	6,519	529
<b>Total capital works expenditure</b>	<b>15,255</b>	<b>19,405</b>	<b>17,648</b>	<b>16,559</b>	<b>17,757</b>

## Statement of Investment Reserves

For the five years ending 30 June 2020

	Budget	Strategic Resource Plan Projections			
	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Statutory</b>					
Carparks	97	97	97	97	97
Public open space	283	363	443	523	603
Yarrambat drainage	738	841	944	1,047	1,150
Street light contribution	48	58	68	78	88
Street trees	96	106	116	126	136
MAV loan bond	1,239	1,628	2,845	4,382	5,986
Diamond Creek traders marketing fund	8	13	18	23	28
Development Planning Overlay - open space	2,348	2,418	2,487	2,557	2,626
Development Planning Overlay - infrastructure	1,661	1,955	2,248	2,542	2,835
Development contribution construction	172	172	172	172	172
Native vegetation	153	153	153	153	153
<b>Total statutory reserves</b>	<b>6,844</b>	<b>7,803</b>	<b>9,592</b>	<b>11,699</b>	<b>13,874</b>
<b>Discretionary</b>					
Public arts program	155	155	155	155	155
Leisure centres profit share	224	290	356	422	488
Plant replacement	1,181	912	947	795	673
Major projects (Property management)	7,255	1,691	1,341	1,341	1,341
Bridgeford Estate	42	38	34	30	26
Landfill rehabilitation	2,033	1,533	2,909	2,441	2,221
Other reserves	211	351	492	631	771
<b>Total discretionary reserves</b>	<b>11,101</b>	<b>4,970</b>	<b>6,234</b>	<b>5,815</b>	<b>5,675</b>
<b>Total reserves</b>	<b>17,945</b>	<b>12,774</b>	<b>15,826</b>	<b>17,515</b>	<b>19,550</b>

## Statement of Investment Reserves Forward Estimates

For the five years ending 30 June 2024

	Forward Estimates				
	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Statutory</b>					
Carparks	97	97	97	97	97
Public open space	683	763	843	923	1,003
Yarrambat drainage	1,253	1,356	1,459	1,562	1,667
Street light contribution	98	108	118	128	138
Street trees	146	156	166	176	186
MAV loan bond	5,248	5,505	3,246	3,300	2,655
Diamond Creek traders marketing fund	33	38	43	48	53
Development Planning Overlay - open space	2,696	2,766	2,835	2,905	2,974
Development Planning Overlay - infrastructure	3,129	3,422	3,716	4,009	4,303
Development contribution construction	172	172	172	172	172
Native vegetation	153	153	153	153	153
<b>Total statutory reserves</b>	<b>13,708</b>	<b>14,536</b>	<b>12,848</b>	<b>13,473</b>	<b>13,401</b>
<b>Discretionary</b>					
Public arts program	155	155	155	155	155
Leisure centres profit share	554	620	686	752	819
Plant replacement	701	549	427	455	484
Major projects (Property management)	1,341	1,341	1,341	1,341	1,341
Bridgeford Estate	22	18	14	10	6
Landfill rehabilitation	2,171	1,141	565	2,055	3,655
Other reserves	911	1,052	1,191	1,331	1,472
<b>Total discretionary reserves</b>	<b>5,855</b>	<b>4,876</b>	<b>4,379</b>	<b>6,099</b>	<b>7,932</b>
<b>Total reserves</b>	<b>19,563</b>	<b>19,412</b>	<b>17,227</b>	<b>19,573</b>	<b>21,333</b>

## Statement of Human Resources

For the four years ending 30 June 2020

	Forecast	<b>Budget</b>	Strategic Resource Plan			
	Budget		Projections			
	2014-15	<b>2015-16</b>	2016-17	2017-18	2018-19	2019-20
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>						
Employee costs - operating	30,459	<b>31,122</b>	32,492	33,924	35,421	36,986
Employee costs - capital	-	<b>-</b>	-	-	-	-
<b>Total staff expenditure</b>	<b>30,459</b>	<b>31,122</b>	<b>32,492</b>	<b>33,924</b>	<b>35,421</b>	<b>36,986</b>
	EFT	<b>EFT</b>	EFT	EFT	EFT	EFT
<b>Staff numbers</b>						
Permanent EFT numbers	308.58	<b>309.68</b>	309.68	309.68	309.68	309.68
Limited tenures	4.93	<b>4.03</b>	4.03	4.03	4.03	4.03
<b>Total staff numbers</b>	<b>313.51</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>

## Statement of Human Resources Forward Estimates

For the four years ending 30 June 2025

	Forward Estimates				
	2020-21	2021-22	2022-23	2023-24	2024-25
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	38,624	40,505	42,481	44,555	46,538
Employee costs - capital	-	-	-	-	-
<b>Total staff expenditure</b>	<b>38,624</b>	<b>40,505</b>	<b>42,481</b>	<b>44,555</b>	<b>46,538</b>
	EFT	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Permanent EFT numbers	309.68	309.68	309.68	309.68	309.68
Limited tenures	4.03	4.03	4.03	4.03	4.03
<b>Total staff numbers</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>	<b>313.71</b>



## Other information

For the five years ended 30 June 2020

### 1. Summary of planned capital works expenditure

	Asset Expenditure Types					Funding Sources						
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council cash (Own-Source Revenue)	Council cash (Reserves)	Council cash (Proceeds from asset sales)	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2016</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	3,310	250	815	989	1,256	3,310	50	100	2,360	800	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>3,310</b>	<b>250</b>	<b>815</b>	<b>989</b>	<b>1,256</b>	<b>3,310</b>	<b>50</b>	<b>100</b>	<b>2,360</b>	<b>800</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,439	-	1,439	-	-	1,439	-	-	-	918	521	-
Fixtures, fittings and furniture	330	-	310	20	-	330	-	-	330	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,769</b>	<b>-</b>	<b>1,749</b>	<b>20</b>	<b>-</b>	<b>1,769</b>	<b>-</b>	<b>-</b>	<b>330</b>	<b>918</b>	<b>521</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	2,434	24	2,170	40	200	2,434	1,050	-	1,384	-	-	-
Bridges	340	250	90	-	-	340	-	-	340	-	-	-
Footpaths and cycleways	730	410	320	-	-	730	-	-	730	-	-	-
Drainage	500	-	300	200	-	500	-	-	500	-	-	-
Recreational, leisure and community facilities	6,820	1,255	1,025	2,330	2,210	6,820	3,400	5	2,715	700	-	-
Waste management	1,051	-	-	1,051	-	1,051	-	-	-	1,051	-	-
Parks, open space and streetscapes	252	-	140	112	-	252	-	-	252	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	264	-	120	119	25	264	17	-	247	-	-	-
<b>Total infrastructure</b>	<b>12,391</b>	<b>1,939</b>	<b>4,165</b>	<b>3,852</b>	<b>2,435</b>	<b>12,391</b>	<b>4,467</b>	<b>5</b>	<b>6,168</b>	<b>1,751</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>17,470</b>	<b>2,189</b>	<b>6,729</b>	<b>4,861</b>	<b>3,691</b>	<b>17,470</b>	<b>4,517</b>	<b>105</b>	<b>8,858</b>	<b>3,469</b>	<b>521</b>	<b>-</b>

## Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources						
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council cash (Own-Source Revenue)	Council cash (Reserves)	Council cash (Proceeds from asset sales)	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2017</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,703	-	830	349	524	1,703	50	-	1,653	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,703</b>	<b>-</b>	<b>830</b>	<b>349</b>	<b>524</b>	<b>1,703</b>	<b>50</b>	<b>-</b>	<b>1,653</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,847	-	1,847	-	-	1,847	-	-	-	1,297	550	-
Fixtures, fittings and furniture	245	-	225	20	-	245	-	-	245	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>2,092</b>	<b>-</b>	<b>2,072</b>	<b>20</b>	<b>-</b>	<b>2,092</b>	<b>-</b>	<b>-</b>	<b>245</b>	<b>1,297</b>	<b>550</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	2,802	355	1,650	197	600	2,802	480	588	1,734	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	760	420	340	-	-	760	-	-	760	-	-	-
Drainage	600	-	350	250	-	600	-	-	600	-	-	-
Recreational, leisure and community facilities	14,935	5	6,130	8,740	60	14,935	1,515	5	3,515	6,250	-	3,650
Waste management	1,220	-	-	1,220	-	1,220	-	-	-	1,220	-	-
Parks, open space and streetscapes	427	25	160	242	-	427	-	25	402	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	266	-	120	121	25	266	17	-	249	-	-	-
<b>Total infrastructure</b>	<b>21,160</b>	<b>805</b>	<b>8,900</b>	<b>10,770</b>	<b>685</b>	<b>21,160</b>	<b>2,112</b>	<b>618</b>	<b>7,310</b>	<b>7,470</b>	<b>-</b>	<b>3,650</b>
<b>Total capital works expenditure</b>	<b>24,955</b>	<b>805</b>	<b>11,802</b>	<b>11,139</b>	<b>1,209</b>	<b>24,955</b>	<b>2,162</b>	<b>618</b>	<b>9,208</b>	<b>8,767</b>	<b>550</b>	<b>3,650</b>

## Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources						
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council cash (Own-Source Revenue)	Council cash (Reserves)	Council cash (Proceeds from asset sales)	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2018</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,066	-	717	349	-	1,066	50	-	1,016	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,066</b>	<b>-</b>	<b>717</b>	<b>349</b>	<b>-</b>	<b>1,066</b>	<b>50</b>	<b>-</b>	<b>1,016</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,693	-	1,693	-	-	1,693	-	-	-	993	700	-
Fixtures, fittings and furniture	275	25	230	20	-	275	-	-	275	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,968</b>	<b>25</b>	<b>1,923</b>	<b>20</b>	<b>-</b>	<b>1,968</b>	<b>-</b>	<b>-</b>	<b>275</b>	<b>993</b>	<b>700</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	1,964	24	1,700	40	200	1,964	438	-	1,527	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	790	430	360	-	-	790	-	-	790	-	-	-
Drainage	600	-	350	250	-	600	-	-	600	-	-	-
Recreational, leisure and community facilities	7,182	1,627	2,185	3,310	60	7,182	400	1,627	4,155	-	-	1,000
Waste management	2,604	-	-	1,524	1,080	2,604	1,080	-	-	1,524	-	-
Parks, open space and streetscapes	922	-	150	72	700	922	-	-	572	350	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	701	-	553	123	25	701	17	-	684	-	-	-
<b>Total infrastructure</b>	<b>14,913</b>	<b>2,081</b>	<b>5,448</b>	<b>5,319</b>	<b>2,065</b>	<b>14,913</b>	<b>2,035</b>	<b>1,627</b>	<b>8,377</b>	<b>1,874</b>	<b>-</b>	<b>1,000</b>
<b>Total capital works expenditure</b>	<b>17,947</b>	<b>2,106</b>	<b>8,088</b>	<b>5,688</b>	<b>2,065</b>	<b>17,947</b>	<b>2,085</b>	<b>1,627</b>	<b>9,668</b>	<b>2,867</b>	<b>700</b>	<b>1,000</b>

## Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources						
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council cash (Own-Source Revenue)	Council cash (Reserves)	Council cash (Proceeds from asset sales)	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2019</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,529	250	930	349	-	1,529	50	-	1,479	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,529</b>	<b>250</b>	<b>930</b>	<b>349</b>	<b>0</b>	<b>1,529</b>	<b>50</b>	<b>0</b>	<b>1,479</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,700	-	1,700	-	-	1,700	-	-	-	1,180	520	-
Fixtures, fittings and furniture	255	-	235	20	-	255	-	-	255	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,955</b>	<b>-</b>	<b>1,935</b>	<b>20</b>	<b>-</b>	<b>1,955</b>	<b>-</b>	<b>-</b>	<b>255</b>	<b>1,180</b>	<b>520</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	5,166	469	1,750	2,747	200	5,166	438	2,652	2,077	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	820	440	380	-	-	820	-	-	820	-	-	-
Drainage	1,150	-	350	800	-	1,150	-	-	1,150	-	-	-
Recreational, leisure and community facilities	5,308	2,148	1,190	1,910	60	5,308	120	541	3,290	-	-	1,357
Waste management	1,408	-	-	1,408	-	1,408	-	-	-	1,408	-	-
Parks, open space and streetscapes	1,003	776	155	72	-	1,003	-	776	227	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	822	-	672	125	25	822	17	-	805	-	-	-
<b>Total infrastructure</b>	<b>15,826</b>	<b>3,832</b>	<b>4,647</b>	<b>7,062</b>	<b>285</b>	<b>15,826</b>	<b>675</b>	<b>3,968</b>	<b>8,418</b>	<b>1,408</b>	<b>-</b>	<b>1,357</b>
<b>Total capital works expenditure</b>	<b>19,310</b>	<b>4,082</b>	<b>7,512</b>	<b>7,431</b>	<b>285</b>	<b>19,310</b>	<b>725</b>	<b>3,968</b>	<b>10,152</b>	<b>2,588</b>	<b>520</b>	<b>1,357</b>

## Summary of planned capital works expenditure (continued)

	Asset Expenditure Types					Funding Sources						
	Total	New	Renewal	Upgrade	Expansion	Total	Grants	Contributions	Council cash (Own-Source Revenue)	Council cash (Reserves)	Council cash (Proceeds from asset sales)	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>2020</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,379	250	780	349	-	1,379	50	-	1,329	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,379</b>	<b>250</b>	<b>780</b>	<b>349</b>	<b>-</b>	<b>1,379</b>	<b>50</b>	<b>-</b>	<b>1,329</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,700	-	1,700	-	-	1,700	-	-	-	1,150	550	-
Fixtures, fittings and furniture	260	-	240	20	-	260	-	-	260	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,960</b>	<b>-</b>	<b>1,940</b>	<b>20</b>	<b>-</b>	<b>1,960</b>	<b>-</b>	<b>-</b>	<b>260</b>	<b>1,150</b>	<b>550</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	4,769	2,729	1,800	40	200	4,769	438	1,352	1,627	-	-	1,352
Bridges	1,461	-	150	-	1,311	1,461	100	564	50	-	-	747
Footpaths and cycleways	850	450	400	-	-	850	-	-	850	-	-	-
Drainage	1,200	-	350	850	-	1,200	-	-	1,200	-	-	-
Recreational, leisure and community facilities	4,990	1,425	1,245	2,260	60	4,990	-	5	3,985	-	-	1,000
Waste management	1,270	-	-	1,270	-	1,270	-	-	-	1,270	-	-
Parks, open space and streetscapes	2,086	1,454	560	72	-	2,086	100	1,386	600	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	845	-	693	127	25	845	17	-	828	-	-	-
<b>Total infrastructure</b>	<b>17,470</b>	<b>6,058</b>	<b>5,198</b>	<b>4,619</b>	<b>1,596</b>	<b>17,470</b>	<b>655</b>	<b>3,307</b>	<b>9,139</b>	<b>1,270</b>	<b>-</b>	<b>3,100</b>
<b>Total capital works expenditure</b>	<b>20,809</b>	<b>6,308</b>	<b>7,918</b>	<b>4,988</b>	<b>1,596</b>	<b>20,809</b>	<b>705</b>	<b>3,307</b>	<b>10,728</b>	<b>2,420</b>	<b>550</b>	<b>3,100</b>

## 2. Summary of planned human resources expenditure

	2,016	2017	2018	2019	2020
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Infrastructure Services</b>					
-Permanent full time	10,293				
-Permanent part time	267				
-Limited tenures	-				
<b>Total Infrastructure Services</b>	10,560				
<b>Environment &amp; Planning</b>					
-Permanent full time	4,909				
-Permanent part time	1079				
<b>Total Environment &amp; Planning</b>	5,988				
<b>Community &amp; Leisure</b>					
-Permanent full time	2,891				
-Permanent part time	3,359				
-Limited tenures	401				
<b>Total Community &amp; Leisure</b>	6,651				
<b>Corporate Services</b>					
-Permanent full time	4,411				
-Permanent part time	1344				
<b>Total Corporate Services</b>	5,755				
<b>Executive Services</b>					
-Permanent full time	533				
-Permanent part time	-				
<b>Total Executive Services</b>	533				
Total casuals and other	454				
<b>Total staff expenditure</b>	29,941	31,813	33,235	34,720	36,273
	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
<b>Infrastructure Services</b>					
-Permanent full time	118.60				
-Permanent part time	2.95				
-Limited tenures	-				
<b>Total Infrastructure Services</b>	121.55				
<b>Environment &amp; Planning</b>					
-Permanent full time	49.15				
-Permanent part time	15.02				
<b>Total Environment &amp; Planning</b>	64.17				
<b>Community &amp; Leisure</b>					
-Permanent full time	27.54				
-Permanent part time	36.74				
-Limited tenures	4.03				
<b>Total Community &amp; Leisure</b>	68.31				
<b>Corporate Services</b>					
-Permanent full time	42.00				
-Permanent part time	14.68				
<b>Total Corporate Services</b>	56.68				
<b>Executive Services</b>					
-Permanent full time	3.00				
-Permanent part time	-				
<b>Total Executive Services</b>	3.00				
Total casuals and other	n/a				
<b>Total staff numbers</b>	313.71	313.71	313.71	313.71	313.71

## **Appendix B**

### **Statutory disclosures**

This appendix presents information which the Act and the Regulations require to be disclosed in the Council's annual budget.

The appendix includes the following budgeted information:

- Borrowings
- Rates and charges
- Differential rates.

## Statutory disclosures

### 1. Borrowings

	2014-15 \$	2015-16 \$
New borrowings (other than refinancing)*	1,480,000	-
Debt redemption	1,516,000	797,000

\* borrowings for 2014-15 relate to prior year budgets which have been carried over

### 2. Rates and charges

#### 2.1 The rate in the dollar for each type of rate to be levied

Type of Property	2014-15 Rate in Dollar	2015-16 Rate in Dollar
General	0.003287	0.003507
Farm Land	0.002794	0.002981
Commercial/Industrial	0.003812	0.004067
Vacant Land - Residential and Specified Low Density Residential Zones	0.006573	0.007012
Cultural and Recreational Land	0.001267	0.001352

#### 2.2 The estimated amount to be raised by each type of rate to be levied

Type of Property	2014-15 \$'000	2015-16 \$'000
General	42,146	45,273
Farm Land	664	663
Commercial/Industrial	2,348	2,524
Vacant Land - Residential and Specified Low Density Residential Zones	1,127	1,244
Cultural and Recreational Land	11	11

#### 2.3 The estimated total amount to be raised by rates

	2014-15 \$'000	2015-16 \$'000
Total rates to be raised	46,296	49,716

#### 2.4 The percentage change in the rate in the dollar for each type of rate to be levied, compared to that of the previous financial year

Type of Property	2014-15 Change %	2015-16 Change %
General	4.92%	6.69%
Farm Land	4.92%	6.69%
Commercial/Industrial	4.90%	6.69%
Vacant Land - Residential and Specified Low Density Residential Zones	4.92%	6.68%
Cultural and Recreational Land	4.88%	6.71%
Municipal Charge	(13.77%)	(6.81%)
Garbage Charge	1.44%	2.07%



**2.5 The number of assessments for each type of rate to be levied compared to the previous year**

Type of Property	2014-15	2015-16
General	21,229	21,335
Farm Land	211	198
Commercial/Industrial	967	980
Vacant Land - Residential and Specified Low Density Residential Zones	432	433
Cultural and Recreational Land	12	12
<b>Total number of assessments</b>	<b>22,851</b>	<b>22,958</b>

**2.6 The basis of valuation to be used is the Capital Improved Value (CIV)**

**2.7 The estimated total value of land in respect of which each type of rate is to be levied compared with the previous year**

Type of Property	2014-15 \$'000	2015-16 \$'000
General	12,825,763	12,910,875
Farm Land	237,694	222,510
Commercial/Industrial	616,045	620,706
Vacant Land - Residential and Specified Low Density Residential Zones	171,454	177,475
Cultural and Recreational Land	8,393	8,043
<b>Total</b>	<b>13,859,349</b>	<b>13,939,609</b>

**2.8 The unit amount to be levied for each type of charge under section 162 of the Act**

Type of Charge	Per Rateable Property 2014-15 \$	Per Rateable Property 2015-16 \$
Residential - Standard Service	363.55	371.08
Residential - 80 Litre Red Bins	330.95	337.79
Residential - 2 Red Bins	508.75	519.26
Elderly Persons Units - Bin	96.65	98.65
Municipal Charge	100.33	93.50

**2.9 The estimated amounts to be raised for each type of charge to be levied compared to the previous year**

Type of Charge	2014-15 \$	2015-16 \$
Residential - Standard Service	7,244,097	7,393,717
Residential - 80 Litre Red Bins	8,605	8,445
Residential - 2 Red Bins	428,876	501,084
Elderly Persons Units - Bin	8,988	9,174
Municipal charge	2,292,641	2,146,573
<b>Total</b>	<b>9,983,208</b>	<b>10,058,993</b>

## 2.10 The estimated total amount to be raised by rates and charges:

	2014-15	2015-16
	\$'000	\$'000
General rates	46,296	49,716
Service charges and Municipal Charges	9,983	10,059
<b>Total *</b>	<b>56,279</b>	<b>59,775</b>

\* Excludes the impact of the SAR rebate, double rating rebate, special rates and supplementary rates

## 2.11 There are no known significant changes, which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- The making of supplementary valuations;
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa;
- Changes of use of land such that residential land becomes business land and vice versa; and
- Changes in the number of waste services provided to residents.

## 3. Differential rates

### 3.1 Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.3507% (0.3507 cents in the dollar of CIV) for all rateable residential properties and ordinary vacant land;
- A general rate of 0.2981% (0.2981 cents in the dollar of CIV) for all rateable farm land properties;
- A general rate of 0.4067% (0.4067 cents in the dollar of CIV) for all rateable commercial/industrial properties;
- A general rate of 0.7012% (0.7012 cents in the dollar of CIV) for all rateable vacant land - residential and specified low density residential zones;
- A general rate of 0.1352% (0.1352 cents in the dollar of CIV) for all rateable cultural and recreational properties.

Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council considers that each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land, which are subject to each differential rate and the uses of each differential rate, are set out below.

### 3.2 Commercial land - any land used for Commercial purposes

- Occupied for the principal purpose of carrying out the trade in, goods and services or
- Unoccupied but zoned commercial under the State Planning Scheme

### 3.3 Industrial – any land used for Industrial purposes

- Occupied of the principal purpose of carrying out the manufacture or production of or
- Unoccupied but zoned industrial under the State Planning Scheme.

### **3.4 Farm Land without SAR**

- Land not less than 2 hectares in area; and that is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, tree farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and that is used by a business.
- That has a significant and substantial commercial purpose or character; and that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

### **3.5 Farm with SAR – Sustainable Agriculture Rebate land**

- Used by the applicant for a single farm enterprise must comprise and aggregate of a minimum 30 hectares;
- The property in respect of which the rebate is sought is classified as Farm Land;
- The applicant shall satisfy detailed criteria relating to sustainable farming practices and land care principles as developed by Council.

### **3.6 Other land**

- Occupied for the principal purpose of physically accommodating persons; or
- Unoccupied land which is not farm land, commercial/industrial land or vacant land - residential and specified low density residential zones.

### **3.7 Vacant Land - Residential and Specified Low Density Residential Zones**

- Land within the Zoning of Residential 1 or its successor definitions of General Residential / Residential Growth / Neighbourhood Residential and Low Density Residential Zones (LDRZ) to which Development Planning Overlay 4 applies, on which no habitable dwelling exists.
- Lots greater than 8,000 square metres in the Plenty LDRZ are excluded.
- This is a higher differential to encourage construction of new dwellings in preferred locations across the Shire.
- Rateable land under this definition includes Vic Roads land that is not used for transport or for residential properties.
- A rebate provided to completed constructions on vacant residential land where the double rate was charged. Half of the past 12 months' double rate (i.e. the extra amount exceeding the normal rate) will be refunded through a credit once a dwelling is constructed and a certificate of occupancy issued and processed. The 12 month rebate will be calculated from the date of the next supplementary valuation.

### **3.8 Cultural and Recreational Land**

Council is required to determine an amount payable as rates in respect to recreational lands. The amounts previously determined have been based on discounts previously applied and on the the rate increase from year to year.

Recreational lands are described as lands which are:

- vested in or occupied by any body corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational facilities or objectives.
- which applies its profits in promoting its objectives and prohibits the payment of dividend or amount to members.
- used for out-door sporting recreational or cultural purposes or similar out-door activities.

## **Appendix C**

### **Capital works program**

This appendix presents a listing of the capital works projects that will be undertaken for the 2015-16 year.

## Capital works program

For the year ending 30 June 2016

### 1. New works

Capital Works Area	Project Cost \$'000	Summary of funding sources					
		Grants \$'000	Contrib's \$'000	Proceeds on sale of assets \$'000	Reserves \$'000	Council rates \$'000	Borrow- ings \$'000
<b>PROPERTY</b>							
<b>LAND</b>	-	-	-	-	-	-	-
<b>LAND IMPROVEMENTS</b>	-	-	-	-	-	-	-
<b>BUILDINGS</b>							
<b>Asset renewal expenditure</b>							
Other council buildings renewal	580	-	-	-	-	580	-
Eltham community reception centre	235	-	-	-	200	35	-
<b>Total asset renewal expenditure - buildings</b>	<b>815</b>	-	-	-	200	615	-
<b>Asset upgrade expenditure</b>							
Children's services centre internal upgrades and improvements	49	-	-	-	-	49	-
Preschool / childcare fencing	20	-	-	-	-	20	-
Eltham community reception centre	600	-	-	-	600	-	-
Other council buildings upgrade	170	-	-	-	-	170	-
Resource conservation fund	150	50	-	-	-	100	-
<b>Total asset upgrade expenditure - buildings</b>	<b>989</b>	50	-	-	600	339	-
<b>Asset expansion expenditure</b>							
Edendale farm - site improvements	332	-	25	-	-	307	-
Woodridge preschool extension	542	-	25	-	-	517	-
Eltham Childcare Co-op extension	382	-	50	-	-	332	-
<b>Total asset expansion expenditure - buildings</b>	<b>1,256</b>	-	100	-	-	1,156	-
<b>New asset expenditure</b>							
Solar panels - council buildings	250	-	-	-	-	250	-
<b>Total new asset expenditure - buildings</b>	<b>250</b>	-	-	-	-	250	-
<b>TOTAL BUILDINGS</b>	<b>3,310</b>	50	100	-	800	2,360	-
<b>BUILDING IMPROVEMENTS</b>	-	-	-	-	-	-	-
<b>LEASEHOLD IMPROVEMENTS</b>	-	-	-	-	-	-	-
<b>HERITAGE BUILDINGS</b>	-	-	-	-	-	-	-
<b>TOTAL PROPERTY</b>	<b>3,310</b>	50	100	-	800	2,360	-
<b>PLANT AND EQUIPMENT</b>							
<b>PLANT, MACHINERY AND EQUIPMENT</b>							
<b>Asset renewal expenditure</b>							
Playgrounds renewal	250	-	-	-	-	250	-
Preschool/community centre playground	40	-	-	-	-	40	-
Shade structure renewal program	20	-	-	-	-	20	-
Fleet replacement	803	-	-	401	402	-	-
Major plant replacement	636	-	-	120	516	-	-
<b>Total asset renewal expenditure - PM&amp;E</b>	<b>1,749</b>	-	-	521	918	310	-
<b>Asset upgrade expenditure</b>							
Playground safety fencing	20	-	-	-	-	20	-
<b>Total asset upgrade expenditure - PM&amp;E</b>	<b>20</b>	-	-	-	-	20	-
<b>TOTAL PLANT, MACHINERY &amp; EQUIPMENT</b>	<b>1,769</b>	-	-	521	918	330	-
<b>FIXTURES, FITTINGS AND FURNITURE</b>	-	-	-	-	-	-	-

Capital Works Area	Project Cost \$'000	Summary of funding sources					
		Grants \$'000	Contrib's \$'000	Proceeds on sale of assets \$'000	Reserves \$'000	Council rates \$'000	Borrow- ings \$'000
<b>COMPUTERS AND TELECOMMUNICATIONS HERITAGE PLANT AND EQUIPMENT LIBRARY BOOKS</b>	- - -	- - -	- - -	- - -	- - -	- - -	- - -
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>1,769</b>	-	-	521	918	330	-
<b>INFRASTRUCTURE</b>							
<b>ROADS</b>							
<b>Asset renewal expenditure</b>							
Roads periodic maintenance (reseals & resheets)	1,300	280	-	-	-	1,020	-
Road sealing / rehabilitation program	850	770	-	-	-	80	-
Bus shelter replacement strategy	20	-	-	-	-	20	-
<b>Total asset renewal expenditure - roads</b>	<b>2,170</b>	<b>1,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,120</b>	<b>-</b>
<b>Asset upgrade expenditure</b>							
Minor traffic works	40	-	-	-	-	40	-
<b>Total asset upgrade expenditure - roads</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40</b>	<b>-</b>
<b>Asset expansion expenditure</b>							
Traffic improvement program	200	-	-	-	-	200	-
<b>Total asset expansion expenditure - roads</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200</b>	<b>-</b>
<b>New asset expenditure</b>							
Bus shelters	24	-	-	-	-	24	-
<b>Total new asset expenditure - roads</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24</b>	<b>-</b>
<b>TOTAL ROADS</b>	<b>2,434</b>	<b>1,050</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,384</b>	<b>-</b>
<b>BRIDGES</b>							
<b>Asset renewal expenditure</b>							
Bridge rehabilitation	90	-	-	-	-	90	-
<b>Total asset renewal expenditure - bridges</b>	<b>90</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>90</b>	<b>-</b>
<b>New asset expenditure</b>							
Diamond creek footbridge	250	-	-	-	-	250	-
<b>Total new asset expansion expenditure - bridges</b>	<b>250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>250</b>	<b>-</b>
<b>TOTAL BRIDGES</b>	<b>340</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>340</b>	<b>-</b>
<b>FOOTPATHS AND CYCLEWAYS</b>							
<b>Asset renewal expenditure</b>							
Footpath renewal	320	-	-	-	-	320	-
<b>Total asset renewal expenditure - footpaths</b>	<b>320</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>320</b>	<b>-</b>
<b>New asset expenditure</b>							
Footpath construction program	410	-	-	-	-	410	-
<b>Total new asset expenditure - footpaths</b>	<b>410</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>410</b>	<b>-</b>
<b>TOTAL FOOTPATHS AND CYCLEWAYS</b>	<b>730</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>730</b>	<b>-</b>
<b>DRAINAGE</b>							
<b>Asset renewal expenditure</b>							
Drainage works	200	-	-	-	-	200	-
Reactive drainage works	100	-	-	-	-	100	-
<b>Total asset renewal expenditure - drainage</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>300</b>	<b>-</b>

Capital Works Area	Project Cost \$'000	Summary of funding sources					
		Grants \$'000	Contrib's \$'000	Proceeds on sale of assets \$'000	Reserves \$'000	Council rates \$'000	Borrow- ings \$'000
<b>Asset upgrade expenditure</b>							
Drainage works	200	-	-	-	-	200	-
Total asset upgrade expenditure - drainage	200	-	-	-	-	200	-
<b>TOTAL DRAINAGE</b>	<b>500</b>	-	-	-	-	500	-
<b>RECREATIONAL, LEISURE AND COMMUNITY FACILITIES</b>							
<b>Asset renewal expenditure</b>							
Yarrambat park golf course - annual course improvements	80	-	-	-	-	80	-
Major leisure centres & community halls renewal	530	-	-	-	-	530	-
Trail resurfacing & periodic maintenance	225	-	-	-	-	225	-
Cricket pitch replacement	10	-	5	-	-	5	-
Sports fields, pavilions & fence renewal	180	-	-	-	-	180	-
Total asset renewal expenditure - RL&CF	1,025	-	5	-	-	1,020	-
<b>Asset upgrade expenditure</b>							
Trail upgrade for safety compliance	130	-	-	-	-	130	-
Sportfield carpark sealing	100	-	-	-	-	100	-
Eltham leisure centre aquatic	1,200	1,200	-	-	-	0	-
Plenty park oval	400	100	-	-	-	300	-
Sportsground - lighting upgrade	30	-	-	-	-	30	-
Drainage at rugby ground - Eltham	40	-	-	-	-	40	-
Wattle Glen soccer (former baseball)	470	100	-	-	-	370	-
Total asset upgrade expenditure - RL&CF	2,370	1,400	-	-	-	970	-
<b>Asset expansion expenditure</b>							
Recreation trail - local Links	60	-	-	-	-	60	-
New pavilion - Eltham North reserve	2,150	2,000	-	-	-	150	-
Total asset expansion expenditure - drainage	2,210	2,000	-	-	-	210	-
<b>New asset expenditure</b>							
Diamond Creek trail on road	750	-	-	-	700	50	-
Diamond Creek trail	500	-	-	-	-	500	-
Bin cage at sportsground	5	-	-	-	-	5	-
Total new asset expenditure - RL&CF	1,255	-	-	-	700	555	-
<b>TOTAL REC, LEISURE &amp; COMM FACILITIES</b>	<b>6,860</b>	<b>3,400</b>	<b>5</b>	-	<b>700</b>	<b>2,755</b>	-
<b>PARKS, OPEN SPACE AND STREETSCAPES</b>							
<b>Asset renewal expenditure</b>							
Public open space renewal	140	-	-	-	-	140	-
Total asset renewal expenditure - Parks, OS & Streetscapes	140	-	-	-	-	140	-
<b>Asset upgrade expenditure</b>							
Panton Hill bushland reserves management plan implementation	72	-	-	-	-	72	-
Total asset upgrade expenditure - Parks, OS & Streetscapes	72	-	-	-	-	72	-

Capital Works Area	Project Cost	Summary of funding sources					
		Grants	Contrib's	Proceeds on sale of assets	Reserves	Council rates	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>WASTE MANAGEMENT</b>							
<b>Asset upgrade expenditure</b>							
Plenty & Kangaroo Ground landfill rehabilitation	1,051	-	-	-	1,051	-	-
Total asset renewal expenditure - Waste Management	1,051	-	-	-	1,051	-	-
<b>TOTAL PARKS, O/SPACE &amp; STREETSCAPES</b>	1,263	-	-	-	1,051	212	-
<b>AERODROMES</b>	-	-	-	-	-	-	-
<b>OFF STREET CAR PARKS</b>	-	-	-	-	-	-	-
<b>OTHER INFRASTRUCTURE</b>							
<b>Asset renewal expenditure</b>							
Disability access works	120	-	-	-	-	120	-
Total asset renewal expenditure - Other Infrastructure	120	-	-	-	-	120	-
<b>Asset upgrade expenditure</b>							
Street tree planting	79	-	-	-	-	79	-
Township/facility signage	40	-	-	-	-	40	-
Total asset upgrade expenditure - Other Infrastructure	119	-	-	-	-	119	-
<b>Asset expansion expenditure</b>							
Fire fighting water storage tanks	25	17	-	-	-	8	-
Total asset expansion expenditure - Other Infrastructure	25	17	-	-	-	8	-
<b>TOTAL OTHER INFRASTRUCTURE</b>	264	17	-	-	-	247	-
<b>TOTAL INFRASTRUCTURE</b>	12,391	4,467	5	-	1,751	6,168	-
<b>TOTAL NEW CAPITAL WORKS 2015-16</b>	17,470	4,517	105	521	3,469	8,858	-

## 2. Summary

Capital Works Area	Project Cost	Summary of funding sources					
		Grants	Contrib's	Proceeds on sale of assets	Reserves	Council rates	Borrowings
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Asset renewal expenditure	6,729	1,050	5	521	1,118	4,035	-
New asset expenditure	2,189	-	-	-	700	1,489	-
Asset upgrade expenditure	4,861	1,450	-	-	1,651	1,760	-
Asset expansion expenditure	3,691	2,017	100	-	-	1,574	-
<b>TOTAL CAPITAL WORKS</b>	17,470	4,517	105	521	3,469	8,858	-



## **Appendix D**

### **Major Initiatives**

This appendix presents a listing of the major initiatives that will be undertaken for the 2015-16 year.

## Major Initiatives

For the year ending 30 June 2016

		2015-2016		
Council Plan Goal	Project	Total Project Cost \$	Non Rate Funding \$	Rates funded \$
2	Additional Sportsground maintenance (ongoing)	66,800	2,800	64,000
3	Asset condition audit program (ongoing)	45,000		45,000
2	Biodiversity Land Management Officer (native vegetation) (0.4 EFT)	35,212	26,212	9,000
4	Business Development Officer (0.4 EFT)	40,000		40,000
5	Council Website development	60,000		60,000
2	Domestic Wastewater Management Plan (septic tanks) Implementation	42,136		42,136
4	Economic Development Strategy Implementation and review (Year 5 of 5)	40,000		40,000
1	Eltham North Reserve - planning for facility upgrade	40,000	20,000	20,000
1	Family Day Care program support - transitional year	38,000		38,000
2	Free Green Waste - 2 occasions per annum	70,000		70,000
3	Green Wedge Mgmt. Plan Review	20,000		20,000
3	Heritage Investigations (Year 1)	30,000		30,000
3	Housing Strategy (Year 3)	20,000		20,000
1	Implementation 2011-17 Cultural Plan Year 5	20,000		20,000
1	Implementation of Municipal Health and Wellbeing Plan	30,000		30,000
1	Implementation of Positive Ageing Strategy 2013-18	20,000		20,000
3	Kangaroo Ground Township Plan (Year 1 of 3)	40,000		40,000
1	Liveable Nillumbik (Lot 1 Hurstbridge) Year 2	90,000		90,000
5	NearMap photography (ongoing)	20,000		20,000
3	New Asset Maintenance (Dog parks, new rain gardens at Civic Centre and Hurstbridge Wetland maintenance) (ongoing)	47,500		47,500
2	Open Farm Day 2015	10,700	5,000	5,700
2	Preparation of Climate Change Action Plan 2016-20	10,000		10,000
5	Records management (replace obsolete software and transfer files)	65,000		65,000
5	Service Reviews / Rate capping preparation	45,000		45,000
1	Sportsground Planning review	30,000		30,000
1	Yarrambat Park Golf Course - Future Management Options	20,000		20,000
3	Yarrambat Township Plan amendment (Year 2 of 2)	20,000		20,000
<b>Total</b>		<b>1,015,348</b>	<b>54,012</b>	<b>961,336</b>

Major Initiatives identified as "ongoing" will require funding in future operating budgets in order to continue beyond 2015-16.

**Appendix E**  
**Operating results by business unit**

This appendix presents the operating results by business unit for the 2015-16 year.

**Nillumbik Shire Council**  
**Operating Budget 2015-16**

<b>Department Unit</b>	<b>2014-15 Forecast</b>	<b>2015-16 Budget</b>	<b>Percent var to 2014-15 Budget</b>
	\$	\$	%

**Program Description**

**Infrastructure**

**Infrastructure Mgmt**

**Income**

0041. Emergency Management	(20,315)	(17,828)	(12.24%)
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**Expenditure**

0003. GM Infrastructure Mgmt	458,057	454,161	(0.85%)
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0041. Emergency Management	484,926	500,686	3.25%
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<b>Total Infrastructure Mgmt</b>	<b>922,668</b>	<b>937,019</b>	<b>1.56%</b>
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**Infrastructure Development**

**Income**

0100. Infrastructure Development Mgmt	(1,101,173)	(1,094,777)	(0.58%)
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0104. Engineering Construction	(104,950)	(100,950)	(3.81%)
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0111. Traffic & Transport	(69,000)	(50,000)	(27.54%)
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**Expenditure**

0100. Infrastructure Development Mgmt	234,046	237,433	1.45%
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0102. Engineering Design	498,116	523,525	5.10%
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0104. Engineering Construction	421,778	430,139	1.98%
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0111. Traffic & Transport	1,078,244	1,072,930	(0.49%)
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<b>Total Infrastructure Development</b>	<b>957,061</b>	<b>1,018,300</b>	<b>6.40%</b>
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**Infrastructure Maintenance**

**Income**

0020. Depot Management	(15,300)	-	(100.00%)
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0022. Road Materials	(3,667)	(3,454)	(5.81%)
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0026. Domestic Garbage Collection	(53,757)	(57,673)	7.28%
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0027. Garden Organics Collection	(71,000)	-	(100.00%)
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0028. Recycling Collection	(140,000)	(93,000)	(33.57%)
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0029. Fleet Operations	(51,000)	(51,000)	-
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0033. Drainage Maintenance & Street	(1,410)	-	(100.00%)
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0034. Parks	(13,000)	-	(100.00%)
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0035. Landscape Maintenance	(9,133)	(16,300)	78.47%
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0036. Sportsground Maintenance	(7,900)	(5,000)	(36.71%)
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0038. Arboriculture Maintenance	-	-	-
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0042. Recycling & Recovery Centre	(343,849)	(387,135)	12.59%
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0044. Yan Yean Tip	(123,524)	-	(100.00%)
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0254. Environment Works	(55,560)	-	(100.00%)
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**Expenditure**

0020. Depot Management	1,202,728	1,157,564	(3.76%)
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Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
0021. Emergency Works	122,129	98,097	(19.68%)
0022. Road Materials	713,660	1,008,212	41.27%
0024. Reserve Utilities	168,681	172,485	2.26%
0025. Waste Management	1,238,198	1,311,391	5.91%
0026. Domestic Garbage Collection	1,561,778	1,584,314	1.44%
0027. Garden Organics Collection	1,513,313	1,653,898	9.29%
0028. Recycling Collection	766,757	709,175	(7.51%)
0029. Fleet Operations	374,871	310,290	(17.23%)
0030. Unsealed Roads Maintenance	1,736,984	1,852,227	6.63%
0031. Sealed Roads Maintenance	591,747	562,462	(4.95%)
0032. Miscellaneous Works	340,742	429,224	25.97%
0033. Drainage Maintenance & Street	764,362	416,970	(45.45%)
0034. Parks	324,240	375,529	15.82%
0035. Landscape Maintenance	1,043,024	1,094,535	4.94%
0036. Sportsground Maintenance	222,162	237,725	7.01%
0037. Open Space Maintenance	403,299	484,613	20.16%
0038. Arboriculture Maintenance	868,931	936,371	7.76%
0039. Priority Sites Maintenance	249,680	237,043	(5.06%)
0040. Playground & Park Furniture Mtnce	255,806	267,743	4.67%
0042. Recycling & Recovery Centre	419,309	432,476	3.14%
0043. Wetland Crew	58,397	59,741	2.30%
0044. Yan Yean Tip	1,092,761	875,197	(19.91%)
0047. Fire Prevention	551,880	564,573	2.30%
0254. Environment Works	858,613	828,537	(3.50%)
<b>Total Infrastructure Maintenance</b>	<b>16,554,952</b>	<b>17,257,267</b>	<b>4.24%</b>
<b>Assets and Property Income</b>			
0352. Property Sales Management	(4,592,000)	(8,460,000)	84.23%
0451. Property Mgmt	(269,000)	(276,000)	2.60%
0110. Engineering Assets	(95,289)	-	(100.00%)
<b>Expenditure</b>			
0352. Property Sales Management	4,875,032	8,756,062	79.61%
0451. Property Mgmt	150,139	155,698	3.70%
0110. Engineering Assets	686,557	655,384	(4.54%)
0106. Building Mtnce - Mgmt	125,651	130,816	4.11%
0109. Building Mtnce - Mtnce	1,330,727	1,352,564	1.64%
<b>Total Assets and Property</b>	<b>2,211,817</b>	<b>2,314,524</b>	<b>4.64%</b>
<b>Total Infrastructure Services</b>	<b>20,646,498</b>	<b>21,527,110</b>	<b>4.27%</b>
<b>Environment &amp; Planning</b>			
<b>Environment &amp; Planning Management Expenditure</b>			
0200. Gm Environment & Planning	328,104	340,847	3.88%
<b>Total Environment &amp; Planning Management</b>	<b>328,104</b>	<b>340,847</b>	<b>3.88%</b>

Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
<b>Strategic and Economic Planning</b>			
<b>Income</b>			
0350. Tourism & Economic Development	(302,180)	(292,686)	(3.14%)
<b>Expenditure</b>			
0256. Sustainable Planning	205,048	225,697	10.07%
0251. Strategic Planning	363,002	383,216	5.57%
0350. Tourism & Economic Development	595,758	598,344	0.43%
<b>Total Sustainable Planning</b>	<b>861,628</b>	<b>914,571</b>	<b>6.14%</b>
<b>Regulatory Services</b>			
<b>Income</b>			
0150. School Crossing Supervision	(141,070)	(143,114)	1.45%
0151. Municipal Laws Coordination	(1,296,405)	(1,323,913)	2.12%
0152. Pound Services	(40,189)	(65,764)	63.64%
<b>Expenditure</b>			
0150. School Crossing Supervision	449,592	472,069	5.00%
0151. Municipal Laws Coordination	1,426,580	1,483,347	3.98%
0152. Pound Services	91,230	94,271	3.33%
<b>Total Regulatory Services</b>	<b>489,738</b>	<b>516,896</b>	<b>5.55%</b>
<b>Environment Services</b>			
<b>Income</b>			
0252. Environmental Planning	(20,000)	(20,000)	-
0321. Environment Health & Immunisation	(329,281)	(331,659)	0.72%
0516. St Andrews Hall Reserve	(29,396)	(39,071)	32.91%
<b>Expenditure</b>			
0250. Environment & Strategic Planning	252,595	225,861	(10.58%)
0252. Environmental Planning	893,429	933,827	4.52%
0321. Environment Health & Immunisation	844,304	864,169	2.35%
0516. St Andrews Hall Reserve	30,324	39,071	28.85%
<b>Total Environment Services</b>	<b>1,641,975</b>	<b>1,672,198</b>	<b>1.84%</b>
<b>Development Services</b>			
<b>Income</b>			
0220. Planning & Building Services Mgmt	(20,000)	(20,000)	0.00%
0221. Statutory Planning	(224,000)	(236,000)	5.36%
0222. Building Services	(345,470)	(275,618)	(20.22%)
0223. Planning and Building Services	(66,000)	(61,000)	(7.58%)
0224. Planning & Building Enforcement	(20,000)	(20,000)	0.00%
<b>Expenditure</b>			
0220. Planning & Building Services Mgmt	341,990	348,818	0
0221. Statutory Planning	1,365,357	1,469,163	7.60%
0222. Building Services	509,207	517,951	1.72%
0223. Planning and Building Services	328,206	332,428	1.29%
0224. Planning & Building Enforcement	235,197	191,006	(18.79%)
<b>Total Development Services</b>	<b>2,104,487</b>	<b>2,246,748</b>	<b>6.76%</b>
<b>Total Environment and Planning</b>	<b>5,425,932</b>	<b>5,691,260</b>	<b>4.89%</b>

Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
<b>Corporate Services</b>			
<b>Corporate Services Management</b>			
<b>Expenditure</b>			
0400. GM Corporate Services Mgmt	431,484	444,472	3.01%
<b>Total Corporate Services Management</b>	<b>431,484</b>	<b>444,472</b>	<b>3.01%</b>
<b>Information &amp; Technology</b>			
<b>Expenditure</b>			
0450. Corporate Information	583,301	601,140	3.06%
0454. Network / Desktop	971,267	995,300	2.47%
0455. Corporate Systems	897,171	904,829	0.85%
0456. IT Management	1,882,762	1,911,520	1.53%
0458. GIS	52,222	53,373	2.20%
<b>Total Information &amp; Technology</b>	<b>4,386,723</b>	<b>4,466,162</b>	<b>1.81%</b>
<b>Organisational Development &amp; Risk</b>			
<b>Income</b>			
0620. Human Resource Mgmt	(60,000)	(30,000)	(50.00%)
0621. Occupational Health & Safety	(108,600)	(100,000)	(7.92%)
<b>Expenditure</b>			
0453. Corporate Insurance	1,032,810	1,160,000	12.31%
0620. Human Resource Mgmt	1,192,644	1,206,322	1.15%
0621. Occupational Health & Safety	359,202	358,418	(0.22%)
<b>Total Organisational Development &amp; Risk</b>	<b>2,416,056</b>	<b>2,594,740</b>	<b>7.40%</b>
<b>Governance &amp; Communication</b>			
<b>Income</b>			
0452. Governance	(407)	(410)	0.74%
0459. Customer Service	(8,000)	(4,000)	(50.00%)
0650. Communication	(3,100)	(3,100)	-
<b>Expenditure</b>			
0452. Governance	746,560	779,147	4.36%
0459. Customer Service	500,028	530,565	6.11%
0650. Communication	657,416	674,201	2.55%
<b>Total Governance &amp; Communication</b>	<b>1,892,497</b>	<b>1,976,403</b>	<b>4.43%</b>
<b>Finance</b>			
<b>Income</b>			
0410. Accounting Services	(12,950)	-	(100.00%)
0411. Accounting Services - Other	(4,027,307)	(3,217,000)	(20.12%)
0412. Rates	(56,764,088)	(60,165,860)	5.99%
0413. Reserve Transfers	(633,600)	(586,100)	(7.50%)
<b>Expenditure</b>			
0410. Accounting Services	1,283,358	1,658,607	29.24%
0411. Accounting Services - Other	3,197,629	3,661,868	14.52%
0412. Rates	3,267,932	464,460	(85.79%)
0413. Reserve Transfers	633,600	586,100	(7.50%)
0415. Procurement	333,487	-	(100.00%)
<b>Total Finance</b>	<b>(52,721,939)</b>	<b>(57,597,925)</b>	<b>9.25%</b>
<b>Total Corporate Services</b>	<b>(43,595,179)</b>	<b>(48,116,148)</b>	<b>10.37%</b>

Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
<b>Executive Services</b>			
<b>Executive Services</b>			
<b>Expenditure</b>			
0600. Executive Management	631,849	647,812	2.53%
0601. Council Support	303,926	308,819	1.61%
<b>Total Executive Services</b>	<b>935,775</b>	<b>956,631</b>	<b>2.23%</b>
<b>Total Executive Services</b>	<b>935,775</b>	<b>956,631</b>	<b>2.23%</b>
<b>Community and Leisure</b>			
<b>Community and Leisure Management</b>			
<b>Income</b>			
0292. Leisure & Community Services	(7,000)	-	(100.00%)
<b>Expenditure</b>			
0292. Leisure & Community Services	368,571	371,552	0.81%
<b>Total Community and Leisure Management</b>	<b>361,571</b>	<b>371,552</b>	<b>2.76%</b>
<b>Community Services &amp; Social Development</b>			
<b>Income</b>			
0309. Inclusion Support	(95,285)	(97,381)	2.20%
0310. Childrens Services	(44,423)	(38,612)	(13.08%)
0311. Family Day Care	(274,872)	(233,850)	(14.92%)
0313. Consiton Street	(3,000)	(3,200)	6.67%
0314. Maternal Child Health	(287,759)	(294,090)	2.20%
0315. Youth Services	(44,540)	(19,000)	(57.34%)
0317. Aged Services Assessment	(356,408)	(231,879)	(34.94%)
0318. HACC Contracts	(1,430,553)	(1,192,032)	(16.67%)
0319. Senior Citizens Centres	(3,000)	(3,000)	-
0338. Food Services	(207,184)	(183,317)	(11.52%)
0340. Coordinator Aged & Disability	(77,718)	(79,428)	2.20%
0342. Family & Children's Serv Mgmt	(53,991)	(20,514)	(62.00%)
0343. Supported Playgroup	(64,464)	(47,599)	(26.16%)
0344. Hurstbridge Community Centre	(41,411)	(15,100)	(63.54%)
0346. Positive Ageing	(10,455)	-	(100.00%)
0500. Community Services Mgmt	(56,075)	-	(100.00%)
0517. Grow Communities Thriving Children	(259,286)	(110,172)	(57.51%)
0518. Best Start	(171,689)	(111,861)	(34.85%)
0304. Childcare Eltham	(129,993)	(130,213)	0.17%
0305. Childcare Panton Hill	(144,256)	(154,570)	7.15%
<b>Expenditure</b>			
0309. Inclusion Support	97,114	98,539	1.47%
0310. Childrens Services	152,926	151,943	(0.64%)
0311. Family Day Care	272,249	274,152	0.70%
0312. Occ Child Care-Hohnes Road	34,192	34,254	0.18%
0313. Consiton Street	15,500	15,960	2.97%
0314. Maternal Child Health	997,590	1,045,787	4.83%
0315. Youth Services	432,863	421,136	(2.71%)
0317. Aged Services Assessment	416,114	304,008	(26.94%)



Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
0318. HACC Contracts	1,668,730	1,465,317	(12.19%)
0319. Senior Citizens Centres	4,560	4,560	-
0337. Contracts and Data Officer	44,985	49,438	9.90%
0338. Food Services	300,641	253,138	(15.80%)
0340. Coordinator Aged & Disability	77,718	80,362	3.40%
0342. Family & Children's Serv Mgmt	333,034	312,518	(6.16%)
0343. Supported Playgroup	64,475	47,691	(26.03%)
0344. Hurstbridge Community Centre	249,694	163,200	(34.64%)
0345. Community & Social Development	85,711	80,788	(5.74%)
0346. Positive Ageing	178,408	175,335	(1.72%)
0500. Community Services Mgmt	273,254	221,778	(18.84%)
0514. Eltham War Memorial Hall	4,782	4,844	1.30%
0517. Grow Communities Thriving Children	259,146	110,732	(57.27%)
0518. Best Start	171,457	112,471	(34.40%)
0304. Childcare Eltham	187,565	190,220	1.42%
0305. Childcare Panton Hill	176,394	190,402	7.94%
<b>Total Community Services &amp; Social Development</b>	<b>2,742,740</b>	<b>2,842,755</b>	<b>3.65%</b>
<b>Community Participation, Learning and Culture Income</b>			
0255. Arts & Cultural Services	(11,423)	(10,000)	(12.46%)
0303. Operations Eltham	(54,052)	(25,300)	(53.19%)
0306. Operations Panton Hill	(100)	(308)	208.00%
0316. Community Grants	(4,128)	(4,128)	-
0320. Metro Access	(186,927)	(120,000)	(35.80%)
0323. Eltham Community Programs	(113,744)	(114,750)	0.88%
0324. General Preparatory Programs	(37,660)	(23,100)	(38.66%)
0325. Vocational Education & Training	(575,072)	(557,000)	(3.14%)
0327. P/Hill Community Program	(69,411)	(70,411)	1.44%
0331. D/Creek LLC Core Operations	(63,200)	(64,200)	1.58%
0333. Community Program-D/Creek	(57,202)	(50,000)	(12.59%)
0335. Community Planning	(10,000)	-	(100.00%)
0341. Transport Connections	(130,772)	(48,696)	(62.76%)
0351. Edendale Operations	(308,000)	(299,000)	(2.92%)
<b>Expenditure</b>			
0255. Arts & Cultural Services	533,128	547,741	2.74%
0300. Social & Cultural Development	186,225	191,345	2.75%
0303. Operations Eltham	345,946	414,125	19.71%
0306. Operations Panton Hill	9,424	9,950	5.58%
0316. Community Grants	83,569	84,452	1.06%
0320. Metro Access	276,332	198,409	(28.20%)
0323. Eltham Community Programs	101,975	115,654	13.41%
0324. General Preparatory Programs	85,521	23,050	(73.05%)
0325. Vocational Education & Training	499,740	473,183	(5.31%)

Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
0327. P/Hill Community Program	74,323	77,230	3.91%
0331. D/Creek LLC Core Operations	135,215	121,736	(9.97%)
0333. Community Program-D/Creek	30,700	31,026	1.06%
0335. Community Planning	620,999	629,827	1.42%
0341. Transport Connections	189,918	60,380	(68.21%)
0347. People and Place Management	52,107	-	(100.00%)
0351. Edendale Operations	890,947	912,391	2.41%
0401. Library	2,439,623	2,556,284	4.78%
<b>Total Community Participation, Learning and Culture</b>	<b>4,934,001</b>	<b>5,059,890</b>	<b>2.55%</b>
<b>Community and Leisure Facilities</b>			
<b>Income</b>			
0302. Community Leisure	(144,757)	(131,879)	(8.90%)
0329. Senior Citizens Eltham	(8,072)	(8,335)	3.26%
0330. Senior Citizens Diamond Creek	(5,781)	(5,971)	3.29%
0501. ELC - Ymca	(5,318,711)	(5,145,336)	(3.26%)
0502. DVSC Admin	(1,059,637)	(945,675)	(10.75%)
0503. Diamond Creek Pool	(171,179)	(163,983)	(4.20%)
0504. Yarrambat Park Golf Course	(422,992)	(618,833)	46.30%
0505. DCCC Admin	(661,812)	(610,461)	(7.76%)
0507. Eltham Community Centre	(81,880)	(84,318)	2.98%
0508. Eltham North Community Hall	(12,498)	(12,871)	2.98%
0509. Hurstbridge Community Hall	(9,814)	(10,105)	2.97%
0510. Eltham Performing Arts Centre	(25,085)	(25,791)	2.81%
0511. Kangaroo Ground Hall	(2,510)	(2,584)	2.95%
0512. Eltham Library Complex	(16,628)	(17,304)	4.07%
0513. Outdoor Performance Centre	(1,306)	(1,344)	2.91%
0515. North Warrandyte Hall	(5,927)	(6,105)	3.00%
0521. Hurstbridge Sports Stadium	(14,923)	(15,494)	3.83%
0522. Diamond Creek Stadium	(438,939)	(434,768)	(0.95%)
<b>Expenditure</b>			
0302. Community Leisure	343,497	341,844	(0.48%)
0329. Senior Citizens Eltham	21,618	21,767	0.69%
0330. Senior Citizens Diamond Creek	17,448	17,519	0.41%
0501. ELC - Ymca	5,021,114	4,846,577	(3.48%)
0502. DVSC Admin	1,177,925	1,232,560	4.64%
0503. Diamond Creek Pool	326,205	322,583	(1.11%)
0504. Yarrambat Park Golf Course	694,071	711,565	2.52%
0505. DCCC Admin	1,008,742	798,257	(20.87%)
0506. Community Halls Admin	284,268	295,787	4.05%
0507. Eltham Community Centre	139,156	143,075	2.82%
0508. Eltham North Community Hall	17,686	17,826	0.79%
0509. Hurstbridge Community Hall	14,776	14,880	0.70%
0510. Eltham Performing Arts Centre	18,804	19,068	1.40%
0511. Kangaroo Ground Hall	7,552	7,596	0.58%
0512. Eltham Library Complex	1,901	1,909	0.42%
0513. Outdoor Performance Centre	1,510	1,513	0.20%
0515. North Warrayndte Hall	15,956	16,117	1.01%

Department Unit	2014-15 Forecast	2015-16 Budget	Percent var to 2014-15 Budget
	\$	\$	%
0519. Leisure Facilities	288,186	303,048	5.16%
0520. Leisure Services Management	137,519	254,358	84.96%
0521. Hurstbridge Sports Stadium	37,595	38,448	2.27%
0522. Diamond Creek Stadium	555,229	532,261	(4.14%)
<b>Total Community and Leisure Facilities</b>	<b>1,728,307</b>	<b>1,697,401</b>	<b>(1.79%)</b>
<b>Total Community and Leisure</b>	<b>9,766,619</b>	<b>9,971,598</b>	<b>2.10%</b>
<b>Operating Cost To Council</b>	<b>(6,820,355)</b>	<b>(9,969,549)</b>	<b>46.17% *</b>

\* 2014-15 includes the replenishment of Council's cash reserves of \$2.7 million for Defined Benefit superannuation payment.  
Footnotes

1. The percentage increase in Rates revenue includes the 5.50% average increase per assessment in standard rates & charges, and revenue from supplementary valuations.
2. The total "Operating Cost to Council" includes transfers to and from reserves and debt principal repayments, which are separately identified in the formal Budget.
3. This figure excludes New Initiative items, which are separately identified in the formal Budget.

**Appendix F**  
**Grants listing by funding type and source**

This appendix presents the listing of grants by funding type and source for the 2015-16 year.

Operating grant funding type and source	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<b>Recurrent - Commonwealth Government</b>			
Victorian Grants Commission*	3,334	3,328	(6)
<b>Recurrent - State Government</b>			
Home & Community Care	1,325	1,355	30
Maternal & Child Health	380	404	24
Family & Children	651	613	(38)
Community Services	177	169	(8)
School Crossings	141	143	2
Youth Services	2	-	(2)
Adult Education	413	398	(15)
Emergency Management	16	16	-
Metro Access	120	120	-
Occupational Health and Safety	9	-	(9)
Open Space	13	-	(13)
Environmental Works	19	-	(19)
Economic Development	5	5	-
New Initiatives	1,641	54	(1,587)
<b>Total Recurrent Grants</b>	<b>8,246</b>	<b>6,605</b>	<b>(1,641)</b>
<u>less</u> New Initiatives non-grant income	(90)	-	90
<b>Total Recurrent Grants (incl. non-grant income)</b>	<b>8,156</b>	<b>6,605</b>	<b>(1,551)</b>

Capital grant funding type and source	Forecast 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<i>Non-Recurrent - Commonwealth Government</i>	630	1050	420
<i>Non-Recurrent - State Government</i>	1,783	3467	1,684
<b>Total Non-Recurrent Grants</b>	<b>2,413</b>	<b>4,517</b>	<b>2,104</b>

## **Appendix G**

### **Fees and Charges**

This appendix presents the fees and charges for the 2015-16 year.

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Infrastructure Maintenance</b>				
Culvert Pipe and Endwall Supply Fee				
- Culvert Pipes	225mm diameter x 2.4m length	Y	135.20	135.20
- Culvert Pipes	300mm diameter x 2.4m length	Y	199.50	199.50
- Culvert Pipes	375mm diameter x 2.4m length	Y	298.80	298.80
- Culvert Pipes	Concrete Endwall (single)	Y	334.50	391.00
- Culvert Pipes	Delivery fee	Y	26.00	60.00
Culvert Pipe Installation / hour	Minimum 3.5 hours - subject to an inspection. Installation at the same time as programmed grading or when works are occurring in the area.	Y	N/A	277.50
<b>Waste Management</b>				
Bin Tows	Each	Y	23.00	23.00
Other Red Lid Bin - 80 Litre	Each	Y	N/A	N/A
Other Red Lid Bin - 120 Litre	Each	Y	71.00	76.00
Organics Green Lid Bin - 120 Litre	Each	Y	71.00	76.00
Recycle Yellow Lid Bin - 120 Litre	Each	Y	71.00	76.00
Recycle Yellow Lid Bin - 240 Litre	Each	Y	84.00	90.00
<b>Recycling &amp; Recovery Centre</b>				
Car Boot		Y	26.00	27.00
Station Wagon		Y	36.00	37.00
Small Utility/Van		Y	46.00	47.00
Large Ute		Y	76.00	78.00
Large Van		Y	90.00	92.00
6 x 4 Trailer		Y	62.00	64.00
6 x 4 Trailer High Side or 8 X 6 Tandem Trailer		Y	76.00	78.00
7 x 5 Trailer		Y	N/A	72.00
7 x 5 Trailer High Side		Y	N/A	92.00
Medium Utility or Van		Y	66.00	68.00
8 x 6 Tandem Trailer High Side		Y	102.00	104.00
White Goods - Refrigerator, Stove, Washing Machine etc.		Y	30.00	30.00
Mattress		Y	30.00	30.00
Car Tyre		Y	12.00	12.00
Car Rim		Y	14.00	14.00
4WD Tyre		Y	15.00	15.00
4WD Rim		Y	17.00	17.00
Motor Oil (over 10 litres)	Per litre		No charge	No charge
Car Battery			No charge	No charge
Household Recycling - Paper, Cardboard & Containers			No charge	No charge
<b>Emergency Management</b>				
Fire Prevention - Slashing	Blocks up to 1.0 hectare	Y	293.00	302.00
Fire Prevention - Slashing - Larger blocks	Per hectare	Y	435.00	450.00
Fire Prevention - Firebreaks to 10 metres wide	Per linear metre	Y	2.40	2.45
Fire Prevention - Firebreaks to 20 metres wide	Per linear metre	Y	3.45	3.55
Fire Prevention - Roadsides	Per linear metre	Y	2.40	2.45
<b>Infrastructure Development</b>				
*Dispensations				
	Building over easement (maximum fee)		As per Building Control Commission Rates (TBA)	As per Building Control Commission Rates (TBA)
	Front fence at corner (maximum fee)		As per Building Control Commission Rates (TBA)	As per Building Control Commission Rates (TBA)
	Land subject to flooding (maximum fee)		As per Building Control Commission Rates (TBA)	As per Building Control Commission Rates (TBA)
*Subdivision supervision and Plan Checking	3.25% of actual costs of works - fees set by Subdivision Act plus GST (Fee rate set by requirements of the Subdivision Act)	Y		
*Storm Water and Drainage Information			As per Building Control Commission Rates (TBA)	As per Building Control Commission Rates (TBA)
Asset Reinstatements	Council claims actual cost of works plus 30% administration costs plus GST	Y		
Application for Consent	Per unit - refer Monetary Units Act 2004		As per MAV unit rates	As per MAV unit rates
*Road Opening Permits			As per Vic Roads Rates	As per Vic Roads Rates

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Arterial Road</b>				
Works, other than minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Works, other than minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
<b>Municipal road or non arterial State road where maximum speed limit is more than 50kph</b>				
Works, other than minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Works, other than minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
<b>Municipal road or non arterial State road where maximum speed limit is not more than 50kph</b>				
Works, other than minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Works, other than minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Minor works - not conducted on roadway, shoulder or pathway	per site		As per MAV unit rates (TBA)	As per MAV unit rates (TBA)
Asset Protection		Y	200.00	250.00
Street Lights Developer Contribution	100% of actual cost of the non-standard public lighting in the estate			
Street Trees Developer Contribution	\$220 per 40 m <sup>2</sup> of the landscaping area			
Copies of Plans/Photocopying	A4/page	Y	0.90	0.95
Copies of Plans/Photocopying	A3/page	Y	1.50	1.55
Copies of Plans/Photocopying	A1/page	Y	4.00	4.10
Road Pavements	2m <sup>2</sup> to 10m <sup>2</sup> (per m <sup>2</sup> )	Y	As per contract rates	As per contract rates
Road Pavements	Greater than 10m <sup>2</sup> (per m <sup>2</sup> )	Y	As per contract rates	As per contract rates
Footpath & Crossovers - Minimum charge of 2 m <sup>2</sup> or 2 lineal metres.				
These rates are charged for all reinstatements unless prior agreement to alternative arrangements (e.g.: cost plus 30%):				
- Footpaths	Asphalt, 75mm concrete, pitcher or flag type (per m <sup>2</sup> )	Y	As per contract rates	As per contract rates
- Crossovers	150mm concrete (per m <sup>2</sup> )	Y	As per contract rates	As per contract rates
Industrial Vehicular Crossing	Up to 175mm reinforced concrete (per m <sup>2</sup> )	Y	As per contract rates	As per contract rates
Kerb & Channel	Concrete, dish gutters and spoon drains concrete kerb (per lineal m)	Y	As per contract rates	As per contract rates
Saw Cutting	Per lineal metre	Y	As per contract rates	As per contract rates
Traffic Control	Per controller (per hour)	Y	As per contract rates	As per contract rates
Following surcharges will apply for all concrete reinstatements works:				
▪ Under 10m <sup>2</sup> 30% surcharge on invoice price		Y		
▪ Under 20m <sup>2</sup> 15% surcharge on invoice price		Y		
▪ Above 20 m <sup>2</sup> no surcharge applied		Y		
<b>Regulatory Services</b>				
*Impounding Livestock	Labour - ordinary per hour		42.00	44.00
*Impounding Livestock	Labour - time and a half per hour		63.00	66.00
*Impounding Livestock	Labour - double time per hour		84.00	88.00
*Impounding Livestock	Trespass sheep/goat/pig per head		19.00	20.00
*Impounding Livestock	Trespass other cattle per head		26.00	27.00
*Impounding Livestock	Transport - Monday to Saturday		85.00	90.00
*Impounding Livestock	Transport - Sunday/Public Holidays		110.00	115.00
*Impounding Livestock	Sustenance - sheep/goat/pig per day		14.00	15.00
*Impounding Livestock	Sustenance - cattle per day		21.00	22.00
*Impounding Livestock	Pound fees		15.00	15.50
*Impounding Livestock	Posting notice		21.00	22.00
*Impounding Livestock	Insertion of notice in newspapers		37.00	39.00
*Impounding Livestock	Advertisement		At cost	At cost



## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
*Dog Pound - Release	Release first day	Y	73.00	76.00
*Dog Pound - Sustainance	Sustainance per day	Y	23.00	24.00
*Animal Registration	Dog maximum fee		258.00	267.00
*Animal Registration	Dog reduced fee (Micro chipped only. Excludes new registrations)		86.00	89.00
*Animal Registration	Dog minimum fee (Desexed)		43.00	44.50
*Animal Registration	Cat maximum fee		258.00	267.00
*Animal Registration	Cat reduced fee (Micro chipped only)		86.00	89.00
*Animal Registration	Cat Minimum fee (Desexed)		43.00	44.50
*Animal Registration	Transfer		7.00	7.50
Animal Registration	Replacement tag	Y	7.00	7.50
*Animal Registration	Pensioner registration of any animal		1/2 Std Fee	1/2 Std Fee
*Animal Registration	Domestic animal business		275.00	285.00
*Animal Registration	Dangerous/restricted Breed		252.00	285.00
*Local Law Permits	More than animals specified in Local Law		85.00	88.00
*Local Law Permits	Pensioner concession - Animal Permit		42.50	44.00
*Local Law Permits	Outdoor eating facilities			
	- 1st table		160.00	165.00
	- Thereafter		85.00	88.00
*Local Law Permits	Signs and A Frames		102.00	106.00
*Local Law Permits	Goods/furniture on footpaths		170.00	176.00
*Local Law Permits	Busking per day		36.00	37.50
*Local Law Permits	Commercial Fairs		1,700.00	1,700.00
*Local Law Permits	Storage on roads per day		36.00	37.50
*Local Law Permits	Skips		36.00	37.50
*Local Law Permits	Use of motorised toy vehicles on private property		85.00	88.00
*Local Law Permits	Burning Off		0.00	0.00
*Local Law Permits	Road side Vending (per day)		160.00	165.00
*Local Law Permits	Road side Vending (half day = 4hrs)		80.00	83.00
*Local Law Permits	Road side Vending (per annum )		Refer day rate	Refer day rate
*Local Law Permits	Caravans		85.00	88.00
*Local Law Permits	Camping on Council land per day		18.00	19.00
Local Law Releases	Shopping trolleys per item	Y	85.00	88.00
Local Law Releases	Charity bins per item	Y	85.00	88.00
Local Law Releases	Skips per item	Y	85.00	88.00
Local Law Releases	A frames & Signs	Y	85.00	88.00
Local Law Releases	Miscellaneous small items	Y	85.00	88.00
Local Law Releases	Miscellaneous large items	Y	170.00	210.00
*Parking Fines	Section 87(4) of the Road Safety Act 1986		0.5 Penalty Unit	0.5 Penalty Unit
	50% of one penalty unit			
**Parking Fines	Infringement Court Fees (as advised)		As advised	As advised
**Parking Fines	Witness fees (as awarded)		As awarded	As awarded
Derelict Vehicles	Release	Y	160.00	165.00
Derelict Vehicles	Towing	Y	135.00	140.00
Derelict Vehicles	Storage per day	Y	17.00	18.00
*Parking Permits	Resident schemes		36.00	37.50
*Parking Permits	Resident schemes - Temporary 5-day		36.00	37.50
*Parking Permits	Disabled Parking		0.00	0.00
*Parking Permits	Disabled Parking - Replacement		0.00	0.00
*Parking Permits	Eltham Circulatory Road Permits 12 months		16.00	20.00
*Parking Permits	Trader Parking Permits 12 months		16.00	20.00
*Parking Permits	Trade/Builders Parking Permit/day		44.00	46.00
Minor Works Within the Shire	Sheds, carports, garages, pergolas, pools, demolition, retaining walls, verandahs, re-blocking.	Y	490.00	505.00
Minor Works External to the Shire	Sheds, carports, garages, pergolas, pools, demolition, retaining walls, verandahs, re-blocking.	Y	590.00	610.00
Minor Building Works	Up to the value of \$3,000.00	Y	490.00	505.00
Building Permit Internal	Value of works = 1.00 - 50,000	Y	990.00	1,025.00
Building Permit Internal	Value of works = 50,001 - 100,000	Y	1,120.00	1,160.00
Building Permit Internal	Value of works = 100,001 - 150,000	Y	1,250.00	1,290.00
Building Permit Internal	Value of works = 150,001 - 200,000	Y	1,350.00	1,400.00
Building Permit Internal	Value of works = 200,001 - 300,000	Y	1,600.00	1,650.00
Building Permit Internal	Value of works = 300,001 - 400,000	Y	1,800.00	1,860.00
Building Permit Internal	Value of works = 400,001 - 500,000	Y	2,200.00	2,280.00
Building Permit Internal	Value of works = 500,001 - 1,000,000	Y	POA	POA
Building Permit Internal	Value of works = Over 1,000,000	Y	POA	POA
Building Inspections Internal		Y	165.00	170.00
Minor Works External		Y	590.00	610.00
Multiple Dwelling Internal		Y	680.00	705.00
Building Permit External	Value of works = 1.00 - 50,000	Y	1,200.00	1,240.00
Building Permit External	Value of works = 50,001 - 100,000	Y	1,320.00	1,360.00
Building Permit External	Value of works = 100,001 - 150,000	Y	1,430.00	1,480.00
Building Permit External	Value of works = 150,001 - 200,000	Y	1,530.00	1,580.00
Building Permit External	Value of works = 200,001 - 300,000	Y	1,800.00	1,860.00
Building Permit External	Value of works = 300,001 - 400,000	Y	2,150.00	2,230.00

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
Building Permit External	Value of works = 400,001 - 500,000	Y	2,400.00	2,490.00
Building Permit External	Value of works = 500,001 - 1,000,000	Y	POA	POA
Building Permit External	Value of works = Over 1,000,000	Y	POA	POA
Building Inspections External		Y	195.00	202.00
Multiple Dwellings Fee	Per dwelling (subject to value of works)	Y	950.00	980.00
*Dispensations ( <u>Report</u> and Consent under Part 4)	As advised by Building Commission	Y	260.00	270.00
Amended Plans		Y	200.00	206.00
Lapsed Permit/Inspection		Y	200.00	206.00
Extension of Time		Y	200.00	206.00
A/G Swimming Pool - Local		Y	390.00	402.00
In-ground swimming pool			540	560
Pool Fencing - Written Advice		Y	195.00	201.00
Building Inspection for selected PBS - within the Shire		Y	210.00	217.00
Building Inspection for selected PBS - outside of Shire		Y	210.00	217.00
Building Prosecution Admin Fee		Y	580.00	598.00
*Building Miscellaneous	Building Form 10 (property information requests) As advised by Building Commission		47.00	48.50
Building Miscellaneous	Request for house plans (Depends on number of plans)	Y	80.00	83.00
Building Miscellaneous	Commercial & Industrial Plans (Depends on number of plans)	Y	180.00	186.00
*Building Miscellaneous	Building permit details (irrespective of age)		100.00	103.00
*Building Miscellaneous	Copies of building certificates including Section 29A		70.00	72.50
*Building Maintenance	External lodgement commercial		32.00	33.00
*Building Miscellaneous	External lodgement residential		32.00	33.00
Consultancy per hour		Y	105.00	109.00
Building Notice/Order withdrawal fee		Y	580.00	598.00
Liquor Licence Inspection and Report fee			460.00	475.00
Government Levy	As advised by Building Commission.		1.28 / 1000	1.28 / 1000
<b>Application Fees - Planning Department</b>				
Planning Miscellaneous	General planning information (permits & dates etc.)	Y	115.00	125.00
Planning Miscellaneous	PBS request for written planning information/advice	Y	115.00	125.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit). One permit		115.00	115.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit) Search last permit. Two Permits		230.00	230.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit) Search all permits		350.00	350.00
*Certification	Certification of subdivision per lot		100+20/lot	100+20/lot
*Certification	Re-certification		100.00	100.00
*Planning	Planning Scheme Amendment (stage 1)		798.00	798.00
*Planning	Planning Scheme Amendment (stage 2)		798.00	798.00
*Planning	Planning Scheme Amendment (stage 3)		524.00	524.00
*Planning	Planning Scheme Amendment (stage 4)		798.00	798.00
Planning	Miscellaneous (S173)		210.00	270.00
Planning	Request for extension of time to permit		180.00	270.00
*Planning	Request for amendment to application - after notice		102.00	102.00
Planning	Request for amendment to application/permit - application class:			
*Planning	Class 1		502.00	502.00
*Planning	Class 2		239.00	239.00
*Planning	Class 3		490.00	490.00
*Planning	Class 4		102.00	102.00
*Planning	Class 5		604.00	604.00
*Planning	Class 6		707.00	707.00
*Planning	Class 7		815.00	815.00
*Planning	Class 8		1,153.00	1,153.00
*Planning	Class 9		4,837.00	4,837.00
*Use Only	Class 1		502.00	502.00
*Use and Development 1 Dwelling	2b		239.00	239.00
*Use and development 1 Dwelling	3b		490.00	490.00
*Development	Class 4c <10,000		102.00	102.00
*Development	Class 5d		604.00	604.00
*Development	Class 6e		707.00	707.00
*Development	Class 7e		815.00	815.00
*Development	Class 8e		1,153.00	1,153.00
*Development	Class 9e		4,837.00	4,837.00
*Development	Class 10e		8,064.00	8,064.00
*Development	Class 11e		16,130.00	16,130.00

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
*Subdivision	Class 12		386.00	386.00
*Subdivision	Class 13f		386.00	386.00
*Subdivision	Class 14		386.00	386.00
*Subdivision	Class 15g		781.00	781.00
*Subdivision	Class 16		249.00	249.00
*Subdivision	Class 17h		541.00	541.00
*Subdivision	Class 18h		404.00	404.00
*Planning	Satisfaction matter		102.00	102.00
*Planning	Certificate of compliance		-	147.00
PBS Copying (not including written objections)	A3 copies		4.00	4.00
PBS Copying (not including written objections)	A4 copies		2.00	2.00
PBS Copying (not including written objections)	A1 copies		17.00	17.00
Advertising	Mail out up to 10 notices plus one onsite notice	Y	110.00	115.00
Advertising	Each additional onsite notice	Y	12.00	15.00
Advertising	Each additional mailed notice	Y	5.00	5.00
Removal of trees < 3 (Arborist)		Y	140.00	220.00
Request for secondary consent approval			220.00	270.00
Amend or end a Section 173 Agreement - consent request		Y	210.00	502.00
<b>Health Charges</b>				
<i>(reclassified in accordance with Food Act legislation)</i>				
*Registration of Food Premises	Class One Premises		500.00	515.00
*Registration of Food Premises	Class Two Premises		590.00	610.00
*Registration of Food Premises	Class Three Premises		325.00	335.00
*Registration of Food Premises	Class Four Premises		-	-
*Registration of Food Premises	Community Group - Class 2		N/A	305.00
*Registration of Food Premises	Community Group - Class 3		115.00	167.50
Pre-application site inspection	Food or Health Premises		70.00	70.00
Food Premises Additional inspection	Other than mandatory inspection and 1 follow up		125.00	130.00
	Where a proprietor chooses to register fixed premises and associated mobile premises together this additional fee applies		100.00	105.00
Food Premises Additional Component	applies			
Pre-purchase inspection (more than 3 months)	Food or Health Premises		270.00	280.00
Failed sampling result	2nd and subsequent sampling results		160.00	165.00
Streatrader Registration	Category 1		215.00	220.00
Streatrader Registration	Category 2		145.00	150.00
Temporary Food Premises Permit (more than 10 business days notice) :				
	One (1) event		80.00	80.00
	Two (2) - six (6) events		110.00	115.00
	Seven (7) - twelve (12) events		135.00	140.00
Temporary Food Premises Permit (less than 10 business days notice) :				
	One (1) event		90.00	95.00
	Two (2) - six (6) events		120.00	125.00
	Seven (7) - twelve (12) events		145.00	150.00
	Not For Profit organisations		N/A	N/A
*Transfer of Food/Health Premises	With inspection report		270.00	280.00
*Plans Approvals	All premises**		195.00	200.00
(An additional \$10 will be charged per staff person over 5 for all food premises)				
*Hairdresser Registration			155.00	160.00
*Beauty Therapy Registration			160.00	165.00
*Skin Penetration Registration			215.00	220.00
*Prescribed Accommodation	Fee for < 10 beds		245.00	250.00
	Fee for 10 - 20 beds		410.00	420.00
	Fee for > 20 beds		520.00	535.00
*Septic Application			450.00	465.00
Septic Additional inspection	Other than 1 PTI inspection and 1 PTU inspection		125.00	130.00
Extension of Septic Permit			160.00	165.00
*Alteration of Septic Tank			270.00	280.00
Search for septic plans			40.00	40.00
Application to Retain Septic System in Reticulated Area	Includes site inspection, records search and one water sample analysis		300.00	310.00
Caravan Parks			As per Residential Tenancies Act	As per Residential Tenancies Act
Health - Colonic Irrigation			180.00	185.00

## Nillumbik Shire Council 2015-16 Fees & Charges

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Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Home Care</b>				
Home Care Per Hour	Per hour (means tested)			
Low			6.00	6.20
Medium			14.95	15.45
High			32.50	33.65
Personal Care Per Hour				
Low			4.55	4.70
Medium			9.00	9.30
High			37.10	38.40
Respite Per Hour	Per hour (means tested)			
Low			3.00	3.10
Medium			4.55	4.70
High			33.60	34.75
Home Maintenance Per Hour	Per hour (means tested)			
Low			11.95	12.35
Medium			17.95	18.55
High			47.35	49.00
Delivered Meals				
Low			9.00	9.30
Medium			9.00	9.30
High			11.00	11.40
<b>Family Day Care</b>				
FDC Administration Levy	Per hour		0.70	0.80
Family Registration Fee	Per family		25.00	50.00
Educator Registration Fee	Per educator		60.00	100.00
<b>Playhouse</b>				
Child Care for Occasional Users	1 child per hour (concession)		7.80	8.05
Child Care for Occasional Users	1 child per hour (full)		9.35	9.65
<b>Preschool</b>				
Centralised Preschool Enrolments			33.35	34.00
<b>Diamond Creek East Pre School / Community Building</b>				
Facility Hire charge	Day/Evening sessions -permanent users			36.05
	Day/Evening sessions - Casual users			41.20
	Weekend sessions - permanent users			51.50
	Weekend sessions - casual users			61.80
<b>Community Development</b>				
Community Transport	Per trip		2.00	2.00
<b>Edendale Farm Community Environment Centre</b>				
<b>School Program Fees (1 July 2015 to 31 December 2015)</b>				
School Program	Per child (1 hour)	Y	4.60	4.85
School Program	Per child - 3/4 Day	Y	14.40	14.85
School Program	Per child - 1/2 day	Y	10.80	11.10
School Program	Per child - Full day	Y	16.50	16.95
Pre-school (excursion)	Per-child (1 session)	Y	6.40	6.60
Pre-school (excursion)	Per- child (2 session)	Y	11.20	11.60
Pre-school (excursion)	Per-child (3 session)	Y	13.20	13.60
Incursions	Per class	Y	105.00 - 393.00	109.00 - 406.00
School visit/talk	Flat rate per hour	Y	107.00	112.00
<b>School Program Fees (1 January 2016 to 30 June 2016)</b>				
School Program	Per child (1 hour)	Y	4.80	5.00
School Program	Per child - 3/4 Day	Y	14.90	15.30
School Program	Per child - 1/2 day	Y	11.20	11.40
School Program	Per child - Full day	Y	17.10	17.50
Pre-school (excursion)	Per-child (1 session)	Y	6.50	6.80
Pre-school (excursion)	Per- child (2 session)	Y	11.60	11.95
Pre-school (excursion)	Per-child (3 session)	Y	13.80	14.00
Incursions	Per class	Y	109.00 - 406.00	112.00 - 420.00
School visit/talk	Flat rate per hour	Y	110.00	115.00
Interactive Tours (youth groups & playgroups)	Per child	Y	6.50	6.80

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

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Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
Tours	Per adult	Y	7.70	7.95
Tours	Adult concession	Y	5.20	5.40
Workshops	Per participant	Y	5.20 - 103.00	5.40 - 107.00
Regular visits from organisations	Per person	Y	2.70	2.80
Festival and event entry	Per person	Y	2.10 - 8.00	2.20 - 8.25
Guided Tours	Per child (0-2 years)	Y	Donation	Donation
Admissions - child (age 2 and over)	Child	Y	Donation	Donation
Admission - adult	Adult	Y	Donation	Donation
Eggs	Per dozen	Y	2.50 - 5.00	2.50 - 5.20
Worms	Per batch	Y	22.00 - 31.00	20.00 - 35.00
Poultry	Each	Y	At market price	At market price
Cattle	Per head	Y	At market price	At market price
Sheep	Per head	Y	At market price	At market price
Goats	Per head	Y	At market price	At market price
Vegetable & Herb Seedlings	Per punnet or pot	Y	1.00 - 3.00	1.00 - 3.10
Plants	Per tube	Y	2.00 - 3.50	1.50 - 3.60
Plants	Per pot	Y	7.00 - 60.00	5.00 - 62.00
Plants	Special	Y	0.50 - 2.50	0.50 - 2.50
Stakes (3)	Per set	Y	2.30	2.40
Stakes (50)	Per bundle	Y	35.00	37.00
Tree Guards	Each	Y	0.60	0.60
Planting Kit (Stake & tree guard)	Per set	Y	2.80	2.90
Compost Bin	400 litre	Y	59.00	61.00
Compost Bin	220 litre	Y	48.00	49.50
Compost Mate	Each	Y	16.00	17.00
Worm Factories	Standard	Y	80.00	82.50
<b>Room Hire - Standard (Mummery and Macey rooms)</b>				
Monday to Friday	Day time - 4 hours	Y	148.00	153.00
Monday to Friday	Night time	Y	148.00	153.00
Saturday and Sunday	Day time - 4 hours	Y	148.00	153.00
Saturday	Night time	Y	148.00	153.00
Monday to Friday	per hour (max. 2 hours)	Y	40.00	40.00
Kitchen use charge	per day	Y	25.00	26.00
Cleaning levy	per event (if required)	Y	139.00	144.00
Bond	per event (if required)	Y	228.00	250.00
Staff lock up fee	Night time	Y	130.00	135.00
<b>Room Hire - Community and local small business (Mummery Room)</b>				
Monday to Friday	Day time - 4 hours	Y	102.00	105.00
Monday to Friday	Night time	Y	102.00	105.00
Saturday and Sunday	Day time - 4 hours	Y	102.00	105.00
Saturday	Night time	Y	127.00	135.00
Any day	per hour (max. 2 hours)	Y	28.00	28.00
Kitchen use charge	per day	Y	25.00	26.00
Cleaning levy	per event (if required)	Y	139.00	144.00
Bond	per event (if required)	Y	228.00	250.00
Staff lock up fee	Night time	Y	130.00	135.00
<b>Room Hire - Council and LLN (Any room)</b>				
Monday to Friday	Day time - 4 hours	Y	59.00	61.00
Monday to Friday	Night time	Y	59.00	61.00
Saturday and Sunday	Day time - 4 hours	Y	59.00	61.00
Saturday	Night time	Y	126.00	131.00
Kitchen use charge	per day	Y	25.00	26.00
Cleaning levy	per event (if required)	Y	139.00	144.00
Bond	per event (if required)	Y	N/A	N/A
Staff lock up fee	Night time	Y	130.00	135.00
<b>Additional services</b>				
Birthday party shelter hire	Exclusive group with public liability insurance	Y	80.00	80.00
Birthday party farm tour	Group	Y	150.00	150.00
Birthday party guinea pigs patting	Group	Y	70.00	70.00
Hire of designated lawn area	Group	Y	100.00 - 250.00	100.00 - 250.00
Hire of site	Exclusive use	Y	300.00 - 2000.00	300.00 - 2000.00

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Living &amp; Learning Nillumbik</b>				
Fee for Service Courses	Total direct costs of course divided by minimum number of enrolments: Direct Costs (e.g.) - tutor - materials - equipment - venue hire - catering Plus Indirect Costs - staffing & administration calculated at \$25 per program hour All costs take into account CPI, GST where applicable. Fees will be adjusted to take into consideration the target group i.e. holders of Concession Cards			
Co-ops (untutored self-help Interest Groups)	Per session		Fees calculated as per Fee for Service	Fees calculated as per Fee for Service
Casual Computer use (non-course participants)	Per hour	Y	4.80	5.00
Government Funded Training	As per Ministerial Directive		As per Ministerial Directive	As per Ministerial Directive
<b>Living &amp; Learning Nillumbik - Rentals</b>				
<b>Living &amp; Learning Nillumbik Eltham</b>				
Pavilion	Up to 25 people for meeting; includes kitchen facilities			
	- Standard Rate (per hour)	Y	54.00	56.00
	- Community Rate (per hour)	Y	27.00	28.00
	- Unfunded voluntary group occasional	Y	0.00	20.00
Sunroom	Up to 15 people; includes kitchen facilities (access needs to be arranged)			
	- Standard Rate (per hour)	Y	44.00	45.00
	- Community Rate (per hour)	Y	17.00	20.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Kitchen	Up to 12 people			
	- Standard Rate (per hour)	Y	22.00	23.00
	- Community Rate (per hour)	Y	17.00	18.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Art Studio 2 (small)	Up to 20 people; includes kitchen facilities			
	- Standard Rate (per hour)	Y	44.00	45.00
	- Community Rate (per hour)	Y	17.00	18.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Clay Studio	Additional individual bookings by current class participants			
	- Standard Rate (per hour)	Y	44.00	45.00
	- Community Rate (per hour)	Y	22.00	23.00
Training Room	Up to 14 people			
	- Standard Rate (per hour)	Y	0.00	45.00
	- Community Rate (per hour)	Y	0.00	20.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Courthouse training room	Up to 20 people; includes kitchen facilities			
	- Standard Rate (per hour)	Y	44.00	45.00
	- Community Rate (per hour)	Y	22.00	23.00
	- Unfunded voluntary group occasional	Y	0.00	18.00
Old Courthouse	Up to 25 people; included access to kitchen (1/2 Day)			
	- Standard Rate (1/2 day)	Y	76.00	78.00
	- Community Rate (1/2 Day)	Y	64.00	65.00
	Up to 25 people; included access to kitchen (Full Day)			
	- Standard Rate (Full Day)	Y	135.00	135.00
	- Community Rate (Full Day)	Y	108.00	108.00
	Up to 25 people; included access to kitchen (Evening)			
	- Standard Rate (Evening)	Y	54.00	56.00
	- Community Rate (Evening)	Y	49.00	50.00

## Nillumbik Shire Council 2015-16 Fees & Charges

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Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Living &amp; Learning Nillumbik Pantom Hill</b>				
Banksia/Eucalyptus	Up to 25 people - standard rate			
	- Standard Rate (per hour)	Y	32.00	33.00
	- Community Rate (per hour)	Y	22.00	23.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Sunroom	Up to 10 people; kitchen facilities			
	- Standard Rate (per hour)	Y	27.00	28.00
	- Community Rate (per hour)	Y	17.00	18.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Kitchen	Up to 15 people			
	- Standard Rate (per hour)	Y	32.00	33.00
	- Community Rate (per hour)	Y	22.00	23.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
<b>Living &amp; Learning Nillumbik Diamond Creek</b>				
Downstairs classroom	Up to 15 people for meeting; includes kitchen facilities			
	- Standard Rate (per hour)	Y	27.00	28.00
	- Community Rate (per hour)	Y	17.00	20.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Upstairs classroom	Up to 25 people; includes kitchen facilities			
	- Standard Rate (per hour)	Y	22.00	33.00
	- Community Rate (per hour)	Y	17.00	23.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
Computer room	Up to 11 people; includes kitchen facilities .			
	- Standard Rate (per hour)	Y	22.00	23.00
	- Community Rate (per hour)	Y	17.00	18.00
	- Unfunded voluntary group occasional	Y	0.00	13.00
	If computers are required			
	- Standard Rate (per hour)	Y	32.00	33.00
	- Community Rate (per hour)	Y	22.00	23.00
	- Unfunded voluntary group occasional	Y	0.00	18.00
<b>Arts &amp; Culture</b>				
Alan Marshall Short Story Competition	first category entered	Y	18.00	20.00
Alan Marshall Short Story Competition	each additional category entered		no charge	20.00
Alan Marshall Short Story Competition	Youth Under 15		no charge	no charge
Alan Marshall Short Story Competition	Youth 15-19		no charge	no charge
Alan Marshall Book Reprint		Y	15.00	15.00
Ekphrasis	Per entry	Y	11.00	12.00
Art Programs - Other Income	Commission 20% of sale			
Hire Eltham Gallery	1 July - 31 December	Y	33.00	35.00
Hire Eltham Gallery	1 January - 30 June	Y	35.00	37.00
<b>Community Halls Network Eltham Community &amp; Reception Centre</b>				
Self Catered Function - Day	Monday - Friday			
	- Standard Rate	Y	544.80	561.20
	- Community Rate (70%)	Y	381.40	392.80
Self Catered Function - Evening	Friday & Sunday			
	- Standard Rate	Y	999.00	1029.00
	- Community Rate (70%)	Y	699.20	720.20
Self Catered Function - Evening	Saturday			
	- Standard Rate	Y	1019.80	1050.40
	- Community Rate (70%)	Y	713.80	735.40
Weekdays - up to 100 people	Rate per hour			
	- Standard Rate	Y	49.00	50.40
	- Community Rate (70%)	Y	34.40	35.40
Weekdays - up to 200 people	Rate per hour			
	- Standard Rate	Y	72.20	74.40
	- Community Rate (70%)	Y	50.60	52.20
Use of Kitchen	Weekends up to 100 weeks & evenings up to 200 weeks			
	- Standard Rate	Y	144.40	148.80
	- Community Rate (70%)	Y	101.00	104.20
100 People	Rate per hour			
	- Standard Rate	Y	66.40	68.40
	- Community Rate (70%)	Y	46.40	47.80
200 People	Rate per hour			
	- Standard Rate	Y	82.80	85.20
	- Community Rate (70%)	Y	58.00	59.60

## Nillumbik Shire Council 2015-16 Fees & Charges

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Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Eltham Performing Centre</b>				
<b>Theatre</b>				
	Day time rehearsal - Monday to Sunday per hour			
	- Standard Rate	Y	40.80	42.00
	- Community Rate (70%)	Y	28.60	29.40
	Evening rehearsal - Monday to Sunday per hour			
	- Standard Rate	Y	45.20	46.60
	- Community Rate (70%)	Y	31.80	32.60
	Evening performance - Monday to Thursday			
	- Standard Rate	Y	493.60	508.40
	- Community Rate (70%)	Y	345.60	355.80
	Evening Performance - Friday & Sunday			
	- Standard Rate	Y	615.80	634.40
	- Community Rate (70%)	Y	431.00	444.00
	Day time performance - Saturday			
	- Standard Rate	Y	669.40	689.40
	- Community Rate (70%)	Y	468.60	482.60
	Evening performance - Saturday			
	- Standard Rate	Y	669.40	689.40
	- Community Rate (70%)	Y	468.60	482.60
	Day time performance - Sunday			
	- Standard Rate	Y	579.60	597.00
	- Community Rate (70%)	Y	405.80	417.80
<b>Eltham Library Complex</b>				
	Day time - Monday to Thursday per hour			
	- Standard Rate	Y	30.20	31.20
	- Community Rate (70%)	Y	21.20	21.80
	Day time - Friday to Sunday per hour			
	- Standard Rate	Y	31.40	32.40
	- Community Rate (70%)	Y	22.00	22.60
	Evening - Monday to Friday per hour			
	- Standard Rate	Y	33.80	34.80
	- Community Rate (70%)	Y	23.60	24.40
	Evening - Saturday			
	- Standard Rate	Y	400.60	412.60
	- Community Rate (70%)	Y	280.40	288.80
	Evening - Friday & Sunday			
	- Standard Rate	Y	303.80	313.00
	- Community Rate (70%)	Y	212.60	219.00
<b>Outdoor Performance Centre</b>				
	Day time per hour			
	- Standard Rate	Y	18.60	19.20
	- Community Rate (70%)	Y	13.00	13.40
<b>The Emergency Operations Centre/Kangaroo Ground Hall</b>				
	Day time - Monday to Sunday per hour			
	- Standard Rate	Y	30.40	31.20
	- Community Rate (70%)	Y	21.20	21.80
	Evening - Monday to Sunday per hour			
	- Standard Rate	Y	39.40	40.60
	- Community Rate (70%)	Y	27.60	28.40
	Evening - Friday to Sunday			
	- Standard Rate	Y	553.20	569.80
	- Community Rate (70%)	Y	387.20	398.80
	Evening - Saturday			
	- Standard Rate	Y	606.40	624.60
	- Community Rate (70%)	Y	424.60	437.20
<b>Hurstbridge Hall</b>				
	Day time - Monday to Sunday per hour			
	- Standard Rate	Y	29.00	29.80
	- Community Rate (70%)	Y	20.20	20.80
	Evening - Monday to Sunday per hour			
	- Standard Rate	Y	28.20	29.00
	- Community Rate (70%)	Y	19.60	20.20
	Evening - Friday to Sunday			
	- Standard Rate	Y	478.00	492.40
	- Community Rate (70%)	Y	334.60	344.60
	Evening - Saturday			
	- Standard Rate	Y	493.60	508.40
	- Community Rate (70%)	Y	345.60	355.80



## Nillumbik Shire Council 2015-16 Fees & Charges

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Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
<b>Hurstbridge Sports Stadium</b>				
	Per Hour	Y	32.50	33.75
<b>Eltham North Hall</b>				
	Day time - Monday to Sunday per hour			
	- Standard Rate	Y	30.40	31.20
	- Community Rate (70%)	Y	21.20	21.80
	Evening - Monday to Thursday per hour			
	- Standard Rate	Y	31.40	32.40
	- Community Rate (70%)	Y	22.00	22.60
	Evening - Friday & Sunday			
	- Standard Rate	Y	633.20	652.20
	- Community Rate (70%)	Y	443.20	456.60
	Evening - Saturday			
	- Standard Rate	Y	653.00	672.60
	- Community Rate (70%)	Y	457.20	470.80
<b>North Warrandyte Family Centre</b>				
	Day time - Monday to Sunday per hour			
	- Standard Rate	Y	31.40	32.40
	- Community Rate (70%)	Y	22.00	22.60
	Evening - Monday to Thursday per hour			
	- Standard Rate	Y	32.60	33.60
	- Community Rate (70%)	Y	22.80	23.60
	Evening - Friday & Sunday			
	- Standard Rate	Y	634.40	653.40
	- Community Rate (70%)	Y	444.00	457.40
	Evening - Saturday			
	- Standard Rate	Y	653.00	672.60
	- Community Rate (70%)	Y	457.20	470.80
<b>Senior Citizens - Diamond Creek</b>				
Carpeted Meeting Room & Large Meeting Room	Permanent - 1 day per week - concession	Y	30.60	31.60
Carpeted Meeting Room & Large Meeting Room	Permanent - 1/2 day per week - concession	Y	16.40	17.00
Carpeted Meeting Room & Large Meeting Room	Permanent - 1 day per month - concession	Y	34.80	35.80
Carpeted Meeting Room & Large Meeting Room	Permanent - 1/2 day per month - concession	Y	28.00	28.80
Hall	Casual per hour - concession	Y	19.80	20.40
Hall	Permanent - 1 day per week - concession	Y	59.40	61.20
Hall	Permanent - 1/2 day per week - concession	Y	26.80	27.60
Hall	Permanent - 1 day per month - concession	Y	64.20	66.20
Hall	Permanent - 1/2 day per month - concession	Y	30.60	31.60
<b>Senior Citizens - Eltham</b>				
Annexe	Permanent - 1 day per week	Y	44.20	45.60
Annexe	Permanent - 1 day per week - concession	Y	30.40	31.40
Annexe	Permanent - 1/2 day per week - concession	Y	16.40	17.00
Annexe	Permanent - 1 day per month - concession	Y	34.80	35.80
Annexe	Permanent - 1/2 day per month - concession	Y	23.20	23.80
Large Hall	Permanent - 1 day per week - concession	Y	59.40	61.20
Large Hall	Permanent - 1/2 day per week - concession	Y	25.60	26.40
Large Hall	Permanent - 1 day per month - concession	Y	64.20	66.20
Large Hall	Permanent - 1/2 day per month - concession	Y	30.40	31.40
Entire Centre	Permanent - 1 day per week - concession	Y	83.80	86.40
Entire Centre	Permanent - 1/2 day per week - concession	Y	46.60	48.00
Entire Centre	Permanent - 1 day per month - concession	Y	95.40	98.20
Entire Centre	Permanent - 1/2 day per month - concession	Y	53.60	55.20
<b>Hurstbridge Community Hub</b>				
Community Room	Standard Rate	Y	60.00	61.80
	Community Benefit (50%)	Y	30.00	31.00
	Community Group (30%)	Y	18.00	18.60
Training Room	Standard Rate	Y	40.00	41.20
	Community Benefit (50%)	Y	20.00	20.60
	Community Group (30%)	Y	12.00	12.40
Meeting Room 1	Standard Rate	Y	30.00	31.00
	Community Benefit (50%)	Y	15.00	15.60
	Community Group (30%)	Y	9.00	9.40

## Nillumbik Shire Council 2015-16 Fees & Charges

\* The range of Statutory fees or fines is determined by Government and is subject to change.

\*\* Denotes fees prescribed by Government legislation

Description of Fees	Schedule of Rates	Taxable Supply	2014-15 Fees \$	2015-16 Fees \$
Meeting Room 2	Standard Rate	Y	30.00	31.00
	Community Benefit (50%)	Y	15.00	15.60
	Community Group (30%)	Y	9.00	9.40
Community Kitchen	Standard Rate	Y	40.00	41.20
	Community Benefit (50%)	Y	20.00	20.60
	Community Group (30%)	Y	12.00	12.40
<b>Leisure &amp; Recreation</b>				
Rental fees are based on ground fee x total number of teams				
<b>Summer</b>				
A Grade		Y	582.00	600.00
B Grade		Y	504.00	520.00
C Grade		Y	426.00	440.00
D Grade		Y	349.50	360.00
<b>Summer - Juniors, Womens &amp; Veterans (90% discount)</b>				
A Grade		Y	58.20	60.00
B Grade		Y	50.40	52.00
C Grade		Y	42.60	44.00
D Grade		Y	35.00	36.00
<b>Winter</b>				
A Grade		Y	998.00	1030.00
B Grade		Y	918.00	950.00
C Grade		Y	838.50	865.00
D Grade		Y	759.00	780.00
<b>Winter - Juniors, Womens &amp; Veterans (90% discount)</b>				
A Grade		Y	99.80	103.00
B Grade		Y	91.80	95.00
C Grade		Y	83.80	87.00
D Grade		Y	76.00	78.00
<b>Casual Ground Use</b>				
Commercial Hire	Per day	Y	239.00	246.00
Commercial Hire	Per 1/2 day	Y	160.00	165.00
Community Use	Per day	Y	79.00	82.00
Community Use	Per 1/2 day	Y	49.00	51.00
<b>School Fees</b>				
Schools outside Municipality	Per hour	Y	21.00	22.00
Zone events	Per day	Y	160.00	165.00
	Per 1/2 day	Y	79.00	82.00
<b>Synthetic Soccer Pitch</b>				
Local club use		Y	25.00	26.00
School use		Y	15.00	16.00
Other use		Y	35.00	36.00
<b>Leisure Centre Facilities</b>				
Eltham Leisure Centre	Per contract	Y	As per Contract	As per Contract
Diamond Valley Sports	Per contract	Y	As per Contract	As per Contract
Diamond Creek Pool	Per contract	Y	As per Contract	As per Contract
Yarrambat Golf Course	Per contract	Y	As per Contract	As per Contract
Diamond Creek Community Centre	Per Contract	Y	As per Contract	As per Contract
<b>Shire Maps</b>				
Colour Map (aerial photos)	A1	Y	26.00	27.00
Colour Map (aerial photos)	A2	Y	20.80	21.50
Colour Map (aerial photos)	A3	Y	9.40	9.70
Colour Map (aerial photos)	A4	Y	7.40	7.70
Custom Mapping	Per hour	Y	62.00	64.00
<b>Freedom of Information</b>				
*Freedom of Information	per application fee		25.70	26.50
	search time per hour		20.00	20.00
	Photocopy fee per A4 page		0.20	0.20
	per 15 minutes of supervision of document inspections		5.00	5.00
<b>Rates and Valuations</b>				
Printing of duplicate rate notices	Per notice	Y	11.00	11.00
*Land Information Certificate	Per application	N	20.00	20.00

**Appendix H**  
**Financial Sustainability Plan**

This appendix presents the Financial Sustainability Plan adopted in December 2013

## INTRODUCTION

Financial sustainability is a key challenge for all governments.

This Financial Sustainability Plan seeks to identify the specific challenges faced by Nillumbik Shire Council, and set some targets to guide Council's future decisions.

Council manages its finances through an annual Budget, which identifies the expected revenue and expenditure for a year. The Budget is the means by which Council makes a formal commitment of resources to provide funding for services and projects.

A medium-term perspective is provided by the Strategic Resource Plan (SRP), which forms part of the Council Plan. This provides a four-year forecast of revenues and expenditures based on a series of assumptions. It identifies the resources necessary to implement the Council Plan over the next four years.

However, neither the Budget nor the SRP provide targets for Council to achieve financial sustainability over the longer term. Decisions about investment in major projects, funding for renewal of existing infrastructure, management of debt levels, provision of new or expanded services, the level of fees and charges, applications for external grants, and the level of rates are all matters that require a long-term perspective.

Council needs to be able to make decisions for the short-term that are well-informed, and ensure that these decisions do not compromise Council's financial sustainability over the longer term.

The Financial Sustainability Plan provides this context. It begins by identifying the important characteristics of Nillumbik Shire that impact on financial sustainability. It then identifies a series of challenges that are presented to Council. Some of these are structural challenges that relate to the demography and structure of the municipality. Other challenges relate to legacy issues, or the impacts of policies of the State or Commonwealth governments.

The Financial Sustainability Plan then identifies a series of Financial Management Principles which Council will observe when making significant financial decisions. Finally, the plan sets some Financial Sustainability Targets which Council will use to monitor its progress towards sustainability.

The Strategic Resource Plan and the annual Budget will contain information from the Financial Sustainability Plan so that progress towards these targets can be transparently monitored.

## **NILLUMBIK IN CONTEXT**

Nillumbik is an outer-metropolitan municipality located on the urban fringe of Melbourne. While small by metropolitan standards, Nillumbik is a medium-sized municipality in comparison to all Victorian councils.

Known as the 'Green Wedge Shire', Nillumbik comprises 432 square kilometres. It contains a relatively small urban area, where land use is predominantly residential. The other 90% of the shire is rural land located outside the Urban Growth Boundary, where land is used mainly for farming, conservation or rural residential purposes. Commercial and industrial land activity in the shire is very limited. Major activity centres at Eltham and Diamond Creek provide mainly retail services to local markets. Housing is mainly detached dwellings with relatively high numbers of residents per household. Providing a consistent level of service to remote communities in the rural parts of Nillumbik involves additional cost to Council.

Nillumbik has an estimated resident population of 62,724 and 22,881 rate assessments at June 2013. The relationship between these two factors is a critical issue for Council. Across all Victorian municipalities, the average ratio is 1.9 residents per rate assessment. In Nillumbik, there are 2.7 residents per assessment. This ratio is the highest in the state, and it means that each rate assessment in Nillumbik has to fund services for about 50% more residents than the state average. In simple terms, the demand is high (number of residents needing Council services and infrastructure) while the supply is low (number of property assessments from which rates are raised). This situation is essentially attributable to the absence of large scale commercial and industrial land use within the shire, and the predominance of larger family homes rather than smaller dwellings.

Nillumbik's population has a very high socio-economic profile. According to the Socio-Economic Index for Areas (SEIFA) data from the Australian Bureau of Statistics (as per the Victoria Grants Commission 2013-14 Annual Report), Nillumbik has the highest socio-economic ranking of any municipality in Victoria (1098.3). While this is a positive feature of life in Nillumbik, it also means that Council is negatively impacted in terms of entitlements to external grant funding particularly for those grants based on community disadvantage and need.

While Nillumbik has experienced a relatively high level of success in obtaining external grant funding for some specific projects in recent years, constrained budgets at State and Commonwealth government levels mean that Council cannot rely substantially on discretionary grant funding into the future. Recurrent grants have continued to demonstrate a long-term decline in real terms.

Nillumbik is smaller than most neighbouring municipalities and is less able to achieve the economies of scale that larger metropolitan councils enjoy. However Council has undertaken a series of service reviews and benchmarking studies over recent years which have confirmed that Nillumbik is relatively efficient in terms of its costs for service delivery. According to data from the Victoria Grants Commission, Nillumbik is well below the Victorian average for both rates and charges per resident (14% less than average in 2013-14), and expenditure per resident (37% less than average in 2013-14).

Council has an annual turnover of around \$80 million, and owns infrastructure assets valued at more than \$600 million. Apart from land, these assets comprise more than \$60 million in buildings, and around \$300 million in other infrastructure such as roads, bridges, drains and footpaths. Council's assets depreciate at more than \$9 million per annum. Funding the annual cost for renewal of these existing assets is a major issue for Council. Underspending on asset renewal does not represent a saving to Council as it merely defers the expenditure until future years.

Council has increased its loan borrowings in recent years to fund several major projects. This has seen the indebtedness level approach the threshold of the Auditor General's medium-risk range. Some further borrowings are already anticipated for major capital works projects. This means that Council has very little capacity for any further borrowings in the medium term. Sales of surplus assets may provide some funding however this is a non-recurrent source of revenue.

In summary, the characteristics of Nillumbik as outlined above mean that Council needs to rely heavily upon its own resources to fund services, renewal of existing infrastructure, and provision of new assets. A sufficient underlying surplus needs to be achieved after funding of recurrent costs, if Council is to have the resources to implement major infrastructure projects, without compromising asset renewal.

Opportunities to generate a surplus from fees and charges or from productivity savings in operating expenditure are likely to be of marginal impact. The restricted nature of Council's revenue-raising powers in the Local Government Act means that the underlying surplus will need to be funded primarily from rate revenue.

## **CHALLENGES**

Like many Victorian municipalities, Nillumbik faces a number of challenges that require financial discipline and innovation to meet community needs. These include:

### **Structural and Demographic challenges**

- Nillumbik has more residents per rate assessment than any other Victorian council. With 2.7 residents per assessment (compared to a state average of 1.8), Nillumbik rate assessments need to fund services for 50% more residents than the state average. The number of residents is the major factor in determining Council's expenditure needs, which means that rates per assessment in Nillumbik are relatively high, even though rates per resident are lower than the state average.
- Nillumbik is a small municipality by metropolitan standards, and is not able to achieve the economies of scale available to larger metropolitan councils. Despite this, spending per resident in Nillumbik is below state averages.
- Nillumbik is 90% rural by land area, however only a small proportion of the population lives in the rural area. This creates additional costs for servicing residents in the more remote parts of the shire.
- Despite being 90% rural, Nillumbik is designated as a metropolitan municipality and is not eligible for certain government grants that fund programs or projects for rural communities.
- The Nillumbik community has a very high socio-economic status (highest of any Victorian municipality). While this is a positive measure of community wellbeing, it does mean that Council receives a smaller share of government grants.
- An ageing local community will place more demands upon Council services in the years ahead.

### **Legacy challenges**

- Rehabilitation of two former landfill sites at Plenty and Kangaroo Ground is required in accordance with EPA requirements.
- Council is liable to fund shortfalls in the Local Authorities Superannuation Fund Defined Benefit Plan. This was closed to new members in 1993 but all Victorian councils must still contribute if the fund's investment performance is not sufficient to meet entitlements of continuing and former employees.

### **Infrastructure challenges**

- Council needs to address the funding gap for renewal and maintenance of existing infrastructure assets. Currently Council assets depreciate at more than \$9 million per annum. However despite incremental growth in capital works spending in recent years, Council in 2013-14 still only budgeted to spend around \$6 million per annum on renewal of these assets. Underspensing on renewal is not a saving, as higher costs will eventually be borne by future ratepayers.

- A number of Nillumbik's major facilities are quite old and require significant expenditure to upgrade them to contemporary standards, both in terms of community expectations and current design standards. Examples include the Eltham Leisure Centre and the Diamond Creek Community Centre.
- Local conditions present a number of infrastructure challenges for Council. Nillumbik has steep topography and is heavily treed, which both add to infrastructure and maintenance costs. Also, when much of Nillumbik was first subdivided, only low-scale infrastructure was provided. Community expectations for roads, footpaths and drainage are now different, and a higher level of infrastructure is often required.

### **Service challenges**

- Council has increasing responsibilities for emergency management. Natural disaster events such as bushfires and floods have placed significant demands upon Council in recent years, both in terms of prevention measures (tree clearing, drainage improvements) and community recovery programs.
- Climate change adaptation represents a significant challenge in terms of droughts, fires, floods and other extreme weather events. There is also a significant community expectation that Council will take a lead role in environmental sustainability.
- Community expectations about the standard and range of services provided by Council continue to rise, however it is rare for existing service levels to be reduced to offset the cost impacts of new or enhanced service.
- Community expectations about consultation and engagement, and the use of technology to communicate with Council are also increasing.

### **Cost-shifting challenges**

- Nillumbik continues to suffer from long-term declines in government grants for general services, and the erosion in the value of specific service grants. In recent years this cost was more than \$2 million.
- Changes to standards set by government often lead to a higher cost to Council in service delivery. Examples include expansion of preschool services, stricter requirements for power-line tree clearing, and higher standards for rehabilitation of former landfill sites.
- The imposition of state and federal government costs upon councils (e.g. landfill levy) increases costs for Council and ratepayers.



## **FINANCIAL MANAGEMENT PRINCIPLES**

### **Local Government Act**

The Local Government Act (s.136) identifies the following 'Principles of Sound Financial Management':

- Manage financial risks faced by the Council prudently, having regard to economic circumstances. These risks include:
  - The level of Council debt
  - The commercial or entrepreneurial activities of the Council
  - The management and maintenance of assets
  - The management of current and future liabilities
  - Changes in the structure of the rates and charges base
- Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden
- Ensure that decisions are made and actions are taken having regard to their financial effects on future generations
- Ensure full, accurate and timely disclosure of financial information relating to the Council. In addition to these statutory principles, Nillumbik Shire Council will observe the following financial management principles.

### **Sustainable Budgeting Principle**

Council will manage its finances to enable it to meet short-term requirements without compromising its long-term financial sustainability.

Council will budget to achieve both an operating surplus and an underlying surplus in each financial year.

Council will use the Auditor-General's indicators as an independent assessment of Council's financial sustainability, and will seek to maintain an overall low-risk score.

### **Cash Management Principle**

Council will at all times maintain sufficient cash to meet its expenditure requirements, and will prudently invest any surplus cash according to statutory requirements and Council policy.

### **Asset Renewal Principle**

Council will provide well-maintained infrastructure assets that are fit for purpose and provide the required level of service to the community.

Council recognises that the annual depreciation of existing assets represents a significant non-cash cost each year, and that failure to provide sufficient funding for asset renewal will increase the long-term cost to the community.

Council will progressively increase its funding for asset renewal in each budget until the full level of required renewal expenditure is achieved.

Council will prioritise the allocation of additional funding for asset renewal ahead of the creation of new assets. Asset renewal expenditure will be based on sound asset management plans and condition audits which will identify and prioritise works.

### **New Assets Principle**

Council will develop new or upgraded infrastructure assets to meet identified community needs as established through policy, planning, research and consultation.

Council will establish sound cost estimates and project management plans prior to making budget allocations for such projects.

Council will maintain a long-term program for investment in new assets (and upgrades) to facilitate informed decision-making about significant investments and their funding implications. This program will be reviewed on a regular basis.

### **Loan Borrowings Principle**

Council will make prudent use of loan borrowings for investment in new or upgraded assets. Council recognises that infrastructure assets are a long-term investment, and that borrowings enable the cost to be shared over time by current and future users to achieve inter-generational equity.

Council will preserve its borrowing capacity for larger capital works projects. In exceptional circumstances, Council may use borrowings for other significant externally imposed payment obligations (such as superannuation liability) which cannot be funded from rates in a single year.

Council will keep its overall debt at a sustainable level, and will aim to keep this within the Auditor-General's low-risk range. Council may exceed the low-risk threshold for a short period if Council considers that the opportunity to access external grant funding means that additional loan borrowings are justified.

Over the long-term, Council will aim to reduce its overall level of borrowings.

### **Inter-Government Funding Principle**

Council will seek to maximise the level of grants and subsidies received from Victorian and Australian governments to achieve a fair share for the Nillumbik community.

Council will seek and accept external grant funding for projects provided that the acceptance of the funding is consistent with Council's long-term plans and will not compromise Council's principles or objectives.

Council will not seek grant funding for a project if the requirement for Council to provide matching funding would divert funding from Council's higher priorities.

Council supports the Intergovernmental Agreement that requires other levels of government to fully fund those services delivered by Council on their behalf.

Council will transparently report to the community on the level of cost-shifting where Victorian or Commonwealth Government funding is less than the full service cost.

### **Service Planning and Delivery Principle**

Council will deliver high-quality, efficient services that meet contemporary standards and respond to identified needs and priorities for community health and wellbeing.

Council will undertake regular planning for services to ensure that resource levels are adequate to meet identified levels of demand from the community.

### **User Pays Principle**

Council will set user fees and charges for certain services through its annual budget, and will determine movements in fees and charges with reference to changes in the cost of service delivery.

Council will apply competitive neutrality pricing principles to fees and charges for any services that are subject to market competition. Statutory fees determined by other levels of government will be set at that level.

Council will have regard to the following factors when determining the level of other fees and charges – user capacity to pay; equity in the subsidisation of similar services; addressing disadvantage in particular parts of the community; community and environmental benefits; and benchmarking of similar charges by other councils. The key principle that will apply is that the higher the level of private benefit, the higher the proportion that will be paid by the user, and the lower the level of Council subsidy.

Special rates and charges schemes will be used where appropriate and consistent with this principle and the provisions of the Local Government Act.

### **Property Portfolio Management Principle**

Council will regularly review its property portfolio to achieve best fit between the portfolio and the identified current and future needs of the community.

Council will acquire property which is consistent with the objectives and priorities included in adopted Council strategies.

Council will dispose of property that is surplus to identified community needs, subject to a public consultation process prior to a decision.

Council will allocate the net proceeds from sale of public open space to the Public Open Space Reserve. Council will assess on a case by case basis the treatment of proceeds from sale of any land that was originally funded through special rate or special charge programs.

Council will allocate the net proceeds from any other surplus land sales to a reserve account to be spent only on:

- other land acquisitions that are strategically justified; or
- capital works, as identified through the annual budget process;
- capital works to other surplus land in preparation for sale; or
- reduction of debt principal

### **Reserve Funds Principle**

Council maintains several financial reserve funds for specific future expenditure including landfill rehabilitation, development contributions and public open space.

Reserve Funds will be recognised as equity in Council's balance sheet and the cash that backs these reserves will be held as an investment asset in the balance sheet.

The cash within each reserve fund will be available for the purposes for which the reserve was created. Until the funds are used, the cash will be managed in line with Council's Investment Policy.

### **Budget Year Principle**

Council will budget in each financial year for the income and expenditure anticipated to be incurred during that financial year.

If larger projects span two financial years, then Council will budget in each year for that part of the anticipated expenditure that will be incurred in that particular year.

If projects have substantially progressed but are not fully completed at the end of a financial year, the balance of the required funding will be carried forward to the following financial year.

Any other unspent funding at year end will be reviewed and may be reallocated for other purposes.

### **Transparency Principle**

Council will be transparent in the preparation of its financial plans and budgets, and in the reporting of its financial performance through quarterly and annual reports, and through a mid-year budget review.

Council will be transparent in the level of subsidy (i.e. funding from rates) that it provides for different services, and will disclose the true cost of services by charging overhead costs to each service.

When considering new policies or plans, Council will identify the impact of any changes to operating or capital costs arising from this decision.

### **Productivity and Efficiency Principle**

Council will ensure that services are efficient, and will regularly review its services consistent with the Best Value principles contained in the Local Government Act.

Council will maintain an appropriate mix of skills sets through internal staff resources (permanent and temporary) and external contractors for provision of different services.

Council will employ skilled and motivated staff through appropriate remuneration and workplace policies, while ensuring that there is efficient management of staff costs and numbers.

Council will invest in staff training, technology and equipment, to provide ongoing improvements in productivity.

When engaging external contractors, Council will use competitive processes to achieve the best outcome in accordance with Council's Procurement Policy and the tender requirements of the Local Government Act.

### **Rates and Charges Principle**

Council will use rates to fund the balance of its net expenditure requirements after all other income has been applied.

Council recognises that expenditure requirements are primarily determined by the resident population of the municipality, whereas rates income is generated from property assessments. Council also recognises that Nillumbik has a very high level of residents per assessment relative to state averages, which means that rates per assessment are relatively high while rates per resident are relatively low.

Council will therefore manage its finances to keep the level of rates per resident at or below state averages.

Council will use differential rates as appropriate and in an equitable manner pursuant to the provisions of the Local Government Act.

Council will apply a Waste Management Charge as a fixed charge which recovers the full cost of waste and recycling services and landfill rehabilitation.

Council will apply a Municipal Charge to recover some of the administrative costs of Council, as provided in the Local Government Act. However Council will set the level of the Municipal Charge to transparently show the level of cost shifting and grant erosion incurred by Council.

## **TOWARDS FINANCIAL SUSTAINABILITY**

Given the challenges and principles outlined earlier in this plan, the following section considers the issues that Council needs to address to achieve financial sustainability.

Council recognises the need to generate sufficient revenue to:

- Fund recurrent services for the community
- Renew existing infrastructure assets
- Undertake major capital works projects to provide new assets
- Grow services in response to identified community needs

### **Funding sources**

Council's recurrent revenue (primarily rates) is currently sufficient to meet annual operating costs, and to fund part of the renewal needs of existing assets.

Council is therefore relying on other funds (grants, loans and land sales) to supplement its capital works program including renewal works.

Grant funding for capital works is not guaranteed on an ongoing basis, and both State and Commonwealth grant programs are expected to be more limited in future years.

Funding from land sales is an appropriate means of converting surplus assets into more productive assets, however there are only a limited number of properties that Council could potentially sell, so this does not provide an ongoing funding source.

Funding from loan borrowings is an appropriate means of funding investment in significant capital works. Council's current level of indebtedness remains within the Auditor-General's low risk range, however there is very limited capacity for further borrowings within that range. It is also desirable for Council to reduce its overall level of borrowings over the long-term, as this can enable funds to be redirected away from interest payments and instead used for capital works.

A long-term sustainable financial position needs Council to significantly increase the level of recurrent own-source revenue (i.e. rates) that is available for capital works. At a minimum this needs to cover the cost of asset renewal. Ideally, it should be sufficient for Council to also implement an ongoing program of asset upgrades and major capital works projects that meet identified community needs.

### **Capital works and asset renewal**

As noted earlier, the existing level of own-source funding (rates) allocated to capital works on an annual basis (about \$6 million) is substantially less than the annual cost of asset depreciation (about \$9 million). As a result of this historical level of funding, Council has over many years accumulated a 'renewal gap'. The value of this gap is assessed through regular asset management plans and condition audits.

In 2013, it is estimated that Council has a renewal gap over the next ten years of \$10.4 million (being the gap between the required level of spending on existing assets, and the projected level of spending based on Council's existing Strategic Resource Plan).

Therefore, the challenge is for Council to establish a long-term approach that provides sufficient funding to close this renewal gap over the next ten years, so that existing assets are properly maintained, while also generating sufficient funds for new or upgraded assets that are required.

This Financial Sustainability Plan establishes targets for Council to significantly increase capital works funding from rates over the next ten years. Relevant measures are detailed in the following section.

### **Superannuation liability**

In the immediate short-term, Council is constrained by the need to fund a superannuation liability related to the Local Authorities Superannuation Fund Defined Benefit Plan. Like councils throughout Victoria, Nillumbik was required to contribute additional funds to this plan in 2013 to meet a shortfall arising from the Global Financial Crisis.

Council has determined that this liability (\$4.6 million) will be funded in two stages. In 2013-14 Council has budgeted for \$1.9 million for this purpose, and further funding of \$2.7 million is proposed to be budgeted in 2014-15.

After this liability has been fully funded, Council will have capacity to address the issue of additional capital works funding from 2015-16 onwards.

### **Service levels**

Apart from asset renewal and capital works, Council also needs to ensure that adequate funding is available for services to meet changing community needs, population growth and to satisfy statutory requirements. Increases to service levels are transparently identified through the annual budget process as 'New Initiatives' when they are initially funded, and in subsequent years they become part of the Operating Budget and require ongoing annual funding. The New Initiatives budget category also includes non-capital projects such as development of policies and plans that are funded in a specific year, but do not require recurrent funding.

During the period from 2006-07 to 2008-09 Council allocated just over \$1 million each year to New Initiatives. However following the Black Saturday bushfires in early 2009, Council redirected a significant part of the annual New Initiatives budget into bushfire recovery and fire prevention programs. Part of the expenditure for additional fire prevention works is now ongoing, which means that the level of funding available on an annual basis for New Initiatives has now reduced to around \$700,000 per annum. In real terms, this is significantly less than the \$1 million per annum that was historically budgeted for New Initiatives.

In terms of those New Initiatives which involve ongoing services, recurrent funding also needs to be available in subsequent years after they are initially funded. In 2013 the Strategic Resource Plan assumes growth of \$200,000 per annum for this purpose (which is equal to 0.2% of annual operating costs). Given that Nillumbik's population is forecast to grow at around 0.5% per annum, a corresponding level of real growth in service levels would require average funding growth of around \$350,000 per annum rather than the existing \$200,000.

Therefore, Council acknowledges that for financial planning purposes, the appropriate future level of funding for New Initiatives is around \$1 million per annum, with \$350,000 per annum of this to become recurrent in subsequent years.

However the actual level of New Initiatives (whether recurrent or not) that are funded in any particular year is primarily a decision that Council makes in the context of policy priorities for services, rather than an issue of long-term sustainability. It is therefore not proposed to establish a Financial Sustainability Target for New Initiatives. However Council will aim to align the Strategic Resource Plan to the projected level of New Initiatives funding that is required over coming years.

## **Summary**

In summary, progress towards financial sustainability for Nillumbik needs to focus on the following issues:

- Adequate annual funding for ongoing renewal of existing assets
- Adequate funding to upgrade assets and develop new assets
- Minor increases in funding for service growth (New Initiatives)

The next section of this plan identifies measures and targets that Council will use to monitor its progress in addressing these issues.



## FINANCIAL SUSTAINABILITY MEASURES AND TARGETS

The measures and targets detailed in the following table have been prepared in the context of the challenges, principles and issues identified in previous sections of this plan.

These provide a basis to plan for Council's progress in terms of financial sustainability, and then to monitor that progress on an ongoing basis.

Some of these targets are used by the Victorian Auditor-General to assess the financial sustainability of each council in Victoria. Further detail on these measures is available in the Auditor-General's annual report on these targets.

Other measures have been included to track Council's progress towards sustainability, particularly in relation to the identified priority issues of asset renewal and capital works funding.

Measure	Target for Nillumbik
<b>Auditor-General Measures</b>	
Overall sustainability assessment	Low risk (green light)
Underlying Result ratio	Low risk (green light)
Liquidity ratio	Low risk (green light)
Self-financing ratio	Low risk (green light)
Indebtedness ratio	Low risk (green light)
Capital replacement ratio	Low risk (green light)
Renewal gap ratio	Low risk (green light)
<b>Other Measures</b>	
Adjusted Underlying Result (excluding capital grants)	Surplus
Budgeted Rate Determination (cash basis) surplus	\$100,000 or higher
Own source (rates) revenue allocated to capital works	>5% higher than previous year
Own source (rates) revenue allocated to capital works	>Depreciation
Renewal gap value (STEP 10 year gap)	Reduce from \$10m to zero
Asset management plans updated and asset condition audits completed each year as per program in Asset Management Strategy	100% of annual program completed

## **MONITORING, REPORTING AND REVIEW**

Successful implementation of this Financial Sustainability Plan will require ongoing monitoring and reporting of progress by Council in meeting the targets.

Some targets are expected to be met every year, while some other targets will take time for Council to achieve over the short or medium term.

It is expected that all targets will be met over the 10 year timeframe of this plan.

### **Annual Monitoring and Reporting**

Council will provide forecasts each year in its Budget and Strategic Resource Plan update regarding the projected performance against the measures and targets. This will commence with the 2014-15 Budget, and will provide 10 year forecasts of projected performance.

Council will then report in each Annual Report on its actual performance against these targets.

Further monitoring will also be provided through the annual Auditor-General's report on financial sustainability for Victorian councils, and through Nillumbik's participation in annual audits as part of the STEP asset management program.

### **Four Year Review**

The overall Financial Sustainability Plan will be reviewed every four years following each general election.

This will provide the opportunity for the newly-elected Council to review the challenges, principles and issues, and update the measures and set targets for the following ten year period, so that these are consistent with the new Council Plan and Strategic Resource Plan.

Victorian Auditor-General's Office  
Local Government financial sustainability indicators

**Figure 4A**  
**Financial sustainability indicators**







Indicator	Formula	Description	Councils
Underlying result (%)	Adjusted net surplus / Total underlying revenue	A positive result indicates a surplus, and the larger the percentage, the stronger the result. A negative result indicates a deficit. Operating deficits cannot be sustained in the long-term. Underlying revenue does not take into account non-cash developer contributions and other one-off (non-recurring) adjustment.	✓
Liquidity	Current assets / Current liabilities	This measures the ability to pay existing liabilities in the next 12 months. A ratio one or more means there is more cash and liquid assets than short-term liabilities.	✓
Self-financing (%)	Net operating cash flows / Underlying revenue	Measures the ability to replace assets using cash generated by their operations. The higher the percentage, the more effectively this can be done.	✓
Indebtedness (%)	Non-current liabilities / Own-sourced revenue	Comparison of non-current liabilities (mainly comprised of borrowings) to own-sourced revenue. The higher the percentage, the less able to cover non-current liabilities from the revenues they generate themselves. Own-sourced revenue is used (rather than total revenue) because it does not include capital grants, which are usually tied to specific projects.	✓
Capital replacement	Capital spend / Depreciation	Comparison of the rate of spending on infrastructure with its depreciation. Ratios higher than 1:1 indicate that spending is faster than the depreciating rate. This is a long-term indicator, as capital expenditure can be deferred in the short-term if there are insufficient funds available from operations, and borrowing is not an option.	✓
Renewal gap	Renewal and upgrade expenditure / Depreciation	Comparison of the rate of spending on existing assets through renewing, restoring, and replacing existing assets with depreciation. Ratios higher than 1:1 indicate that spending on existing assets is greater than the depreciation rate. Similar to the investment gap, this is a long-term indicator, as capital expenditure can be deferred in the short term if there are insufficient funds available from operations, and borrowing is not an option.	✓

**Risk assessment criteria for financial sustainability indicators**

<b>Risk</b>	<b>Underlying result</b>	<b>Liquidity</b>	<b>Indebtedness</b>	<b>Self-financing</b>	<b>Capital replacement</b>	<b>Renewal gap</b>
<b>High</b>	<b>Negative 10% or less</b> Insufficient revenue is being generated to fund operations and asset renewal.	<b>Equal to or less than 1.0</b> Insufficient current assets to cover liabilities.	<b>More than 60%</b> Potentially long-term concern over ability to repay debt levels from own-source revenue.	<b>Less than 10%</b> Insufficient cash from operations to fund new assets and asset renewal.	<b>Equal to or less than 1.0</b> Spending on capital works has not kept pace with consumption of assets.	<b>Equal to or less than 0.5</b> Spending on existing assets has not kept pace with consumption of these assets.
<b>Medium</b>	<b>Negative 10% to zero</b> A risk of long-term run down to cash reserves and inability to fund asset renewals.	<b>1.0–1.5</b> Need for caution with cash flow, as issues could arise with meeting obligations as they fall due.	<b>40–60%</b> Some concern over the ability to repay debt from own-source revenue.	<b>10–20%</b> May not be generating sufficient cash from operations to fund new assets.	<b>1.0–1.5</b> May indicate spending on asset renewal is insufficient.	<b>0.5–1.0</b> May indicate insufficient spending on renewal of existing assets.
<b>Low</b>	<b>More than zero</b> Generating surpluses consistently.	<b>More than 1.5</b> No immediate issues with repaying short-term liabilities as they fall due.	<b>40% or less</b> No concern over the ability to repay debt from own-source revenue.	<b>20% or more</b> Generating enough cash from operations to fund assets.	<b>More than 1.5</b> Low risk of insufficient spending on asset renewal.	<b>More than 1.0</b> Low risk of insufficient spending on asset base.

The overall financial sustainability risk assessment is calculated using the ratings determined for each indicator is as follows:

**Overall financial sustainability risk assessment**

	High risk of short-term and immediate sustainability concerns indicated by either: <ul style="list-style-type: none"> <li>• red underlying result indicator or</li> <li>• red liquidity indicator.</li> </ul>
	Medium risk of longer-term sustainability concerns indicated by either: <ul style="list-style-type: none"> <li>• red self-financing indicator or</li> <li>• red indebtedness indicator or</li> <li>• red capital replacement indicator or</li> <li>• red renewal gap indicator.</li> </ul>
	Low risk of financial sustainability concerns—there are no high-risk indicators.
	An upward trend.
	No substantial trend.
	A downward trend.

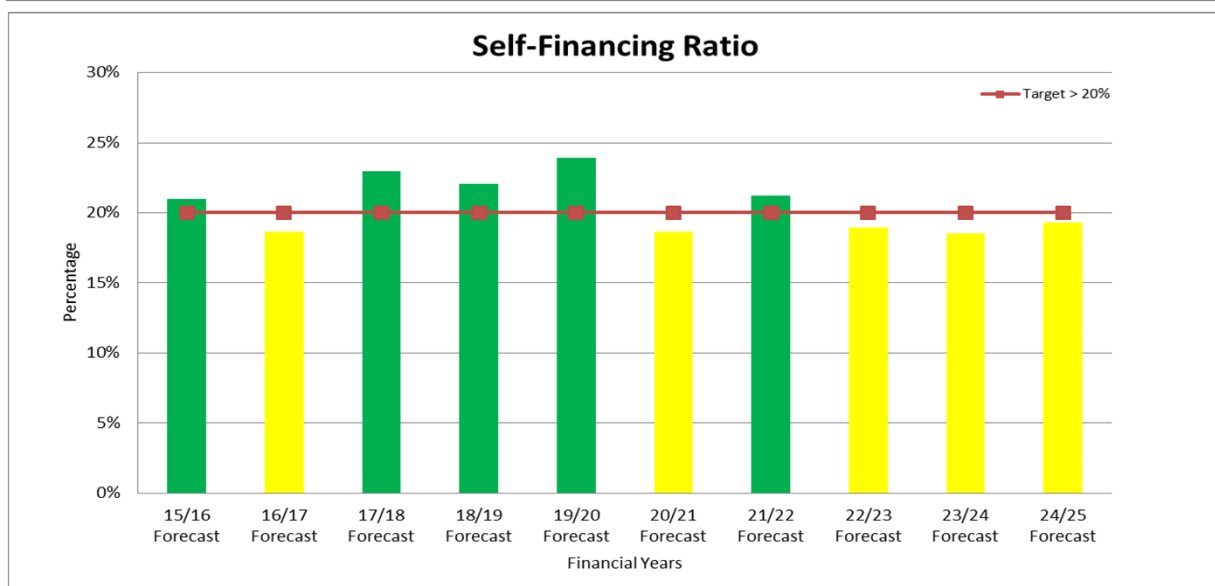
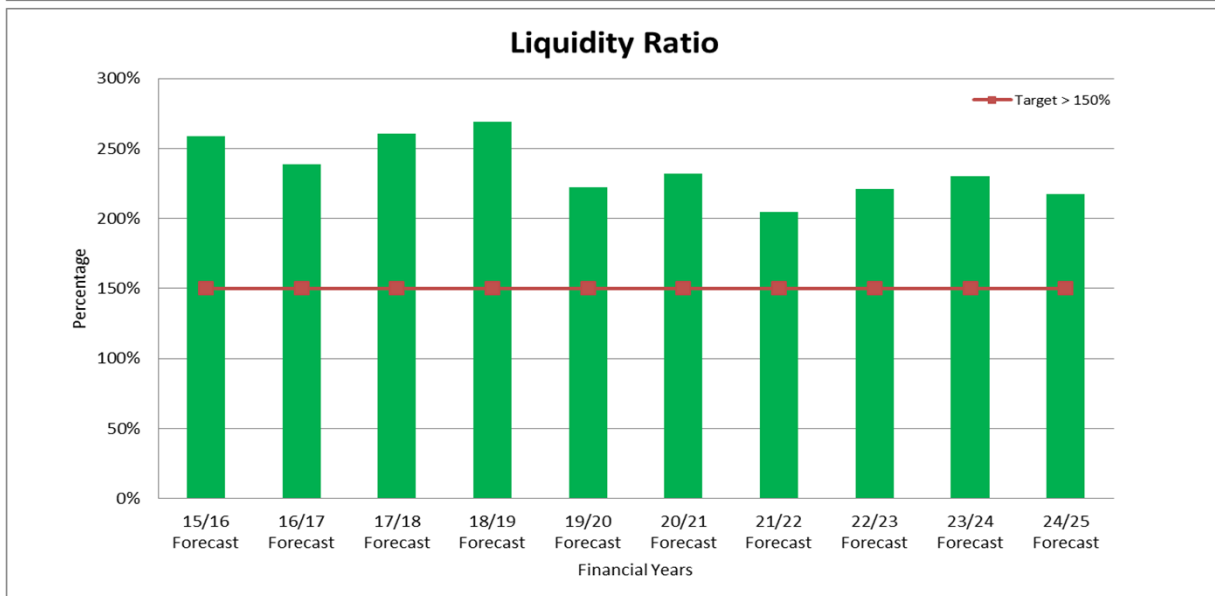
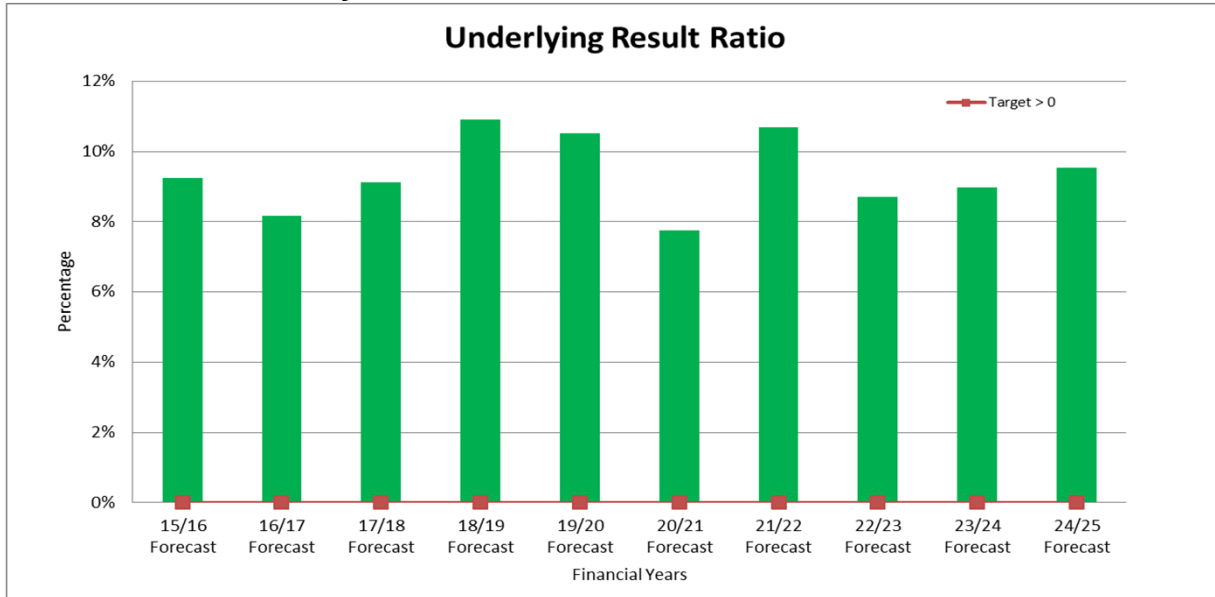
*Source:* Victorian Auditor-General's Office.

## **Appendix I**

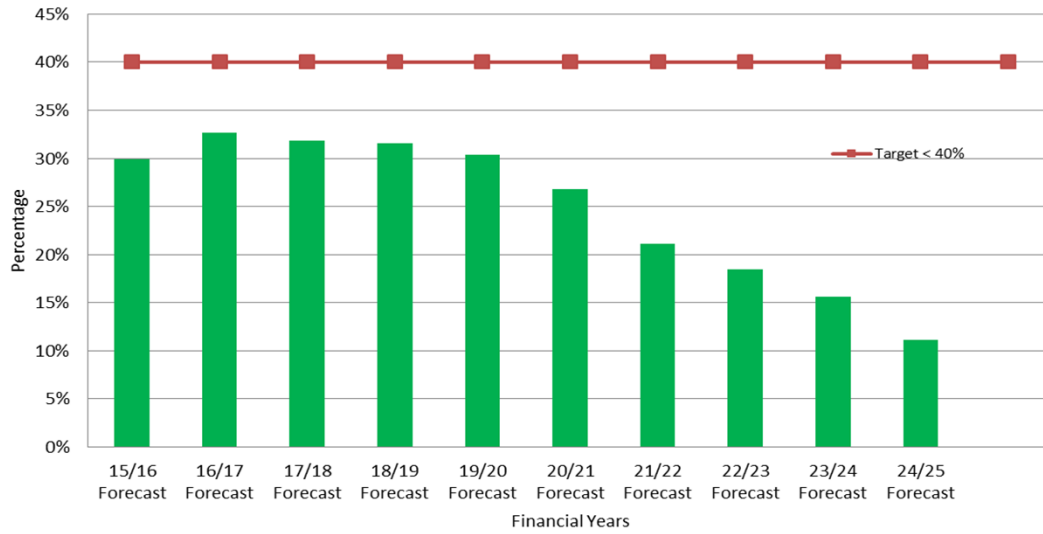
### **Financial Sustainability Performance**

This appendix outlines Council's performance against the adopted financial sustainability plan indicators for the period 2015-16 to 2024-25.

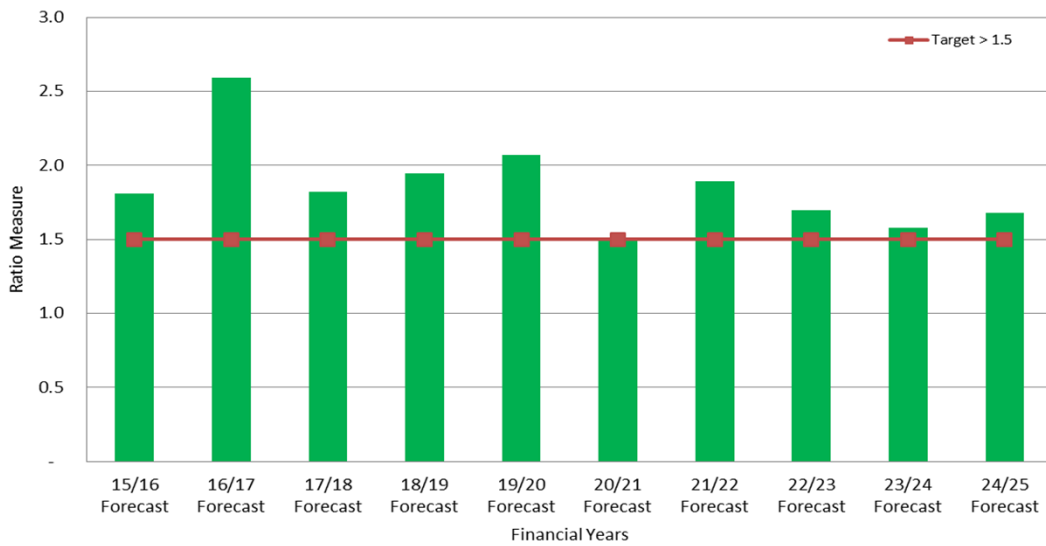
## Financial Sustainability Plan indicators



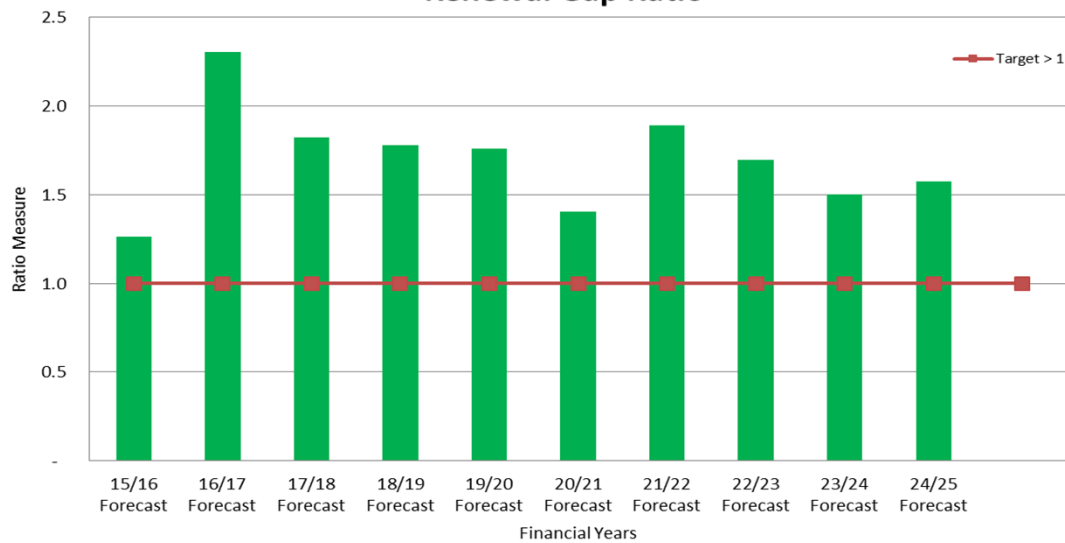
### Indebtedness Ratio (Loans and Landfill Rehabilitation Liability)

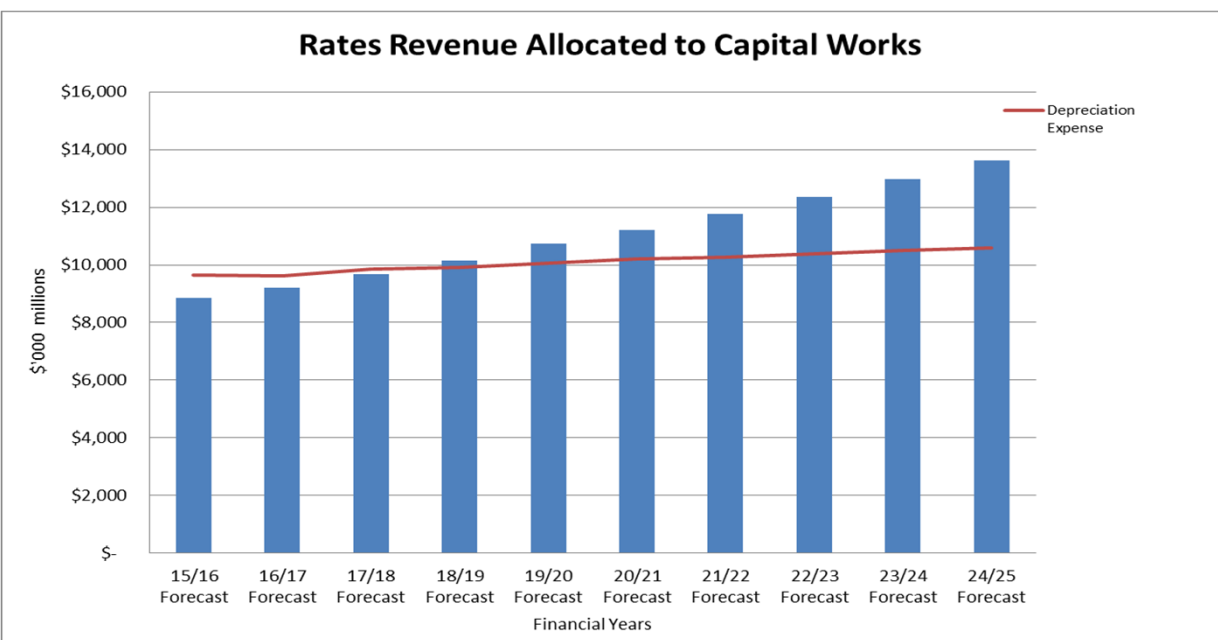
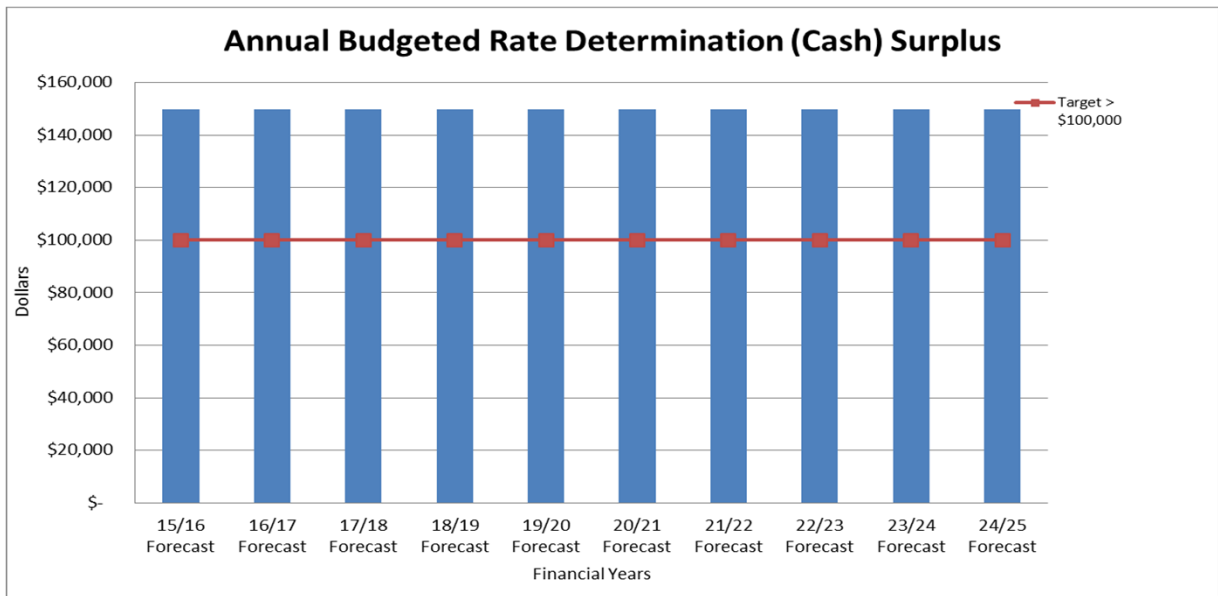
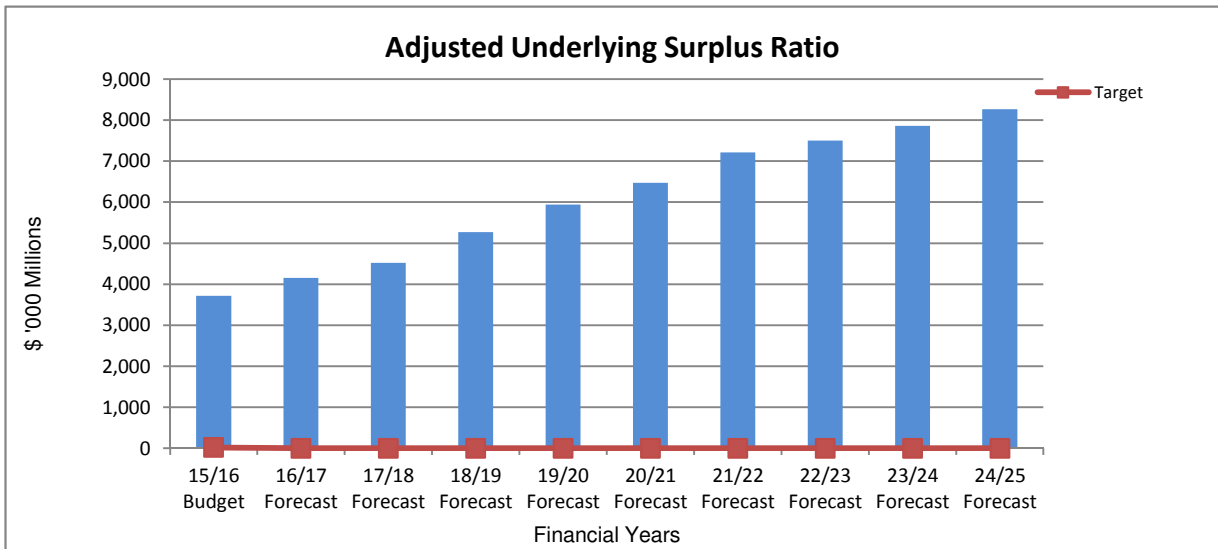


### Capital Replacement Ratio



### Renewal Gap Ratio

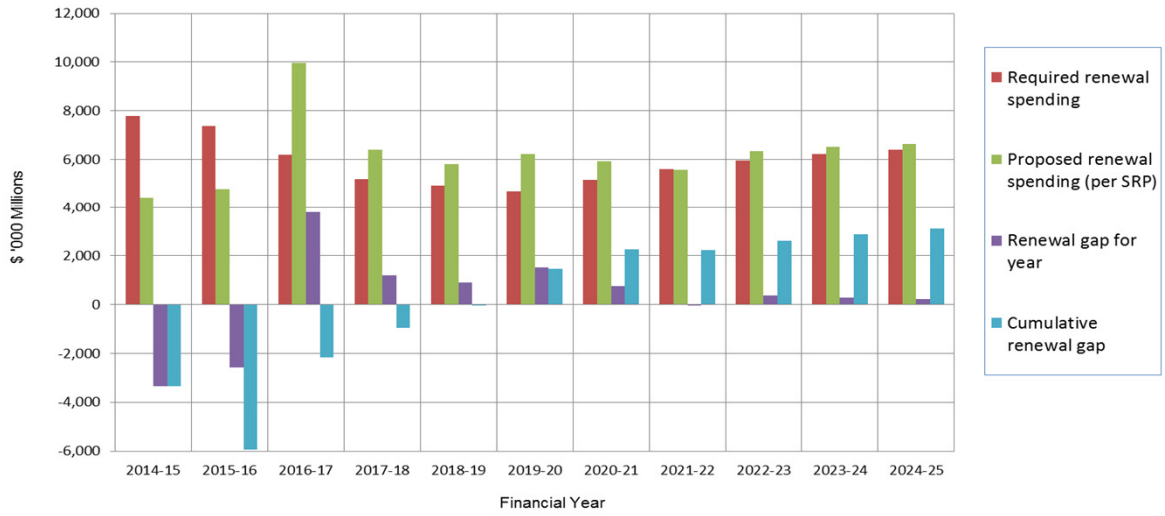




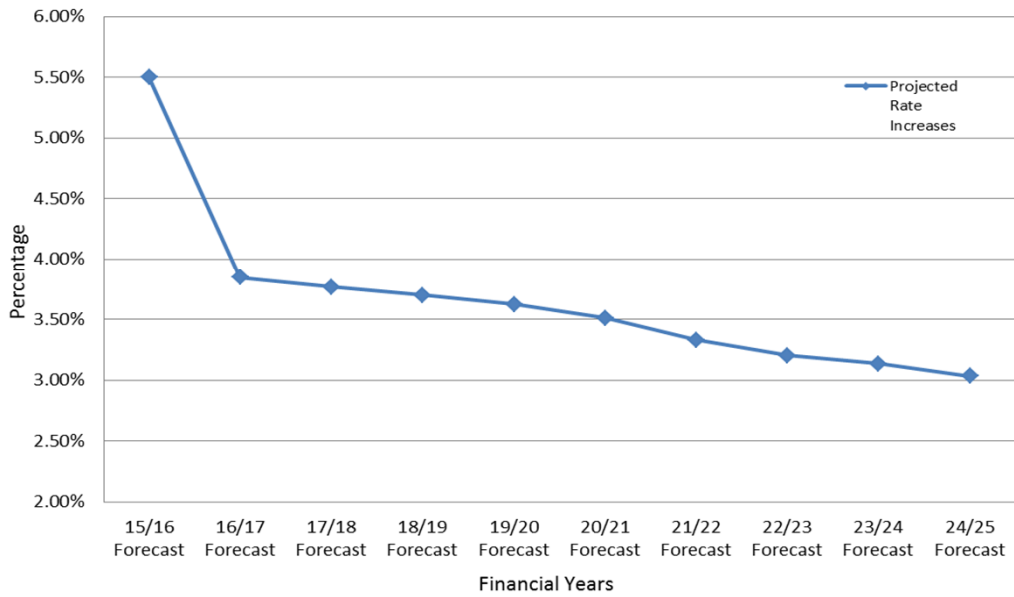


### Asset Renewal Gap Value (2014-15 to 2024-25)

(Preliminary data - currently being updated for latest asset condition audits for roads and buildings)



### Projected Rate Increases per Assessment



### Overall Sustainability Assessment - Auditor-General Measures

<b>Financial Year</b>	<b>Assessment</b>
2014-15 Budget	Low Risk
2015-16 Forecast	Low Risk
2016-17 Forecast	Low Risk
2017-18 Forecast	Low Risk
2018-19 Forecast	Low Risk
2019-20 Forecast	Low Risk
2020-21 Forecast	Low Risk
2021-22 Forecast	Low Risk
2022-23 Forecast	Low Risk
2023-24 Forecast	Low Risk
2024-25 Forecast	Low Risk

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