



# Draft Budget 2017-2018

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## Introduction

Nillumbik Shire Council's 2017-18 Budget has been prepared in conjunction with the development of the Council Plan and Strategic Resource Plan for 2017-2021.

The Budget places a freeze on rates for 2017-18. This means that property rates will remain at the same level as last year.

The only exception to this will be a small number of properties which have been modified over the past year (through subdivision, etc.) resulting in a supplementary valuation.

The Budget forecasts an operating surplus of \$7.1 million on an accrual accounting basis, which is then applied to capital works and debt reduction. Council will repay borrowings of \$725,000 during the year, and will take no new borrowings. Sales of surplus assets are budgeted to generate \$4.6 million which will be allocated towards capital works.

An extensive capital works program of \$21.3 million is proposed for 2017-18 including \$3.2 million in grant-funded works. Key projects include:

- Completion of Eltham Leisure Centre aquatic redevelopment \$2,300,000
- Research Park pavilion redevelopment \$1,795,000
- Civic Drive precinct master plan implementation \$1,117,500
- Gipson street bridge duplication \$964,000
- Former Plenty landfill site rehabilitation works \$853,250
- Wattle Glen pavilion works \$750,000
- Diamond Valley Sports and Fitness Centre (planning/design) \$500,000
- Township entry and streetscape improvements \$400,000
- Eltham North Reserve pavilion works \$300,000
- Solar panels at Eltham Leisure Centre \$300,000
- Yarrambat Golf Course upgrades \$300,000
- Eltham Activity Centre precincts 3 and 4 (planning/design) \$200,000
- Diamond Creek community infrastructure (planning/design) \$100,000
- Marngrook Oval pavilion (planning/design) \$100,000
- Diamond Hills Reserve viewing platform/landscape \$30,000
- Eltham and district woodworkers hall extension \$50,000
- Integrated water management plan (planning/design) \$25,000
- Gallery and collection storage facility (planning/design) \$20,000

The Budget also funds a range of new initiatives for services, policy and planning including:

- Increased maintenance of roadside vegetation and open space \$300,000
- Proactive tree management in high public use areas \$300,000
- Economic Development facilitation \$115,000
- Yarrambat Township Plan \$80,000
- Eltham Activity Centre structure plan review \$60,000
- New Economic Development Strategy \$40,000

In addition to the specific items listed above, the Budget continues to provide significant resources for annual programs to maintain and develop infrastructure, including:

- Other Council buildings \$3,739,000
- Roads \$2,064,000
- Public open space and playgrounds \$1,739,000
- Major leisure centres and community halls \$590,000
- Footpaths \$790,000
- Drainage \$625,000
- Recreation trails \$465,000
- Disability access works \$120,000

## Strategic Resource Plan

Budget preparation has been informed by the strategic resource plan, which identifies the resources needed to implement the Council Plan. A copy of the strategic resource plan is attached to this Budget, along with forecasts of Council's projected performance against the Victorian Auditor-General's measures of financial sustainability.

The Council Plan includes a strategy to reduce the level of rates in Nillumbik, relative to other Victorian councils. The strategic resource plan has been prepared on the basis of a zero percent rate increase in 2017-2018, followed by rate increases that are at least 0.25 percent below the legislated rate cap in each of the following years.

The strategic resource plan forecasts that Council will achieve an operating surplus each year, on both an accrual accounting and cash basis. This provides capacity for Council to invest in capital works and to repay existing loans.

The strategic resource plan also forecasts a substantial capital works program of \$126 million over the next four years. This is proposed to be funded from a combination of grants, contributions, surplus asset sales and operating revenue.

Council has set a target to fully fund the cost of annual asset depreciation from operating revenue. The strategic resource plan forecasts that this target will be achieved by 2019-20.

The strategic resource plan is based on a series of assumptions which include:

- Zero growth in staffing and other operating resources.
- No real-terms growth in service capacity.
- No changes to costs for planned major capital projects and no addition of new projects.
- No further cost shifting by State and Commonwealth Governments.
- Continuation of the Growing Suburbs Fund and other grants programs.

The strategic resource plan will continue to be reviewed on an annual basis to address any issues arising from changes to the underlying assumptions.

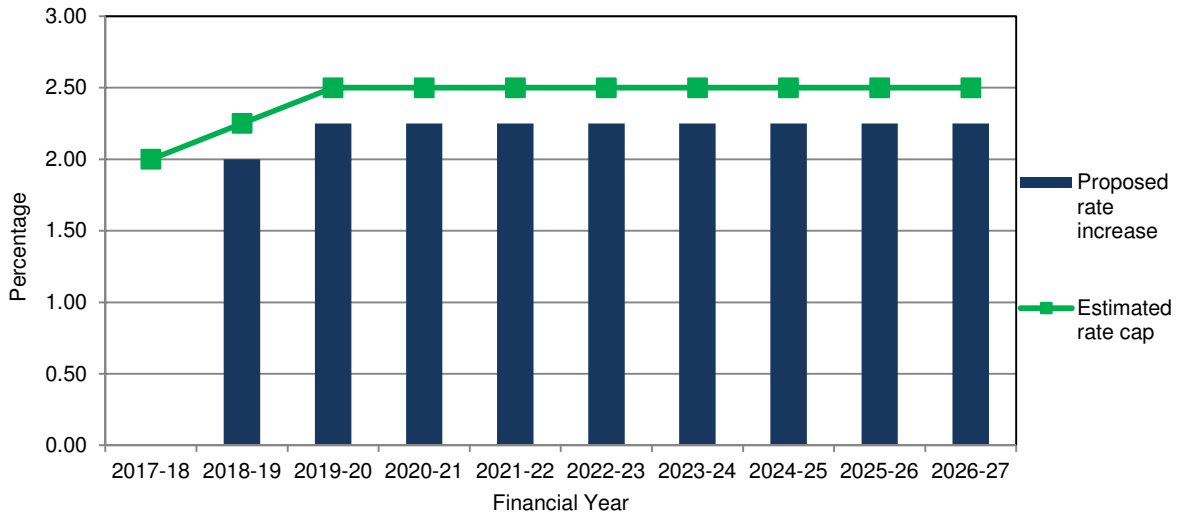
### Process

The draft Budget is exhibited for public consultation from 5 May 2017 to 2 June 2017. Members of the community are able to view the draft Budget on Council's website and at Council's offices. Written submissions can be made until 2 June, and will be considered by Council in June, prior to finalisation and adoption of the Budget.

## Budget Trends and Summary

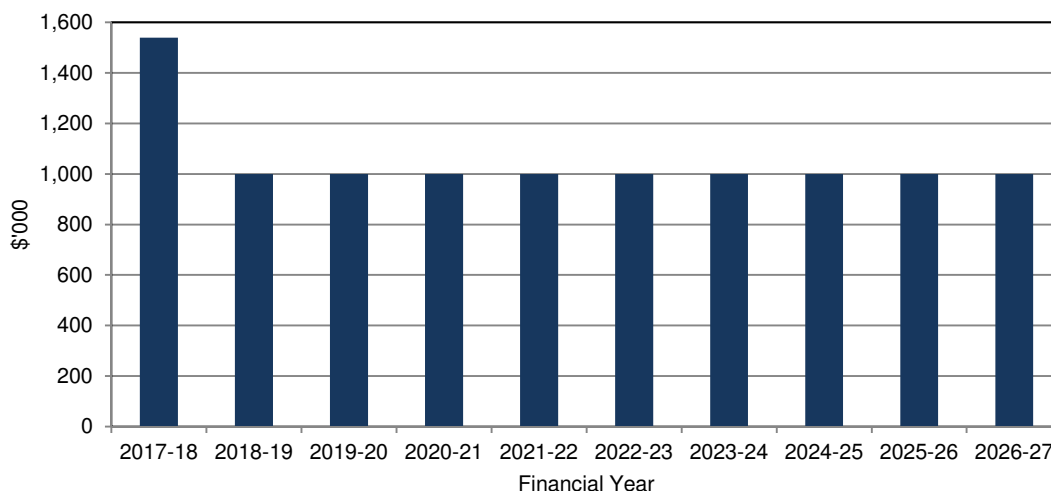
Council has prepared a Budget for the 2017-18 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget trends and outcomes information is provided below regarding the rates and charges, new initiative funding, borrowing, operating result, cash and investments.

### 1. Rate trends and outcomes



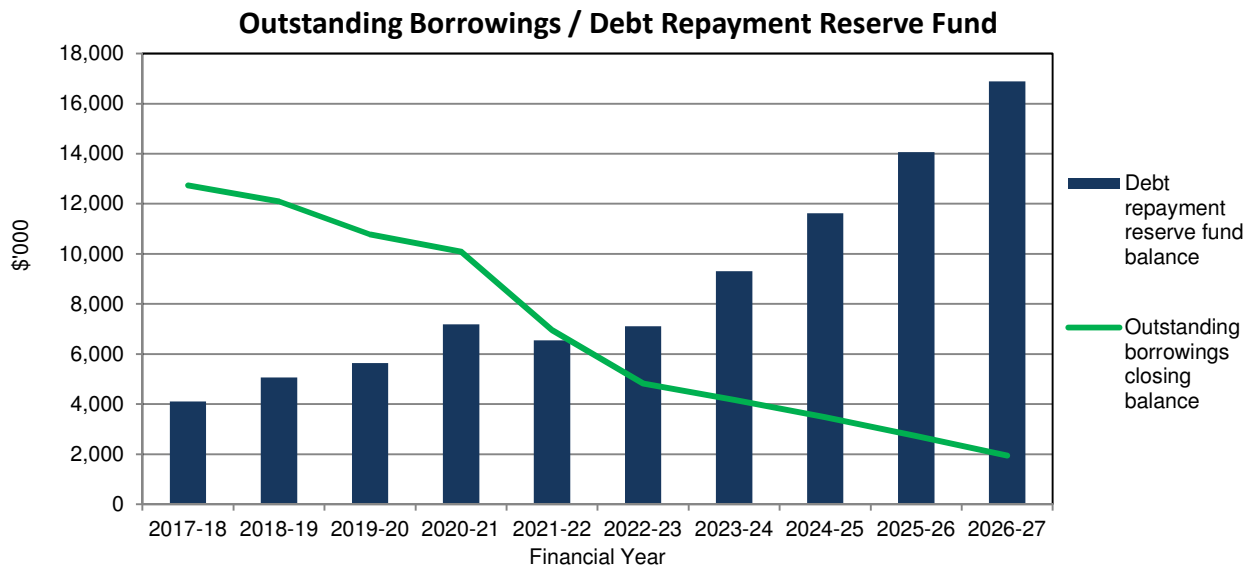
The graph above outlines Council's budgeted rate increase for 2017-18 and proposed increases in future years. For 2017-18, rates and charges will have no increase. It has been assumed that the rate cap in will be 2.25 percent in 2018-19, then 2.50 percent in later years which is reflective of projected CPI rates. Rate increases per assessment have been projected to be a quarter of a percent below the assumed rate cap. The rate cap applies to general rates and the municipal charge.

### 2. New Initiative trends and outcomes



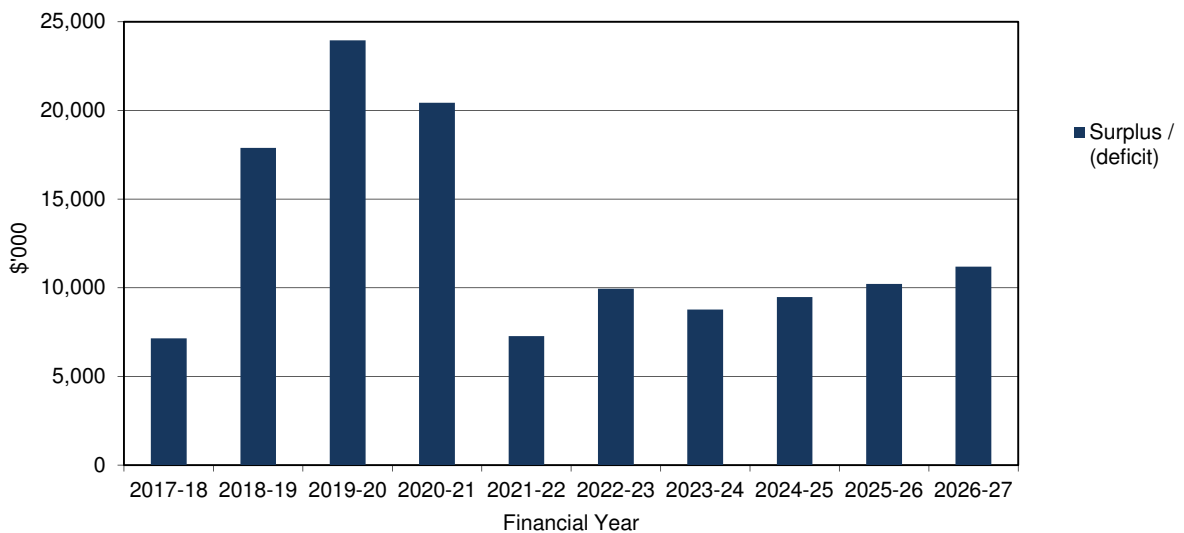
Each year Council makes provision for service delivery improvement and policy and strategy development through new initiatives. The graph above outlines budgeted rate funding 2017-18 and projected outer years. While other funding sources are sought by Council to fund these projects (e.g. grants or contributions), rates is a major funding component for these items.

### 3. Borrowing trends and outcomes



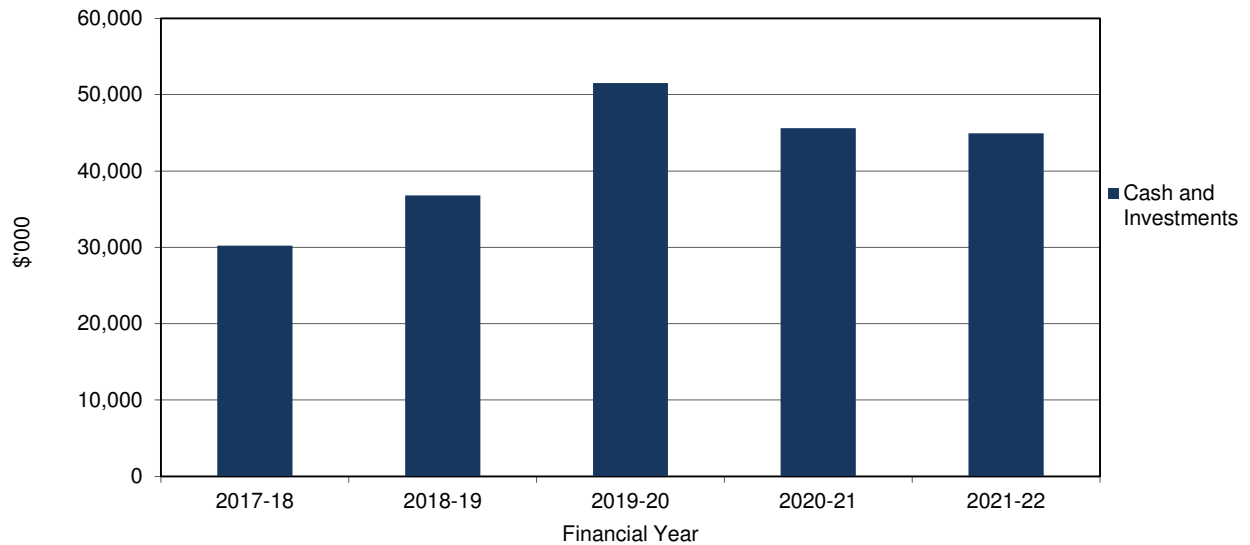
Council is not anticipating to take out any new borrowings over the next 10 years. The graph above outlines Council's existing loan borrowings with the declining trend reflective of current repayment schedules. Borrowings remain within the Auditor-General's low risk range. Further details of Council's borrowing strategy can be found in Section 9.1 of this document. Council uses a debt repayment reserve fund to hold funds for future years projected payments. It is currently forecast that the balance of this reserve will exceed outstanding debt by 2022-23, which will provide scope for Council to consider other Capital investment or budget strategies.

### 4. Operating outcome



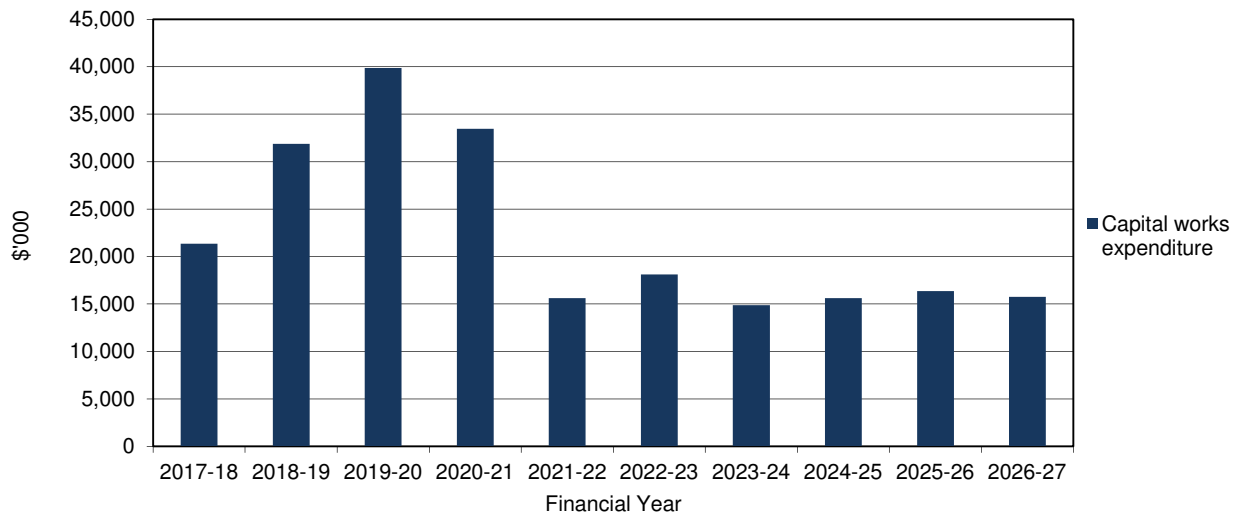
The expected operating result for the 2017-18 year is a surplus of \$7.208 million. The above graph projects a trend of surpluses to be achieved over the projected 10 years providing capacity for capital investment and debt reduction. The fluctuations from 2018-2021 are driven by the anticipated receipt of one-off capital grant funding, if these items are excluded Council will still maintain a surplus position. Detailed operating income and expenditure by business unit have been included in the Appendix E for information.

## 5. Cash and investments



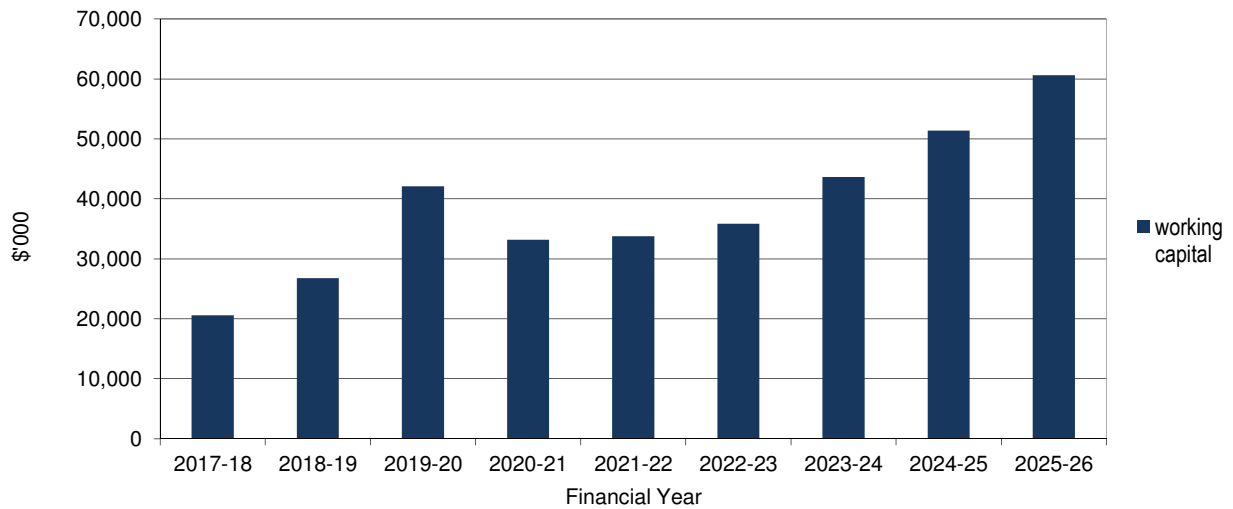
Cash and investments shown in the above graph are illustrating a strong cash position for Council as at 30 June each year. The balances of cash held are represented by amounts held for specific purposes including developer contributions and statutory obligations such as landfill rehabilitation. Council maintains a strong outlook regarding cash and investments which will enable Council to meet its operating obligations during the year and fund its capital works program.

## 6. Capital works



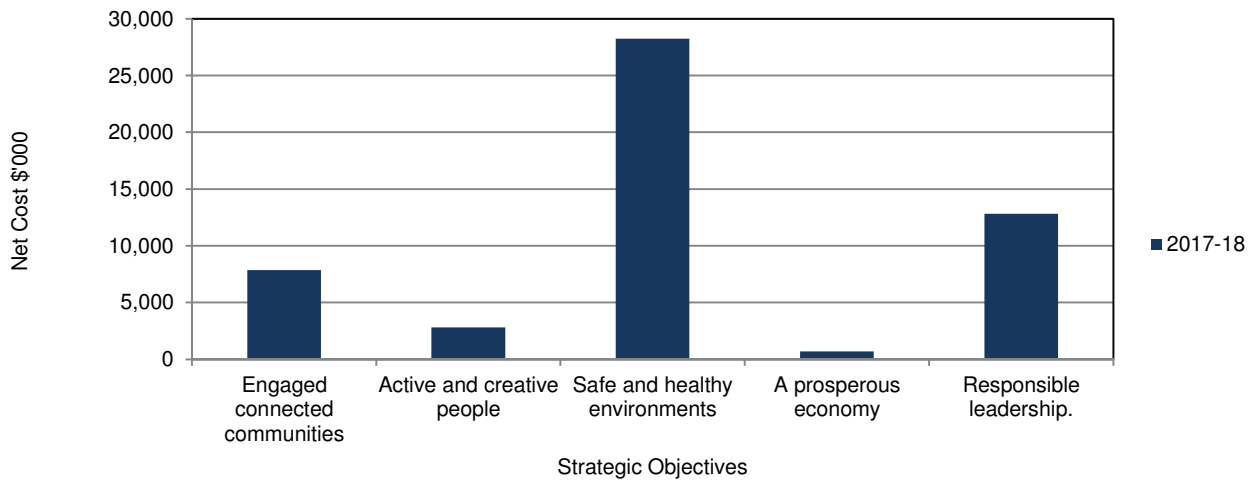
The Capital Works program for 2017-18 will be \$21.341 million, of which \$9.725 million will be funded by rates, \$3.436 million from grants and contributions and \$7.745 million from Council reserves. The capital expenditure program has been set and prioritised based on Council's assessment of the need for key projects. This year's program includes a number of key projects including the completion of the Eltham Leisure Centre Aquatic upgrade, Research Park Sports Pavilion, Wattle Glen Pavilion, Eltham North Reserve pavilion works, drainage renewal and upgrade works and rehabilitation works at Plenty landfill.

## 7. Working capital



The financial position is expected to continuously improve over the projected ten years. This positive trend is reinforced with a strong result achieved through the working capital measure. This measure shows Council has the ability to meet short term liabilities with its current assets. High projections in later years will be reviewed by Council according to budget priorities at that time.

## 9. Strategic objectives

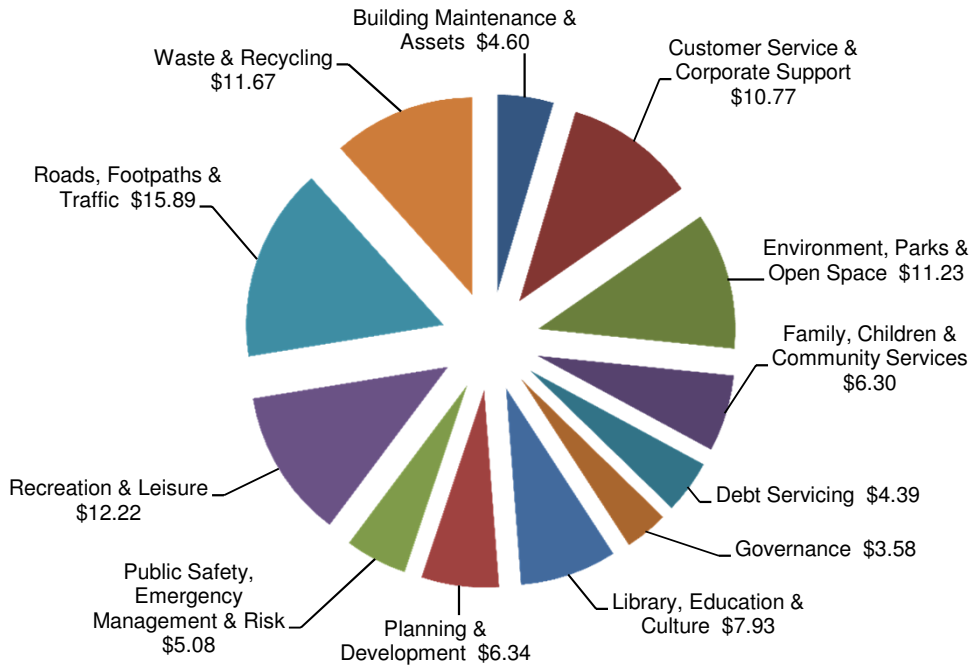


The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2017-18 year.



## 10. Council expenditure allocations

The chart below 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 of rates that Council spends. Some services generate revenue through specific grants, fees and user charges. This chart shows the net cost of each service, which is the amount funded from rate revenue.



## Budget influences

Financial sustainability is a key challenge for all governments. 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.

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) (Refer to Appendix A), 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 (FSP) to guide Council's long-term approach to financial management. This plan is scheduled to be reviewed and updated by Council in the second half of 2017. The 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 and H 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.

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.

Council owns infrastructure assets with a net valuation (gross replacement cost less depreciation) of more than \$741 million. Apart from land, these assets comprise more than \$43 million in buildings and around \$388 million in other infrastructure such as roads, bridges, drains and footpaths. Council's assets depreciate at around \$10 million per annum. Funding the annual cost for renewal of these existing assets is an important responsibility for Council, in addition to meeting community demand for new or improved assets.

### 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 which suit the structural and demographic composition of the shire. These include:

**Legacy issues** – these are driven by the rehabilitation of two former landfill sites at Plenty and Kangaroo Ground in accordance with EPA requirements. These projects have been set out over a long term period to ensure the area is correctly managed for future public use.

**Infrastructure asset management** - Council has in recent years closed the funding gap for renewal and maintenance of existing infrastructure assets. However there remains considerable demand upon Council to provide the community with new assets that meet contemporary standards.

**Services** - Council aims to maintain the levels of service provided and implement improvements based on feedback from community engagement and service reviews.

**Cost-shifting** - where possible Council seeks financial support from State and Federal Government however, there are situations arising where the imposition of state and federal government costs fall upon councils (e.g. Fire Service Levy, landfill levy) which increase 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 G and H of the Budget document. The 2017-18 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

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 2017-18 budget is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a:

- 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 2018 in accordance with the Act and Regulations and are consistent with the annual financial statements which are prepared in accordance with the Australian Accounting Standards and the Local Government Model Accounts. The budget 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.

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 by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

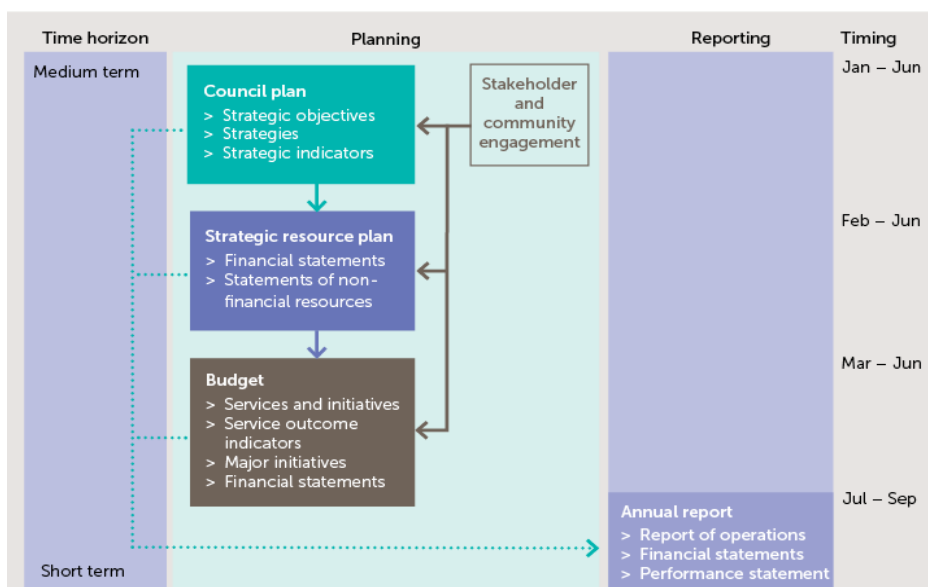
<b>Budget process</b>	<b>Timing</b>
1. Officers update Council's long term financial projections	December 2016 - February 2017
2. Officers prepare draft operating and capital budgets	December 2016 - February 2017
3. Council considers draft budgets at briefings of Councillors	January 2017 - April 2017
4. Proposed budget submitted to Council for approval	2 May 2017
5. Public notice advising intention to adopt budget	5 May 2017
6. Budget available for public inspection and comment	5 May 2017 - 2 June 2017
7. Community engagement process undertaken	5 May 2017 - 2 June 2017
8. Submissions period closes (28 days)	2 June 2017
9. Submissions considered by Future Nillumbik Committee	13 June 2017
10. Budget and submissions presented to Council for adoption	27 June 2017
11. Copy of adopted budget submitted to the Minister	29 June 2017

## 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

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.

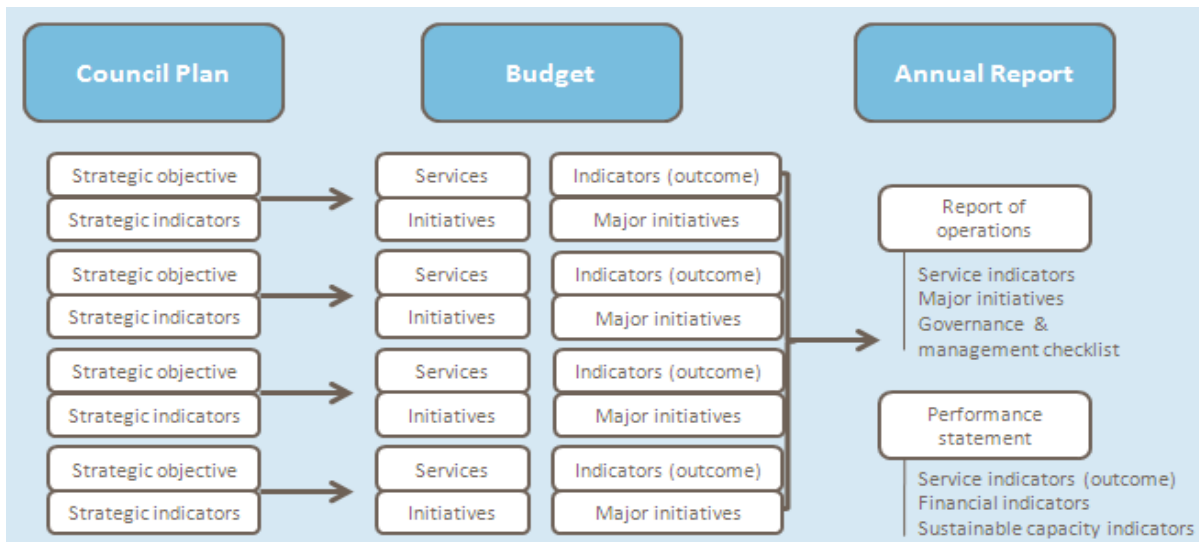
## 1.2 Strategic objectives

The Council delivers activities and initiatives under 29 major service categories as listed in the following pages. Each contributes to the achievement of one of the five Strategic Objectives as set out in the Council Plan for the 2017-21 years. The following table lists the five Strategic Objectives as described in the Council

<b>Strategic Objective</b>	<b>Description</b>
1. Engaged, connected communities	A place where communities and ideas thrive, underpinned by trust, confidence and continuous learning.
2. Active and creative people	Active lifestyles and artistic expression are fostered through participation and innovation.
3. Safe and healthy environments	Healthy and safe communities enjoy living in our iconic environment.
4. A prosperous economy	A strong local economy supports business growth, jobs and community wealth.
5. Responsible Leadership	Collaborative and consultative leadership builds trust and makes the best use of available resources to the benefit of all in the pursuit of excellence.

## 2. Services, initiatives and service performance indicators

This section provides a description of the services and major initiatives to be funded in the Budget (excluding capital works) for the 2017-18 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also describes a number of service performance indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives and service performance outcome indicators in the Budget and report against them in their Annual report to support transparency and accountability. 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

### 2.1 Strategic Objective 1: Engaged connected communities

A place where communities and ideas thrive, underpinned by trust, confidence and continuous learning.

#### Services

Service Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Aged and Disability Services	Disability services; Aged services assessment; Home care; Home maintenance; Senior citizens centres; Delivered meals	2,547 <u>(2,054)</u> <b>493</b>
Children, Family and Youth Services	Pre-school centres and registration; Child-care centres; Occasional child-care; Playgroups; Youth services	1,365 <u>(361)</u> <b>1,004</b>
Community Development and Inclusion	Community centres and halls; Volunteer programs; Community transport; Community development; Community grants; Community health planning; Community festivals and events; inclusion of people with a disability	1,261 <u>(83)</u> <b>1,178</b>
Libraries and Community Education	Libraries; Living and Learning Centres; Edendale Community Environment Farm	5,950 <u>(1,635)</u> <b>4,315</b>

Maternal and Child Health	Maternal and Child Health	1,234 (370) <b>864</b>
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**Major New Initiatives (expenditure included in the above activities) \$'000**

1)	<u>Community and Medical Transport</u> Provides transport service to vulnerable and isolated residents to enable them to access essential services.	40
2)	<u>Inclusion and Diversity Plan - development</u>	40
3)	<u>Community Safety Awareness Campaign</u> Raise community awareness around fire safety issues specific to Nillumbik residents.	20
4)	<u>Positive Ageing Strategy</u> Senior's week program, Heatwave initiative, Positive Ageing Reference group capacity development, and Residential Care review and need analysis.	20

**Service Performance Outcome Indicators**

Service	Indicator	Performance Measure	Computation
Home and Community Care (HACC)	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 Culturally and Linguistically Diverse (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 (MCH)	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 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



## 2.2 Strategic Objective 2: Active and creative people

Active lifestyles and artistic expression are fostered through participation and innovation.

### Services

Service Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Arts and Cultural Services	Art in public places and civic collection; Arts and cultural programs	655 (16) <b>639</b>
Leisure Facilities and Services	Leisure centres; Swimming pools; Indoor sports stadiums; Sportsgrounds and Pavilions; Sporting clubs tenancy and support; Recreation trails; Golf course; Playgrounds; Recreation and open space planning	10,310 (8,138) <b>2,172</b>
<b>Major New Initiatives (expenditure included in the above activities)</b>		<b>\$'000</b>
5)	<u>Arts and Cultural Plan - Stage 2 (Events and Festivals)</u> Component of the Arts and Cultural Plan.	30
6)	<u>Recreation trail communications tool</u> enable the use of technology to provide trail users with up to date trail mapping and way finding as well as other useful details such as classification, gradients, amenities and points of interest.	30
7)	<u>Plenty Park Master Plan review (Year 1 of 2)</u> Review the status of the Plenty Park Master Plan 2007 through consultation with park tenants, stakeholders and the wider community.	20
8)	<u>Nillumbik Shire Council Recreation Strategy (Year 1 of 2)</u> Review of the status of Recreation Strategy 2011-2019.	15

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Aquatic 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

## 2.3 Strategic Objective 3: Safe and healthy environments

Healthy and safe communities enjoy living in our iconic environment.

### Services

Service Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Animal Management	Animal regulation and pound	762 (957) <b>(195)</b>
Building Regulation	Building permits, safety and regulation	754 (342) <b>412</b>

Emergency Management	Bushfire mitigation planning, regulation and works; Emergency management planning; Relief and recovery preparedness; Disaster resilience programs	1,114 <u>(6)</u> <b>1,108</b>
Environment and Conservation	Environmental planning and policy; Water quality and conservation; Biodiversity protection; Land management advice; Landcare support; Weed and pest control; Environmental education and events; Sustainable design advice and energy efficiency programs	1,270 <u>(18)</u> <b>1,252</b>
Food Safety, Public Health and Immunisation	Food safety and health premises regulation; Public health protection and education; Immunisation services; Noise regulation	1,029 <u>(389)</u> <b>640</b>
Infrastructure Design, Construction and Transport	Design for capital works projects including roads, bridges, drainage, landscapes, traffic treatments; Co-ordination of capital works procurement and construction. Engineering assessment of planning applications and approval of subdivision works. Traffic control and road safety; Advocacy on public transport and main roads; Street lighting	2,367 <u>(1,273)</u> <b>1,094</b>
Parking and Local Laws	Car parking regulation; Amenity protection and Local Law permits	561 <u>(626)</u> <b>(65)</b>
Parks and Reserves Maintenance	Maintenance of parks, sportsgrounds, conservation reserves, street trees and public spaces; Roadside vegetation management	5,920 <u>(24)</u> <b>5,896</b>
Planning Enforcement	Enforcement of planning scheme and permit conditions	240 <u>(21)</u> <b>219</b>
Property, Fleet and Asset Management	Infrastructure asset management and planning; Building maintenance and fencing; Property management; Fleet management	8,043 <u>(5,308)</u> <b>2,735</b>
Recycling and Waste Services	Collection of household waste and litter; Hard waste collection; Recycling; Green waste; Transfer station; Waste education; Landfill rehabilitation	7,684 <u>(786)</u> <b>6,898</b>
Road and Drainage Maintenance	Maintenance of local roads and road bridges, pedestrian bridges, footpaths, trails, drains, bus shelters	5,077 <u>=</u> <b>5,077</b>
School Crossings	School crossings	721 <u>(162)</u> <b>559</b>
Statutory Planning	Planning applications; Subdivision applications	2,369 <u>(518)</u> <b>1,851</b>
Strategic Planning	Land use planning and policy; Planning scheme management; Activity centre planning; Heritage protection	774 <u>=</u> <b>774</b>

<b>Major New Initiatives (expenditure included in the above activities)</b>		<b>\$'000</b>
9)	<u>Increased maintenance of roadside vegetation and open space</u>	300
10)	<u>Proactive tree management in high public use areas</u>	300
11)	<u>Corporate Asset Register (Year 1 of 4)</u> Replacement of asset management components or system. Implementation of new system including staff training.	100
12)	<u>Yarrambat Township Plan</u> Preparation of Yarrambat Township Plan .	80
13)	<u>Eltham Activity Centre review</u> Review of the existing Eltham Major Activity Centre Structure Plan (2004).	60
14)	<u>Eltham Precinct 4 - site planning</u> Costs for Council property within Eltham Activity Centre Precinct 4.	30
15)	<u>Heritage investigations (Year 3 of 5)</u> Further investigate 148 places on the Potential Heritage database as required under the Planning & Environment Act 1987 and inline with adopted Heritage Strategy and the Council Plan.	30
16)	<u>Housing - Neighbourhood character analysis (Year 1 of 2)</u> Review of the neighbourhood character provisions as part of the new Integrated Housing Strategy.	30
17)	<u>Domestic Animal Management Plan 2017-2021</u> Provide a strategic approach to animal management.	25
18)	<u>Equine Industry Strategy</u> Preparation of a strategy for development of the equine industry in Nillumbik.	20

#### **Service Performance Outcome Indicators**

<b>Service</b>	<b>Indicator</b>	<b>Performance Measure</b>	<b>Computation</b>
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 outcome notifications (Percentage of critical and major non-compliance outcome notifications that are followed up by Council)	[Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100

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
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT 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: A prosperous economy

A strong local economy that supports business growth, jobs and community wealth.

### Services

Service Area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Tourism and Business Support	Tourism funding and support; Local community and farmers' markets; Local business networks, training and seminars	1,176 (474) <b>702</b>

Major New Initiatives (expenditure included in the above activities)		\$'000
19)	<u>Economic Development - Investment Facilitation</u> New resource to provide capacity to increase economic development and broaden the rate base.	115
20)	<u>Artisan Hills projects including</u> Visiting friends and relatives (Year 2 of 4) Promotional campaigns Visitor information service review (Year 2 of 2)	50
21)	<u>Artisan Hills - Implementation Resources</u> Resources to implement the Artisan Hills tourism marketing plan.	36
22)	<u>New Economic Development Strategy implementation (Year 2 of 5)</u> 2017-2021 - Delivery of the Year 2 actions within the adopted Economic Development Strategy by June 2017.	40

## 2.5 Strategic Objective 5: Responsible leadership

Collaborative and consultative leadership that builds trust and makes the best use of available resources to the benefit of all in the pursuit of excellence.

### Services

Service Area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Communications	Website; Electronic and print communication; Community consultation and engagement; Media liaison	675 (3) <b>672</b>
Customer Service	Reception; Call centre;	545 (4) <b>541</b>
Finance and Insurance	Finance and procurement; Rates and property valuations; Audit; Risk management and insurance	6,580 (3,343) <b>3,237</b>
Governance	Council and Committee meetings; Civic functions and citizenship ceremonies; Australia Day awards; Elections; Statutory governance requirements; Mayor and Councillor resources and support services; Local government sector and regional advocacy	2,240 (0) <b>2,240</b>
Information and Technology	Information technology; Records management; On-line services; Telecommunications	4,584 0 <b>4,584</b>
Organisation Development	Recruitment and selection; Staff learning and development; Employee and industrial relations; Safety, health and well-being; Organisational development and performance	1,679 (130) <b>1,549</b>
<b>Major New Initiatives (expenditure included in the above activities)</b>		<b>\$'000</b>
23)	<u>Mobile devices / remote access to network for Council field staff</u> Provision of software licences and internet connectivity for outdoor crews and staff who undertake field inspections, providing capacity to access	70
24)	<u>Community engagement (Implementation of Organisation Culture and Capability Strategy)</u> Implementation of community engagement initiatives from the Organisation Culture and Capability Strategy.	41
25)	<u>Northern region shared services</u> Establishment of shared resource amongst regional Council group to analyse and identify opportunities for collaborative procurement across Northern Metro region.	17
26)	<u>Customer Service - Mystery shopping program</u> Direct feedback from a customer perspective on their experience as they interact with service touchpoints throughout the service cycle.	10
27)	<u>Continuous improvement (Implementation of Organisation Culture and Capability Strategy)</u> Implementation of continuous improvement initiatives from the Organisation Culture and Capability Strategy.	9

## 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 2017-18 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 prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General office (VAGO) 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
Engaged connected communities	7,855	12,358	(4,503)
Active and creative people	2,811	10,965	(8,154)
Safe and healthy environments	28,256	38,687	(10,431)
A prosperous economy	702	1,176	(474)
Responsible leadership.	12,823	16,303	(3,480)
<b>Total services &amp; initiatives</b>	<b>52,447</b>	<b>79,489</b>	<b>(27,042)</b>
<b>Other non-attributable</b>			
Depreciation and amortisation	10,095		
Debt redemption	(725)		
Written down value of asset sold	5,065		
Transfer to and from reserves	(7,847)		
<b>Deficit before funding sources</b>	<b>59,035</b>		
Rates, charges and rebates	(62,321)		
Capital funding sources	(3,871)		
<b>Total funding sources</b>	<b>(66,193)</b>		
<b>(Surplus) / Deficit for the year</b>	<b>(7,158)</b>		

### 2.8 Reconciliation with Rate Determination Outcome

In setting rates and charges, Council aims for a modest cash surplus of \$150,000 after considering all operational requirements, debt repayment commitments and capital works requirements. This has been achieved as summarised below.

	Net Cost \$'000	Expenditure \$'000	Revenue \$'000
Engaged connected communities	7,855	12,358	(4,503)
Active and creative people	2,811	10,965	(8,154)
Safe and healthy environments	28,256	38,687	(10,431)
A prosperous economy	702	1,176	(474)
Responsible leadership.	12,823	16,303	(3,480)
<b>Total services &amp; initiatives</b>	<b>52,447</b>	<b>79,489</b>	<b>(27,042)</b>
Rates funded capital expenditure	9,725		
<b>Deficit before rates funding</b>	<b>62,171</b>		
Add back rates & charges	(62,321)		
<b>Cash-basis 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 2017-18 year.

#### 3.1 Budgeted income statement

Adjusted underlying result	Ref	Forecast 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
Total income	3.2	93,319	86,779	(6,540)
Total expenses	3.3	80,089	79,621	(468)
<b>Surplus (deficit) for the year</b>		<b>13,230</b>	<b>7,158</b>	<b>(6,072)</b>
Grants – capital non-recurrent	3.2.6	7,633	3,261	(4,372)
Capital contributions - other sources	3.2.4	3,615	520	(3,095)
<b>Adjusted underlying surplus (deficit)</b>		<b>1,982</b>	<b>3,377</b>	<b>1,395</b>

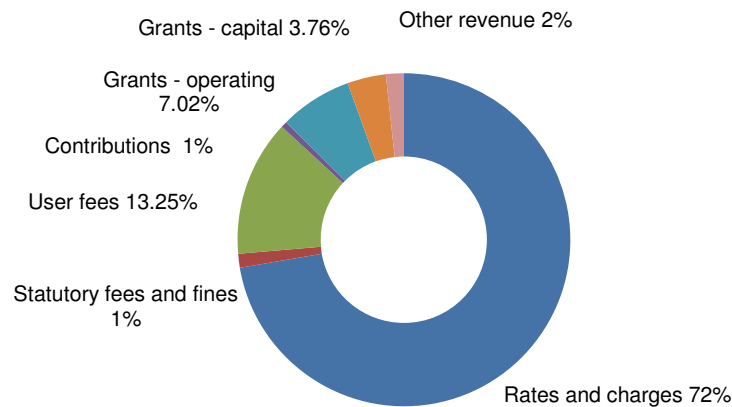
##### 3.1.1 Adjusted underlying surplus (\$1.395 million increase)

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 2017-18 year is a surplus of \$3.377 million which is an increase of \$1.395 million from the 2016-17 year.

#### 3.2 Operating revenue

Revenue Types		Forecast 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
Rates and charges	3.2.1	62,326	62,733	407
Statutory fees and fines	3.2.2	1,220	1,178	(42)
User fees	3.2.3	10,006	11,500	1,494
Contributions	3.2.4	3,615	520	(3,095)
Grants - operating	3.2.5	6,602	6,094	(508)
Grants - capital	3.2.6	7,633	3,261	(4,372)
Net gain on sale of assets	3.2.7	-	-	-
Other revenue	3.2.8	1,917	1,493	(424)
<b>Total operating revenue</b>		<b>93,319</b>	<b>86,779</b>	<b>(6,540)</b>



Source: Appendix A

### 3.2.1 Rates and charges (\$0.407 million increase)

There is no increase to the existing level of property rates and charges for the 2017-2018 year. The small increase shown in the preceding table is attributable to supplementary valuations for properties which have been redeveloped or subdivided during the year.

### 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.

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

### 3.2.3 User fees (\$1.494 million increase)

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 generated from user charges has increased driven by the increase in charges as listed in Appendix F - Nillumbik Shire Council 2017-18 Fees and Charges. There is an overall projected increase in revenue generated by 14.93 percent. The main driver for this is a increase in revenue is from the re-opening of the Eltham Leisure Centre aquatics facility.

### 3.2.4 Contributions (\$3.095 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 \$3.095 million when compared to the 2016-17 Budget forecast. This is mainly due to the one off receipt of contributions tied to capital projects in 2016-17.



### 3.2.5 Grants - Operating (\$0.508 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 7.69 percent or \$0.508 million compared to the 2016-17 Budget forecast. This reduction is mainly due to a reduction in New Initiative grant funding relating to projects carried forward from 2015-16 to 2016-17 as well as a slight reduction in the other operating grants.

### 3.2.6 Grants - Capital (\$4.372 million decrease)

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 decreased by 57.28 per cent or \$4.372 million compared to the 2016-17 Budget forecast due mainly to specific funding for large capital works projects in 2016-17 including the new pavilion at the Eltham North Reserve and the Eltham Leisure Centre aquatic redevelopment. Section 5. Analysis of Capital Budget includes a more detailed analysis of the grants and contributions expected to be received during the 2017-18 year.

<b>Operating grant funding type and source</b>	<b>Forecast 2016-17 \$'000</b>	<b>Budget 2017-18 \$'000</b>	<b>Variance \$'000</b>
<b><i>Recurrent - Commonwealth Government</i></b>			
Victorian Grants Commission	3,095	3,095	-
<b><i>Recurrent - State Government</i></b>			
Aged and Disability Services	1,566	1,562	(4)
Maternal & Child Health	519	519	-
Family & Children	264	269	5
Edendale	7	-	(7)
Community Services	62	40	(22)
School Crossings	153	151	(2)
Adult Education	430	443	13
Emergency Management	15	-	(15)
Youth Services	5	-	(5)
Metro Access	130	-	(130)
Environmental Works	9	-	(9)
Economic Development	15	15	-
New Initiatives	332	-	(332)
<b>Total Recurrent Grants</b>	<b>6,602</b>	<b>6,094</b>	<b>(508)</b>

<b>Capital grant funding type and source</b>	<b>Forecast 2016-17 \$'000</b>	<b>Budget 2017-18 \$'000</b>	<b>Variance \$'000</b>
<i>Non-Recurrent - Commonwealth Government</i>	1,359	894	(465)
<i>Non-Recurrent - State Government</i>	6,274	2,367	(3,907)
<b>Total Non-Recurrent Grants</b>	<b>7,633</b>	<b>3,261</b>	<b>(4,372)</b>

### 3.2.7 Net gain on sale of assets

There are anticipated land sales to the value of \$4.630 million in the 2017-18 budget. The budget assumes that sale prices are consistent with existing asset valuations.

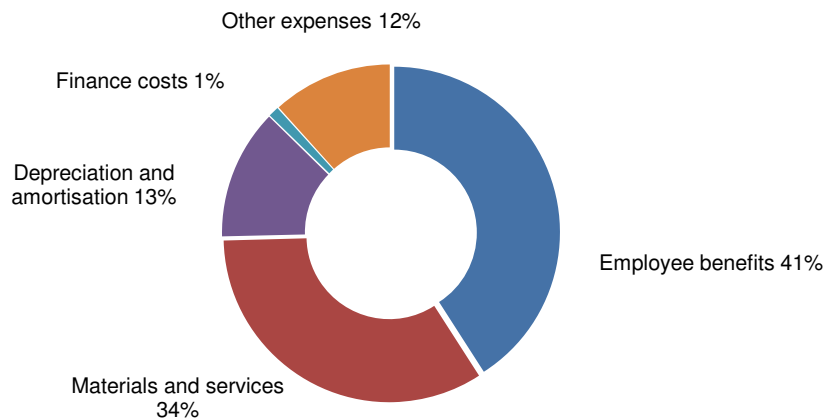
### 3.2.8 Other revenue (\$0.424 million decrease)

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, future investment income and valuation sales estimates have been the major drivers for this reduction.

Other revenue is showing a decrease of 22.12 percent compared to the 2016-17 Budget forecast. This is mainly due to the once-off reimbursement of flood damage of \$300,000 in 2016-17.

## 3.3 Operating expenditure

Expenditure Types	Ref	Forecast	Budget	Variance
		2016-17 \$'000	2017-18 \$'000	\$'000
Employee benefits	3.2.1	32,193	32,551	358
Materials and services	3.2.2	27,067	26,842	(225)
Bad and doubtful debts		-	-	-
Depreciation and amortisation	3.2.3	9,895	10,095	200
Finance costs	3.2.4	892	820	(72)
Other expenses	3.2.5	10,042	9,313	(729)
<b>Total operating expenditure</b>		<b>80,089</b>	<b>79,621</b>	<b>(468)</b>



Source: Appendix A

### 3.3.1 Employee benefits (\$0.358 million increase)

Employee costs include all labour related expenditure including; wages and salaries and on-costs for both casual employees and permanent employees. Salaries and wages have been increased based on the estimate used in the Strategic Resource Plan of 2.0 percent.

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

Department	Budget 2017-18 \$'000	Composition			Casual \$'000
		Permanent Full Time \$'000	Permanent Part Time \$'000	Limited Tenures \$'000	
Infrastructure Services	11,188	10,933	242	-	13
Environment and Planning	6,519	4,867	1,589	-	63
Community and Leisure	7,011	2,836	3,510	235	430
Corporate Services	6,021	4,294	1,560	158	9
Executive Services	559	559	-	-	-
<b>Total</b>	<b>31,298</b>	<b>23,489</b>	<b>6,901</b>	<b>393</b>	<b>515</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	121.72	119.00	2.72	-
Environment and Planning	65.83	45.40	20.43	-
Community and Leisure	63.55	25.00	36.15	2.40
Corporate Services	56.41	38.00	16.56	1.85
Executive Services	3.00	3.00	-	-
<b>Total</b>	<b>310.51</b>	<b>230.40</b>	<b>75.86</b>	<b>4.25</b>

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

Type of employment	Forecast	Budget	Variance
	2016-17 \$'000	2017-18 \$'000	EFT's
Permanent	310.97	306.26	-4.71
Limited tenures	2.1	4.25	2.15
<b>Total EFT</b>	<b>313.07</b>	<b>310.51</b>	<b>(2.56)</b>

### 3.3.2 Materials and services (\$0.225 million decrease)

Materials and services include the purchases of consumables, payments to contractors for the provision of services, utility costs all which when compared to the prior year are projected to increase slightly. The decrease shown in the comparative figure is driven by carried forward balance of new initiative funding not yet spent in the prior year.

### 3.3.3 Depreciation and amortisation (0.200 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 \$0.200 million for 2017-18 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 2017-18 year.

### 3.3.4 Finance costs (\$0.072 million decrease)

Borrowing costs relate to interest charged by financial institutions on funds borrowed. The decrease (8.07 per cent compared to 2016-17 forecast) is a result of existing loan life cycles reducing resulting in less interest to be repaid. This trend is assisted through no new borrowings anticipated in 2017-18 for capital works projects.

### 3.3.5 Other expenses (\$0.729 million decrease)

Other expenses relate to a range of unclassified items including library costs, contributions to community groups, advertising, insurances, motor vehicle registrations and other miscellaneous expenditure items. Other expenses are forecast to decrease by 7.26 per cent or \$0.729 million compared to the 2016-17 Budget forecast. This is mainly as a result of reductions in Home and Community Care related expenditure.

## 3.4 Underlying result

Underlying result	Forecast	Budget	Variance
	2016-17	2017-18	Budget 2016-17 to Forecast
	\$'000	\$'000	\$'000
<b>Surplus (deficit) for the year</b>	<b>13,230</b>	<b>7,158</b>	<b>(6,072)</b>
Net gain on disposal of property, infrastructure, plant and equipment	-	-	-
Grants – Capital	7,633	3,261	(4,372)
Contribution- Capital	3,615	520	(3,095)
<b>Underlying surplus (deficit) from P/L</b>	<b>1,982</b>	<b>3,377</b>	<b>1,395</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 2017-18 year is a surplus of \$3.377 million, which is an increase of \$1.395 million over the 2016-17 Budget forecast based on operating income and expenditure.

## 4. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017-18 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 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
<b><i>Cash flows from operating activities</i></b>	4.1.1			
Rates and charges		65,418	63,188	(2,230)
Statutory fees and fines		1,350	1,198	(152)
User fees		10,136	11,520	1,384
Grants - operating		6,732	6,114	(618)
Grants - capital		7,763	3,281	(4,482)
Contributions - monetary		3,615	520	(3,095)
Interest received		880	970	90
Dividends received		-	-	-
Trust funds and deposits taken		-	-	-
Other receipts		1,037	523	(514)
Net GST refund / payment		-	-	-
Employee costs		(32,005)	(32,359)	(354)
Materials and services		(24,320)	(25,678)	(1,358)
Trust funds and deposits repaid		-	-	-
Other payments		(10,041)	(9,310)	731
<b>Net cash provided by / (used in) operating activities</b>		<b>30,565</b>	<b>19,967</b>	<b>(10,598)</b>
<b><i>Cash flows from investing activities</i></b>	4.1.2			
Proceeds from sale of property, infrastructure, plant and equipment		8,438	4,630	(3,808)
Payments for property, infrastructure, plant and equipment		(47,831)	(22,466)	25,365
Payments for investments		-	-	-
Proceeds from sale of investments		-	-	-
Loan and advances made		-	-	-
Payments of loans and advances		-	-	-
<b>Net cash provided by / (used in) investing activities</b>		<b>(39,393)</b>	<b>(17,836)</b>	<b>21,557</b>

<b>Cash flows from financing activities</b>	4.1.3			
Finance costs		(892)	(820)	72
Proceeds from borrowings		-	-	-
Repayment of borrowings		(842)	(724)	118
<b>Net cash provided by / (used in) financing activities</b>		(1,734)	(1,544)	190
<b>Net increase / (decrease) in cash and cash equivalents</b>		(10,562)	587	11,149
Cash and cash equivalents at the beginning of the year		40,220	29,658	(10,562)
<b>Cash and cash equivalents at end of the financial year</b>	4.1.4/4.2	<b>29,658</b>	<b>30,245</b>	587

#### 4.1.1 Operating activities (\$10.598 million decrease)

The decrease in cash inflows from operating activities when compared to the 2016-17 Budget forecast is mainly due to one off capital works funding through grants and contributions received in prior year. This is not considered an issue for operating purposes in 2017-18 year and also in outer years as Council relies on its own source revenue streams to fund operating requirements. This can be evidenced in the adjusted underlying surplus ratio in Appendix H "Financial Sustainability Performance".

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 (such as depreciation) 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 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>13,230</b>	<b>7,158</b>	(6,072)
Depreciation	9,895	10,095	200
Loss (gain) on sale of assets	-	-	-
Net movement in current assets and liabilities	7,440	2,714	(4,726)
<b>Cash flows available from operating activities</b>	<b>30,565</b>	<b>19,967</b>	(10,598)

#### 4.1.2 Investing activities (\$21.557 million increase)

There is an improvement from prior year as a result of reduced planned purchasing of Property, Plant and Equipment which is offset by a reduction in proceeds of sale when compared to prior year.

#### 4.1.3 Financing activities (\$0.190 million increase)

In 2017-18, Council continues to make repayments on existing loans. As previously mentioned there are no new borrowings projected for 2017-18.

#### 4.1.4 Cash and cash equivalents at end of the year (\$0.587 million increase)

Overall, total cash and investments is forecast to increase by \$0.587 million to \$30.245 million as at 30 June 2018. Council continues to maintain a strong cash/cash equivalent balance.

## 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 2018 it will have cash and investments of \$30.339 million, which has been restricted as shown in the following table.

	Ref	Forecast 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
<b>Total cash and investments</b>		29,658	30,245	587
Restricted cash and investments				
- Statutory reserves	4.2.1	(7,571)	(7,109)	462
- Discretionary reserves	4.2.2	(7,629)	(8,194)	(565)
- Long service leave	4.2.3	(5,467)	(5,576)	(109)
<b>Unrestricted cash and investments</b>	<b>4.2.4</b>	<b>8,991</b>	<b>9,366</b>	<b>375</b>

Source: Appendix A

### 4.2.1 Statutory reserves (\$0.462 million decrease)

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 (\$0.565 million decrease)

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 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 (\$0.109 million increase)

These funds are separately identified in the balance sheet 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 (\$0.375 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

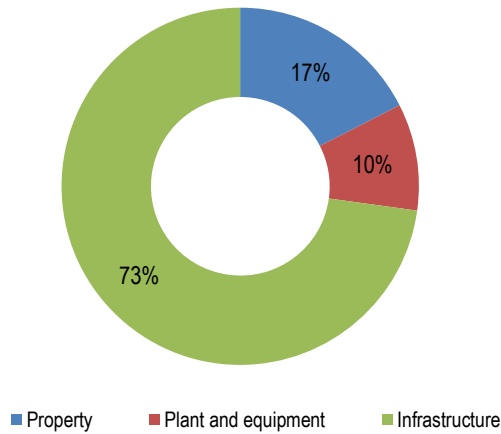
This section analyses the planned capital expenditure budget for the 2017-18 year and the sources of funding for the capital budget.

### 5.1 Capital works

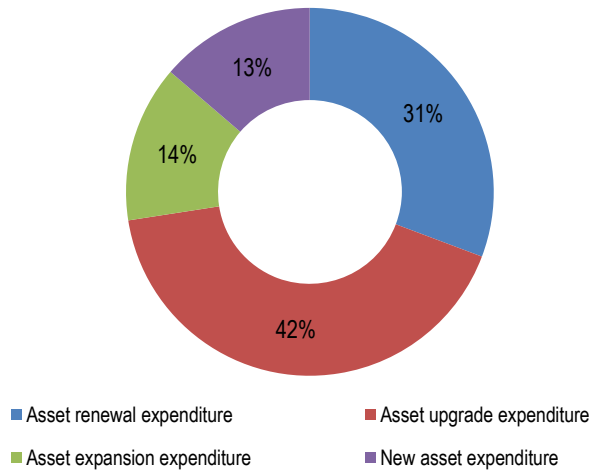
Capital Works Areas	Ref	Forecast 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000	2017-18 %
<b>Property</b>	5.1.1				
Land		-	-	-	
Land improvements		-	-	-	
<b>Total land</b>		-	-	-	
Buildings		6,237	3,739	(2,498)	18
Building improvements		-	-	-	
Leasehold improvements		-	-	-	
Heritage buildings		-	-	-	
<b>Total buildings</b>		6,237	3,739	(2,498)	
<b>Total property</b>		6,237	3,739	(2,498)	
<b>Plant and equipment</b>	5.1.2				
Plant, machinery and equipment		1,570	1,871	301	9
Fixtures, fittings and furniture		404	190	(214)	1
Computers and telecommunications		-	-	-	
Heritage plant and equipment		-	-	-	
Library books		-	-	-	
<b>Total plant and equipment</b>		1,974	2,061	87	
<b>Infrastructure</b>	5.1.3				
Roads		6,450	2,164	(4,286)	10
Bridges		664	1,014	350	5
Footpaths and cycleways		816	790	(26)	4
Drainage		600	625	25	3
Recreational, leisure and community facilities		25,678	7,878	(17,800)	37
Waste management		2,826	853	(1,973)	4
Parks, open space and streetscapes		1,365	1,549	184	7
Aerodromes		-	-	-	
Off street car parks		-	-	-	
Other infrastructure		1,221	668	(553)	3
<b>Total infrastructure</b>		39,620	15,541	(24,079)	
<b>Total capital works expenditure</b>		47,831	21,341	(26,490)	100
<b>Represented by:</b>					
Asset renewal expenditure	5.1.4	8,209	6,556	(1,653)	31
Asset upgrade expenditure	5.1.4	28,171	8,918	(19,253)	41
Asset expansion expenditure	5.1.4	6,797	2,947	(3,850)	14
New asset expenditure	5.1.4	4,654	2,920	(1,734)	14
<b>Total capital works expenditure</b>		47,831	21,341	(26,490)	100



**Budgeted total capital works by class 2017-18**



**Budgeted total capital works by type 2017-18**



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

**5.1.1 Property (\$3.739 million)**

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

For the 2017-18 year, \$3.379 million will be expended on building and building improvement projects.

**5.1.2 Plant and equipment (\$2.061 million)**

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

For the 2017-18 year, \$2.061 million will be expended on plant, equipment and other projects. The more significant projects include ongoing cyclical replacement of the plant and vehicle fleet (\$1.871 million) and play space renewal funding (\$0.170 million).

### 5.1.3 Infrastructure (\$15.541 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 2017-18 year, \$2.164 million will be expended on road projects. The more significant projects include Periodic Maintenance (reseals & resheeting) (\$1.400 million), Road Sealing/Rehabilitation Program (\$0.380 million), and Traffic Improvement Program (\$0.200 million).

\$7.878 million will be expended on recreational, leisure and community facilities. The more significant of these include Eltham Leisure Centre Aquatic upgrade (\$2.300 million), Research Park Sports Pavillion (\$1.795 million), Wattle Glen pavillion (\$0.750 million), major leisure centres & community halls renewal (\$0.590 million), Diamond Valley Sports and Fitness Centre (\$0.500 million), sports fields, trail resurfacing and periodic maintenance (\$0.405 million), Eltham North Reserve pavillion upgrade (\$0.300 million) and Yarrambat golf course upgrades (\$0.300 million).

\$0.790 million will be expended on footpath construction and renewal program projects.

\$0.625 million will be expended on drainage renewal and upgrade projects.

\$0.853 million will be expended on Waste Management in relation to the rehabilitation of the Plenty landfill.

\$1.014 million will be expended on Bridge works including the duplication of the Gibson Street bridge.

Other infrastructure expenditure includes Township entries and streetscapes (\$0.400 million) Disability access works (\$0.120 million) and Street tree planting (\$83,000).

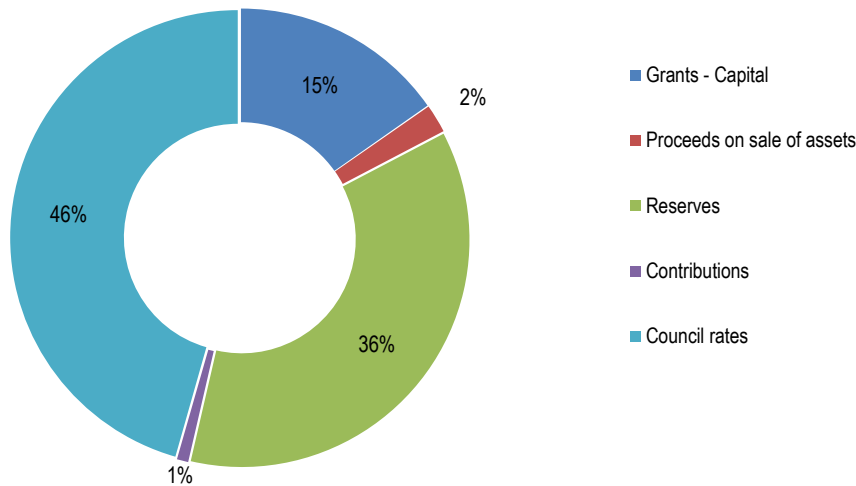
### 5.1.4 Asset renewal (\$6.556 million), upgrade (\$8.918 million), new assets (\$2.920 million) and expansion (\$2.947 million)

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.

## 5.2 Funding sources

Sources of funding	Ref	Budget 2017-18 \$'000
<b>Current year funding</b>		
Grants - capital	5.2.1	3,261
Borrowings		-
Contributions	5.2.2	175
Other Income		-
Council rates	5.2.3	9,725
Proceeds on sale of assets	5.2.4	435
Reserve cash and investments	5.2.5	7,745
Unrestricted cash and investments		-
		<b>21,341</b>

**Budgeted total funding sources 2017-18**



Source: Appendix C

**5.2.1 Grants - Capital (\$3.261 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 2017-18 include funding for the Civic Drive Precinct facilities, Research Park sports pavillion, Eltham Leisure 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 (\$0.175 million)**

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

**5.2.3 Council rates (\$9.725 million)**

It is expected that in 2017-18, \$9.725 million of rates revenue will be used to fund various capital projects.

**5.2.4 Proceeds on sale of assets (\$0.434 million)**

Proceeds from sale of assets include motor vehicle sales in accordance with Council's fleet renewal policy of \$0.434 million.

**5.2.5 Reserves (\$7.745 million)**

A number of reserves are set aside for specific purposes. For 2017-18 \$7.745 million will be used to fund part of the new capital works program including the purchase of the former Eltham CFA site (\$2.150 million), Plant and Fleet Replacement (\$1.436 million), Plenty landfill rehabilitation (\$0.853 million), Research Park Sports Pavillion (\$0.700 million), Wattle Glen Pavillion (\$0.600 million), Diamond Valley Sports and Fitness Centre (\$0.500 million) and the Eltham North Reserve pavillion upgrade(\$0.300 million).

## 6. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2016-17 and 2017-18. It also considers a number of key performance indicators.

### 6.1 Budgeted balance sheet

	Ref	Forecast 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
<b>Current assets</b>	6.1.1			
Cash and cash equivalents		29,658	30,242	584
Receivables		5,599	5,207	(392)
Prepayments and accruals		250	250	-
Land held for resale		-	-	-
Inventories		15	15	-
<b>Total current assets</b>		<b>35,522</b>	<b>35,714</b>	<b>192</b>
<b>Non-current assets</b>				
Trade and other receivables		707	566	(141)
Investments in associates and joint ventures		1,470	1,470	-
Property, infrastructure, plant & equipment		770,960	777,576	6,616
Other financial assets		5	5	-
<b>Total non-current assets</b>		<b>773,142</b>	<b>779,617</b>	<b>6,475</b>
<b>Total assets</b>		<b>808,664</b>	<b>815,331</b>	<b>6,667</b>
<b>Current liabilities</b>	6.1.2			
Bank overdraft		-	-	-
Trade and other payables		4,285	4,220	(65)
Interest-bearing liabilities		2,204	2,121	(83)
Provisions		7,037	7,415	378
Trusts		1,352	1,352	-
<b>Total current liabilities</b>		<b>14,878</b>	<b>15,108</b>	<b>230</b>
<b>Non-current liabilities</b>				
Interest-bearing liabilities		11,257	10,617	(640)
Provisions		9,158	8,973	(185)
<b>Total non-current liabilities</b>		<b>20,415</b>	<b>19,590</b>	<b>(825)</b>
<b>Total liabilities</b>		<b>35,293</b>	<b>34,698</b>	<b>(595)</b>
<b>Net assets</b>		<b>773,371</b>	<b>780,633</b>	<b>7,262</b>
<b>Equity</b>	6.1.4			
Other reserves		15,199	15,303	104
Asset revaluation reserve		383,950	383,950	-
Retained profits		374,222	381,380	7,158
<b>Total equity</b>		<b>773,371</b>	<b>780,633</b>	<b>7,262</b>

Source: Appendix A

### 6.1.1 Current Assets (\$0.192 million increase) and Non-Current Assets (\$6.475 million increase)

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 \$0.192 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 2017-18.

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 (\$0.230 million increase) and Non Current Liabilities (\$0.825 million decrease)

The decrease in non-current liabilities is mainly due to interest-bearing liabilities as a result of existing loans life cycles reducing, while current liability increases relate to projected higher levels of creditors at 30 June 2018.

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.

Interest-bearing liabilities are borrowings and finance leases of Council. Council is budgeting to repay loan principal of \$0.725 million and take no new borrowings in 2017-18.

### 6.1.3 Working Capital (\$0.038 million decrease)

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 2016-17 \$'000	Budget 2017-18 \$'000	Variance \$'000
Current assets	35,522	35,714	192
Current liabilities	14,878	15,108	(230)
<b>Working capital</b>	<b>20,644</b>	<b>20,606</b>	<b>(38)</b>
Restricted cash and investment current assets			
- Statutory reserves	(7,571)	(7,109)	462
- Discretionary reserves	(7,629)	(8,194)	(565)
<b>Unrestricted working capital*</b>	<b>5,444</b>	<b>5,303</b>	<b>(141)</b>

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

#### **6.1.4 Equity (\$7.262 million increase)**

Total equity must equal 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.

## **6.2 Key assumptions**

In preparing the Budgeted Balance Sheet for the year ending 30 June 2018 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 per cent of total rates and charges raised will be collected in the 2017-18 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 fewer new special charge schemes being planned for 2017-18 and beyond.
- Other debtors remain consistent with 2016-17 levels, and creditors are projected to decrease slightly for 2017-18.
- Employee entitlements to be increased by the indexation impact of estimated future Enterprise Agreement increases.
- The capital works program to be funded is \$21.341 million.
- Repayment of loan principal to be \$0.725 million and no new borrowings anticipated.
- Reserve funds are used to fund part of the capital works program.
- All capital works planned for 2017-18 will be fully completed during the year.
- Current 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, and continues to make additional allocations into this reserve to provide capacity for accelerated debt repayment.

## 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 ten financial years to support the Council Plan.

### 7.1 Plan development

The Act requires a strategic resource plan (SRP) 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 SRP for the four years 2017-18 to 2020-21 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.

The key objective, which underlines the development of the SRP, is financial sustainability in the medium to long term, while still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the SRP, are:

- Maintain existing service levels
- Maintain a \$0.500 million increase in the level of recurrent revenue directed to the capital expenditure program each year.
- Achieve a balanced budget on a cash basis.

In preparing the SRP, the Council has also been mindful of the need to comply with the rate capping legislation as well as 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 2017-18 to 2020-21. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

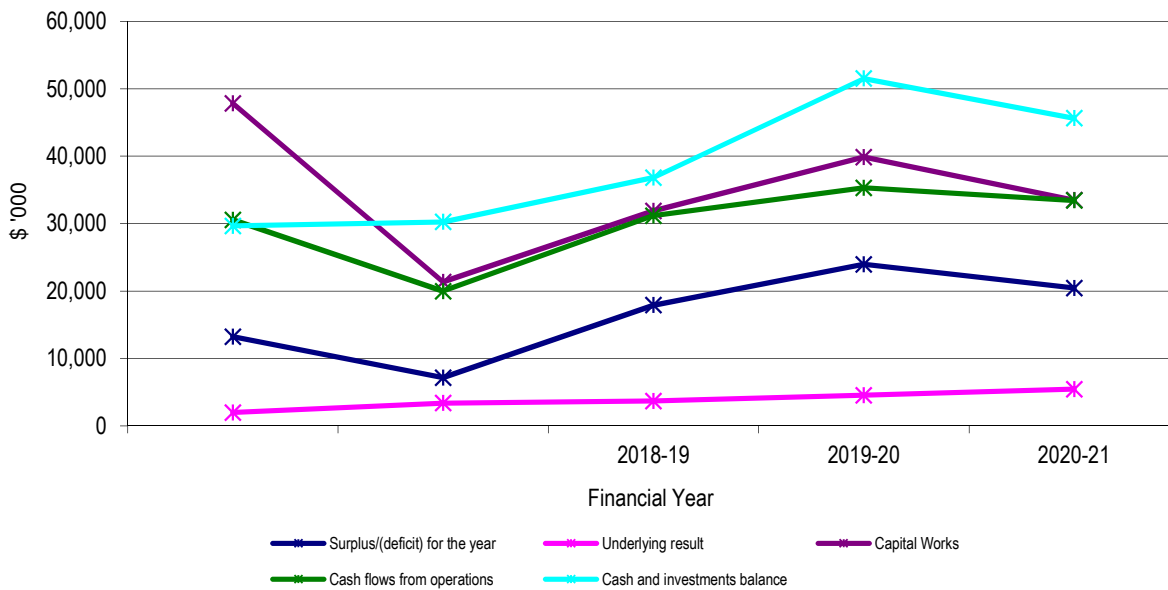
	Forecast	Budget	Strategic Resource Plan			Trend
	2016-17	2017-18	Projections			
	\$'000	\$'000	2018-19	2019-20	2020-21	+/-
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit) for the year	13,230	7,158	17,891	23,962	20,430	+
Adjusted underlying result *	1,982	3,377	3,686	4,530	5,427	+
Cash and investments balance	29,658	30,242	36,828	51,524	45,635	+
Cash flows from operations	30,565	19,967	31,167	35,311	33,429	+
Capital works expenditure	47,831	21,341	31,873	39,857	33,468	+

\*Projected underlying result for 2017-18 includes carry over operating expenditure funded from prior years.

Key to Forecast Trend:

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

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



The outcomes of the SRP are as follows:

- **Financial sustainability (section 4)** - Cash and investments is forecast to increase over the four year period from \$30.242 million to \$45.635 million.
- **Rating strategy (section 8)** – Future rate increases are forecast to reflect compliance with the current rate capping regime set out by the Victorian Government, with a 0% increase in 2017-18, and rate increases that are 0.25% below the rate cap in subsequent years.
- **Borrowing strategy (section 9)** – There are no new borrowings forecast over the projected 10 years.
- **Infrastructure (section 9)** - Capital expenditure over the four year period will total \$126.539 million at an average of \$31.635 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 2016-17	Budget 2017-18	Projections 2018-19	2019-20	2020-21	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	2.4%	4.1%	4.3%	5.1%	6.0%	+
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	239%	236%	264%	361%	274%	o
Unrestricted cash	Unrestricted cash / current liabilities		60.4%	62.0%	75.9%	120.4%	86.6%	+
<b>Obligations</b>								
Loans and borrowings*	Interest bearing loans and borrowings / rate revenue	3	21.6%	20.3%	18.8%	16.3%	14.8%	-



Loans and borrowings	Interest and principal repayments / rate revenue		2.8%	2.5%	2.1%	3.0%	1.9%	+
Indebtedness	Non-current liabilities / own source revenue		24.9%	23.6%	21.2%	19.6%	15.4%	+
Asset renewal	Asset renewal expenditure / depreciation	4	83.0%	64.9%	65.2%	57.1%	66.6%	-
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	5	75.9%	75.6%	75.2%	75.2%	75.3%	o
Rates effort	Rate revenue / property values (CIV-2016 level)		0.39%	0.39%	0.40%	0.41%	0.42%	o
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of assessments		\$3,462	\$3,418	\$3,494	\$3,542	\$3,588	o
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		\$2,676	\$2,679	\$2,733	\$2,794	\$2,857	o
Workforce turnover *	No. of resignations & terminations / average no. of staff		8.9%	5.0%	5.0%	5.0%	5.0%	o
<b>Other</b>								
Rates per assessment	Rate revenue / Total number of assessments		\$2,681	\$2,678	\$2,732	\$2,793	\$2,856	o
Rates per assessment growth	Change in rates per assessment current year to previous year / previous year rates per assessment		2.50%	0.00%	2.25%	2.50%	2.50%	o

\* Improved trend reflective of reduction in trend

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

## 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 trend positively with the increase in cash reserves to fund the capital program.

**3 Debt compared to rates** - Trend indicates a reduction in Council's debt against its annual rate revenue as a result of no new borrowings.

**4 Asset renewal** - This percentage indicates the extent of Council's asset renewal spending 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. It should be noted that this measure doesn't include asset upgrade expenditure, although upgrades often include some renewal components.

Council measures its asset renewal needs through the Municipal Association of Victoria STEP Asset Management Program. This measure estimates the dollar value of renewal needs over future years, by comparing the proposed renewal spending in the SRP to the required spending identified through asset condition audits. Under this measure a renewal gap exists if the proposed spending is less than the required renewal over a given period. Based on the updated SRP projections of renewal spending, and the latest STEP estimates of the required level of renewal spending, the data indicates that Council will maintain an adequate level of renewal spending over the next ten years.

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will remain stable 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 2017-18 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		Strategic Resource Plan		
	2016-17	Budget 2017-18	Projections		
	\$'000	\$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
Employee costs					
- Operating	32,193	32,551	33,437	34,103	34,781
- Capital	-	-	-	-	-
<b>Total</b>	<b>32,193</b>	<b>32,551</b>	<b>33,437</b>	<b>34,103</b>	<b>34,781</b>
Permanent EFT numbers	311.0	306.3	306.3	306.3	306.3
Limited tenures	2.1	4.3	4.3	4.3	4.3
<b>Total</b>	<b>313.07</b>	<b>310.51</b>	<b>310.51</b>	<b>310.51</b>	<b>310.51</b>

Employee costs include all labour related expenditure including; wages and salaries and on-costs for both casual employees and permanent employees.

A large proportion of the increase in 2018-19 is attributable to New Initiative projects scheduled to commence in 2017-18, which is assumed to become recurrent in 2018-19.

## 8. Rating strategy

This section contains information on Council's past and forecast future rating levels, along with Council's rating structure and the impact of changes in property valuations.

### 8.1 Rating Strategy Context

Rates and charges are the single most important source of revenue in Council's Budget and Strategic Resource Plan. Council's strategy involves the use of a mix of General Rates, a Municipal Charge and a Waste Management Charge. General Rates and the Municipal Charge are subject to the rate capping provisions in the Local Government Act.

Council uses the Capital Improved Value system of valuation in accordance with Section 157 of the Act. In setting General Rates, Council uses a series of differential rates which are detailed below.

The Waste Management Charge is a Service Charge and is not subject to rate capping. Council also uses Special Rates and Charges for specific purposes such as funding the cost of road construction, however these are only paid for those benefitting properties and are not subject to rate capping.

Rates and charges are due on a quarterly instalment basis. The due dates for the 2017-18 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).

### 8.2 Proposed rates and charges

In 2017-18, there is no increase to General Rates and the Municipal Charge per property. Additional revenue from subdivisions and new development in the shire will result in total revenue from General Rates and the Municipal Charge to increase by 0.6 percent compared to the 2016-17 forecast.

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 cash-position basis.
- Maintain and gradually increase the value and proportion of rates allocated to capital works

Beyond 2017-18, it is assumed that the legislated rate cap will be 2.25 percent in 2018-19, then 2.5 percent in following years. These estimates are based on the Department of Treasury and Finance estimates of Consumer Price Index. Council is proposing to keep increases in the base level of rates and charges at least 0.25 percent below the legislated rate cap each year. It is also assumed that growth in rateable properties (through subdivisions and new developments) will add a further 0.6 per cent to total rates and charges revenue in each subsequent year. This approach is consistent with the guidance issued by the Essential Services Commission (ESC).

### 8.3 Rating structure

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

1. General Rates based on property values, which notionally reflect capacity to pay
2. The Municipal Charge, which is a fixed charge per property
3. The Waste Management Charge

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 (for example, whether the property is used for residential, agricultural, or business purposes).

Currently farms receive a 15 percent 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 per cent 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.

To encourage development of vacant residential land, Council continues to offer a rebate for completed house constructions on vacant residential 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 2017-18 Budget has been prepared based on no 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, along with a Sustainable Agriculture Rebate for eligible farming properties, a rebate for completed constructions on vacant residential land and a rate of concession for recreational land. A separate rate differential was considered in relation to retirement villages as part of the budget process. For the 2017-18 Budget there will be no separate differential. 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.

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 impact of 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.

The following table summarises the rates and charges to be levied for the 2017-18 year. A more detailed analysis of the rates to be raised is contained in Appendix B - Statutory Disclosures.

Rate type	How applied	2016-17	2017-18
General	Cents/\$ CIV	0.003190	<b>0.003190</b>
Farm land	Cents/\$ CIV	0.002711	<b>0.002711</b>
Commercial/ industrial	Cents/\$ CIV	0.003692	<b>0.003692</b>
Vacant land - residential / township zone / LDRZ	Cents/\$ CIV	0.006378	<b>0.006378</b>
Vacant Land - Other Zones	Cents/\$ CIV	0.003190	<b>0.003190</b>
Cultural and recreational land	Cents/\$ CIV	0.001230	<b>0.001230</b>
Municipal charge	\$/ property	\$95.84	<b>\$95.84</b>
Waste Management - residential standard	\$/ property	\$380.36	<b>\$380.36</b>
Waste Management - residential 80 litre red bin	\$/ property	\$346.23	<b>\$346.23</b>
Waste Management - residential 2 red bins	\$/ property	\$532.24	<b>\$532.24</b>
Waste Management - elderly persons units	\$/ property	\$101.12	<b>\$101.12</b>

## 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

The SRP forecasts that Council will not be taking out any new loans over the projected ten year period. The SRP assumes that Council will repay the existing loans within the scheduled timeframes. Council will satisfy the Auditor-General's benchmark for council borrowings by achieving the Auditor General's low-risk (green light) assessment of Indebtedness for each year.

In the Council Plan, Council has set a goal to reduce the level of loan borrowings at an accelerated rate. Council has established a debt repayment reserve to hold funds for future principal repayments. Council will consider the allocation of additional funds into this reserve each year during budget preparations, along with opportunities for early repayment of specific loans where this is cost effective.

Council has also used the bond facility (via the MAV) for the purpose of loan borrowings, which provides lower interest rates than traditional bank loans. Bond interest is paid annually however the principal is repaid in full at maturity. To ensure the principal funds are available at maturity, Council each year sets 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.

For the 2017-18 year, Council is budgeting to repay loan principal of \$0.725 million. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.

Year	New Borrowings \$'000	Principal Paid \$'000	Balance 30 June \$'000	Interest Paid \$'000	Debt Repayment Reserve Balance \$'000
2016-17	-	842	13,461	892	2,814
2017-18	-	725	12,736	820	4,106
2018-19	-	641	12,095	728	5,062
2019-20	-	1,314	10,781	687	5,638
2020-21	-	691	10,090	587	7,184
2021-22	-	3,131	6,959	483	6,541
2022-23	-	2,137	4,822	379	7,105
2023-24	-	651	4,171	331	9,311
2024-25	-	700	3,471	283	11,618
2025-26	-	752	2,719	230	14,061
2026-27	-	782	1,937	174	16,888

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

	2016-17 \$	2017-18 \$
Total amount of borrowings as at 1 July	14,303	13,461
Total amount to be borrowed	-	-
Total amount projected to be redeemed	(842)	(725)
Total amount of projected borrowings as at 30 June	13,461	12,736

## 9.2 Infrastructure

Council has adopted an asset management plan and currently plans for its future capital expenditure based on the 10 year major projects plan and the 10 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 10 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 compares to the required level of asset renewal is highlighted in Appendix H - Council's Financial Sustainability Performance.

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
2017-18	21,341	3,261	-	8,180	175	9,725
2018-19	31,873	9,585	-	7,821	4,267	10,200
2019-20	39,857	17,905	-	10,088	1,165	10,699
2020-21	33,468	13,247	-	7,636	1,385	11,200

In addition to using cash generated from its annual operations 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 2018 and following years.

Over the coming years, a number of Council's existing facilities will require significant funding to maintain their existing operating capacity. The SRP 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:

	2017-18 %	2018-19 %	2019-20 %	2020-21 %
Consumer Price Index	2.00	2.25	2.50	2.50
Rate increases	0.00	2.00	2.25	2.25
Property growth	0.60	0.60	0.60	0.60
Wages growth	2.00	2.00	2.00	2.00
Government funding	2.00	2.25	2.50	2.50
Statutory fees	2.00	2.25	2.50	2.50
Investment return	2.00	2.25	2.50	2.50

## 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.

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, and 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 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 H. 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 I.

The 2017-18 Budget includes projections of Council's performance in meeting the targets from the Financial Sustainability Plan over the next ten years.

Council will receive a low risk ("green light") assessment from the Auditor-General each year for the next ten years on most measures of financial sustainability. In some years, individual measures are marginally below the low-risk threshold, and a medium risk (yellow light) is projected for that specific result. This is manageable, as the measures should be interpreted collectively and on a trend basis, to provide an overall assessment of financial sustainability.

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:

- A cash basis target surplus of \$150,000 is set by Council each year. This is considered to be the minimum necessary for Council to deal with budget variations during the year.
- Recurrent operating revenue allocated to capital works is expected to exceed annual asset depreciation by 2019-20. Council has set this target to ensure that sufficient funding is available each year to renew and upgrade Council infrastructure. Increases in funding over the next three years will see the cost of depreciation fully matched by rate-funded capital works by 2019-20 which is the first time in Nillumbik's history that this has been achieved.
- As shown in Appendix H, the projected level of asset renewal spending in coming years is sufficient to meet the required level of renewal (based on asset condition audits).

In summary, Council has adopted a Financial Sustainability Plan to guide its financial management for the long term. The projections show Council making significant progress and achieving the targets. Actual results on the financial sustainability targets will be reported in the Annual Report each year.



## 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	49
B	Statutory disclosures	73
C	Capital works program	78
D	New Initiatives	82
E	Operating results by business unit	83
F	Fees and Charges	89
G	Financial Sustainability Plan	101
H	Financial Sustainability Performance	113

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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 2017-18 to 2021-22 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
- Budget Cash Position 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 2022

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2016-17 \$'000	<b>2017-18 \$'000</b>	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>Income</b>						
Rates and charges	62,326	62,733	64,356	66,183	68,061	69,993
Statutory fees and fines	1,220	1,178	1,204	1,234	1,265	1,297
User fees	10,006	11,500	12,209	12,604	12,981	13,373
Contributions - monetary	3,615	520	4,620	1,527	1,756	410
Contributions - non-monetary assets	-	-	-	-	-	-
Grants - operating	6,602	6,094	6,231	6,386	6,545	6,709
Grants - capital	7,633	3,261	9,585	17,905	13,247	647
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	-	-	-	-	-
Other income	1,917	1,493	1,533	1,555	1,568	1,590
Fair value adjustments for investment property	-	-	-	-	-	-
Share of net profits/(losses) of associated and joint ventures	-	-	-	-	-	-
<b>Total income</b>	<b>93,319</b>	<b>86,779</b>	<b>99,738</b>	<b>107,394</b>	<b>105,423</b>	<b>94,019</b>
<b>Expenses</b>						
Employee benefits	32,193	32,551	33,437	34,103	34,781	35,619
Materials and services	27,067	26,842	27,443	28,115	28,804	29,510
Bad and doubtful debts	-	-	-	-	-	-
Depreciation and amortisation	9,895	10,095	10,345	10,395	10,445	10,495
Borrowing costs	892	820	728	687	587	483
Other expenses	10,042	9,313	9,894	10,132	10,376	10,626
<b>Total expenses</b>	<b>80,089</b>	<b>79,621</b>	<b>81,847</b>	<b>83,432</b>	<b>84,993</b>	<b>86,733</b>
<b>Surplus / (deficit) for the year</b>	<b>13,230</b>	<b>7,158</b>	<b>17,891</b>	<b>23,962</b>	<b>20,430</b>	<b>7,286</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>13,230</b>	<b>7,158</b>	<b>17,891</b>	<b>23,962</b>	<b>20,430</b>	<b>7,286</b>

## Comprehensive Income Statement Forward Estimates

For the five years ending 30 June 2027

	Forward Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	71,979	74,021	76,121	78,280	80,501
Statutory fees and fines	1,329	1,363	1,397	1,432	1,467
User fees	13,722	14,035	14,343	14,652	15,013
Contributions - monetary	1,220	430	440	450	460
Contributions - non-monetary assets	-	-	-	-	-
Grants - operating	6,876	7,047	7,223	7,404	7,588
Grants - capital	1,728	647	647	647	647
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	-	-	-	-
Other income	1,604	1,627	1,642	1,666	1,681
Fair value adjustments for investment property	-	-	-	-	-
Share of net profits/(losses) of associated and joint ventures	-	-	-	-	-
<b>Total income</b>	<b>98,458</b>	<b>99,170</b>	<b>101,813</b>	<b>104,531</b>	<b>107,357</b>
<b>Expenses</b>					
Employee benefits	36,476	37,354	38,252	39,172	39,951
Materials and services	30,234	30,976	31,736	32,516	33,315
Bad and doubtful debts	-	-	-	-	-
Depreciation and amortisation	10,545	10,595	10,645	10,695	10,745
Borrowing costs	379	331	283	230	174
Other expenses	10,882	11,145	11,415	11,691	11,974
<b>Total expenses</b>	<b>88,516</b>	<b>90,401</b>	<b>92,331</b>	<b>94,304</b>	<b>96,159</b>
<b>Surplus (deficit) for the year</b>	<b>9,942</b>	<b>8,769</b>	<b>9,482</b>	<b>10,227</b>	<b>11,198</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>9,942</b>	<b>8,769</b>	<b>9,482</b>	<b>10,227</b>	<b>11,198</b>

## Budget Cash Position Statement

For the five years ending 30 June 2022

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2016-17	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Recurrent operating income</b>						
Rates and municipal charge	53,803	54,146	55,586	57,174	58,807	60,487
Special rates	290	310	288	296	303	310
Waste management charge	8,232	8,277	8,483	8,714	8,951	9,195
Statutory fees and fines	1,220	1,178	1,204	1,234	1,265	1,297
User fees	9,946	11,500	12,209	12,604	12,981	13,373
Government grants	6,270	6,094	6,231	6,386	6,545	6,709
Reimbursements	70	59	61	62	64	65
Interest	880	970	999	1,007	1,006	1,015
Proceeds on sale - recurrent	-	-	-	-	-	-
Other revenue	654	464	474	486	498	511
<b>Total recurrent operating income</b>	<b>81,365</b>	<b>82,998</b>	<b>85,535</b>	<b>87,963</b>	<b>90,420</b>	<b>92,962</b>
<b>Recurrent operating expenditure</b>						
Employee costs	32,193	32,551	33,437	34,103	34,781	35,619
Contracts	13,698	14,203	14,523	14,886	15,258	15,640
Materials and services	11,479	11,502	12,360	12,669	12,986	13,311
Bad and doubtful debts	-	-	-	-	-	-
Interest expenses	892	820	728	687	587	483
Capital works recharge	(420)	(440)	(440)	(440)	(440)	(440)
Other expenses	10,042	9,313	9,894	10,132	10,376	10,626
<b>Total recurrent operating expenditure</b>	<b>67,884</b>	<b>67,949</b>	<b>70,502</b>	<b>72,037</b>	<b>73,548</b>	<b>75,239</b>
<b>Net recurrent operating surplus/(deficit)</b>	<b>13,481</b>	<b>15,049</b>	<b>15,033</b>	<b>15,926</b>	<b>16,872</b>	<b>17,723</b>
<b>New Initiatives</b>						
Funding sources:						
Grants	332	-	-	-	-	-
Contributions	13	-	-	-	-	-
User fees	60	-	-	-	-	-
Reserves	921	-	-	-	-	-
New initiatives funding	1,326	-	-	-	-	-
New initiatives expenditure	2,310	1,577	1,000	1,000	1,000	1,000
<b>Net new initiatives expenditure</b>	<b>984</b>	<b>1,577</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Net operating cash surplus/(deficit)</b>	<b>12,497</b>	<b>13,472</b>	<b>14,033</b>	<b>14,926</b>	<b>15,872</b>	<b>16,723</b>
<b>Capital works</b>						
Funding sources:						
Reserves	26,852	7,745	7,434	9,750	7,305	2,918
Borrowings	-	-	-	-	-	-
Grants	7,633	3,261	9,585	17,905	13,247	647
Contributions	2,823	175	4,267	1,165	1,385	30
Reimbursements	300	-	-	-	-	-
Proceeds on sale of assets	469	435	387	338	331	330
Total capital works funding	38,077	11,616	21,673	29,158	22,268	3,925
Capital works expenditure	47,831	21,341	31,873	39,857	33,468	15,625
<b>Net capital works expenditure</b>	<b>9,754</b>	<b>9,725</b>	<b>10,200</b>	<b>10,699</b>	<b>11,200</b>	<b>11,700</b>

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2016-17	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Other non-operating items</b>						
<b>Income</b>						
Proceeds on sale - non-current assets	8,438	4,630	7,620	14,100	-	-
Contributions - monetary	793	345	353	362	371	380
Transfer from reserves	2,273	524	311	311	311	2,703
<b>Expenditure</b>						
Transfer to reserves (asset sales, bond repayment, landfill, etc.)	12,724	8,371	11,326	17,536	4,513	4,825
Debt redemption	842	725	641	1,314	691	3,131
<b>Net other non-operating expenditure</b>	<b>2,062</b>	<b>3,597</b>	<b>3,683</b>	<b>4,077</b>	<b>4,522</b>	<b>4,873</b>
<b>Overall budget net cash position surplus/(deficit)</b>	681	<b>150</b>	150	150	150	150
<b>Reconcile back to comprehensive income statement</b>						
<b>Add back:</b>						
Debt redemption	842	725	641	1,314	691	3,131
Transfer to reserves	12,724	8,371	11,326	17,536	4,513	4,825
Transfer from reserve	(30,046)	(8,269)	(7,745)	(10,061)	(7,616)	(5,621)
Capital works expenditure	47,831	21,341	31,873	39,857	33,468	15,625
<b>Total to be added back to net position</b>	<b>31,351</b>	<b>22,168</b>	<b>36,095</b>	<b>48,646</b>	<b>31,056</b>	<b>17,960</b>
<b>Deduct:</b>						
Depreciation	9,895	10,095	10,345	10,395	10,445	10,495
Accrued special charge scheme contribution	-	-	-	-	-	-
Written down value of recurrent assets sold	469	435	389	339	331	329
Written down value of non-recurrent assets sold	8,438	4,630	7,620	14,100	-	-
<b>Total to be deducted from net position</b>	<b>18,802</b>	<b>15,160</b>	<b>18,354</b>	<b>24,834</b>	<b>10,776</b>	<b>10,824</b>
<b>Net surplus/(deficit)</b>	13,230	<b>7,158</b>	17,891	23,962	20,430	7,286

## Budget Cash Position Statement

For the five years ending 30 June 2027

	Forward Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Recurrent operating income</b>					
Rates and municipal charge	62,215	63,993	65,821	67,701	69,636
Special rates	318	326	334	343	351
Waste management charge	9,445	9,702	9,966	10,236	10,514
Statutory fees and fines	1,329	1,363	1,397	1,432	1,467
User fees	13,722	14,035	14,343	14,652	15,013
Government grants	6,876	7,047	7,223	7,404	7,588
Reimbursements	67	69	70	72	74
Interest	1,013	1,022	1,021	1,030	1,030
Proceeds on sale - recurrent	-	-	-	-	-
Other revenue	523	537	550	564	578
<b>Total recurrent operating income</b>	<b>95,508</b>	<b>98,094</b>	<b>100,725</b>	<b>103,434</b>	<b>106,251</b>
<b>Recurrent operating expenditure</b>					
Employee costs	36,476	37,354	38,252	39,172	39,951
Contracts	16,031	16,431	16,842	17,263	17,695
Materials and services	13,644	13,985	14,334	14,693	15,060
Bad and doubtful debts	-	-	-	-	-
Interest expenses	379	331	283	230	174
Capital works recharge	(440)	(440)	(440)	(440)	(440)
Other expenses	10,882	11,145	11,415	11,691	11,974
<b>Total recurrent operating expenditure</b>	<b>76,972</b>	<b>78,806</b>	<b>80,686</b>	<b>82,609</b>	<b>84,414</b>
<b>Net recurrent operating surplus/(deficit)</b>	<b>18,536</b>	<b>19,288</b>	<b>20,039</b>	<b>20,825</b>	<b>21,837</b>
<b>New Initiatives</b>					
Funding sources:					
Grants	-	-	-	-	-
Contributions	-	-	-	-	-
User fees	-	-	-	-	-
Reserves	-	-	-	-	-
New initiatives funding	-	-	-	-	-
New initiatives expenditure	1,000	1,000	1,000	1,000	1,000
<b>Net new initiatives expenditure</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>	<b>1,000</b>
<b>Net operating cash surplus/(deficit)</b>	<b>17,536</b>	<b>18,288</b>	<b>19,039</b>	<b>19,825</b>	<b>20,837</b>
<b>Capital works</b>					
Funding sources:					
Reserves	2,966	1,091	1,274	1,533	540
Borrowings	-	-	-	-	-
Grants	1,728	647	647	647	647
Contributions	830	30	30	30	30
Reimbursements	-	-	-	-	-
Proceeds on sale of assets	380	412	462	438	352
Total capital works funding	5,904	2,180	2,413	2,648	1,569
Capital works expenditure	18,105	14,879	15,614	16,348	15,769
<b>Net capital works expenditure</b>	<b>12,201</b>	<b>12,699</b>	<b>13,201</b>	<b>13,700</b>	<b>14,200</b>

## Forward Estimates

	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Other non-operating items</b>					
<b>Income</b>					
Proceeds on sale - non-current assets	-	-	-	-	-
Contributions - monetary	390	400	410	420	430
Transfer from reserves	1,791	311	311	311	311
<b>Expenditure</b>					
Transfer to reserves (asset sales, bond repayment, landfill, etc.)	5,229	5,499	5,709	5,954	6,446
Debt redemption	2,137	651	700	752	782
<b>Net other non-operating expenditure</b>	<b>5,185</b>	<b>5,439</b>	<b>5,688</b>	<b>5,975</b>	<b>6,487</b>
<b>Overall budget net cash position surplus/(deficit)</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Reconcile back to comprehensive income statement</b>					
<b>Add back:</b>					
Debt redemption	2,137	651	700	752	782
Transfer to reserves	5,229	5,499	5,709	5,954	6,446
Transfer from reserve	(4,757)	(1,402)	(1,585)	(1,844)	(851)
Capital works expenditure	18,105	14,879	15,614	16,348	15,769
<b>Total to be added back to net position</b>	<b>20,714</b>	<b>19,627</b>	<b>20,438</b>	<b>21,210</b>	<b>22,146</b>
<b>Deduct:</b>					
Depreciation	10,545	10,595	10,645	10,695	10,745
Accrued special charge scheme contribution	-	-	-	-	-
Written down value of recurrent assets sold	377	413	461	438	353
Written down value of non-recurrent assets sold	-	-	-	-	-
<b>Total to be deducted from net position</b>	<b>10,922</b>	<b>11,008</b>	<b>11,106</b>	<b>11,133</b>	<b>11,098</b>
<b>Net surplus/(deficit)</b>	<b>9,942</b>	<b>8,769</b>	<b>9,482</b>	<b>10,227</b>	<b>11,198</b>

## Balance Sheet

For the five years ending 30 June 2022

	Forecast Budget	<b>Budget</b>	Strategic Resource Plan Projections			
	2016-17 \$'000	<b>2017-18 \$'000</b>	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>Current assets</b>						
Cash and cash equivalents	29,658	30,242	36,828	51,524	45,635	44,929
Trade and other receivables	5,599	5,207	5,984	6,444	6,325	5,641
Other assets	250	250	250	250	250	250
Non-current assets classified as held for sale	-	-	-	-	-	-
Inventories	15	15	15	16	16	16
<b>Total current assets</b>	<b>35,522</b>	<b>35,714</b>	<b>43,077</b>	<b>58,234</b>	<b>52,226</b>	<b>50,836</b>
<b>Non-current assets</b>						
Trade and other receivables	707	566	452	362	290	232
Investments in associates and joint ventures	1,470	1,470	1,470	1,470	1,470	1,470
Property, infrastructure, plant & equipment	770,960	777,576	791,484	806,846	829,869	834,998
Investment property	-	-	-	-	-	-
Intangible assets	-	-	-	-	-	-
Other assets	5	5	5	5	5	5
<b>Total non-current assets</b>	<b>773,142</b>	<b>779,617</b>	<b>793,411</b>	<b>808,683</b>	<b>831,634</b>	<b>836,705</b>
<b>Total assets</b>	<b>808,664</b>	<b>815,331</b>	<b>836,488</b>	<b>866,917</b>	<b>883,860</b>	<b>887,541</b>
<b>Current liabilities</b>						
Trade and other payables	4,285	4,220	4,351	4,452	4,554	4,665
Interest-bearing loans and borrowings	2,204	2,121	2,794	2,171	4,612	2,137
Provisions	7,037	7,415	7,792	8,169	8,544	8,920
Trust funds and deposits	1,352	1,352	1,352	1,352	1,352	1,352
<b>Total current liabilities</b>	<b>14,878</b>	<b>15,108</b>	<b>16,289</b>	<b>16,144</b>	<b>19,062</b>	<b>17,074</b>
<b>Non-current liabilities</b>						
Interest-bearing loans and borrowings	11,257	10,617	9,303	8,612	5,481	4,824
Provisions	9,158	8,973	8,793	8,618	8,449	8,286
<b>Total non-current liabilities</b>	<b>20,415</b>	<b>19,590</b>	<b>18,096</b>	<b>17,230</b>	<b>13,930</b>	<b>13,110</b>
<b>Total liabilities</b>	<b>35,293</b>	<b>34,698</b>	<b>34,385</b>	<b>33,374</b>	<b>32,992</b>	<b>30,184</b>
<b>Net assets</b>	<b>773,371</b>	<b>780,633</b>	<b>802,103</b>	<b>833,543</b>	<b>850,868</b>	<b>857,357</b>
<b>Equity</b>						
Reserves	15,199	15,303	18,883	26,359	23,254	22,458
Asset revaluation reserve	383,950	383,950	383,950	383,950	383,950	383,950
Retained profits	374,222	381,380	399,270	423,234	443,664	450,949
<b>Total equity</b>	<b>773,371</b>	<b>780,633</b>	<b>802,103</b>	<b>833,543</b>	<b>850,868</b>	<b>857,357</b>



## Balance Sheet Forward Estimates

For the five years ending 30 June 2027

	Forward Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Current assets</b>					
Cash and cash equivalents	45,757	54,021	62,177	71,789	82,986
Trade and other receivables	5,907	5,950	6,109	6,272	6,441
Other assets	250	250	250	250	250
Non-current assets classified as held for sale	-	-	-	-	-
Inventories	16	16	16	17	17
<b>Total current assets</b>	<b>51,930</b>	<b>60,237</b>	<b>68,552</b>	<b>78,328</b>	<b>89,694</b>
<b>Non-current assets</b>					
Trade and other receivables	185	148	119	95	76
Investments in associates and joint ventures	1,470	1,470	1,470	1,470	1,470
Property, infrastructure, plant & equipment	842,558	846,842	851,811	857,464	862,488
Investment property	-	-	-	-	-
Intangible assets	-	-	-	-	-
Other assets	5	5	5	5	5
<b>Total non-current assets</b>	<b>844,218</b>	<b>848,465</b>	<b>853,405</b>	<b>859,034</b>	<b>864,039</b>
<b>Total assets</b>	<b>896,148</b>	<b>908,702</b>	<b>921,957</b>	<b>937,362</b>	<b>953,733</b>
<b>Current liabilities</b>					
Trade and other payables	4,778	4,895	5,014	5,136	5,255
Interest-bearing loans and borrowings	652	700	753	783	660
Provisions	9,296	9,672	10,048	10,426	10,804
Trust funds and deposits	1,352	1,352	1,352	1,352	1,352
<b>Total current liabilities</b>	<b>16,078</b>	<b>16,619</b>	<b>17,167</b>	<b>17,697</b>	<b>18,071</b>
<b>Non-current liabilities</b>					
Interest-bearing loans and borrowings	4,173	3,473	2,721	1,939	1,279
Provisions	8,127	7,974	7,826	7,683	7,545
<b>Total non-current liabilities</b>	<b>12,300</b>	<b>11,447</b>	<b>10,547</b>	<b>9,622</b>	<b>8,824</b>
<b>Total liabilities</b>	<b>28,378</b>	<b>28,066</b>	<b>27,714</b>	<b>27,319</b>	<b>26,895</b>
<b>Net assets</b>	<b>867,770</b>	<b>880,636</b>	<b>894,243</b>	<b>910,043</b>	<b>926,838</b>
<b>Equity</b>					
Reserves	22,929	27,027	31,150	35,261	40,857
Asset revaluation reserve	383,950	383,950	383,950	383,950	383,950
Retained profits	460,891	469,659	479,143	490,832	502,031
<b>Total equity</b>	<b>867,770</b>	<b>880,636</b>	<b>894,243</b>	<b>910,043</b>	<b>926,838</b>

## Statement of Changes in Equity

For the five years ending 30 June 2022

\* 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>2018</b>				
Balance at beginning of the financial year	773,371	374,222	383,950	15,199
Surplus / (deficit) for the year	7,158	7,158	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	8,371	-	(8,371)
Transfer from other reserves	-	(8,269)	-	8,269
<b>Balance at end of the financial year</b>	<b>780,529</b>	<b>381,482</b>	<b>383,950</b>	<b>15,097</b>
<b>2019</b>				
Balance at beginning of the financial year	780,529	381,482	383,950	15,097
Surplus / (deficit) for the year	17,891	17,891	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	11,326	-	(11,326)
Transfer from other reserves	-	(7,745)	-	7,745
<b>Balance at end of the financial year</b>	<b>798,420</b>	<b>402,954</b>	<b>383,950</b>	<b>11,516</b>
<b>2020</b>				
Balance at beginning of the financial year	798,420	402,954	383,950	11,516
Surplus / (deficit) for the year	23,962	23,962	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	17,536	-	(17,536)
Transfer from other reserves	-	(10,060)	-	10,060
<b>Balance at end of the financial year</b>	<b>822,382</b>	<b>434,392</b>	<b>383,950</b>	<b>4,040</b>
<b>2021</b>				
Balance at beginning of the financial year	822,382	434,392	383,950	4,040
Surplus / (deficit) for the year	20,430	20,430	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	4,513	-	(4,513)
Transfer from other reserves	-	(7,616)	-	7,616
<b>Balance at end of the financial year</b>	<b>842,812</b>	<b>451,719</b>	<b>383,950</b>	<b>7,143</b>
<b>2022</b>				
Balance at beginning of the financial year	842,812	451,719	383,950	7,143
Surplus / (deficit) for the year	7,286	7,286	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	4,825	-	(4,825)
Transfer from other reserves	-	(5,621)	-	5,621
<b>Balance at end of the financial year</b>	<b>850,098</b>	<b>458,209</b>	<b>383,950</b>	<b>7,939</b>

## Statement of Changes in Equity Forward Estimates

For the five years ending 30 June 2027

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
<b>2023</b>				
Balance at beginning of the financial year	850,098	458,209	383,950	7,939
Surplus / (deficit) for the year	9,942	9,942	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	5,229	-	(5,229)
Transfer from other reserves	-	(4,757)	-	4,757
<b>Balance at end of the financial year</b>	<b>860,040</b>	<b>468,623</b>	<b>383,950</b>	<b>7,467</b>
<b>2024</b>				
Balance at beginning of the financial year	860,040	468,623	383,950	7,467
Surplus / (deficit) for the year	8,769	8,769	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	5,499	-	(5,499)
Transfer from other reserves	-	(1,402)	-	1,402
<b>Balance at end of the financial year</b>	<b>868,809</b>	<b>481,489</b>	<b>383,950</b>	<b>3,370</b>
<b>2025</b>				
Balance at beginning of the financial year	868,809	481,489	383,950	3,370
Surplus / (deficit) for the year	9,482	9,482	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	5,709	-	(5,709)
Transfer from other reserves	-	(1,585)	-	1,585
<b>Balance at end of the financial year</b>	<b>878,291</b>	<b>495,095</b>	<b>383,950</b>	<b>(754)</b>
<b>2026</b>				
Balance at beginning of the financial year	878,291	495,095	383,950	(754)
Surplus / (deficit) for the year	10,227	10,227	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	5,954	-	(5,954)
Transfer from other reserves	-	(1,844)	-	1,844
<b>Balance at end of the financial year</b>	<b>888,518</b>	<b>509,432</b>	<b>383,950</b>	<b>(4,864)</b>
<b>2027</b>				
Balance at beginning of the financial year	888,518	509,432	383,950	(4,864)
Surplus / (deficit) for the year	11,198	11,198	-	-
Net asset revaluation increment / (decrement)	-	-	-	-
Transfer to other reserves	-	6,446	-	(6,446)
Transfer from other reserves	-	(852)	-	852
<b>Balance at end of the financial year</b>	<b>899,716</b>	<b>526,224</b>	<b>383,950</b>	<b>(10,458)</b>

## Statement Cash Flows

For the five years ending 30 June 2022

	Forecast Budget	Budget	Strategic Resource Plan Projections			
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b><i>Cash flows from operating activities</i></b>						
Rates and charges	65,418	63,188	63,847	65,906	68,228	70,598
Statutory fees and fines	1,350	1,198	1,165	1,211	1,271	1,331
User fees	10,136	11,520	12,170	12,581	12,987	13,407
Grants - operating	6,732	6,114	6,192	6,363	6,551	6,743
Grants - capital	7,763	3,281	9,546	17,882	13,253	681
Contributions - monetary	3,615	520	4,620	1,527	1,756	410
Interest received	880	970	999	1,007	1,006	1,015
Dividends received	-	-	-	-	-	-
Trust funds and deposits taken	-	-	-	-	-	-
Other receipts	1,037	523	535	548	562	575
Net GST refund / payment	-	-	-	-	-	-
Employee costs	(32,005)	(32,359)	(33,240)	(33,901)	(34,574)	(35,831)
Materials and services	(24,320)	(25,678)	(24,773)	(27,682)	(27,234)	(30,677)
Trust funds and deposits repaid	-	-	-	-	-	-
Other payments	(10,041)	(9,310)	(9,894)	(10,131)	(10,377)	(10,625)
<b>Net cash provided by / (used in) operating activities</b>	<b>30,565</b>	<b>19,967</b>	<b>31,167</b>	<b>35,311</b>	<b>33,429</b>	<b>17,627</b>
<b><i>Cash flows from investing activities</i></b>						
Proceeds from sale of property, infrastructure, plant and equipment	8,438	4,630	7,620	14,100	-	-
Payments for property, infrastructure, plant and equipment	(47,831)	(22,466)	(30,832)	(32,714)	(38,040)	(14,719)
Payments for investments	-	-	-	-	-	-
Proceeds from sale of investments	-	-	-	-	-	-
Loan and advances made	-	-	-	-	-	-
Payments of loans and advances	-	-	-	-	-	-
<b>Net cash provided by / (used in) investing activities</b>	<b>(39,393)</b>	<b>(17,836)</b>	<b>(23,212)</b>	<b>(18,614)</b>	<b>(38,040)</b>	<b>(14,719)</b>
<b><i>Cash flows from financing activities</i></b>						
Finance costs	(892)	(820)	(728)	(687)	(587)	(483)
Proceeds from borrowings	-	-	-	-	-	-
Repayment of borrowings	(842)	(724)	(641)	(1,314)	(691)	(3,131)
<b>Net cash provided by / (used in) financing activities</b>	<b>(1,734)</b>	<b>(1,544)</b>	<b>(1,369)</b>	<b>(2,001)</b>	<b>(1,278)</b>	<b>(3,614)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>(10,562)</b>	<b>587</b>	<b>6,586</b>	<b>14,696</b>	<b>(5,889)</b>	<b>(706)</b>
Cash and cash equivalents at the beginning of the financial year	40,220	29,658	30,242	36,828	51,524	45,635
<b>Cash and cash equivalents at the end of the financial year</b>	<b>29,658</b>	<b>30,245</b>	<b>36,828</b>	<b>51,524</b>	<b>45,635</b>	<b>44,929</b>

## Statement of Cash Flows Forward Estimates

For the five years ending 30 June 2027

### Forward Estimates

	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows	Inflows	Inflows	Inflows	Inflows
	(Outflows)	(Outflows)	(Outflows)	(Outflows)	(Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	71,812	74,024	76,024	78,173	80,384
Statutory fees and fines	1,316	1,361	1,389	1,424	1,459
User fees	13,709	14,033	14,335	14,644	15,005
Grants - operating	6,863	7,045	7,215	7,396	7,580
Grants - capital	1,715	645	639	639	639
Contributions - monetary	1,220	430	440	450	460
Interest received	1,013	1,022	1,021	1,030	1,030
Dividends received	-	-	-	-	-
Trust funds and deposits taken	-	-	-	-	-
Other receipts	591	605	621	636	651
Net GST refund / payment	-	-	-	-	-
Employee costs	(36,259)	(37,131)	(38,024)	(38,938)	(39,711)
Materials and services	(30,161)	(27,194)	(27,742)	(26,810)	(28,583)
Trust funds and deposits repaid	-	-	-	-	-
Other payments	(10,881)	(11,147)	(11,413)	(11,689)	(11,976)
<b>Net cash provided by / (used in) operating activities</b>	<b>20,938</b>	<b>23,693</b>	<b>24,505</b>	<b>26,955</b>	<b>26,938</b>
<b>Cash flows from investing activities</b>					
Proceeds from sale of property, infrastructure, plant and equipment	-	-	-	-	-
Payments for property, infrastructure, plant and equipment	(17,592)	(14,447)	(15,365)	(16,358)	(14,786)
Payments for investments	-	-	-	-	-
Proceeds from sale of investments	-	-	-	-	-
Loan and advances made	-	-	-	-	-
Payments of loans and advances	-	-	-	-	-
<b>Net cash provided by / (used in) investing activities</b>	<b>(17,592)</b>	<b>(14,447)</b>	<b>(15,365)</b>	<b>(16,358)</b>	<b>(14,786)</b>
<b>Cash flows from financing activities</b>					
Finance costs	(379)	(331)	(283)	(230)	(174)
Proceeds from borrowings	-	-	-	-	-
Repayment of borrowings	(2,137)	(651)	(700)	(752)	(782)
<b>Net cash provided by / (used in) financing activities</b>	<b>(2,516)</b>	<b>(982)</b>	<b>(983)</b>	<b>(982)</b>	<b>(956)</b>
<b>Net increase / (decrease) in cash &amp; cash equivalents</b>	<b>829</b>	<b>8,264</b>	<b>8,156</b>	<b>9,614</b>	<b>11,196</b>
Cash and cash equivalents at the beginning of the financial year	44,929	45,757	54,021	62,177	71,789
<b>Cash and cash equivalents at the end of the financial year</b>	<b>45,758</b>	<b>54,021</b>	<b>62,177</b>	<b>71,791</b>	<b>82,985</b>

## Statement of Capital Works

For the five years ending 30 June 2022

	Forecast	<b>Budget</b>	Strategic Resource Plan			
	Budget		Projections			
	2016-17	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Property</b>						
Land	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-
<b>Total land</b>	-	-	-	-	-	-
Buildings	6,237	<b>3,739</b>	1,554	3,489	4,839	1,289
Building improvements	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-
<b>Total buildings</b>	<b>6,237</b>	<b>3,739</b>	<b>1,554</b>	<b>3,489</b>	<b>4,839</b>	<b>1,289</b>
<b>Total property</b>	<b>6,237</b>	<b>3,739</b>	<b>1,554</b>	<b>3,489</b>	<b>4,839</b>	<b>1,289</b>
<b>Plant and equipment</b>						
Plant, machinery and equipment	1,570	1,871	1,564	1,082	1,006	948
Fixtures, fittings and furniture	404	190	1,410	425	620	520
Computers and telecommunications	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-
Library books	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,974</b>	<b>2,061</b>	<b>2,974</b>	<b>1,507</b>	<b>1,626</b>	<b>1,468</b>
<b>Infrastructure</b>						
Roads	6,450	2,164	5,739	2,194	4,869	2,214
Bridges	664	1,014	150	150	150	150
Footpaths and cycleways	816	790	820	850	880	910
Drainage	600	625	600	1,000	1,050	450
Recreational, leisure and community facilities	25,678	7,878	17,264	27,866	17,978	5,933
Waste management	2,826	853	1,633	1,270	1,210	2,300
Parks, open space and streetscapes	1,365	1,549	433	872	195	200
Aerodromes	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-
Other infrastructure	1,221	668	706	659	671	711
<b>Total infrastructure</b>	<b>39,620</b>	<b>15,541</b>	<b>27,345</b>	<b>34,861</b>	<b>27,003</b>	<b>12,868</b>
<b>Total capital works expenditure</b>	<b>47,831</b>	<b>21,341</b>	<b>31,873</b>	<b>39,857</b>	<b>33,468</b>	<b>15,625</b>
<b>Represented by:</b>						
Asset renewal expenditure	8,209	6,556	6,749	5,937	6,961	6,483
Asset upgrade expenditure	28,172	8,918	8,216	23,579	15,733	4,163
Asset expansion expenditure	6,796	2,947	5,070	8,547	10,200	4,155
New asset expenditure	4,653	2,920	11,838	1,794	574	824
<b>Total capital works expenditure</b>	<b>47,831</b>	<b>21,341</b>	<b>31,873</b>	<b>39,857</b>	<b>33,468</b>	<b>15,625</b>

## Statement of Capital Works Forward Estimates

For the five years ending 30 June 2027

### Forward Estimates

	2022-23 \$'000	2023-24 \$'000	2024-25 \$'000	2025-26 \$'000	2026-27 \$'000
<b>Property</b>					
Land	-	-	-	-	-
Land improvements	-	-	-	-	-
<b>Total land</b>	-	-	-	-	-
Buildings	1,576	1,389	1,639	2,689	1,739
Building improvements	-	-	-	-	-
Leasehold improvements	-	-	-	-	-
Heritage buildings	-	-	-	-	-
<b>Total buildings</b>	1,576	1,389	1,639	2,689	1,739
<b>Total property</b>	1,576	1,389	1,639	2,689	1,739
<b>Plant and equipment</b>					
Plant, machinery and equipment	1,390	1,502	1,737	1,971	892
Fixtures, fittings and furniture	220	220	220	220	220
Computers and telecommunications	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-
Library books	-	-	-	-	-
<b>Total plant and equipment</b>	1,610	1,722	1,957	2,191	1,112
<b>Infrastructure</b>					
Roads	3,064	2,314	2,364	2,414	2,464
Bridges	150	150	150	150	150
Footpaths and cycleways	940	970	1,000	1,030	1,060
Drainage	450	450	450	450	450
Recreational, leisure and community facilities	4,869	6,973	6,148	4,503	4,428
Waste management	3,037	-	-	-	-
Parks, open space and streetscapes	1,705	210	215	220	225
Aerodromes	-	-	-	-	-
Off street car parks	-	-	-	-	-
Other infrastructure	704	701	1,691	2,701	4,141
<b>Total infrastructure</b>	14,919	11,768	12,018	11,468	12,918
<b>Total capital works expenditure</b>	18,105	14,879	15,614	16,348	15,769
<b>Represented by:</b>					
Asset renewal expenditure	7,342	7,097	8,012	7,926	7,527
Asset upgrade expenditure	5,479	1,853	2,843	5,053	5,993
Asset expansion expenditure	4,460	3,255	785	795	805
New asset expenditure	824	2,674	3,974	2,574	1,444
<b>Total capital works expenditure</b>	18,105	14,879	15,614	16,348	15,769

## Statement of Investment Reserves

For the five years ending 30 June 2022

	Budget	Strategic Resource Plan Projections			
	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000	2021-22 \$'000
<b>Statutory</b>					
Carparks contributions	97	97	97	97	97
Public open space contributions	922	2	82	162	242
Yarrambat drainage contributions	679	692	706	719	732
Street light contribution contributions	38	48	58	68	78
Street trees contributions	86	96	106	116	126
Landfill rehabilitation	1,093	2,660	2,398	2,305	1,230
Traders marketing fund (special rates)	9	9	9	9	9
Development planning overlay - open space	1,989	2,118	2,247	2,376	2,505
Development planning overlay - infrastructure	1,792	1,991	2,190	2,389	2,587
Development contribution construction	190	194	198	202	206
Native vegetation offsets	214	220	227	233	240
<b>Total statutory reserves</b>	<b>7,109</b>	<b>8,127</b>	<b>8,318</b>	<b>8,676</b>	<b>8,052</b>
<b>Discretionary</b>					
Public arts program	167	167	167	167	167
Leisure centres profit share	456	518	581	643	706
Plant replacement	1,025	877	1,161	1,513	1,924
Major projects (Property management)	7	1,702	8,067	2,647	2,647
Bridgeford Estate	45	42	39	36	33
Defined benefit superannuation potential future calls	1,341	1,341	1,341	1,341	1,341
MAV bond / loan repayment	4,106	5,062	5,638	7,184	6,541
Other reserves	1,047	1,047	1,047	1,047	1,047
<b>Total discretionary reserves</b>	<b>8,194</b>	<b>10,756</b>	<b>18,041</b>	<b>14,578</b>	<b>14,406</b>
<b>Total reserves</b>	<b>15,303</b>	<b>18,883</b>	<b>26,359</b>	<b>23,254</b>	<b>22,458</b>



## Statement of Investment Reserves Forward Estimates

For the five years ending 30 June 2027

	Forward Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Statutory</b>					
Carparks contributions	97	97	97	97	97
Public open space contributions	322	402	482	562	642
Yarrambat drainage contributions	745	759	772	785	799
Street light contribution contributions	88	98	108	118	128
Street trees contributions	136	146	156	166	176
Landfill rehabilitation	609	2,051	3,603	5,263	7,032
Traders marketing fund (special rates)	9	9	9	9	9
Development planning overlay - open space	2,634	2,763	2,892	3,022	3,151
Development planning overlay - infrastructure	2,786	2,985	3,184	3,382	3,581
Development contribution construction	211	215	219	223	228
Native vegetation offsets	246	253	259	266	272
<b>Total statutory reserves</b>	<b>7,883</b>	<b>9,778</b>	<b>11,781</b>	<b>13,893</b>	<b>16,115</b>
<b>Discretionary</b>					
Public arts program	167	167	167	167	167
Leisure centres profit share	768	831	893	956	1,018
Plant replacement	1,941	1,878	1,632	1,127	1,615
Major projects (Property management)	2,647	2,647	2,647	2,647	2,647
Bridgeford Estate	30	27	24	22	19
Defined benefit superannuation potential future calls	1,341	1,341	1,341	1,341	1,341
MAV bond / loan repayment	7,105	9,311	11,618	14,061	16,888
Other reserves	1,047	1,047	1,047	1,047	1,047
<b>Total discretionary reserves</b>	<b>15,046</b>	<b>17,249</b>	<b>19,369</b>	<b>21,368</b>	<b>24,742</b>
<b>Total reserves</b>	<b>22,929</b>	<b>27,027</b>	<b>31,150</b>	<b>35,261</b>	<b>40,857</b>

## Statement of Human Resources

For the five years ending 30 June 2022

	Forecast	<b>Budget</b>	Strategic Resource Plan			
	Budget		Projections			
	2016-17	<b>2017-18</b>	2018-19	2019-20	2020-21	2021-22
	\$'000	<b>\$'000</b>	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>						
Employee costs - operating	32,193	32,551	33,437	34,103	34,781	35,619
Employee costs - capital	-	-	-	-	-	-
<b>Total staff expenditure</b>	<b>32,193</b>	<b>32,551</b>	<b>33,437</b>	<b>34,103</b>	<b>34,781</b>	<b>35,619</b>
	EFT	<b>EFT</b>	EFT	EFT	EFT	EFT
<b>Staff numbers</b>						
Permanent EFT numbers	310.97	306.26	307.96	307.96	307.96	307.96
Limited tenures	2.10	4.25	4.25	4.25	4.25	4.25
<b>Total staff numbers</b>	<b>313.07</b>	<b>310.51</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>

## Statement of Human Resources Forward Estimates

For the five years ending 30 June 2027

	Forward Estimates				
	2022-23	2023-24	2024-25	2025-26	2026-27
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Staff expenditure</b>					
Employee costs - operating	36,476	37,354	38,252	39,172	39,951
Employee costs - capital	-	-	-	-	-
<b>Total staff expenditure</b>	<b>36,476</b>	<b>37,354</b>	<b>38,252</b>	<b>39,172</b>	<b>39,951</b>
	EFT	EFT	EFT	EFT	EFT
<b>Staff numbers</b>					
Permanent EFT numbers	307.96	307.96	307.96	307.96	307.96
Limited tenures	4.25	4.25	4.25	4.25	4.25
<b>Total staff numbers</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>

**Other Information**

For the five years ended 30 June 2022

**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>2018</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	3,739	2,470	680	539	50	3,739	50	-	1,412	2,277	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>3,739</b>	<b>2,470</b>	<b>680</b>	<b>539</b>	<b>50</b>	<b>3,739</b>	<b>50</b>	<b>-</b>	<b>1,412</b>	<b>2,277</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,871	-	1,871	-	-	1,871	-	-	-	1,436	435	-
Fixtures, fittings and furniture	190	-	170	20	-	190	-	-	190	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>2,061</b>	<b>-</b>	<b>2,041</b>	<b>20</b>	<b>-</b>	<b>2,061</b>	<b>-</b>	<b>-</b>	<b>190</b>	<b>1,436</b>	<b>435</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	2,164	74	1,420	470	200	2,164	537	-	1,626	-	-	-
Bridges	1,014	-	50	-	964	1,014	357	-	50	607	-	-
Footpaths and cycleways	790	-	360	-	430	790	-	-	790	-	-	-
Drainage	625	25	100	500	-	625	-	-	625	-	-	-
Recreational, leisure and community facilities	7,878	100	1,635	5,983	160	7,878	1,350	175	4,003	2,350	-	-
Waste management	853	-	-	853	-	853	-	-	-	853	-	-
Parks, open space and streetscapes	1,549	251	150	30	1,118	1,549	950	-	378	221	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	668	-	120	523	25	668	17	-	651	-	-	-
<b>Total infrastructure</b>	<b>15,541</b>	<b>450</b>	<b>3,835</b>	<b>8,359</b>	<b>2,897</b>	<b>15,541</b>	<b>3,211</b>	<b>175</b>	<b>8,123</b>	<b>4,032</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>21,341</b>	<b>2,920</b>	<b>6,556</b>	<b>8,918</b>	<b>2,947</b>	<b>21,341</b>	<b>3,261</b>	<b>175</b>	<b>9,725</b>	<b>7,745</b>	<b>435</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>2019</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,554	215	930	409	-	1,554	50	-	1,504	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,554</b>	<b>215</b>	<b>930</b>	<b>409</b>	<b>-</b>	<b>1,554</b>	<b>50</b>	<b>-</b>	<b>1,504</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,564	-	1,564	-	-	1,564	-	-	-	1,176	387	-
Fixtures, fittings and furniture	1,410	1,200	190	20	-	1,410	1,000	-	410	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>2,974</b>	<b>1,200</b>	<b>1,754</b>	<b>20</b>	<b>-</b>	<b>2,974</b>	<b>1,000</b>	<b>-</b>	<b>410</b>	<b>1,176</b>	<b>387</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	5,739	574	1,470	940	2,755	5,739	938	2,555	2,247	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	820	-	380	-	440	820	-	-	820	-	-	-
Drainage	600	-	100	500	-	600	-	-	600	-	-	-
Recreational, leisure and community facilities	17,265	9,780	1,690	4,113	1,682	17,265	7,480	1,712	3,448	4,625	-	-
Waste management	1,633	-	-	1,633	-	1,633	-	-	-	1,633	-	-
Parks, open space and streetscapes	433	70	155	40	168	433	-	-	433	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	706	-	120	561	25	706	17	-	689	-	-	-
<b>Total infrastructure</b>	<b>27,345</b>	<b>10,424</b>	<b>4,065</b>	<b>7,787</b>	<b>5,070</b>	<b>27,345</b>	<b>8,535</b>	<b>4,267</b>	<b>8,286</b>	<b>6,258</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>31,873</b>	<b>11,839</b>	<b>6,749</b>	<b>8,216</b>	<b>5,070</b>	<b>31,873</b>	<b>9,585</b>	<b>4,267</b>	<b>10,200</b>	<b>7,434</b>	<b>387</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>2020</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	3,489	-	780	2,709	-	3,489	2,350	-	1,139	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>3,489</b>	<b>-</b>	<b>780</b>	<b>2,709</b>	<b>-</b>	<b>3,489</b>	<b>2,350</b>	<b>-</b>	<b>1,139</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,082	-	1,082	-	-	1,082	-	-	-	744	338	-
Fixtures, fittings and furniture	425	200	180	20	25	425	-	-	425	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,507</b>	<b>200</b>	<b>1,262</b>	<b>20</b>	<b>25</b>	<b>1,507</b>	<b>-</b>	<b>-</b>	<b>425</b>	<b>744</b>	<b>338</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	2,194	74	1,520	400	200	2,194	438	-	1,757	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	850	-	400	-	450	850	-	-	850	-	-	-
Drainage	1,000	-	100	900	-	1,000	-	-	1,000	-	-	-
Recreational, leisure and community facilities	27,866	1,500	1,445	17,218	7,703	27,866	15,000	563	4,568	7,736	-	-
Waste management	1,270	-	-	1,270	-	1,270	-	-	-	1,270	-	-
Parks, open space and streetscapes	872	20	160	548	144	872	-	602	270	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	659	-	120	514	25	659	17	-	642	-	-	-
<b>Total infrastructure</b>	<b>34,861</b>	<b>1,594</b>	<b>3,895</b>	<b>20,850</b>	<b>8,522</b>	<b>34,861</b>	<b>15,555</b>	<b>1,165</b>	<b>9,136</b>	<b>9,006</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>39,857</b>	<b>1,794</b>	<b>5,937</b>	<b>23,579</b>	<b>8,547</b>	<b>39,857</b>	<b>17,905</b>	<b>1,165</b>	<b>10,700</b>	<b>9,750</b>	<b>338</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>2021</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	4,839	500	1,030	3,309	-	4,839	2,050	-	2,289	500	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>4,839</b>	<b>500</b>	<b>1,030</b>	<b>3,309</b>	<b>-</b>	<b>4,839</b>	<b>2,050</b>	<b>-</b>	<b>2,289</b>	<b>500</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	1,006	-	1,006	-	-	1,006	-	-	-	675	331	-
Fixtures, fittings and furniture	620	-	600	20	-	620	100	-	520	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,626</b>	<b>-</b>	<b>1,606</b>	<b>20</b>	<b>-</b>	<b>1,626</b>	<b>100</b>	<b>-</b>	<b>520</b>	<b>675</b>	<b>331</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	4,869	74	1,570	320	2,905	4,869	480	1,355	3,034	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	880	-	420	-	460	880	-	-	880	-	-	-
Drainage	1,050	-	100	950	-	1,050	-	-	1,050	-	-	-
Recreational, leisure and community facilities	17,978	-	1,800	9,368	6,810	17,978	10,500	30	2,528	4,920	-	-
Waste management	1,210	-	-	1,210	-	1,210	-	-	-	1,210	-	-
Parks, open space and streetscapes	195	-	165	30	-	195	-	-	195	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	671	-	120	526	25	671	17	-	654	-	-	-
<b>Total infrastructure</b>	<b>27,003</b>	<b>74</b>	<b>4,325</b>	<b>12,404</b>	<b>10,200</b>	<b>27,003</b>	<b>11,097</b>	<b>1,385</b>	<b>8,391</b>	<b>6,130</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>33,468</b>	<b>574</b>	<b>6,961</b>	<b>15,733</b>	<b>10,200</b>	<b>33,468</b>	<b>13,247</b>	<b>1,385</b>	<b>11,200</b>	<b>7,305</b>	<b>331</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>2022</b>												
<b>Property</b>												
Land	-	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-	-
Buildings	1,289	-	880	409	-	1,289	50	-	1,239	-	-	-
Building improvements	-	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-	-
Heritage buildings	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total property</b>	<b>1,289</b>	<b>-</b>	<b>880</b>	<b>409</b>	<b>-</b>	<b>1,289</b>	<b>50</b>	<b>-</b>	<b>1,239</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Plant and equipment</b>												
Plant, machinery and equipment	948	-	948	-	-	948	-	-	-	618	330	-
Fixtures, fittings and furniture	520	-	500	20	-	520	-	-	520	-	-	-
Computers and telecommunications	-	-	-	-	-	-	-	-	-	-	-	-
Heritage plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Library books	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total plant and equipment</b>	<b>1,468</b>	<b>-</b>	<b>1,448</b>	<b>20</b>	<b>-</b>	<b>1,468</b>	<b>-</b>	<b>-</b>	<b>520</b>	<b>618</b>	<b>330</b>	<b>-</b>
<b>Infrastructure</b>												
Roads	2,214	74	1,620	320	200	2,214	480	-	1,734	-	-	-
Bridges	150	-	150	-	-	150	100	-	50	-	-	-
Footpaths and cycleways	910	-	440	-	470	910	-	-	910	-	-	-
Drainage	450	-	100	350	-	450	-	-	450	-	-	-
Recreational, leisure and community facilities	5,933	750	1,555	168	3,460	5,933	-	30	5,903	-	-	-
Waste management	2,300	-	-	2,300	-	2,300	-	-	-	2,300	-	-
Parks, open space and streetscapes	200	-	170	30	-	200	-	-	200	-	-	-
Aerodromes	-	-	-	-	-	-	-	-	-	-	-	-
Off street car parks	-	-	-	-	-	-	-	-	-	-	-	-
Other infrastructure	711	-	120	566	25	711	17	-	694	-	-	-
<b>Total infrastructure</b>	<b>12,868</b>	<b>824</b>	<b>4,155</b>	<b>3,734</b>	<b>4,155</b>	<b>12,868</b>	<b>597</b>	<b>30</b>	<b>9,941</b>	<b>2,300</b>	<b>-</b>	<b>-</b>
<b>Total capital works expenditure</b>	<b>15,625</b>	<b>824</b>	<b>6,483</b>	<b>4,163</b>	<b>4,155</b>	<b>15,625</b>	<b>647</b>	<b>30</b>	<b>11,700</b>	<b>2,918</b>	<b>330</b>	<b>-</b>

## 2. Summary of planned human resources expenditure

	2018	2019	2020	2021	2022
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Infrastructure Services</b>					
-Permanent full time	10,933	11,145	11,367	11,594	11,893
-Permanent part time	242	246	251	256	262
<b>Total Infrastructure Services</b>	<b>11,175</b>	<b>11,392</b>	<b>11,618</b>	<b>11,851</b>	<b>12,155</b>
<b>Environment &amp; Planning</b>					
-Permanent full time	4,867	5,134	5,237	5,341	5,479
-Permanent part time	1,589	1,621	1,653	1,687	1,720
<b>Total Environment &amp; Planning</b>	<b>6,456</b>	<b>6,755</b>	<b>6,890</b>	<b>7,028</b>	<b>7,200</b>
<b>Community &amp; Leisure</b>					
-Permanent full time	2,836	2,893	2,951	3,010	3,088
-Permanent part time	3,510	3,580	3,652	3,725	3,800
-Limited tenures	235	240	244	249	254
<b>Total Community &amp; Leisure</b>	<b>6,581</b>	<b>6,713</b>	<b>6,847</b>	<b>6,984</b>	<b>7,142</b>
<b>Corporate Services</b>					
-Permanent full time	4,294	4,380	4,467	4,557	4,675
-Permanent part time	1,560	1,592	1,623	1,656	1,689
-Limited tenures	158	161	164	167	171
<b>Total Corporate Services</b>	<b>6,012</b>	<b>6,132</b>	<b>6,254</b>	<b>6,380</b>	<b>6,534</b>
<b>Executive Services</b>					
-Permanent full time	559	570	582	593	608
-Permanent part time	-	-	-	-	-
<b>Total Executive Services</b>	<b>559</b>	<b>570</b>	<b>582</b>	<b>593</b>	<b>608</b>
Total casuals and other	550	561	573	584	596
<b>Total staff expenditure</b>	<b>31,334</b>	<b>32,123</b>	<b>32,765</b>	<b>33,420</b>	<b>34,234</b>
	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>	<b>FTE</b>
<b>Infrastructure Services</b>					
-Permanent full time	119.00	119.00	119.00	119.00	119.00
-Permanent part time	2.72	2.72	2.72	2.72	2.72
<b>Total Infrastructure Services</b>	<b>121.72</b>	<b>121.72</b>	<b>121.72</b>	<b>121.72</b>	<b>121.72</b>
<b>Environment &amp; Planning</b>					
-Permanent full time	45.40	45.40	45.40	45.40	45.40
-Permanent part time	20.43	22.13	22.13	22.13	22.13
<b>Total Environment &amp; Planning</b>	<b>65.83</b>	<b>67.53</b>	<b>67.53</b>	<b>67.53</b>	<b>67.53</b>
<b>Community &amp; Leisure</b>					
-Permanent full time	25.00	25.00	25.00	25.00	25.00
-Permanent part time	36.15	36.15	36.15	36.15	36.15
-Limited tenures	2.40	2.40	2.40	2.40	2.40
<b>Total Community &amp; Leisure</b>	<b>63.55</b>	<b>63.55</b>	<b>63.55</b>	<b>63.55</b>	<b>63.55</b>
<b>Corporate Services</b>					
-Permanent full time	38.00	38.00	38.00	38.00	38.00
-Permanent part time	16.56	16.56	16.56	16.56	16.56
-Limited tenures	1.85	1.85	1.85	1.85	1.85
<b>Total Corporate Services</b>	<b>56.41</b>	<b>56.41</b>	<b>56.41</b>	<b>56.41</b>	<b>56.41</b>
<b>Executive Services</b>					
-Permanent full time	3.00	3.00	3.00	3.00	3.00
-Permanent part time	-	-	-	-	-
<b>Total Executive Services</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>
Total casuals and other	-	-	-	-	-
<b>Total staff numbers</b>	<b>310.51</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>	<b>312.21</b>



## 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

Borrowings	2016-17 \$	2017-18 \$
New borrowings (other than refinancing)	-	-
Debt redemption	842	725

#### 2. Rates and charges

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

Type of Property	2016-17 Rate in Dollar	2017-18 Rate in Dollar
General	0.003190	0.003190
Farm Land	0.002711	0.002711
Commercial/Industrial	0.003692	0.003692
Vacant Land - Residential and Specified Low Density Residential Zones	0.006378	0.006378
Cultural and Recreational Land	0.001230	0.001230

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

Type of Property	2016-17 \$'000	2017-18 \$'000
General	46,907	47,348
Farm Land	561	559
Commercial/Industrial	2,658	2,666
Vacant Land - Residential and Specified Low Density Residential Zones	1,376	1,335
Cultural and Recreational Land	4	4

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

Estimated total amount to be raised by rates	2016-17 \$'000	2017-18 \$'000
Total rates to be raised	51,506	51,912

##### 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	2016-17 Change %	2017-18 Change %
General	(9.04)	-
Farm Land	(9.06)	-
Commercial/Industrial	(9.22)	-
Vacant Land - Residential and Specified Low Density Residential Zones	(9.04)	-
Cultural and Recreational Land	(9.02)	-
Municipal Charge	2.50	-
Waste Management Charge	2.50	-

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

Type of Property	2016-17	2017-18
General	21,515	21,695
Farm Land	171	170
Commercial/Industrial	981	986
Vacant Land - Residential and Specified Low Density Residential Zones	467	444
Cultural and Recreational Land	2	2
<b>Total number of assessments</b>	<b>23,136</b>	<b>23,297</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	2016-17 \$'000	2017-18 \$'000
General	14,705,101	14,843,411
Farm Land	207,040	206,150
Commercial/Industrial	719,848	722,170
Vacant Land - Residential and Specified Low Density Residential Zones	215,797	209,387
Cultural and Recreational Land	3,490	3,490
<b>Total</b>	<b>15,851,276</b>	<b>15,984,608</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 2016-17 \$	Per Rateable Property 2017-18 \$
Waste Management - Residential - Standard Service	380.36	380.36
Waste Management - Residential - 80 Litre Red Bins	346.23	346.23
Waste Management - Residential - 2 Red Bins	532.24	532.24
Waste Management - Elderly Persons Units - Bin	101.12	101.12
Municipal Charge	95.84	95.84

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

Type of Charge	2016-17 \$	2017-18 \$
Waste Management - Residential - Standard Service	7,566,061	7,560,416
Waste Management - Residential - 80 Litre Red Bins	9,348	14,195
Waste Management - Residential - 2 Red Bins	599,304	693,509
Waste Management - Multi Dwelling Units - Bin	9,404	9,303
Municipal charge	2,217,296	2,232,785
<b>Total</b>	<b>10,401,413</b>	<b>10,510,208</b>

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

Estimated total amount to be raised by rates and charges	2016-17 \$'000	2017-18 \$'000
General rates	51,506	51,912
Service charges and Municipal Charges	10,401	10,510
<b>Total *</b>	<b>61,907</b>	<b>62,422</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;
- Changes of use of land such that residential land becomes business land; 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 0.3190 per cent (0.3190 cents in the dollar of CIV) for all rateable residential and ordinary vacant land;
- A general rate of 0.2711 per cent (0.2711 cents in the dollar of CIV) for all rateable farm land properties;
- A general rate of 0.3692 per cent (0.3692 cents in the dollar of CIV) for all rateable commercial/industrial properties;
- A general rate of 0.6378 per cent (0.6378 cents in the dollar of CIV) for all rateable vacant land - residential and specified low density residential zones;
- A general rate of 0.1230 per cent (0.1230 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; 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; 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.

#### Retirement Villages

- Council has considered the use of differential rates for retirement villages as required by the Ministerial Guidelines on differential rates. Council will continue to apply the same differential rate for retirement villages as applies to other residential properties. In determining this, Council has considered the following issues which have previously been suggested by retirement village residents when proposing a lower differential rate for retirement villages:
  - a) retirement villages which have their own garbage collection service should not pay for a Council service.
  - b) retirement village residents pay for maintenance and construction of internal roads, paths and drains
  - c) retirement village residents tend to have lower use of Council services and assets if similar services and assets are provided within the village
  - d) a lower differential rate will encourage more investment in retirement villages within the shire.
- In response to these issues, Council considers that it is appropriate to continue to apply the same differential rate to retirement villages as is applied to other residential properties for the following reasons:
  - a) Council does not charge a waste management charge for retirement villages that provide their own garbage collection service.
  - b) the payment for maintenance of infrastructure within the retirement village is no different to the requirements of a body corporate to maintain the assets within a unit development, nor for that matter any individual property owner who maintains their own property.
  - c) rates are not a user based charge but are a tax on all property owners for the delivery of Council services and assets to the community. Different rate payers use different services and infrastructure according to their own circumstances and choices.
  - d) a differential rate for retirement villages would not be expected to have a significant influence on the level of investment. The potential development of retirement villages within the shire is most likely to be influenced by commercial considerations such as demand, construction costs, and land availability.

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

- General Residential / Residential Growth / Neighbourhood Residential Zones 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 outdoor sporting recreational or cultural purposes or similar outdoor activities.

## Rate Cap Calculation Per Rate Type including Municipal Charge

PRIMARY DATA	Residential	Commercial and Industrial Land	Farm Land	Vacant Land	Cultural and Recreational Land	Total
Budgeted General Rates and Municipal Charge (per adopted budget 2016-17)	48,968,981	2,751,842	577,760	1,421,082	4,484	53,724,148
Forecast Annualised General Rates and Municipal Charge at 30 June 2017*	458,460	9,052	(2,509)	(43,087)	-	421,916
Total Annualised Revenue as at 30 June 2017	49,427,441	2,760,894	575,251	1,377,995	4,484	54,146,064
Forecast number of properties as at 30 June 2017	21,695	986	170	444	2	23,297
<b>CALCULATION</b>						
Base Average Rate as at 30 June 2017 (Total Annualised Revenue / Number of Rateable Properties)	2,278.29	2,800.10	3,383.83	3,103.59	2,241.84	
Rate cap set by Council effective 1 July 2017			0.00%			
2017-18 Proposed capped average rate per assessment (includes general rates plus municipal charge) effective 1 July 2017	2,278.29	2,800.10	3,383.83	3,103.59	2,241.84	
2017-18 Proposed Revenue to be raised by General Rate and Municipal Charge	<b>49,427,441</b>	<b>2,760,894</b>	<b>575,251</b>	<b>1,377,995</b>	<b>4,484</b>	<b>54,146,064</b>
<b>BREAKDOWN OF GENERAL RATES</b>						
Base Average Rate as at 30 June 2017	2,182.4472	2,704.26	3,287.99	3,007.75	2,146.00	
Base Municipal Charge as at 30 June 2017	95.84	95.84	95.84	95.84	95.84	
Rate cap set by Council effective 1 July 2017			0.00%			
2017-18 Proposed capped average rate per assessment effective 1 July 2017	2,182.45	2,704.26	3,287.99	3,007.75	2,146.00	
2017-18 Proposed capped Municipal Charge per assessment effective 1 July 2017	95.84	95.84	95.84	95.84	95.84	
2017-18 Proposed Revenue to be raised by General Rates	47,348,192	2,666,396	558,958	1,335,442	4,292	51,913,280
2017-18 Proposed Revenue to be raised by Municipal Charge	2,079,249	94,498	16,293	42,553	192	2,232,784

\* Negative values represent a reclassification of properties from differing rate classifications

## Appendix C

### Capital works program

This appendix presents a listing of the capital works projects that will be undertaken for the 2017-18 year.

#### Capital works program

For the year ending 30 June 2018

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	680	-	-	-	-	680	-
Total asset renewal expenditure - buildings	680	-	-	-	-	680	-
<b>Asset upgrade expenditure</b>							
Early Years Facility Improvements	129	-	-	-	-	129	-
Resource Conservation Fund	150	50	-	-	-	100	-
Other Council Buildings Upgrade	130	-	-	-	-	130	-
Eltham Mens Shed	30	-	-	-	27	3	-
Diamond Creek Community Infrastructure - design	100	-	-	-	100	-	-
Total asset upgrade expenditure - buildings	539	50	-	-	127	362	-
<b>Ne asset expenditure</b>							
Eltham and District Woodworkers extension	50	-	-	-	-	50	-
Total asset expansion expenditure - buildings	50	-	-	-	-	50	-
<b>New asset expenditure</b>							
Solar panels - council buildings	300	-	-	-	-	300	-
Potential land acquisition	2,150	-	-	-	2,150	-	-
Gallery & collection storage facility design	20	-	-	-	-	20	-
Total new asset expenditure - buildings	2,470	-	-	-	2,150	320	-
<b>TOTAL BUILDINGS</b>	<b>3,739</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>2,277</b>	<b>1,412</b>	<b>-</b>
<b>BUILDING IMPROVEMENTS</b>	-	-	-	-	-	-	-
<b>LEASEHOLD IMPROVEMENTS</b>	-	-	-	-	-	-	-
<b>HERITAGE BUILDINGS</b>	-	-	-	-	-	-	-
<b>TOTAL PROPERTY</b>	<b>3,739</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>2,277</b>	<b>1,412</b>	<b>-</b>
<b>PLANT AND EQUIPMENT</b>							
<b>PLANT, MACHINERY AND EQUIPMENT</b>							
<b>Asset renewal expenditure</b>							
Playspace renewal program	170	-	-	-	-	170	-
Fleet replacement	700	-	-	280	420	-	-
Major plant replacement	1,171	-	-	155	1,016	-	-
Total asset renewal expenditure - PM&E	2,041	-	-	435	1,436	170	-
<b>Asset upgrade expenditure</b>							
Playground safety fencing	20	-	-	-	-	20	-
Total asset upgrade expenditure - PM&E	20	-	-	-	-	20	-
<b>TOTAL PLANT, MACHINERY &amp; EQUIPMENT</b>	<b>2,061</b>	<b>-</b>	<b>-</b>	<b>435</b>	<b>1,436</b>	<b>190</b>	<b>-</b>
<b>FIXTURES, FITTINGS AND FURNITURE</b>	-	-	-	-	-	-	-

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>COMPUTERS AND TELECOMMUNICATIONS</b>	-	-	-	-	-	-	-
<b>HERITAGE PLANT AND EQUIPMENT</b>	-	-	-	-	-	-	-
<b>LIBRARY BOOKS</b>	-	-	-	-	-	-	-
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>2,061</b>	-	-	435	1,436	190	-
<b>INFRASTRUCTURE</b>							
<b>ROADS</b>							
<b>Asset renewal expenditure</b>							
Roads periodic maintenance (reseals & resheets)	1,400	238	-	-	-	1,163	-
Bus shelter replacement strategy	20	-	-	-	-	20	-
<b>Total asset renewal expenditure - roads</b>	<b>1,420</b>	<b>238</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,183</b>	<b>-</b>
<b>Asset upgrade expenditure</b>							
Road sealing/rehabilitation program	380	300	-	-	-	80	-
Rodger Road special charge scheme	50	-	-	-	-	50	-
Minor traffic works	40	-	-	-	-	40	-
<b>Total asset upgrade expenditure - roads</b>	<b>470</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>170</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 new	74	-	-	-	-	74	-
<b>Total new asset expenditure - roads</b>	<b>74</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74</b>	<b>-</b>
<b>TOTAL ROADS</b>	<b>2,164</b>	<b>538</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,626</b>	<b>-</b>
<b>BRIDGES</b>							
<b>Asset renewal expenditure</b>							
Bridge rehabilitation	50	-	-	-	-	50	-
<b>Total asset renewal expenditure - bridges</b>	<b>50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>50</b>	<b>-</b>
<b>Asset expansion expenditure</b>							
DCP2 - Gipson St Bridge Duplication R001	964	357	-	-	607	-	-
<b>Total asset expansion expenditure - bridges</b>	<b>964</b>	<b>357</b>	<b>-</b>	<b>-</b>	<b>607</b>	<b>-</b>	<b>-</b>
<b>TOTAL BRIDGES</b>	<b>1,014</b>	<b>357</b>	<b>-</b>	<b>-</b>	<b>607</b>	<b>50</b>	<b>-</b>
<b>FOOTPATHS AND CYCLEWAYS</b>							
<b>Asset renewal expenditure</b>							
Footpath renewal	360	-	-	-	-	360	-
<b>Total asset renewal expenditure - footpaths</b>	<b>360</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360</b>	<b>-</b>
<b>Asset expansion expenditure</b>							
Footpath construction program	430	-	-	-	-	430	-
<b>Total asset expansion expenditure - footpaths</b>	<b>430</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>430</b>	<b>-</b>
<b>TOTAL FOOTPATHS AND CYCLEWAYS</b>	<b>790</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>790</b>	<b>-</b>
<b>DRAINAGE</b>							
<b>Asset renewal expenditure</b>							
Reactive drainage works	100	-	-	-	-	100	-
<b>Total asset renewal expenditure - drainage</b>	<b>100</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>100</b>	<b>-</b>

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>Asset upgrade expenditure</b>							
Drainage works	500	-	-	-	-	500	-
Total asset upgrade expenditure - drainage	500	-	-	-	-	500	-
<b>New asset expenditure</b>							
Integrated water management plan - design	25	-	-	-	-	25	-
Total new asset expenditure - drainage	25	-	-	-	-	25	-
<b>TOTAL DRAINAGE</b>	<b>625</b>	-	-	-	-	<b>625</b>	-
<b>RECREATIONAL, LEISURE AND COMMUNITY FACILITIES</b>							
<b>Asset renewal expenditure</b>							
Yarrambat park golf course - annual course improvements	80	-	-	-	-	80	-
Yarrambat Golf - course upgrades	300	-	-	-	-	300	-
Major leisure centres & community halls renewal	590	-	-	-	-	590	-
Trail resurfacing & periodic maintenance	405	-	-	-	-	405	-
Cricket pitch replacement	50	-	30	-	-	20	-
Sportsground and ancillary facilities renewal	210	-	-	-	-	210	-
Total asset renewal expenditure - RL&CF	1,635	-	30	-	-	1,605	-
<b>Asset upgrade expenditure</b>							
Eltham Leisure Centre aquatic	2,300	300	-	-	-	2,000	-
Diamond Valley Sports and Fitness Centre	500	-	-	-	500	-	-
Sportfield carpark sealing	100	-	-	-	-	100	-
Bin cage at sportsgrounds	8	-	-	-	-	8	-
Sportsground - Lighting Upgrade	30	-	-	-	-	30	-
Wattle Glen Pavillion	750	100	-	-	650	-	-
Eltham North Reserve pavillion upgrade	300	-	-	-	300	-	-
Eltham precincts 3 & 4 / Central oval	200	-	-	-	200	-	-
Research park sports pavillion	1,795	950	145	-	700	-	-
Total asset upgrade expenditure - RL&CF	5,983	1,350	145	-	2,350	2,138	-
<b>Asset expansion expenditure</b>							
Recreation trail - local Links	60	-	-	-	-	60	-
Hurstbridge recreation precinct - design	100	-	-	-	-	100	-
Total asset expansion expenditure - drainage	160	-	-	-	-	160	-
<b>New asset expenditure</b>							
Marngrook Oval Pavillion	100	-	-	-	-	100	-
Total new asset expenditure - RL&CF	100	-	-	-	-	100	-
<b>TOTAL REC, LEISURE &amp; COMM FACILITIES</b>	<b>7,878</b>	<b>1,350</b>	<b>175</b>	-	<b>2,350</b>	<b>4,003</b>	-
<b>PARKS, OPEN SPACE (OS) AND STREETSCAPES</b>							
<b>Asset renewal expenditure</b>							
Public open space renewal	150	-	-	-	-	150	-
Total asset renewal expenditure - Parks, OS & Streetscapes	150	-	-	-	-	150	-
<b>Asset upgrade expenditure</b>							
Panton Hill bushland reserves management plan implementation	30	-	-	-	-	30	-
Total asset upgrade expenditure - Parks, OS & Streetscapes	30	-	-	-	-	30	-
<b>Asset expansion expenditure</b>							
Civic Drive Precinct - Facilities	1,118	950	-	-	-	168	-



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
Total asset expansion expenditure - Parks, OS & Streetscapes	1,118	950	-	-	-	168	-
<b>New asset expenditure</b>							
DCP1 – Public Open Space Improvements P001a	221	-	-	-	221	-	-
Diamond Hills Reserve viewing platform/landscape	30	-	-	-	-	30	-
Total new asset expenditure - Parks, OS & Streetscapes	251	-	-	-	221	30	-
<b>WASTE MANAGEMENT</b>							
<b>Asset upgrade expenditure</b>							
Plenty & Kangaroo Ground landfill rehabilitation	853	-	-	-	853	-	-
Total asset upgrade expenditure - Waste Management	853	-	-	-	853	-	-
<b>TOTAL PARKS, O/SPACE &amp; STREETSAPES</b>	<b>2,402</b>	950	-	-	1,074	378	-
<b>AERODROMES</b>	-	-	-	-	-	-	-
<b>OFF STREET CAR PARKS</b>	-	-	-	-	-	-	-
<b>OTHER INFRASTRUCTURE</b>							
<b>Asset renewal expenditure</b>							
Disability access works renewal	120	-	-	-	-	120	-
Total asset renewal expenditure - Other Infrastructure	120	-	-	-	-	120	-
<b>Asset upgrade expenditure</b>							
Street tree planting	83	-	-	-	-	83	-
Township entries and streetscapes	400	-	-	-	-	400	-
Township/facility signage	40	-	-	-	-	40	-
Total asset upgrade expenditure - Other Infrastructure	523	-	-	-	-	523	-
<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>	<b>668</b>	17	-	-	-	651	-
<b>TOTAL INFRASTRUCTURE</b>	<b>15,541</b>	3,211	175	-	4,032	8,123	-
<b>TOTAL CAPITAL WORKS 2017-18</b>	<b>21,341</b>	3,261	175	435	7,745	9,725	-

## 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	6,556	238	30	435	1,436	4,418	-
Asset upgrade expenditure	8,918	1,700	145	-	3,330	3,743	-
Asset expansion expenditure	2,947	1,324	-	-	607	1,016	-
New asset expenditure	2,920	-	-	-	2,371	549	-
<b>TOTAL CAPITAL WORKS</b>	<b>21,341</b>	<b>3,261</b>	<b>175</b>	<b>435</b>	<b>7,745</b>	<b>9,725</b>	<b>-</b>

## Appendix D Major Initiatives

This appendix presents a listing of the major initiatives that will be undertaken for the 2017-18 year.

### Major Initiatives

For the year ending 30 June 2018

Council Plan Goal	Total Project Cost \$
2 Increased maintenance of roadside vegetation and open space (ongoing)	300,000
2 Proactive tree management in high public use areas (ongoing)	300,000
3 Economic Development - Investment Facilitation	114,511
2 Corporate Asset Register (Year 1 of 4)	100,000
2 Yarrambat Township Plan	80,000
5 Mobile devices / remote access to network for Council field staff	70,000
2 Eltham Activity Centre review	60,000
3 Artisan Hills projects including: Visiting friends and relatives (Year 2 of 4) Promotional campaigns Visitor information service review (Year 2 of 2)	50,000
5 Community engagement (Implementation of Organisation Culture and Capability Strategy)	41,000
1 Community and Medical Transport	40,000
1 Inclusion and Diversity Plan - development	40,000
3 New Economic Development Strategy implementation (Year 2 of 5)	40,000
3 Artisan Hills - Implementation Resources	36,000
2 Eltham Precinct 4 - site planning	30,000
4 Recreation trail communications tool	30,000
2 Heritage investigations (Year 3 of 5)	30,000
2 Housing - Neighbourhood character analysis (Year 1 of 2)	30,000
4 Arts and Cultural Plan - Stage 2 (Events and Festivals)	30,000
2 Domestic Animal Management Plan 2017-2021	25,000
4 Plenty Park Master Plan review (Year 1 of 2)	20,000
1 Positive Ageing Strategy	20,000
2 Equine Industry Strategy	20,000
1 Community safety awareness campaign	20,000
5 Northern region shared services	17,000
4 Nillumbik Shire Council Recreation Strategy (Year 1 of 2)	15,000
5 Customer Service - Mystery shopping program	10,000
5 Continuous Improvement (Implementation of Organisation Culture and Capability Strategy)	9,000
<b>Total</b>	<b>1,577,511</b>

Major Initiatives identified as ongoing will require funding in future operating budgets in order to continue

## Appendix E

### Operating results by business unit

This appendix presents the operating results by business unit for the 2017-18 year.

#### Nillumbik Shire Council Operating Budget 2017-18

Department Unit	2016-17 Forecast	2017-18 Budget	Percent var to 2016-17 Budget
	\$	\$	%
<b>Program Description</b>			
<b>Infrastructure</b>			
<b>Infrastructure Mgmt</b>			
<b>Income</b>			
0041. Emergency Management	(17,473)	(6,162)	(64.73)
<b>Expenditure</b>			
0003. GM Infrastructure Management	410,534	413,524	0.73
0041. Emergency Management	507,791	494,843	(2.55)
<b>Total Infrastructure Mgmt</b>	<b>900,852</b>	<b>902,205</b>	<b>0.15</b>
<b>Infrastructure Development</b>			
<b>Income</b>			
0100. Infrastructure Development Management	(1,090,227)	(1,090,227)	-
0104. Engineering Construction	(119,000)	(102,000)	(14.29)
0111. Traffic & Transport	(55,000)	(55,000)	-
<b>Expenditure</b>			
0100. Infrastructure Development Management	226,405	226,695	0.13
0102. Engineering Design	547,716	558,264	1.93
0104. Engineering Construction	443,623	445,083	0.33
0111. Traffic & Transport	1,082,518	1,090,308	0.72
<b>Total Infrastructure Development</b>	<b>1,036,035</b>	<b>1,073,123</b>	<b>3.58</b>
<b>Infrastructure Maintenance</b>			
<b>Income</b>			
0020. Depot Management	(16,232)	-	(100.00)
0022. Road Materials	(2,000)	-	(100.00)
0026. Domestic Garbage Collection	(70,000)	(77,515)	10.74
0028. Recycling Collection	(137,500)	(175,000)	27.27
0029. Fleet Operations	(49,000)	(65,000)	32.65
0035. Landscape Maintenance	(16,300)	(16,500)	0.01
0036. Sportsground Maintenance	(5,000)	(5,000)	-
0042. Recycling & Recovery Centre	(395,000)	(462,610)	17.12
0254. Environment Works	(68,801)	-	(100.00)
<b>Expenditure</b>			
0020. Depot Management	1,284,152	1,294,340	0.79
0021. Emergency Works	98,097	98,097	-
0022. Road Materials	998,212	971,247	(2.70)
0024. Reserve Utilities	172,485	189,296	0.10
0025. Waste Management	1,284,229	1,437,694	11.95
0026. Domestic Garbage Collection	1,571,460	1,592,918	1.37
0027. Garden Organics Collection	1,563,787	1,570,865	0.45
0028. Recycling Collection	806,241	817,249	1.37

0029. Fleet Operations	312,933	192,958	(38.34)
0030. Unsealed Roads Maintenance	1,859,588	1,878,553	1.02
0031. Sealed Roads Maintenance	589,398	591,724	0.39
0032. Miscellaneous Works	435,846	443,132	1.67
0033. Drainage Maintenance & Street	430,378	433,504	0.73
0034. Parks	398,029	395,029	(0.75)
0035. Landscape Maintenance	1,120,591	1,137,733	1.53
0036. Sportsground Maintenance	304,259	307,135	0.95
0037. Open Space Maintenance	490,287	493,342	0.62
0038. Arboriculture Maintenance	895,805	901,255	0.61
0039. Priority Sites Maintenance	239,472	242,292	1.18
0040. Playground & Park Furniture Mtnce	272,615	275,491	1.05
0042. Recycling & Recovery Centre	443,961	466,001	4.96
0043. Wetland Crew	75,050	75,050	-
0044. Yan Yean Tip	1,105,697	1,105,697	-
0047. Fire Prevention	554,573	554,573	-
0048. Concrete Works	212,252	202,722	(4.49)
0254. Environment Works	874,650	823,141	(5.89)
<b>Total Infrastructure Maintenance</b>	<b>17,634,214</b>	<b>17,689,413</b>	<b>0.31</b>
<b>Assets and Property</b>			
<b>Income</b>			
0352. Property Sales Management	(7,650,000)	(4,805,450)	(37.18)
0451. Property Management	(312,000)	(326,444)	4.63
<b>Expenditure</b>			
0352. Property Sales Management	7,891,156	5,096,214	(35.42)
0451. Property Management	158,738	161,122	1.50
0110. Engineering Assets	718,759	718,373	(0.05)
0106. Building Mtnce - Management	135,049	136,743	1.25
0109. Building Mtnce - Maintenance	1,415,667	1,435,037	1.37
<b>Total Assets and Property</b>	<b>2,357,369</b>	<b>2,415,595</b>	<b>2.47</b>
<b>Total Infrastructure Services</b>	<b>21,928,470</b>	<b>22,080,336</b>	<b>0.69</b>
<b>Environment &amp; Planning</b>			
<b>Environment &amp; Planning Management</b>			
<b>Expenditure</b>			
0200. Gm Environment & Planning	343,429	355,238	3.44
<b>Total Environment &amp; Planning Management</b>	<b>343,429</b>	<b>355,238</b>	<b>3.44</b>
<b>Strategic and Economic Planning</b>			
<b>Income</b>			
0350. Tourism & Economic Development	(372,853)	(340,720)	(8.62)
<b>Expenditure</b>			
0256. Sustainable Planning	229,134	233,864	2.06
0251. Strategic Planning	425,352	398,100	(6.41)
0350. Tourism & Economic Development	693,852	671,729	(3.19)
<b>Total Sustainable Planning</b>	<b>975,485</b>	<b>962,973</b>	<b>(1.28)</b>
<b>Regulatory Services</b>			
<b>Income</b>			
0150. School Crossing Supervision	(153,477)	(151,000)	(1.61)
0151. Municipal Laws Coordination	(1,378,381)	(1,457,526)	5.74
0152. Pound Services	(71,990)	(82,696)	14.87
<b>Expenditure</b>			
0150. School Crossing Supervision	497,531	507,009	1.91
0151. Municipal Laws Coordination	1,506,050	1,591,896	5.70
0152. Pound Services	94,409	97,165	2.92
<b>Total Regulatory Services</b>	<b>494,142</b>	<b>504,848</b>	<b>2.17</b>

<b>Sustainability and Environment</b>			
<b>Income</b>			
0252. Environmental Planning	(17,000)	(17,000)	-
0516. St Andrews Hall Reserve	(13,002)	(13,002)	-
<b>Expenditure</b>			
0250. Environment & Strategic Planning	221,794	-	(100.00)
0252. Environmental Planning	938,473	1,185,780	26.35
0516. St Andrews Hall Reserve	13,002	13,002	-
<b>Total Sustainability and Environment</b>	<b>1,143,267</b>	<b>1,168,780</b>	<b>2.23</b>
<b>Planning and Health Services</b>			
<b>Income</b>			
0220. Planning & Building Services Management	(20,000)	(20,000)	-
0221. Statutory Planning	(475,000)	(396,737)	(16.48)
0222. Building Services	(292,385)	(319,142)	9.15
0223. Planning and Building Services	(62,800)	(66,500)	5.89
0224. Planning & Building Enforcement	(20,000)	(20,000)	-
0321. Environment Health & Immunisation	(425,667)	(363,242)	(14.67)
<b>Expenditure</b>			
0220. Planning & Building Services Management	314,823	320,537	1.81
0221. Statutory Planning	1,500,275	1,540,919	2.71
0222. Building Services	525,881	521,477	(0.84)
0223. Planning and Building Services	345,078	349,872	1.39
0224. Planning & Building Enforcement	220,748	224,260	1.59
0321. Environment Health & Immunisation	891,328	937,011	5.13
<b>Total Planning and Health Services</b>	<b>2,502,281</b>	<b>2,708,455</b>	<b>8.24</b>
<b>Total Environment and Planning</b>	<b>5,458,604</b>	<b>5,700,294</b>	<b>4.43</b>
<b>Corporate Services</b>			
<b>Corporate Services Management</b>			
<b>Income</b>			
0400. GM Corporate Services Management	(10,000)	-	(100.00)
<b>Expenditure</b>			
0400. GM Corporate Services Management	463,246	457,518	(1.24)
<b>Total Corporate Services Management</b>	<b>453,246</b>	<b>457,518</b>	<b>0.94</b>
<b>Information &amp; Technology</b>			
<b>Expenditure</b>			
0450. Corporate Information	697,078	655,332	(5.99)
0454. Network / Desktop	990,800	995,300	0.45
0455. Corporate Systems	797,829	824,829	3.38
0456. IT Management	1,925,727	1,965,599	2.07
0458. GIS	73,373	73,373	-
<b>Total Information &amp; Technology</b>	<b>4,484,807</b>	<b>4,514,433</b>	<b>0.66</b>
<b>Organisational Development &amp; Risk</b>			
<b>Income</b>			
0620. Human Resource Management	(34,746)	(30,000)	(13.66)
0621. Occupational Health & Safety	(105,689)	(100,000)	(0.05)
<b>Expenditure</b>			
0620. Human Resource Management	1,504,077	1,473,316	(2.05)
0621. Occupational Health & Safety	160,659	155,230	(3.38)
<b>Total Organisational Development &amp; Risk</b>	<b>1,524,301</b>	<b>1,498,546</b>	<b>(1.69)</b>

<b>Governance &amp; Communication</b>			
<b>Income</b>			
0452. Governance	(410)	(410)	-
0459. Customer Service	(4,000)	(4,000)	-
0650. Communication	(3,100)	(3,100)	-
<b>Expenditure</b>			
0452. Governance	787,114	770,964	(2.05)
0459. Customer Service	557,855	544,535	(2.39)
0650. Communication	667,407	675,096	1.15
<b>Total Governance &amp; Communication</b>	<b>2,004,866</b>	<b>1,983,085</b>	<b>(1.09)</b>
<b>Finance</b>			
<b>Income</b>			
0410. Accounting Services	(30,000)	-	(100.00)
0411. Accounting Services - Other	(3,082,227)	(3,029,477)	(1.71)
0412. Rates	(62,520,078)	(62,790,484)	0.43
0413. Reserve Transfers	(751,282)	(313,100)	(0.58)
<b>Expenditure</b>			
0410. Accounting Services	1,731,452	1,618,046	(6.55)
0411. Accounting Services - Other	3,512,451	3,539,683	0.78
0412. Rates	615,883	469,246	(23.81)
0413. Reserve Transfers	751,282	313,100	(0.58)
0453. Corporate Insurance	950,000	1,092,000	14.95
<b>Total Finance</b>	<b>(58,822,519)</b>	<b>(59,100,986)</b>	<b>0.47</b>
<b>Total Corporate Services</b>	<b>(50,355,299)</b>	<b>(50,647,404)</b>	<b>0.58</b>
<b>Executive Services</b>			
<b>Executive Services</b>			
<b>Expenditure</b>			
0600. Executive Management	670,416	672,388	0.29
0601. Council Support	329,334	329,334	-
<b>Total Executive Services</b>	<b>999,750</b>	<b>1,001,722</b>	<b>0.20</b>
<b>Total Executive Services</b>	<b>999,750</b>	<b>1,001,722</b>	<b>0.20</b>
<b>Community and Leisure</b>			
<b>Community and Leisure Management</b>			
<b>Expenditure</b>			
0292. Leisure & Community Services	388,538	393,246	1.21
<b>Total Community and Leisure Management</b>	<b>388,538</b>	<b>393,246</b>	<b>1.21</b>
<b>Community Services &amp; Social Development</b>			
<b>Income</b>			
0310. Childrens Services	(35,520)	(18,500)	(47.92)
0313. Consiton Street	(5,000)	(6,000)	20.00
0314. Maternal Child Health	(325,958)	(325,958)	-
0315. Youth Services	(68,635)	(34,000)	(50.46)
0317. Aged Services Assessment	(364,947)	(233,706)	(35.96)
0318. HACC Contracts	(2,252,474)	(1,333,808)	(40.78)
0319. Senior Citizens Centres	(2,700)	(2,700)	-
0338. Food Services	(144,007)	(147,592)	2.49
0340. Coordinator Aged & Disability	(91,194)	(91,194)	-
0342. Family & Children's Services Management	(21,152)	(21,578)	2.01
0343. Supported Playgroup	(50,944)	-	(100.00)
0344. Hurstbridge Community Centre	(46,645)	(26,549)	(43.08)
0500. Community Services Management	(34,082)	-	(100.00)
0517. Grow Communities Thriving Children	(279,300)	(123,750)	(55.69)
0518. Best Start	(161,994)	(113,875)	(29.70)



0304. Childcare Eltham	(110,000)	(100,000)	(9.09)
0305. Childcare Panton Hill	(120,000)	(130,000)	8.33
<b>Expenditure</b>			
0310. Childrens Services	143,229	134,679	(5.97)
0312. Occ Child Care-Hohnes Road	34,254	34,254	-
0313. Consiton Street	15,960	15,960	-
0314. Maternal Child Health	1,070,617	1,086,915	1.52
0315. Youth Services	489,327	454,680	(7.08)
0317. Aged Services Assessment	444,511	285,230	(35.83)
0318. HACC Contracts	2,261,583	1,333,807	(41.02)
0319. Senior Citizens Centres	4,560	4,560	-
0337. Contracts and Data Officer	52,936	53,990	1.99
0338. Food Services	233,454	236,740	1.41
0340. Coordinator Aged & Disability	99,298	91,194	(8.16)
0342. Family & Children's Services Management	350,370	325,412	(7.12)
0343. Supported Playgroup	50,944	-	(100.00)
0344. Hurstbridge Community Centre	192,960	87,142	(54.84)
0345. Community & Social Development	84,082	85,706	1.93
0346. Positive Ageing	167,816	220,551	31.42
0500. Community Services Management	101,241	211,223	108.63
0514. Eltham War Memorial Hall	4,844	4,447	(0.08)
0517. Grow Communities Thriving Children	279,300	123,750	(55.69)
0518. Best Start	161,994	113,875	(29.70)
0304. Childcare Eltham	174,220	180,116	3.38
0305. Childcare Panton Hill	189,860	163,302	(13.99)
<b>Total Community Services &amp; Social Development</b>	<b>2,492,808</b>	<b>2,538,323</b>	<b>1.83</b>
<b>Community Participation, Learning and Culture Income</b>			
0255. Arts & Cultural Services	(41,885)	(14,690)	(64.93)
0303. Operations Eltham	(20,200)	(15,450)	(23.51)
0306. Operations Panton Hill	(317)	(200)	(36.91)
0316. Community Grants	(4,128)	(4,128)	-
0320. Metro Access	(227,458)	-	(100.00)
0323. Eltham Community Programs	(128,472)	(133,032)	3.55
0324. General Preparatory Programs	(35,155)	(27,960)	(20.47)
0325. Vocational Education & Training	(560,600)	(566,000)	0.96
0327. Panton Hill Community Program	(68,968)	(67,486)	(2.15)
0331. Diamond Creek LLC Core Operations	(65,200)	(72,830)	11.70
0333. Community Program-Diamond Creek	(47,500)	(53,045)	11.67
0341. Transport Connections	(90,216)	(43,800)	(51.45)
0351. Edendale Operations	(323,275)	(321,800)	(0.46)
<b>Expenditure</b>			
0255. Arts & Cultural Services	579,123	572,225	(1.19)
0300. Social & Cultural Development	359,579	207,357	(42.33)
0303. Operations Eltham	441,043	445,097	0.92
0306. Operations Panton Hill	5,650	8,562	51.54
0316. Community Grants	58,452	58,452	-
0320. Metro Access	299,880	154,438	(48.50)
0323. Eltham Community Programs	130,003	133,164	2.43
0324. General Preparatory Programs	17,886	13,276	(25.77)
0325. Vocational Education & Training	423,813	434,995	2.64
0327. Panton Hill Community Program	87,131	82,924	(4.83)
0331. Diamond Creek LLC Core Operations	125,554	126,230	0.54
0333. Community Program-Diamond Creek	33,358	33,450	0.28
0335. Community Planning	530,897	656,883	23.73
0341. Transport Connections	156,364	102,188	(34.65)

0351. Edendale Operations	947,017	970,894	2.52
0401. Library	2,739,746	2,840,000	3.66
<b>Total Community Participation, Learning and Culture</b>	<b>5,322,122</b>	<b>5,519,714</b>	<b>3.71</b>
<b>Community and Leisure Facilities</b>			
<b>Income</b>			
0302. Community Leisure	(122,025)	(129,743)	6.32
0329. Senior Citizens Eltham	(8,634)	(8,893)	3.00
0330. Senior Citizens Diamond Creek	(6,178)	(6,365)	3.03
0501. Eltham Leisure Centre - Ymca	(2,877,931)	(4,218,698)	46.59
0502. Diamond Valley Sports Complex Admin	(1,370,710)	(1,370,710)	-
0503. Diamond Creek Pool	(184,988)	(183,581)	(0.76)
0504. Yarrambat Park Golf Course	(640,327)	(640,327)	-
0505. Diamond Creek Community Centre Admin	(625,159)	(600,199)	(3.99)
0507. Eltham Community Centre	(29,044)	(76,198)	162.35
0508. Eltham North Community Hall	(13,200)	(13,570)	2.80
0509. Hurstbridge Community Hall	(10,400)	(10,749)	3.36
0510. Eltham Performing Arts Centre	(26,522)	(25,775)	(2.82)
0511. Kangaroo Ground Hall	(2,661)	(2,719)	2.18
0512. Eltham Library Complex	(18,067)	(18,414)	1.92
0513. Outdoor Performance Centre	(1,436)	(1,447)	0.77
0515. North Warrandyte Hall	(6,295)	(6,433)	2.19
0521. Hurstbridge Sports Stadium	(15,955)	(16,502)	3.43
0522. Diamond Creek Stadium	(467,284)	(463,427)	(0.83)
<b>Expenditure</b>			
0302. Community Leisure	363,730	343,962	(5.43)
0329. Senior Citizens Eltham	21,767	21,767	-
0330. Senior Citizens Diamond Creek	15,187	15,187	-
0501. Eltham Leisure Centre - Ymca	2,901,609	3,997,022	37.75
0502. Diamond Valley Sports Complex Admin	1,539,217	1,517,217	(1.43)
0503. Diamond Creek Pool	370,983	377,530	1.76
0504. Yarrambat Park Golf Course	730,107	723,987	(0.84)
0505. Diamond Creek Community Centre Admin	989,234	976,274	(1.31)
0506. Community Halls Admin	279,360	294,079	5.27
0507. Eltham Community Centre	125,493	126,935	1.15
0508. Eltham North Community Hall	17,826	17,826	-
0509. Hurstbridge Community Hall	14,880	13,733	(0.08)
0510. Eltham Performing Arts Centre	19,068	19,068	-
0511. Kangaroo Ground Hall	7,596	7,596	-
0512. Eltham Library Complex	1,909	1,909	-
0513. Outdoor Performance Centre	1,513	1,513	-
0515. North Warrandyte Hall	16,117	16,117	-
0519. Leisure Facilities	309,494	316,119	2.14
0520. Leisure Services Management	315,463	265,647	(15.79)
0521. Hurstbridge Sports Stadium	38,448	38,448	-
0522. Diamond Creek Stadium	693,219	700,733	1.08
<b>Total Community and Leisure Facilities</b>	<b>2,345,404</b>	<b>1,998,919</b>	<b>(14.77)</b>
<b>Total Community and Leisure</b>	<b>10,548,872</b>	<b>10,450,202</b>	<b>(0.94)</b>
<b>Operating Cost To Council</b>	<b>(11,419,603)</b>	<b>(11,414,850)</b>	<b>(0.04)</b>

Footnotes

1. The total Operating Cost to Council includes transfers to and from reserves and debt principal repayments, which are separately identified in the formal Budget.
2. This figure excludes New Initiative items, which are separately identified in the formal Budget.



## Appendix F

### Fees and Charges

This appendix presents the fees and charges for the 2017-18 year.

### Nillumbik Shire Council 2017-18 Fees & Charges

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>Waste Management</b>			
Bin Tows	Each	23.50	30.00
Other Red Lid Bin - 120 Litre	Each	78.00	80.00
Organics Green Lid Bin - 120 Litre	Each	78.00	80.00
Recycle Yellow Lid Bin - 120 Litre	Each	78.00	80.00
Recycle Yellow Lid Bin - 240 Litre	Each	92.00	95.00
<b>Recycling &amp; Recovery Centre</b>			
Car Boot	1	28.00	35.00
Station Wagon	1	38.00	45.00
Small Utility/Van	1	48.50	55.00
Large Ute	1	80.00	90.00
Large Van	1	94.00	105.00
6 x 4 Trailer	1	66.00	80.00
6 x 4 Trailer High Side or 8 X 6 Tandem Trailer	1	80.50	90.00
7 x 5 Trailer	1	75.00	85.00
7 x 5 Trailer High Side	1	94.00	105.00
Medium Utility or Van	1	69.50	85.00
8 x 6 Tandem Trailer High Side	1	107.00	115.00
White Goods - Refrigerator, Air-conditioners, Freeza etc.	1	31.00	32.00
Mattress - King / Queen / Double	1	31.00	35.00
Mattress - Single / Baby	1	21.00	25.00
Car Tyre	1	12.50	13.00
Car Tyre with Rim	1	14.50	15.00
4WD Tyre	1	15.50	16.00
4WD Tyre with Rim	1	17.50	18.00
Motor Bike Tyre	1	10.25	10.00
Motor Bike Tyre with Rim	1	10.25	10.00
Truck Tyre	1	25.50	30.00
Truck Tyre with Rim	1	31.00	35.00
Large Tractor Tyre	1	133.00	135.00
Motor Oil (over 10 litres)	Per litre	No charge	No charge
Car Battery	1	No charge	No charge
Scrap Metal (including Stoves and washing machines)	1	No charge	No charge
Household Recycling - Paper, Cardboard & Containers	1	No charge	No charge
<b>Emergency Management</b>			
Fire Prevention - Slashing	Blocks up to 1.0 hectare	520.00	560.00
Fire Prevention - Slashing - Larger blocks	Per hectare	620.00	680.00
Fire Prevention - Firebreaks to 10 metres wide	Per linear metre	2.45	2.60
Fire Prevention - Firebreaks to 20 metres wide	Per linear metre	3.55	3.70
Fire Prevention - Roadsides	Per linear metre	2.45	2.60
<b>Infrastructure Development</b>			
Dispensations	Building over easement (maximum fee)	\$257.00	As per Building Control Commission Rates (TBA)
	Front fence at corner (maximum fee)	\$256.90	As per Building Control Commission Rates (TBA)
	Land subject to flooding (maximum fee)	\$257.00	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)	3.25%	3.25%
Storm Water and Drainage Information		\$64.10	As per Building Control Commission Rates (TBA)
<b>Road Opening Permits - Works (other than minor works detailed below) :</b>			
Arterial Road - conducted on any part of the roadway, shoulder or pathway	per site	602.20	Monetary Fee Unit
Arterial Road - not conducted on any part of the roadway, shoulder or pathway	per site	421.00	Monetary Fee Unit
Local road where maximum speed limit at anytime is more than 50 kph - conducted on any part of the roadway, shoulder or pathway	per site	600.80	Monetary Fee Unit
Local road where maximum speed limit at anytime is more than 50 kph - not conducted on any part of the roadway, shoulder or pathway	per site	327.60	Monetary Fee Unit

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Local road where maximum speed limit at anytime is not more than 50 kph - conducted on any part of the roadway, shoulder or pathway	per site	327.60	Monetary Fee Unit
Local road where maximum speed limit at anytime is not more than 50 kph - not conducted on any part of the roadway, shoulder or pathway	per site	83.60	Monetary Fee Unit
<b>Minor Works conducted by utilities or public transport provider that are traffic impact works :</b>			
Arterial Road - conducted on any part of the roadway, shoulder or pathway	per site	223.00	Monetary Fee Unit
Arterial Road - not conducted on any part of the roadway, shoulder or pathway	per site	132.40	Monetary Fee Unit
Local road where maximum speed limit at anytime is more than 50 kph - conducted on any part of the roadway, shoulder or pathway	per site	129.60	Monetary Fee Unit
Local road where maximum speed limit at anytime is more than 50 kph - not conducted on any part of the roadway, shoulder or pathway	per site	83.60	Monetary Fee Unit
Local road where maximum speed limit at anytime is not more than 50 kph - conducted on any part of the roadway, shoulder or pathway	per site	129.60	Monetary Fee Unit
Local road where maximum speed limit at anytime is not more than 50 kph - not conducted on any part of the roadway, shoulder or pathway	per site	83.60	Monetary Fee Unit
Vehicle Crossing	per site	160.00	180.00
Landscaping of nature strip	per site	83.60	Monetary Fee Unit
<b>Stormwater Drainage Connection:</b>			
- Easement or connection not requiring road opening	per site	83.60	Monetary Fee Unit
- Connection requiring road opening	per site	327.60	Monetary Fee Unit
Asset Protection		300.00	350.00
<b>Reinstatement Costs</b>			
Asset Reinstatements	Council claims actual cost of works plus a 30% surcharge plus GST		
Road Pavements	2m <sup>2</sup> to 10m <sup>2</sup> (per m <sup>2</sup> )	As per contract rates	As per contract rates
	Greater than 10m <sup>2</sup> (per m <sup>2</sup> )	As per contract rates	As per contract rates
<b>Footpath &amp; Crossovers - Minimum charge of 2 m<sup>2</sup> or 2 lineal metres.</b>			
<b>These rates are charged for all reinstatements unless prior agreement to alternative arrangements (eg. cost plus 30%):</b>			
- Footpaths	Asphalt, 75mm concrete, pitcher or flag type (per m <sup>2</sup> )	As per contract rates	As per contract rates
- Crossovers	150mm concrete (per m <sup>2</sup> )	As per contract rates	As per contract rates
Industrial Vehicular Crossing	Up to 175mm reinforced concrete (per m <sup>2</sup> )	As per contract rates	As per contract rates
Kerb & Channel	Concrete, dish gutters and spoon drains concrete kerb (per lineal m)	As per contract rates	As per contract rates
Saw Cutting	Per lineal metre	As per contract rates	As per contract rates
Traffic Control	Per controller (per hour)	As per contract rates	As per contract rates
<b>Following surcharges will apply for all concrete reinstatements works:</b>			
Under 10m <sup>2</sup> - 30% surcharge on invoice price			
Under 20m <sup>2</sup> - 15% surcharge on invoice price			
Above 20 m <sup>2</sup> - no surcharge applied			
<b>Regulatory Services</b>			
Impounding Livestock	Labour - ordinary per hour	46.00	50.00
Impounding Livestock	Labour - time and a half per hour	69.00	75.00
Impounding Livestock	Labour - double time per hour	92.00	100.00
Impounding Livestock	Trespass sheep/goat/pig per head	21.00	25.00
Impounding Livestock	Trespass other cattle per head	28.00	30.00
Impounding Livestock	Transport - Monday to Saturday	94.00	100.00
Impounding Livestock	Transport - Sunday/Public Holidays	120.00	125.00
Impounding Small Livestock	Sustenance - chicken/rabbit/ferret/bird per day	-	5.00
Impounding Medium Livestock	Sustenance - sheep/goat/pig per day	16.00	20.00
Impounding Large Livestock	Sustenance - cattle/horse per day	23.00	25.00
Impounding Livestock	Pound fees	16.00	20.00
Impounding Livestock	Posting notice	23.00	25.00
Impounding Livestock	Insertion of notice in newspapers	41.00	45.00
Impounding Livestock	Advertisement	At cost	At cost
Dog Pound - Release	Release first day	79.00	85.00
Dog Pound - Sustenance	Sustenance per day	25.00	30.00
Animal Registration	Dog maximum fee	276.00	285.00
Animal Registration	Dog reduced fee (Micro chipped only. Excludes new registrations)	92.00	95.00
Animal Registration	Dog minimum fee (Desexed)	46.00	48.00
Animal Registration	Cat maximum fee	276.00	285.00
Animal Registration	Cat reduced fee (Micro chipped only)	92.00	95.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Animal Registration	Cat Minimum fee (Desexed)	46.00	48.00
Animal Registration	Transfer	8.00	10.00
Animal Registration	Replacement tag	8.00	10.00
Animal Registration	Pensioner registration of any animal	1/2 Std Fee	1/2 Std Fee
Animal Registration	Domestic animal business	300.00	350.00
Animal Registration	Dangerous/restricted Breed	300.00	350.00
Local Law Permits	More than animals specified in Local Law	92.00	100.00
Local Law Permits	Pensioner concession - Animal Permit	46.00	50.00
Local Law Permits	Outdoor eating facilities - 1st table	171.00	180.00
	- Thereafter	91.00	95.00
Local Law Permits	Signs and A Frames	110.00	115.00
Local Law Permits	Goods/furniture on footpaths	183.00	190.00
Local Law Permits	Busking per day	39.00	45.00
Local Law Permits	Commercial Fairs	1,780.00	1,850.00
Local Law Permits	Storage on roads per day	39.00	45.00
Local Law Permits	Skips	39.00	45.00
Local Law Permits	Use of motorised toy vehicles on private property	92.00	0.00
Local Law Permits	Burning Off	0.00	0.00
Local Law Permits	Road side Vending (per day)	171.00	175.00
Local Law Permits	Road side Vending (half day = 4hrs)	86.00	90.00
Local Law Permits	Road side Vending (per annum )	Refer day rate	Refer day rate
Local Law Permits	Caravans	92.00	95.00
Local Law Permits	Camping on Council land per day	20.00	25.00
Local Law Releases	Shopping trolleys per item	92.00	95.00
Local Law Releases	Charity bins per item	92.00	95.00
Local Law Releases	Skips per item	92.00	95.00
Local Law Releases	A frames & Signs	92.00	95.00
Local Law Releases	Miscellaneous small items	92.00	95.00
Local Law Releases	Miscellaneous large items	92.00	95.00
Parking Fines	Section 87(4) of the Road Safety Act 1986 50% of one penalty unit	0.5 Penalty Unit	0.5 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	172.00	180.00
Derelict Vehicles	Towing	145.00	150.00
Derelict Vehicles	Storage per day	19.00	20.00
Parking Permits	Resident schemes	39.00	45.00
Parking Permits	Resident schemes - Temporary 5-day	39.00	45.00
Parking Permits	Disabled Parking	-	-
Parking Permits	Disabled Parking - Replacement	-	-
Parking Permits	Trader Parking Permits 12 months	21.00	POA
Parking Permits	Trade/Builders Parking Permit / day	48.00	50.00
Building Permit Internal	Value of works 1.00 - 5000.00	525.00	600.00
Building Permit Internal	Value of works 5001-15,000.00	525.00	800.00
Building Permit Internal	Value of works 15,001.00-50,000.00		1,200.00
Building Permit Internal	Value of works = 50,001 - 100,000	1,200.00	1,400.00
Building Permit Internal	Value of works = 100,001 - 150,000	1,340.00	1,600.00
Building Permit Internal	Value of works = 150,001 - 200,000	1,450.00	1,800.00
Building Permit Internal	Value of works = 200,001 - 300,000	1,710.00	2,000.00
Building Permit Internal	Value of works = 300,001 - 400,000	1,930.00	2,200.00
Building Permit Internal	Value of works = 400,001 - 1,000,000	2,360.00	POA
Building Permit Internal	Value of works = Over 400,000	POA	POA
Building Permit Internal	Additional inspections	170.00	200.00
Multiple Dwelling Internal	1	730.00	POA
Building Permit External	Value of works = 1.00 - Over 1,000,000	1290.00 - POA	POA
Building Inspections External	1	210.00	250.00
Owner/Builder	In addition to relevant Building Permit fee	100.00	POA - Min 100.00
Multiple Dwellings Fee	Per dwelling (subject to value of works)	1,020.00	POA
Dispensations (Report and Consent under Part 4)	As advised by Building Commission	280.00	256.90
Amended Plans	1	214.00	250.00
Extension of Time	1	214.00	300.00
A/G Swimming Pool - Local	1	420.00	600.00
In-ground swimming pool	1	580.00	900.00
Pool Fencing - Written Advice	1	209.00	300.00
Building Inspection for selected PBS - within the Shire	1	225.00	250.00
Building Inspection for selected PBS - outside of Shire	1	225.00	250.00
Building Prosecution Admin Fee	1	620.00	620.00
Building Miscellaneous	Building Form 10 (property information requests) As advised by Building Commission	50.00	50.00
Building Miscellaneous	Request for house plans (Depends on number of plans)	86.00	90.00
Building Miscellaneous	Commercial & Industrial Plans (Depends on number of plans)	193.00	195.00
Building Miscellaneous	Building permit details (irrespective of age)	107.00	107.00
Building Miscellaneous	Copies of building certificates including Section 29A	75.00	75.00
Building Miscellaneous	External lodgement commercial	34.50	34.50
Building Miscellaneous	External lodgement residential	34.50	34.50
Consultancy	Per hour	113.00	150.00
Building Notice/Order withdrawal fee	1	620.00	650.00
Liquor Licence Inspection and Report fee	1	492.00	500.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Government Levy	As advised by Building Commission.	0.00128 x cost of work	0.00128 x cost of work
Bushfire Attack Level	1		250.00
Report and Consent 604	1	256.90	256.90
Place of Public Entertainment (Two inspections included in costs)	Up to 1000m <sup>2</sup>		1,400.00
	1001 - 5000m <sup>2</sup>		1,800.00
	< 5000m <sup>2</sup>		POA
Additional Place of Public Entertainment inspections	Within business hours		200.00
	Out of business hours		300.00
Commercial building permits	1		POA
<b>Application Fees - Planning Department</b>			
Planning Miscellaneous	General planning information (permits & dates etc.)	130.00	135.00
Planning Miscellaneous	Request for written planning information/advice	130.00	135.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit). One permit	115.00	130.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit) Search last permit. Two Permits	230.00	240.00
Planning Miscellaneous	Planning permit details (copies of permits, price per permit) Search all permits	350.00	360.00
Planning	Planning Scheme Amendment (stage 1)	2,871.60	2,871.60 + CPI
Planning	Planning Scheme Amendment (stage 2 - < 10 submissions)	14,232.70	14,232.70 + CPI
Planning	Planning Scheme Amendment (stage 2 - 11-20 submissions)	28,437.50	2,8437.60 + CPI
Planning	Planning Scheme Amendment (stage 2 - > 20 submissions)	38,014.40	38,014.40 + CPI
Planning	Planning Scheme Amendment (stage 3)	453.10	453.10 + CPI
Planning	Planning Scheme Amendment (stage 4)	453.10	453.10 + CPI
Planning	Miscellaneous Consents (eg. S173)	280.00	306.70 + CPI
Planning	Request for extension of time to permit	280.00	306.70 + CPI
Planning	Request for amendment to application - after notice	Variable - 40% of original fee	Variable - 40% of original fee
<b>Permit application class:</b>			
Planning	Class 1	1,240.70	1,240.70 + CPI
Planning	Class 2	188.20	1,88.20 + CPI
Planning	Class 3	592.50	592.50 + CPI
Planning	Class 4	1,212.80	1,212.80 + CPI
Planning	Class 5	1,310.40	1,310.40 + CPI
Planning	Class 6	1,407.90	1,407.90 + CPI
Planning	Class 7	188.20	188.20 + CPI
Planning	Class 8	404.30	404.30 + CPI
Planning	Class 9	188.20	188.20 + CPI
Planning	Class 10	1,080.40	1,080.40 + CPI
Planning	Class 11	1,456.70	1,456.70 + CPI
Planning	Class 12	3,213.20	3,213.20 + CPI
Planning	Class 13	8,189.80	8,189.80 + CPI
Planning	Class 14	24,151.10	2,4151.10 + CPI
Planning	Class 15	54,282.40	5,4282.40 + CPI
Subdivision	Class 16	1,240.70	1,240.70 + CPI
Subdivision	Class 17	1,240.70	1,240.70 + CPI
Subdivision	Class 18	1,247.70	1,247.70 + CPI
Subdivision	Class 19	1,240.70	1,240.70 + CPI
Subdivision	Class 20	1,240.70	1,240.70 + CPI
Planning	Class 21	1,240.70	1,240.70 + CPI
<b>Request for amendment to permit class:</b>			
Planning	Class 1	1,240.70	1,240.70 + CPI
Planning	Amendment to change permit preamble or conditions (other than for a single dwelling)	1,240.70	1,240.70 + CPI
Planning	Class 2	188.20	188.20 + CPI
Planning	Class 3	592.50	592.50 + CPI
Planning	Class 4	1,212.80	1,212.80 + CPI
Planning	Class 5	1,310.40	1,310.40 + CPI
Planning	Class 6	1,310.40	1,310.40 + CPI
Planning	Class 7	188.20	188.20 + CPI
Planning	Class 8	404.30	404.30 + CPI
Planning	Class 9	188.20	188.20 + CPI
Planning	Class 10	1,080.40	1,080.40 + CPI
Planning	Class 11	1,456.70	1,456.70 + CPI
Planning	Class 12	3,213.20	3,213.20 + CPI
Planning	Class 13	3,213.20	3,213.20 + CPI
Planning	Class 14	3,213.20	3,213.20 + CPI
Planning	Class 15	3,213.20	3,213.20 + CPI
Subdivision	Class 16	1,240.70	1,240.70 + CPI
Subdivision	Class 17	1,240.70	1,240.70 + CPI
Subdivision	Class 18	1,240.70	1,240.70 + CPI
Subdivision	Class 19	1,240.70	1,240.70 + CPI
Subdivision	Class 20	1,240.70	1,240.70 + CPI
Planning	Class 21	1,240.70	1,240.70 + CPI

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Certification	Certification of subdivision (per 100 lots)	164.50	164.50 + CPI
Certification	Alteration of plan	104.60	104.60 + CPI
Certification	Amendment to certified plan	132.40	132.40 + CPI
Certification	Recertification of a plan of subdivision	132.40	132.40 + CPI
Planning	Satisfaction matter	306.70	306.70 + CPI
Planning	Certificate of compliance	306.70	306.70 + CPI
Planning	For an agreement to amend or end a Section 173 Agreement - consent request	620.30	620.30 + CPI
PS Copying (not including written objections)	A3 copies	4.00	5.00
PS Copying (not including written objections)	A4 copies	2.00	5.00
PS Copying (not including written objections)	A1 copies	17.00	20.00
Advertising	Mail out up to 10 notices plus one onsite notice	119.00	125.00
Advertising	Each additional onsite notice	15.50	20.00
Advertising	Each additional mailed notice	5.20	5.00
Removal of trees < 2 (Arborist) - fast-track		280.00	440.00
Request for secondary consent approval		280.00	306.70 + CPI
<b>Health Charges</b>			
Initial Registration of Food Premises	Class One Premises	770.00	795.00
Initial Registration of Food Premises	Class Two Premises	870.00	900.00
Initial Registration of Food Premises	Class Three Premises	585.00	600.00
Initial Registration of Food Premises	Community Group - Class 2	555.00	575.00
Initial Registration of Food Premises	Community Group - Class 3	415.50	430.00
Notification of Food Premises	Class Four Premises	-	-
Renewal Registration of Food Premises	Class One Premises	530.00	550.00
Renewal Registration of Food Premises	Class Two Premises	630.00	650.00
Renewal Registration of Food Premises	Class Three Premises	345.00	355.00
Renewal Registration of Food Premises	Community Group - Class 2	315.00	325.00
Renewal Registration of Food Premises	Community Group - Class 3	175.50	180.00
Late Fee Registration Renewal	50% Relevant Renewal Fee (from 1 January)	-	-
Food Premises Additional inspection	Other than mandatory inspection and 1 follow up	135.00	140.00
Food Premises Associated Activity	Where a proprietor chooses to register fixed premises and associated mobile premises together this additional fee applies	110.00	115.00
Temporary Food Premises Permit	Single event	80.00	85.00
Request for Information (no inspection)	Food or Health Premises	55.00	60.00
Request for Information (inspection required)	Food or Health Premises	165.00	170.00
Failed sampling result	2nd and subsequent sampling results	170.00	175.00
Streatrader Registration	Class Two Premises	230.00	240.00
Streatrader Registration	Class Three Premises	155.00	160.00
Transfer of Registration		350.00	360.00
Additional Component	Per Additional component (eg bakery, butcher, deli) to main activity	135.00	140.00
Plans Approvals	Health Premises	240.00	250.00
Additional Staff	Additional charge per staff EFT over 5 for all premises.	10.00	10.00
Hairdresser Registration - Initial only	1	160.00	165.00
Beauty Therapy Registration	1	170.00	175.00
Skin Penetration Registration	1	230.00	240.00
Prescribed Accommodation	Fee for < 10 beds	260.00	270.00
	Fee for 10 - 20 beds	435.00	450.00
	Fee for > 20 beds	550.00	570.00
Health - Colonic Irrigation	1	190.00	195.00
<b>Domestic Wastewater Management (cost recovery)</b>			
Septic Application	1	585.00	600.00
Report and Consent	1	330.00	340.00
Septic Additional inspection	Other than 1 PTI inspection and 1 PTU inspection	130.00	135.00
Extension of Septic Permit	1	195.00	200.00
Alteration of Septic Tank	1	585.00	600.00
Search for septic plans	1	40.00	45.00
Application to Retain Septic System in Reticulated Area	Includes site inspection, records search and one water sample analysis	380.00	395.00
<b>Environment</b>			
Residential Efficiency Scorecard Assessments-residential	Per assessment		
- residential		n/a	175.00
- pensioner		n/a	25.00
<b>Hurstbridge Farmers Market</b>			
Powered 3m site	per site, per month	60.50	65.00
Powered 6m site	per site, per month	95.50	100.00
Non-powered 3m site	per site, per month	55.00	55.00
Non-powered 6m site	per site, per month	90.00	90.00
<b>Community Services &amp; Social Development</b>			
<b>Home Care</b>			
Home Care Per Hour	Per hour (means tested)		
- Low		6.40	7.00
- Medium		15.90	17.00
- High		34.65	37.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>Personal Care Per Hour</b>			
- Low		4.85	5.00
- Medium		9.60	10.00
- High		39.55	42.00
<b>Respite Per Hour</b>			
	Per hour (means tested)		
- Low		3.20	4.00
- Medium		4.85	5.00
- High		35.80	38.00
<b>Home Maintenance Per Hour</b>			
	Per hour (means tested)		
- Low		12.70	14.00
- Medium		19.10	20.00
- High		50.45	54.00
<b>Delivered Meals</b>			
- Low		9.60	10.00
- Medium		9.60	10.00
- High		11.75	13.00
<b>Playhouse</b>			
Child Care for Occasional Users	1 child per hour (concession)	8.30	9.00
Child Care for Occasional Users	1 child per hour (full)	9.95	11.00
<b>Preschool</b>			
Centralised Preschool Enrolments		35.00	36.00
<b>Diamond Creek East Pre School / Community Building</b>			
Facility Hire charge	Day/Evening sessions -permanent users	37.15	39.00
	Day/Evening sessions - Casual users	42.45	44.00
	Weekend sessions - permanent users	42.45	44.00
	Weekend sessions - casual users	42.45	44.00
<b>Eltham North Maternal and Child Health Centre</b>			
Facility Hire charge	Day/Evening sessions -permanent users	20.60	22.00
	Day/Evening sessions - Casual users	30.90	32.00
<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 to 31 December)</b>			
School Program	Per child (1 hour)	5.05	5.30
School Program	Per child - 1/2 day	11.65	12.10
School Program	Per child - 3/4 Day	15.60	16.05
School Program	Per child - Full day	17.80	18.35
Pre-School (excursion)	Per-child (1 session)	7.00	7.20
Pre-School (excursion)	Per- child (2 session)	12.20	12.50
Pre-School (excursion)	Per-child (3 session)	14.30	14.70
Incursions	Per class	112.00 - 420.00	115.00 - 425.00
School visit/talk	Flat rate per hour	120.00	120.00
<b>School Program Fees (1 January to 30 June)</b>			
School Program	Per child (1 hour)	5.30	5.50
School Program	Per child - 1/2 day	12.10	12.50
School Program	Per child - 3/4 Day	16.05	16.10
School Program	Per child - Full day	18.35	18.40
Pre-School (excursion)	Per-child (1 session)	7.20	7.30
Pre-School (excursion)	Per- child (2 session)	12.50	12.60
Pre-School (excursion)	Per-child (3 session)	14.70	14.80
Incursions	Per class	115.00 - 425.00	120.00 - 450.00
School visit/talk	Flat rate per hour	120.00	130.00
Farm Tour	Per child	7.50	8.00
Farm Tour	Per adult	8.80	9.00
Farm Tour	Adult concession	6.00	7.00
Workshops	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	5.50-110.00	Fee for service
Festival and event entry	Per person	2.50 - 9.00	5.00-30.00
Admissions - child (age 2 and over)	Child	Donation	Donation
Admission - adult	Adult	Donation	Donation
Eggs	Per dozen	2.55 - 5.35	7.00
Worms	Per batch	20.00 - 35.00	35.00
Poultry	Each	At market price	At market price
Cattle	Per head	At market price	At market price
Sheep	Per head	At market price	At market price

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Goats	Per head	At market price	At market price
Vegetable & Herb Seedlings	Per punnet or pot	1.00 - 3.20	1.50 - 3.50
Plants	Per tube	1.55 - 3.70	1.55 - 4.00
Plants	Per pot	5.15 - 64.00	5.15 - 64.00
Plants	Special	0.55 - 2.60	0.55 - 2.60
Stakes (3)	Per set	2.50	2.50
Stakes (50)	Per bundle	39.00	39.00
Tree Guards	Each	0.70	0.70
Planting Kit (Stake & tree guard)	Per set	3.00	3.00
Compost Bin	400 litre	65.00	70.00
Compost Bin	220 litre	51.00	52.00
Compost Mate	Each	18.00	20.00
Worm Factories	Standard	83.50	83.50
Worm Factory Spare Parts	Each	-	4.00 - 12.00
Indian Myna Traps	Each	50.00	55.00
<b>Room Hire - Standard (Mummery and Macey rooms)</b>			
Monday to Friday	Day time - 4 hours	168.00	173.00
Monday to Friday	Night time	168.00	173.00
Saturday and Sunday	Day time - 4 hours	168.00	173.00
Saturday	Night time	168.00	173.00
Monday to Friday	per hour (max. 2 hours)	44.00	45.00
Kitchen use charge	per day	30.00	35.00
Cleaning levy	per event (if required)	144.00	150.00
Bond	per event (if required)	250.00	250.00 - 1000.00
Staff lock up fee	Night time	135.00	140.00
<b>Room Hire - Community and local small business (Mummery Room)</b>			
Monday to Friday	Day time - 4 hours	115.00	120.00
Monday to Friday	Night time	115.00	120.00
Saturday and Sunday	Day time - 4 hours	115.00	120.00
Saturday	Night time	148.00	120.00
Any day	per hour (max. 2 hours)	31.00	31.50
Kitchen use charge	per day	30.00	35.00
Cleaning levy	per event (if required)	144.00	150.00
Bond	per event (if required)	250.00	250.00 - 1000.00
Staff lock up fee	Night time	135.00	140.00
<b>Room Hire - Council and LLN (Any room)</b>			
Monday to Friday	Day time - 4 hours	67.00	120.00
Monday to Friday	Night time	67.00	120.00
Saturday and Sunday	Day time - 4 hours	67.00	120.00
Saturday	Night time	144.00	120.00
Any day	per hour (max. 2 hours)	31.00	31.50
Kitchen use charge	per day	30.00	35.00
Cleaning levy	per event (if required)	144.00	150.00
Bond	per event (if required)	N/A	N/A
Staff lock up fee	Night time	135.00	140.00
<b>Additional services</b>			
Birthday party shelter hire	Exclusive group with public liability insurance	90.00	92.00
Birthday party guinea pigs patting (incl. Shelter Hire)	Group	160.00	165.00
Birthday party farm tour (incl. shelter hire)	Group	250.00	255.00
Hire of Amphitheatre	Day or Evening - 4 hours		150 - 200
Hire of designated lawn area	Group	90.00 - 1000.00	95.00 - 1030.00
Hire of site	Exclusive use	950.00 - 3000.00	980.00 - 3090.00
Wedding	per hour		250.00
<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	5.00	5.50
Government Funded Training	As per Ministerial Directive	As per Ministerial Directive	As per Ministerial Directive

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>Living &amp; Learning Nillumbik - Rentals</b>			
<b>Living &amp; Learning Nillumbik Eltham</b>			
Pavilion	<b>Up to 25 people for meeting; includes kitchen facilities</b>		
	- Standard Rate (per hour)	58.00	60.00
	- Community Rate (per hour)	29.00	30.00
	- Unfunded voluntary group occasional	20.50	21.50
Sunroom	<b>Up to 15 people; includes kitchen facilities (access needs to be arranged)</b>		
	- Standard Rate (per hour)	46.00	47.50
	- Community Rate (per hour)	20.50	21.50
	- Unfunded voluntary group occasional	13.50	14.00
Kitchen	<b>Up to 12 people</b>		
	- Standard Rate (per hour)	23.50	24.50
	- Community Rate (per hour)	18.50	19.50
	- Unfunded voluntary group occasional	13.50	14.00
Art Studio 2 (small)	<b>Up to 20 people; includes kitchen facilities</b>		
	- Standard Rate (per hour)	46.00	47.50
	- Community Rate (per hour)	18.00	18.50
	- Unfunded voluntary group occasional	13.00	13.50
Clay Studio	<b>Additional individual bookings by current class participants</b>		
	- Standard Rate (per hour)	46.00	47.50
	- Community Rate (per hour)	24.00	25.00
Training Room	<b>Up to 14 people</b>		
	- Standard Rate (per hour)	46.00	47.50
	- Community Rate (per hour)	20.50	21.50
	- Unfunded voluntary group occasional	13.50	14.00
Courthouse training room	<b>Up to 20 people; includes kitchen facilities</b>		
	- Standard Rate (per hour)	46.00	47.50
	- Community Rate (per hour)	23.50	24.50
	- Unfunded voluntary group occasional	18.50	19.50
Old Courthouse	<b>Up to 25 people; included access to kitchen (1/2 Day)</b>		
	- Standard Rate (1/2 day)	80.00	82.50
	- Community Rate (1/2 Day)	67.00	69.00
	<b>Up to 25 people; included access to kitchen (Full Day)</b>		
	- Standard Rate (Full Day)	139.00	143.50
	- Community Rate (Full Day)	111.00	114.50
	<b>Up to 25 people; included access to kitchen (Evening)</b>		
	- Standard Rate (Evening)	58.00	60.00
	- Community Rate (Evening)	51.00	53.00
<b>Living &amp; Learning Nillumbik Panton Hill</b>			
Banksia/Eucalyptus	<b>Up to 25 people - standard rate</b>		
	- Standard Rate (per hour)	34.00	35.50
	- Community Rate (per hour)	23.50	24.50
	- Unfunded voluntary group occasional	13.50	14.00
Sunroom	<b>Up to 10 people; kitchen facilities</b>		
	- Standard Rate (per hour)	29.00	30.00
	- Community Rate (per hour)	18.50	19.50
	- Unfunded voluntary group occasional	13.50	14.00
Kitchen	<b>Up to 15 people</b>		
	- Standard Rate (per hour)	34.00	35.50
	- Community Rate (per hour)	23.50	24.50
	- Unfunded voluntary group occasional	13.50	14.00
<b>Living &amp; Learning Nillumbik Diamond Creek</b>			
Downstairs classroom	<b>Up to 15 people for meeting; includes kitchen facilities</b>		
	- Standard Rate (per hour)	29.00	30.00
	- Community Rate (per hour)	20.50	21.50
	- Unfunded voluntary group occasional	13.50	14.00
Upstairs classroom	<b>Up to 25 people; includes kitchen facilities</b>		
	- Standard Rate (per hour)	34.00	35.50
	- Community Rate (per hour)	24.00	25.00
	- Unfunded voluntary group occasional	14.00	14.50
Computer room	<b>Up to 11 people; includes kitchen facilities .</b>		
	- Standard Rate (per hour)	24.00	25.00
	- Community Rate (per hour)	18.50	19.50
	- Unfunded voluntary group occasional	13.50	14.00
	<b>If computers are required</b>		
	- Standard Rate (per hour)	34.00	35.50
	- Community Rate (per hour)	24.00	25.00
	- Unfunded voluntary group occasional	19.00	20.00
<b>Arts &amp; Culture</b>			
Alan Marshall Short Story Competition	"Open" per entry (max 3 entries)	20.00	20.00
Alan Marshall Short Story Competition	"Local" per entry (max 3 entries)	no charge	no charge
Alan Marshall Book Reprint	1	10.00	10.00



Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
Ekphrasis	"Open" per entry (max 3 entries)	12.00	12.00
Ekphrasis	"Local" per entry (max 3 entries)	no charge	no charge
Ekphrasis	"Youth" per entry (max 3 entries)	no charge	no charge
Laughing Waters Stories publication	1	35.00	35.00
Hire Eltham Gallery	1 July - 31 December	37.00	37.00
Hire Eltham Gallery	1 January - 30 June	37.00	40.00
Nillumbik Prize entry fee		-	25.00
<b>Community Halls Network</b>			
<b>Eltham Community &amp; Reception Centre</b>			
Self Catered Function - Day	<b>Monday - Friday</b>		
	- Standard Rate	578.00	595.00
	- Community Rate (70%)	404.60	417.00
Self Catered Function - Evening	<b>Friday &amp; Sunday</b>		
	- Standard Rate	1059.80	1090.00
	- Community Rate (70%)	741.80	764.00
Self Catered Function - Evening	<b>Saturday</b>		
	- Standard Rate	1082.00	1115.00
	- Community Rate (70%)	757.20	780.00
Weekdays - up to 100 people	<b>Rate per hour</b>		
	- Standard Rate	52.00	55.00
	- Community Rate (70%)	36.40	38.00
Weekdays - up to 200 people	<b>Rate per hour</b>		
	- Standard Rate	76.60	80.00
	- Community Rate (70%)	53.60	55.00
Use of Kitchen	- Standard Rate	153.20	160.00
	- Community Rate (70%)	107.20	111.00
Weekends / Evenings - up to 100 People	<b>Rate per hour</b>		
	- Standard Rate	70.40	75.00
	- Community Rate (70%)	49.20	51.00
Weekends / Evenings - up to 200 People	<b>Rate per hour</b>		
	- Standard Rate	87.80	90.00
	- Community Rate (70%)	61.40	63.00
<b>Eltham Performing Centre</b>			
Theatre	<b>Day time rehearsal - Monday to Sunday per hour</b>		
	- Standard Rate	43.20	45.00
	- Community Rate (70%)	30.20	31.00
	<b>Evening rehearsal - Monday to Sunday per hour</b>		
	- Standard Rate	48.00	50.00
	- Community Rate (70%)	33.60	35.00
	<b>Evening performance - Monday to Thursday</b>		
	- Standard Rate	523.60	540.00
	- Community Rate (70%)	366.40	378.00
	<b>Evening Performance - Friday &amp; Sunday</b>		
	- Standard Rate	653.40	675.00
	- Community Rate (70%)	457.40	472.00
	<b>Day time performance - Saturday</b>		
	- Standard Rate	710.00	730.00
	- Community Rate (70%)	497.00	512.00
	<b>Evening performance - Saturday</b>		
	- Standard Rate	710.00	730.00
	- Community Rate (70%)	497.00	512.00
	<b>Day time performance - Sunday</b>		
	- Standard Rate	615.00	635.00
	- Community Rate (70%)	430.40	444.00
<b>Eltham Library Complex</b>			
	<b>Day time - Monday to Thursday per hour</b>		
	- Standard Rate	32.00	35.00
	- Community Rate (70%)	22.40	23.00
	<b>Day time - Friday to Sunday per hour</b>		
	- Standard Rate	33.40	35.00
	- Community Rate (70%)	23.40	24.00
	<b>Evening - Monday to Friday per hour</b>		
	- Standard Rate	35.80	40.00
	- Community Rate (70%)	25.00	26.00
	<b>Evening - Saturday</b>		
	- Standard Rate	425.00	440.00
	- Community Rate (70%)	297.40	307.00
	<b>Evening - Friday &amp; Sunday</b>		
	- Standard Rate	322.40	335.00
	- Community Rate (70%)	225.60	233.00
<b>Outdoor Performance Centre</b>			
	<b>Day time per hour</b>		
	- Standard Rate	19.80	20.00
	- Community Rate (70%)	13.80	14.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>The Emergency Operations Centre/ Kangaroo Ground Hall</b>	<b>Day time - Monday to Sunday per hour</b>		
	- Standard Rate	32.00	35.00
	- Community Rate (70%)	22.40	23.00
	<b>Evening - Monday to Sunday per hour</b>		
	- Standard Rate	41.80	45.00
	- Community Rate (70%)	29.20	30.00
	<b>Evening - Friday to Sunday</b>		
	- Standard Rate	586.80	605.00
	- Community Rate (70%)	410.80	424.00
	<b>Evening - Saturday</b>		
- Standard Rate	643.20	665.00	
- Community Rate (70%)	450.20	464.00	
<b>Hurstbridge Hall</b>	<b>Day time - Monday to Sunday per hour</b>		
	- Standard Rate	30.40	35.00
	- Community Rate (70%)	21.20	22.00
	<b>Evening - Monday to Sunday per hour</b>		
	- Standard Rate	29.80	30.00
	- Community Rate (70%)	21.00	22.00
	<b>Evening - Friday to Sunday</b>		
	- Standard Rate	507.20	525.00
	- Community Rate (70%)	355.00	364.00
	<b>Evening - Saturday</b>		
- Standard Rate	523.60	540.00	
- Community Rate (70%)	366.40	378.00	
<b>Hurstbridge Sports Stadium</b>	Per Hour	34.75	35.00
<b>Eltham North Hall</b>	<b>Day time - Monday to Sunday per hour</b>		
	- Standard Rate	32.00	35.00
	- Community Rate (70%)	22.40	23.00
	<b>Evening - Monday to Thursday per hour</b>		
	- Standard Rate	33.40	35.00
	- Community Rate (70%)	23.40	24.00
	<b>Evening - Friday &amp; Sunday</b>		
	- Standard Rate	671.80	690.00
	- Community Rate (70%)	470.20	485.00
	<b>Evening - Saturday</b>		
- Standard Rate	692.80	715.00	
- Community Rate (70%)	485.00	496.00	
<b>North Warrandyte Family Centre</b>	<b>Day time - Monday to Sunday per hour</b>		
	- Standard Rate	33.40	35.00
	- Community Rate (70%)	23.20	24.00
	<b>Evening - Monday to Thursday per hour</b>		
	- Standard Rate	34.60	35.00
	- Community Rate (70%)	24.20	25.00
	<b>Evening - Friday &amp; Sunday</b>		
	- Standard Rate	673.00	695.00
	- Community Rate (70%)	471.00	485.00
	<b>Evening - Saturday</b>		
- Standard Rate	692.80	715.00	
- Community Rate (70%)	485.00	500.00	
<b>Senior Citizens - Diamond Creek</b>			
Carpeted Meeting Room & Large Meeting Room	Permanent - 1 day per week - concession	32.40	34.00
Carpeted Meeting Room & Large Meeting Room	Permanent - 1/2 day per week - concession	17.40	18.00
Carpeted Meeting Room & Large Meeting Room	Permanent - 1 day per month - concession	36.80	38.00
Carpeted Meeting Room & Large Meeting Room	Permanent - 1/2 day per month - concession	29.60	31.00
Hall	Casual per hour - concession	21.00	22.00
Hall	Permanent - 1 day per week - concession	63.00	65.00
Hall	Permanent - 1/2 day per week - concession	28.40	29.00
Hall	Permanent - 1 day per month - concession	68.20	70.00
Hall	Permanent - 1/2 day per month - concession	32.40	34.00
<b>Senior Citizens - Eltham</b>			
Annexe	Permanent - 1 day per week	47.00	49.00
Annexe	Permanent - 1 day per week - concession	32.40	34.00
Annexe	Permanent - 1/2 day per week - concession	17.40	18.00
Annexe	Permanent - 1 day per month - concession	36.80	38.00
Annexe	Permanent - 1/2 day per month - concession	24.40	25.00
Large Hall	Permanent - 1 day per week - concession	63.00	65.00
Large Hall	Permanent - 1/2 day per week - concession	27.20	28.00
Large Hall	Permanent - 1 day per month - concession	68.20	70.00
Large Hall	Permanent - 1/2 day per month - concession	32.40	34.00
Entire Centre	Permanent - 1 day per week - concession	89.00	92.00
Entire Centre	Permanent - 1/2 day per week - concession	49.40	51.00
Entire Centre	Permanent - 1 day per month - concession	101.20	104.00
Entire Centre	Permanent - 1/2 day per month - concession	56.80	59.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>Hurstbridge Community Hub</b>			
Community Room	Standard Rate	63.60	65.00
	Community Benefit (50%)	31.80	33.00
	Community Group (30%)	19.20	20.00
Training Room	Standard Rate	42.40	45.00
	Community Benefit (50%)	21.20	22.00
	Community Group (30%)	12.80	13.00
Meeting Room 1	Standard Rate	32.00	35.00
	Community Benefit (50%)	16.00	17.00
	Community Group (30%)	9.60	10.00
Meeting Room 2	Standard Rate	32.00	35.00
	Community Benefit (50%)	16.00	17.00
	Community Group (30%)	9.60	10.00
Community Kitchen	Standard Rate	42.40	45.00
	Community Benefit (50%)	21.20	22.00
	Community Group (30%)	12.80	13.00
<b>Leisure &amp; Recreation</b>			
<b>Rental fees are based on ground fee x total number of teams</b>			
<b>Summer</b>			
A Grade	Per Team	620.00	685.00
B Grade	Per Team	540.00	595.00
C Grade	Per Team	455.00	505.00
D Grade	Per Team	375.00	415.00
<b>Summer - Juniors, Womens &amp; Veterans (90% discount)</b>			
A Grade	Per Team	62.00	70.00
B Grade	Per Team	54.00	60.00
C Grade	Per Team	45.50	50.00
D Grade	Per Team	37.50	40.00
<b>Winter</b>			
A Grade	Per Team	1065.00	1175.00
B Grade	Per Team	980.00	1080.00
C Grade	Per Team	895.00	985.00
D Grade	Per Team	805.00	890.00
<b>Winter - Juniors, Womens &amp; Veterans (90% discount)</b>			
A Grade	Per Team	106.00	120.00
B Grade	Per Team	98.00	110.00
C Grade	Per Team	90.00	100.00
D Grade	Per Team	81.00	90.00
<b>Casual Ground Use</b>			
Commercial Hire	Per day	254.00	320.00
Commercial Hire	Per 1/2 day	170.00	190.00
Commercial Use	Additional Hourly Charge		90.00
Community Use	Per day	85.00	95.00
Community Use	Per 1/2 day	53.00	60.00
Community Use	Additional Hourly Charge	15.00	20.00
<b>School Fees</b>			
Schools within Municipality	Per Hour	15.00	20.00
Schools outside Municipality	Per hour	23.00	30.00
Zone events	Per day	170.00	190.00
Zone events	Per 1/2 day	85.00	95.00
<b>Synthetic Soccer Pitch</b>			
Local club use	Per Hour	27.00	30.00
School use	Per Hour	17.00	20.00
Other user groups	Per Hour	37.50	45.00
Floodlight use (casual users only)	Per Hour		30.00
<b>Personal Training / Group Fitness</b>			
Monthly Hire	Reoccurring	91.00	100.00
Casual Hire	Half Day	142.00	155.00
Casual Hire	Full Day	213.00	235.00
<b>Leisure Centre Facilities</b>			
Eltham Leisure Centre	Per contract	Refer to contract	Refer to contract
Diamond Valley Sports	Per contract	Refer to contract	Refer to contract
Diamond Creek Pool	Per contract	Refer to contract	Refer to contract
Yarrambat Golf Course	Per contract	Refer to contract	Refer to contract
Diamond Creek Community Centre	Per Contract	Refer to contract	Refer to contract
<b>Shire Maps</b>			
Colour Map (aerial photos)	A1	28.00	30.00
	A2	22.00	25.00
	A3	10.00	15.00
	A4	8.00	10.00
Custom Mapping	Per hour	66.00	70.00

Description of Fee	Unit of Measure	Adopted Fee 2016-17 \$	Proposed Fee 2017-18 \$
<b>Freedom of Information</b>			
Freedom of Information	per application fee	27.20	27.90
	search time per hour	20.00	20.90
	Photocopy fee per A4 page	0.20	0.20
	per 15 minutes of supervision of document inspections	5.00	6.00
<b>Finance</b>			
Printing of duplicate rate notices	Per notice	11.00	15.00
Land Information Certificate	Per application	24.80	25.40
Credit Card Payment Surcharge	Per transaction	0.40%	0.38%
Dishonoured Cheque Fee (Australia Post)	Per dishonoured cheque	25.00	25.00
Debt Recovery Administration < \$1,000	Per assessment	45.00	45.00
Field Call	Per assessment	55.00	55.00
Legal Collection Fee	Per assessment		As per Magistrates Court scale of costs.

## **Appendix G**

### **Financial Sustainability Plan**

This appendix presents the Financial Sustainability Plan which was adopted by Council in December 2013.

The Financial Sustainability Plan is scheduled to be reviewed every 4 years following each general election. Council will undertake this review in the second half of 2017.

This will provide the opportunity for Council to review the challenges, principles and issues, and update the measures and set targets for the following 10 year period, so that these are consistent with the new Council Plan and SRP

## **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 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. Underspensing 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.

### **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>	
Net result	Low risk (green light)
Liquidity ratio	Low risk (green light)
Indebtedness ratio	Low risk (green light)
Internal-financing ratio	Low risk (green light)
Capital expenditure / depreciation ratio	Low risk (green light)
Capex renewal and upgrade / depreciation ratio	Low risk (green light)
<b>Other Measures</b>	
Rate revenue allocated to capital works	>Depreciation
Projected rate increase per assessment	Compliance with rate cap
Infrastructure asset renewal	>Required infrastructure renewal (STEP)

## 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

Indicator	Formula	Description
Net result (%)	Net result / Total revenue	<p>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.</p> <p>Net result and total revenue is obtained from the comprehensive operating statement.</p>
Liquidity (ratio)	Current assets / Current liabilities	<p>This measures the ability to pay existing liabilities in the next 12 months.</p> <p>A ratio of one or more means there are more cash and liquid assets than short-term liabilities.</p>
Internal financing (%)	Net operating cash flow / Net capital expenditure	<p>This measures the ability of an entity to finance capital works from generated cash flow.</p> <p>The higher the percentage, the greater the ability for the entity to finance capital works from their own funds.</p> <p>Net operating cash flows and net capital expenditure are obtained from the cash flow statement.</p>
Indebtedness (%)	Non-current liabilities/own-sourced revenue	<p>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 the entity generates itself.</p> <p>Own-sourced revenue is use—rather than total revenue—because it does not include capital grants, which are usually tied to specific projects.</p>
Capital replacement (ratio)	Cash outflows for property, plant and equipment / Depreciation	<p>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.</p> <p>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. Cash outflows for infrastructure are taken from the cash flow statement. Depreciation is taken from the comprehensive operating statement.</p>
Renewal gap (ratio)	Renewal and upgrade expenditure/depreciation	<p>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 faster than the depreciating rate.</p> <p>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. Renewal and upgrade expenditure are taken from the statement of capital works. Depreciation is taken from the comprehensive operating statement.</p>

**Financial sustainability risk indicators – risk assessment criteria**

<b>Risk</b>	<b>Net result</b>	<b>Liquidity</b>	<b>Indebtedness</b>	<b>Internal 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>Less than 0.75</b> Immediate sustainability issues with 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> Limited cash generated from operations to fund new assets and asset renewal.	<b>Less than 1.0</b> Spending on capital works has not kept pace with consumption of assets.	<b>Less than 0.5</b> Spending on existing assets has not kept pace with consumption of these assets.
<b>Medium</b>	<b>Negative 10%–0%</b> A risk of long-term run down to cash reserves and inability to fund asset renewals.	<b>0.75–1.0</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>10–35%</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 0%</b> Generating surpluses consistently.	<b>More than 1.0</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>More than 35%</b> Generating enough cash from operations to fund new 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.

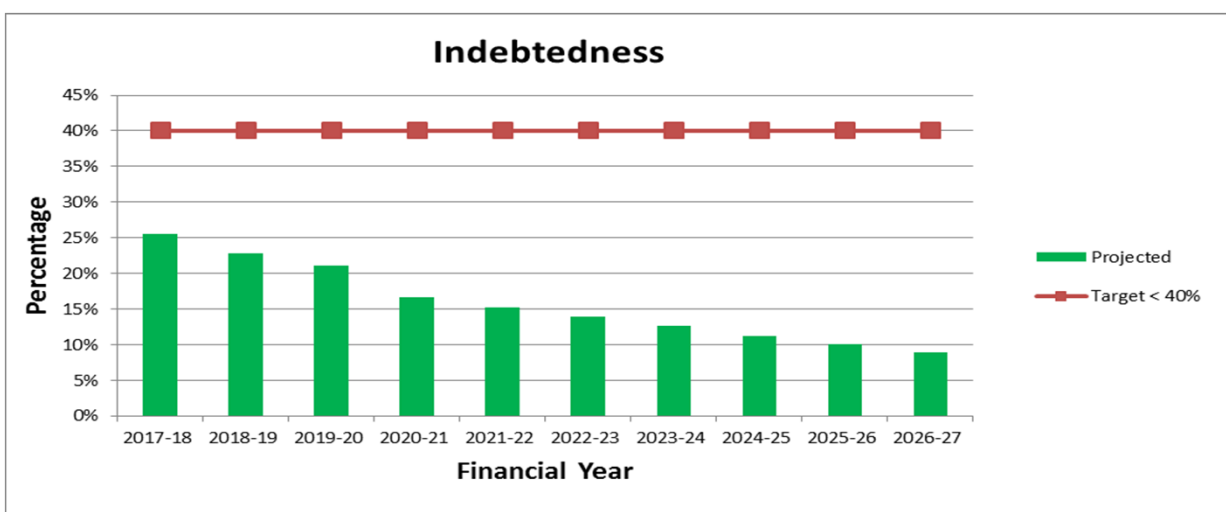
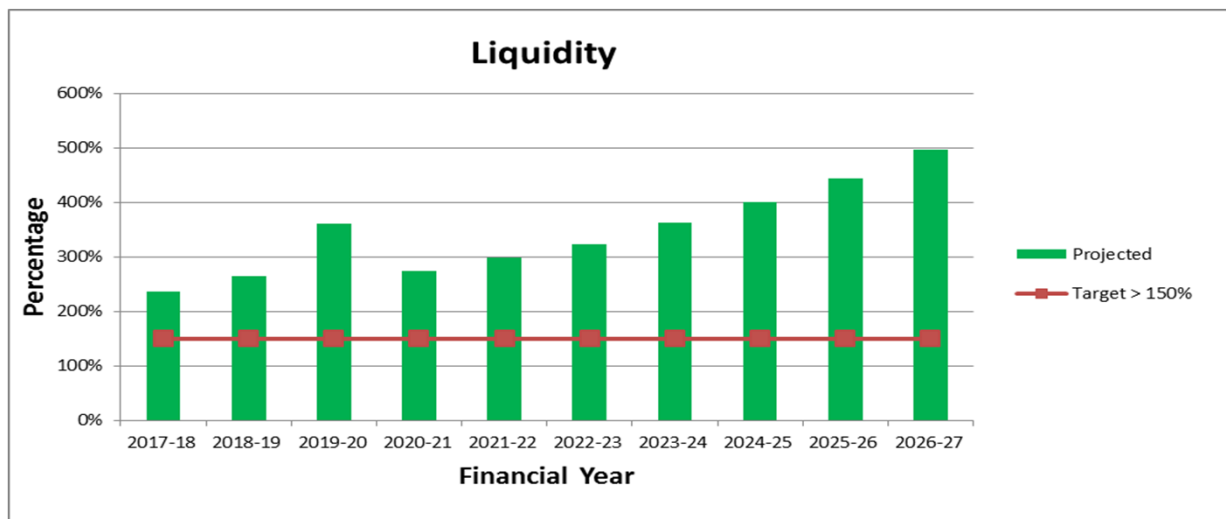
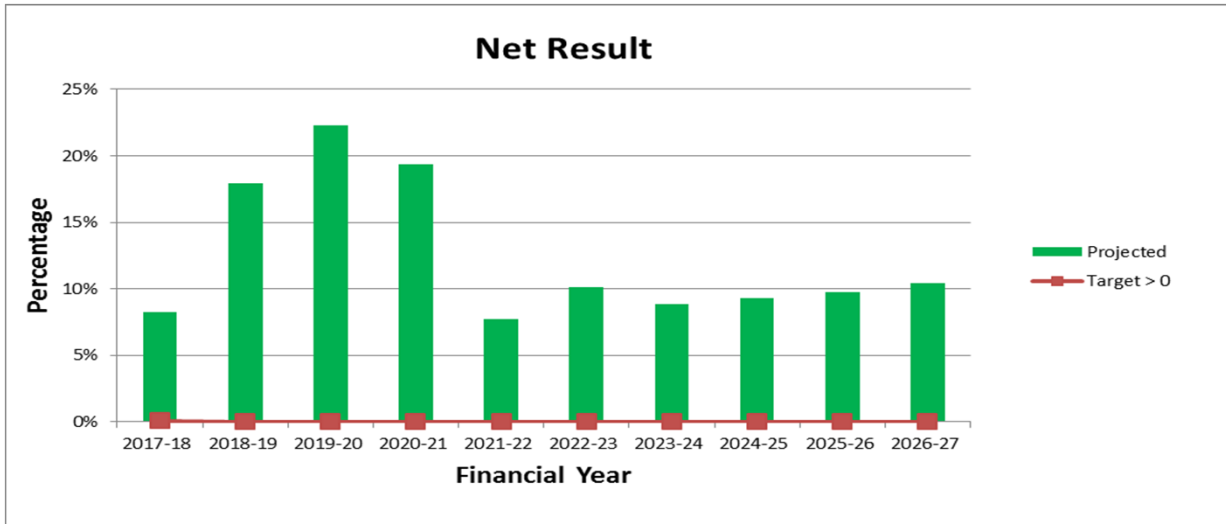
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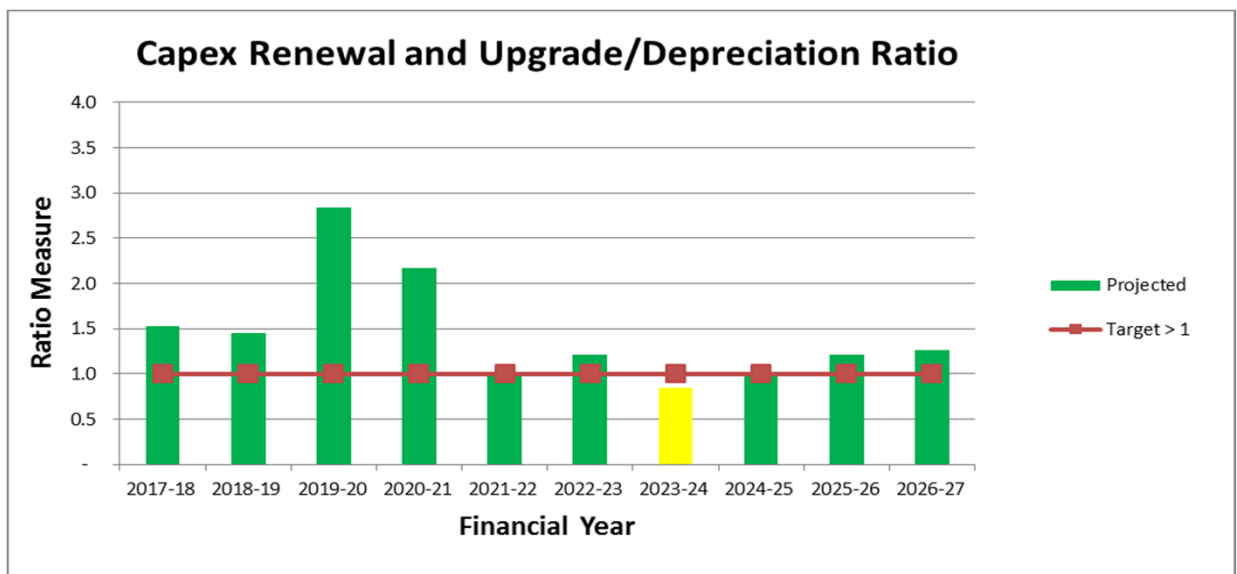
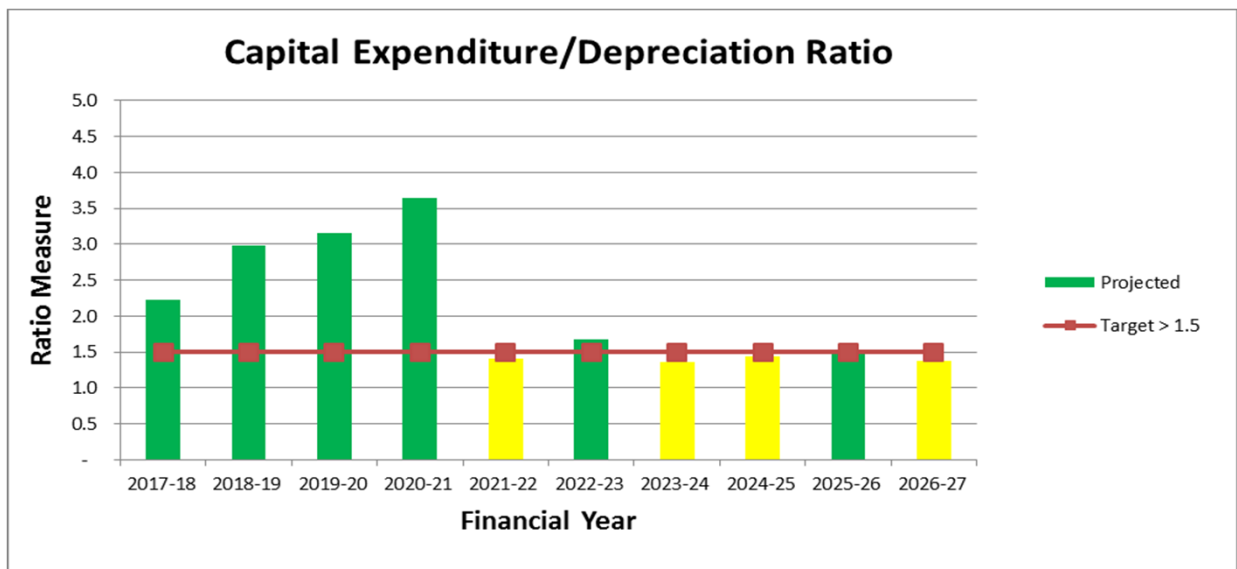
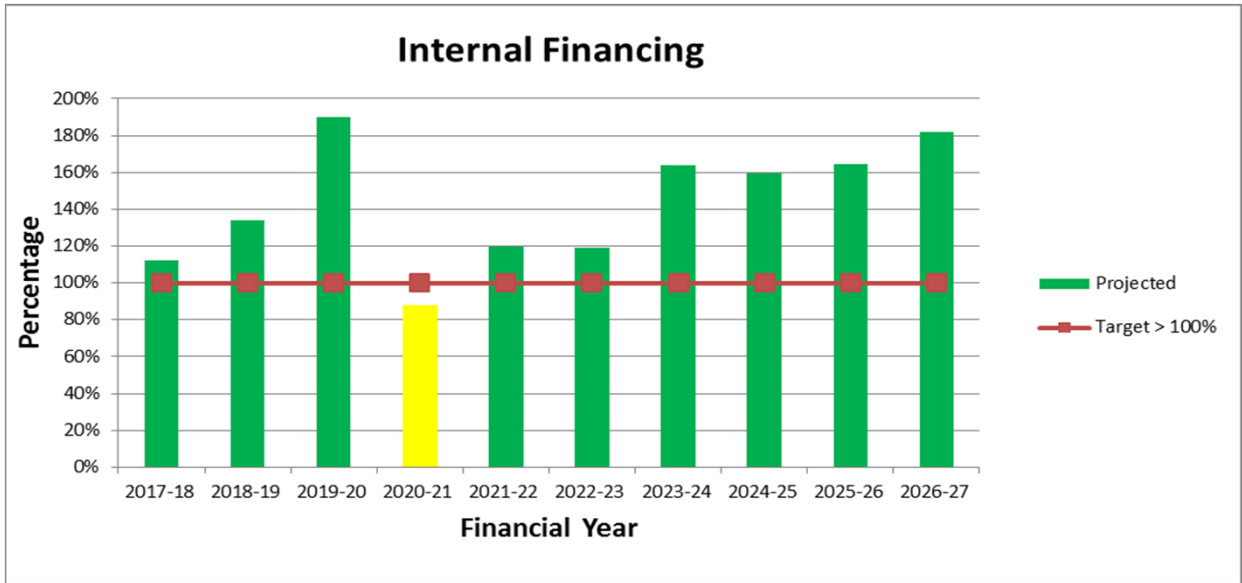


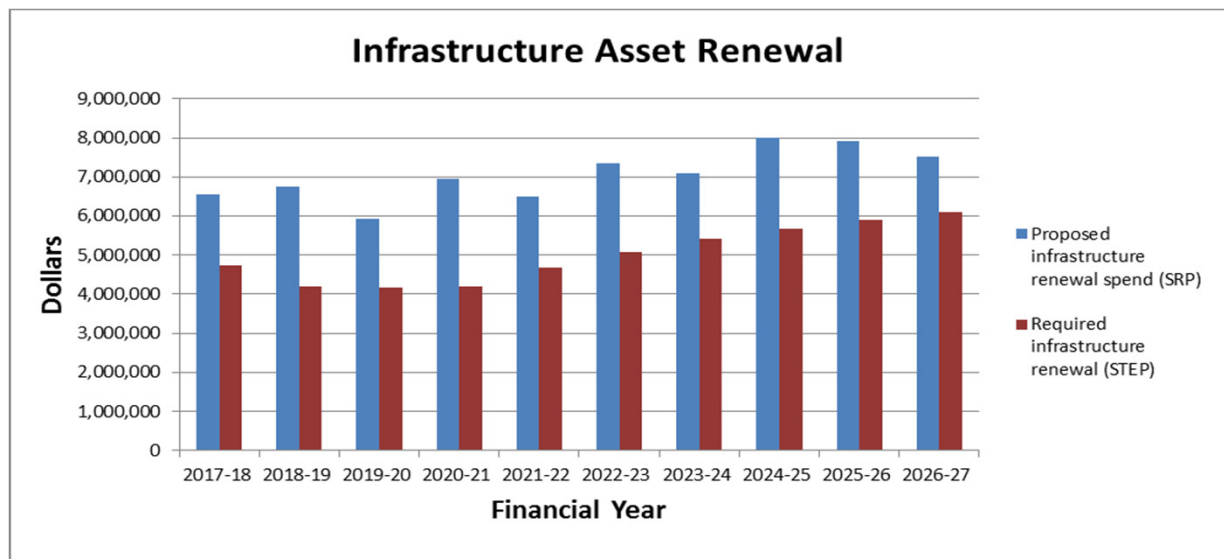
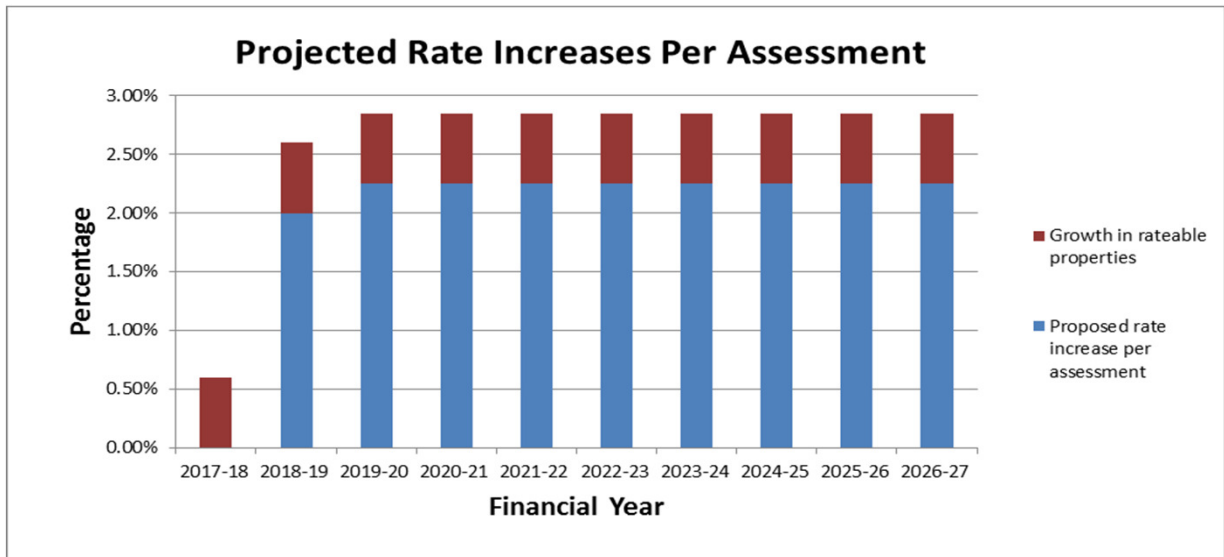
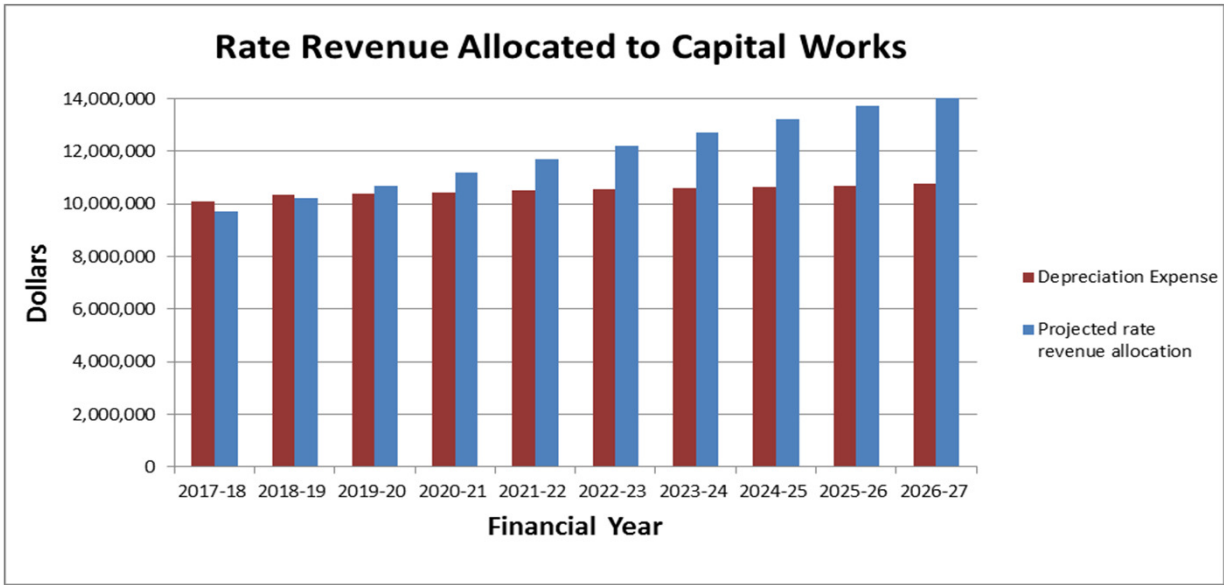
## Appendix H Financial Sustainability Performance

This appendix outlines Council's performance against the adopted financial sustainability plan indicators for the period 2017-18 to 2026-27

### Financial Sustainability Plan indicators







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