

## **1 PROPOSED BUDGET 2016-17**

FILE REFERENCE INT1612079

RESPONSIBLE GENERAL MANAGER Garry McQuillan

AUTHOR Derek Madden

### **RECOMMENDATION**

That:

1. The Proposed Budget annexed to this resolution be the budget prepared by Council for the purposes of section 127 of the Local Government Act 1989;
2. The Chief Executive Officer be authorised to give public notice of the preparation of such budget in accordance with section 129 of the Local Government Act 1989;
3. Council hear any submission on any proposal (or proposals) contained in such budget, made in accordance with sections 129 and 223 of the Local Government Act 1989 at a Special Council Meeting to be held on Monday, 11 April 2016 at the Council Chambers, Civic Centre, 20 Siding Avenue, Officer, 3809, and
4. Council consider the adoption of the budget and the declaration and levy of rates and charges for the 2016-17 financial year at a Special Council Meeting to be held on Tuesday, 26th April 2016.

### **Attachments**

- 1 Proposed budget 2016-17 88 Pages

### **EXECUTIVE SUMMARY**

This budget was developed under the State Government cap on the level of rate increases. This cap was set at set 2.5% for 2016/17. Due to some unique factors that have materialised in the 2015/16 year Council is in a position to accept this cap; these factors include:

- Council are negotiating a significant asset sale which off-sets the effect of the impact of the cap on rate for 2016/17.
- Due to strong financial planning Council had anticipated that it would deliver a \$1m+ surplus for the 2016/17 year. This surplus was to be invested into asset renewal; due to the rate cap Council will be reporting a balanced budget.

Within these constraints Council has prepared a proposed budget for the 2016-17 financial year that focuses on delivering the right balance between managing Cardinia Shire's ongoing development, while ensuring continued support and services for residents in the community. It is important that Councils response to the impact of rate capping is a "planned" response and not a reactive year on year response. The financial viability of the Council will depend on these decisions.

Over the last 5 years Cardinia has effectively managed its finances to be in a position to report an underlying budgeted surplus for 2015/16 of over \$1m compared to an underlying deficit of \$7.9m in 2010/11. This is a significant result for Cardinia and has been achieved via careful financial management to ensure no, one off large rate increase, was passed to residents. The ongoing challenge for this Council is that 78% of Council revenue is received via rates and charges with the remainder consisting of government grants and contributions from developers. While Council has worked to reduce costs to a level where it is one of the lowest cost providers of services the ability

to continue to find efficiencies and savings into the future will be challenging without potential reductions in services or service levels.

The financial plan adopted as part of its 2015/16 budget plan was developed to ensure that Cardinia residents continue to be serviced with resources and facilities in line with expectations and on par with other Councils. We did not want to create a second tier of Council and the plan set out to ensure Cardinia could deliver services and facilities on a par with other Councils so our residents are not disadvantaged.

Unfortunately Council needed to adjust the forward Plan adopted as part of the 2015/16 budget to allow for the impact of rate capping and a draft of this revised plan is shown as part of this proposed budget. As can be seen from the updated Financial Plan the ability for Cardinia to operate within the cap will provide challenges and a future Council will be required to review the plan due to the significant decrease in Cash available in future years. As mentioned this Council has worked over the past years to position Council to be financially sustainable. It is important that a balanced budget continues to be achieved in future years to ensure Council can continue to meet current and future needs of its residents. The proposed budget attempts to balance the need to deliver infrastructure and services, while also providing the best possible value for residents and recognising the need for careful financial management.

For 2015/16 we commenced conversations with our residents through our on-line forum “Big Budget Brainstorm” and a number of planned local community meetings; this will continue in 2016/17. The information gathered from these and future meetings will provide guidance to Council on how to adjust the forward Plan to allow for the impact of rate capping.

For future years the impact of rate capping will be viewed through council's ability to effectively manage the six principles below:

1. Effectively manage the Asset Renewal Gap - Attachment 9 listing of infrastructure assets
  - Performance Indicator: Gap existing at July 2015 does not grow
2. Continue to manage debt
  - Performance Indicator: Debt is managed as per the adopted Debt Management Strategy
3. Underlying financial result to remain in surplus
  - Performance Indicator: Council adopted underlying result to be positive at 30 June each year
4. Improved community understanding of the budgeting process
  - Performance Indicator: Council workshops and feedback received annually
5. Key services maintained at existing levels
  - Performance Indicator: Annual Customer Satisfaction Survey results, Community Feedback
6. Any further cost shifting by either state or federal government is to be rejected.
  - Performance indicator: All cost shifting to be reported quarterly via council meetings.

As one of Victoria's fastest growing municipalities, Cardinia Shire's population is expected to grow from the 2015 forecast of 90,325 to an estimated 174,993 in 2036, an increase of 93.7%. The number of dwellings in Cardinia Shire is forecast to grow from 28,372 in 2011 to 65,266 in 2036.

This growth reflects the unique qualities of the municipality and confidence in its future. It does, however, continue to place services, infrastructure and resources under significant pressure.

The 2016/17 Proposed Budget will enable Council to continue to meet the challenges associated with this rapidly expanding population. A Capital Works program of \$36.7 has been prepared to ensure residents across the shire have access to an expanding range of new recreational and leisure opportunities, and renewed and upgraded infrastructure.

The \$50 rebate scheme for residential ratepayers who are in receipt of a NewStart Allowance will continue in 2015-16.

In line with the SRP, the 2016/17 Proposed Budget has been designed to reflect Council's commitment to make Cardinia Shire the best possible place to live, work and raise a family. Highlights of the Capital Works program are:

- New projects totalling \$26.5m, including:
- Deep Creek Reserve (\$2.0m total);
- Hills Community Hub (\$3.5m)
- IYU Recreation Reserve (regional soccer facility) (\$3.5m);
- Emerald Netball Pavilion/Courts (\$1.57m);
- Chandler Pavilion Recreation Reserve (\$1.0m);
- Heatherbrae Recreation Reserve pavilion (\$2.0m); and
- Arena double kindergarten (\$1.1m).

#### Asset Renewal and Upgrade:

Total expenditure of \$13.9m on asset renewal and upgrade, including roads, bridges and buildings, footpaths and drainage replacement, plant and plant replacement, recreation reserves and sporting facilities.

Included in this are Community Capital Works grants of \$550k and \$100k for implementation of findings relating to township strategies.

## **BACKGROUND**

Preparation of the Proposed Budget is an integral part of the overall annual budget process. It forms the basis for the Budget to be adopted later in the process.

## **POLICY IMPLICATIONS**

Council is required to prepare a Proposed Budget for public consultation. Due to the unavailability of the updated Model Budget for 2016/17 Council has used the 2015/16 framework as its template. Should the model be available at a later date the information will be transferred to the updated template.

## **RELEVANCE TO COUNCIL PLAN**

The 2016-17 Proposed Budget outlines the financial resources for the successful delivery of the Council Plan.

## **CONSULTATION/COMMUNICATION**

The Proposed Budget was prepared in consultation with the Senior Management Team and all departmental managers. Managers were required to prepare their operating budgets based on the

needs of their programs, whilst keeping in line with the prior year's SRP. Financial implications of known changes (for example, the impact of the state government cap on rates) were also taken into account. For 2015/16 we commenced conversations with our residents through our on-line forum "Big Budget Brainstorm" and a number of planned local community meetings; this will continue in 2016/17. The information gathered from these and future meetings will provide guidance to council on how to adjust the forward Plan to allow for the impact of rate capping.

Once the Proposed Budget is adopted, it is required to be available for public consultation for 28 days. Notice of adoption of the Proposed Budget will be communicated to the community through the local press. Members of the public are able to make budget submissions, which will be heard by Council once the 28 day consultation period has closed.

## **FINANCIAL AND RESOURCE IMPLICATIONS**

The Proposed Budget outlines the financial resources available to Council for continuous operation and delivery of the Council Plan.

## **CONCLUSION**

This budget addresses the key needs of our current community and with the Strategic Resource Plan caters for our current and future communities. It is a budget based on sound financial principles, prudent debt management, and responsible asset management.





**Cardinia Shire Council**  
**Proposed Budget 2016-17**

## Cardinia Shire Council

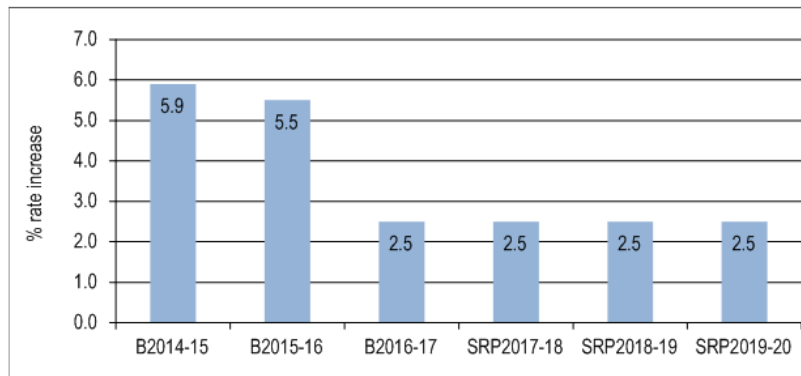
### Proposed Budget 2016-17

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## Chief Executive Officer's summary

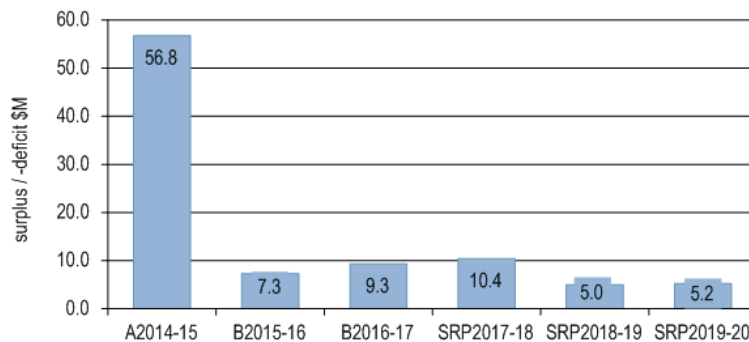
Council has prepared a Budget for the 2016-17 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase & operating result of the Council.

### 1. Rates



In line with the Fair Go Rates System implemented by the State Government, general rates are to increase by 2.5% for the 2016-17 year. This raises total rates of \$66.619m, including \$700k generated from supplementary rates. The rate increase for the 2015-16 year was 5.5%.

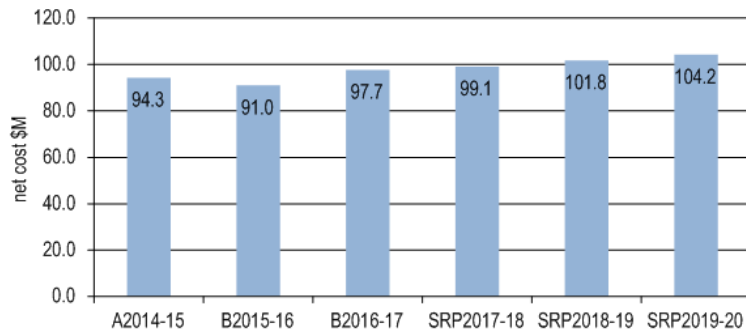
### 2. Result



The expected result for the 2016-17 year is a surplus of \$9.322m, which is \$2.048m higher than 2015-16. The adjusted underlying result, which excludes cash and non-cash contributions by developers, and capital grants and contributions, is a surplus of \$43k, which is \$978k less than in 2015-16. A total of \$1.97m is budgeted for cash and non-cash developer contributions (2015-16 \$1.485m), and capital grants and contributions total \$7.31m (2015-16 \$4.768m). (Refer to Section 4, Analysis of operating budget, for further information).

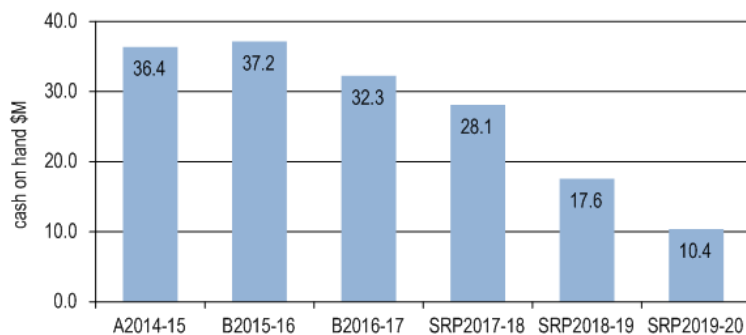
The 2014-15 result was significantly impacted by the recognition of \$39.351m of infrastructure assets (roads, footpaths, drains) contributed by developers.

### 3. Services



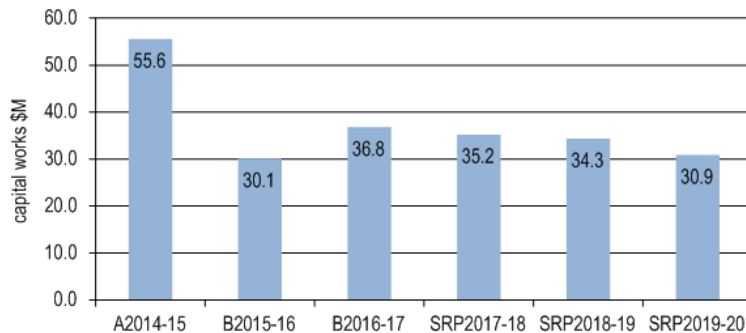
The net cost of services delivered to the community for the 2016-17 year is expected to be \$97.744m which is an increase of \$6.759m on 2015-16. The main areas contributing to the increase are materials and services (which includes contract costs), depreciation, and employee costs. Other categories of expenditure are forecast to be in-line with 2015-16, and service levels have generally been maintained at the same standards as in 2015-16. (The budgeted net cost for the 2015-16 year is \$90.986m).

### 4. Cash and investments



The balance of cash and investments at 30 June 2016 is expected to be \$32.267m, which is \$4.904m lower than the budgeted balance at 30 June 2016. The decrease over the four year period is mainly due to the impact of rates capping and the drawdown of Developer Contribution Plan (DCP) funds. (The cash and investments balance as at 30 June 2015 is budgeted to be \$37.171m).

## 5. Capital works

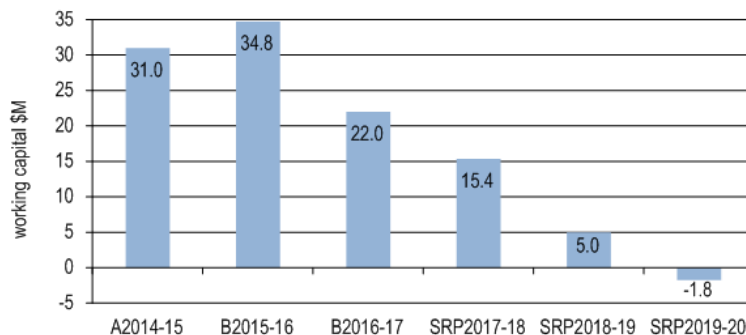


The capital works program for the 2016-17 year is expected to be \$36.793m, which is a \$6.672m increase on 2015-16. Funding for the proposed program is \$18.954m from Council operations, \$6.997m from external contributions, \$3.25m from loan funds, and the balance of \$7.592m from government grants. The capital expenditure program has been set and prioritised to enable Council to assess the needs and develop sound business cases for each project. (The budgeted amount for the 2015-16 year was \$30.121m).

The major projects included in the proposed budget include IYU Recreation Reserve (regional soccer facility), Hills Community Hub, O'Sullivan, Hill and Peet Streets Pakenham special charge scheme, Deep Creek Reserve, Heatherbrae Recreation Reserve pavilion, Lang Lang sporting facilities, Emerald netball facility, Arena kindergarten, and Chandler Recreation Reserve pavilion. The asset renewal program includes the annual renewal programs for the major infrastructure assets (roads, footpaths, bridges, and drains) plus a number of other projects.

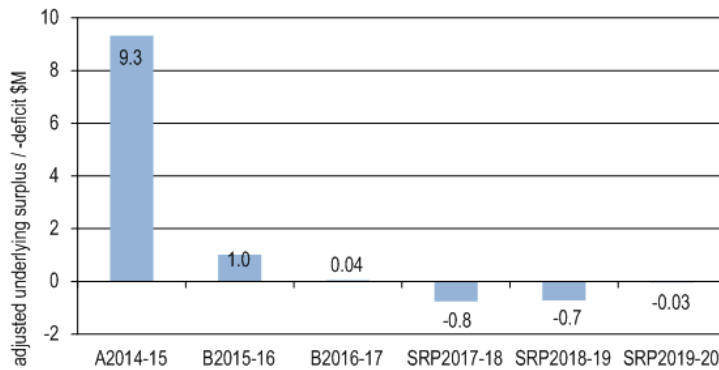
Note that 2014-15 includes the purchase of the new Civic Centre in Officer.

## 6. Financial position



Total equity (net assets) are forecast to be \$906.652m as at 30 June 2017, which is an increase of \$221.298m. (Total equity (net assets) is budgeted to be \$685.354m as at 30 June 2016). Working capital (net current assets) is forecast to be \$22.001m, down from \$34.752m budgeted in 2015-16. The decrease over the four year period is primarily related to the impact of rate capping and the drawdown of DCP funds as depicted in item 4 (Cash and investments).

## 7. Financial sustainability



A high level Strategic Resource Plan for the years 2017-18 to 2019-20 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the short term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows the budget with a small surplus in 2016-17, and deficits in the subsequent three years.

The 2014-15 underlying result was impacted by the receipt of unbudgeted operating grants.

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

**Garry McQuillan**  
Chief Executive Officer

## Budget processes

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the Act and Regulations.

The preparation of the budget starts with Officers beginning to prepare the operating component of the annual budget during August, and the Senior Leadership Team (SLT) commencing the capital component during September. SLT discuss the draft budgets at a series of meetings from October to February, and at the same time Councillors are provided with budget information and updates at Council briefings. A Councillor planning and budgeting workshop with SLT and Officers is held during November, and consultation with the community ('Big Budget Brainstorm') takes place at a number of locations across the Shire during November and December. A draft consolidated budget is then prepared and various iterations are considered by Council at briefings during February and March. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in March 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 2016-17 budget process are summarised below:

Budget process	Timing
1. Officers begin preparing the operating budget	August
2. Senior Leadership Team (SLT) begin preparing the capital budget	September
3. SLT discuss draft budgets	Oct to Feb
4. Budget presentations to Councillors at briefings	Oct to Feb
5. Community forums held ('Big Budget Brainstorm')	Nov to Dec
6. Councillor planning and budget workshop with SLT	November
7. Proposed budget submitted to Council for approval	March
8. Public notice advising intention to adopt budget	March
9. Budget available for public inspection and comment	March
10. Submissions period closes (28 days)	April
11. Submissions considered by Council	April
12. Budget and submissions presented to Council for adoption	April
13. Copy of adopted budget submitted to the Minister	May



## I. Linkage to the Council Plan

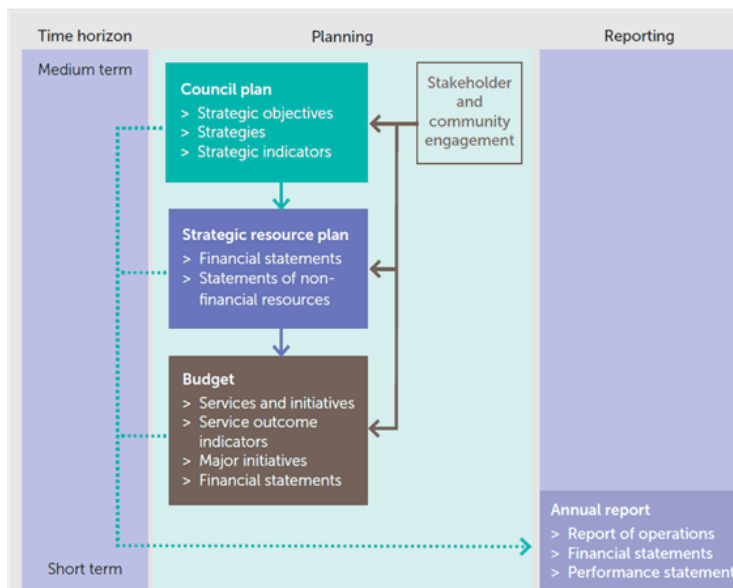
This section describes how the Annual Budget links to the achievement of the Council plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Vision), medium term (Council Plan) and short term (Annual Budget) and then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

### I.1 Strategic planning and accountability framework

Council's strategic planning framework is designed to deliver key outcomes for the community in a financially sustainable manner. The Council Plan is prepared with reference to Council's vision.

Council determines the key outcomes it would like to achieve which form the basis of the four year Council Plan.

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 Transport, Planning and Local Infrastructure

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

## 1.2 Our purpose

### Our Vision:

Cardinia Shire will be developed in a planned manner to enable present and future generations to live and work in our Shire, enjoying its diverse and distinctive characteristics.

### Our Values

Council will provide leadership, including community engagement with stakeholders, to ensure the long-term sustainability of our communities and townships. We will be mindful of the social, environmental and economic impacts of our decisions and ensure future generations benefit from our decisions. We will practise good governance and meet recognised standards of excellence. Council will work diligently to achieve excellence in every aspect of our activities.

## 2. Services, initiatives & service performance indicators

This section provides a description of the activities and initiatives to be funded in the Budget for the 2016-17 year and how these will contribute to achieving the strategic objectives specified in the Council Plan. It also includes a number of initiatives, major initiatives and service performance outcome indicators.

### 2.1 Strategic Objectives

The Council delivers activities and initiatives under 61 major service categories. Each contributes to the achievement of the Council's Vision as set out in the Council Plan. In addition, Council has identified five Strategic Objective Areas for the 2016-17 year, which are an integral part of achieving the Council Plan. The Annual Budget converts these activities and initiatives into financial terms to ensure that there are sufficient resources for their achievement. The following table lists the Strategic Objectives as described in the Council Plan.

1. Our People	We support a variety of needs and lifestyles through programs and activities that promote and develop the wellbeing of Cardinia Shire's people.
2. Our Community	We will foster a strong sense of connection between Cardinia Shire's diverse communities.
3. Our Environment	We will continue to plan and manage the natural and built environment for present and future generations.
4. Our Economy	We will create and support local employment and business opportunities for our community and the wider region.
5. Our Governance	We will consult with the community, as appropriate, in an open and accountable way to help in determining the key direction of Council.

### 2.2 Strategic Objective 1: Our People

Goal: To support a variety of needs and lifestyles through programs and activities that promote and develop the wellbeing of Cardinia Shire's people.

#### Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Aquatic & Recreation Facilities	Develop and maintain high quality aquatic and dry recreation venues to encourage high level of participation at all facilities, and work in partnership with service providers to ensure the provision of high quality, well managed facilities and services.	(589)

Children's Services	Provide support and resources for children's services in the municipality and advocate on their behalf, support the inclusion of children with additional needs and culturally and linguistically diverse backgrounds in mainstream children's services, assist with the future planning of children's services in Cardinia, and advocate for the provision of infrastructure with government departments. To implement externally funded projects including the Preschool Field Officer and Best Start.	(260)
Community Recreation	Maximise opportunities for local residents to participate in recreation by ensuring people with special needs are included in the planning and delivery of community recreation facilities and services, supporting reserve committees of management in managing and improving facilities, supporting sport-recreation clubs to provide-improve recreational opportunities, and promote healthy lifestyles and participation in sport and recreation activities.	(1,192)
Community Resilience, and Community, Risk & Emergency Management	Minimise Council's exposure to risk and ensure protection of Council assets and timely reinstatement in the event of incidents.	(397)
Compliance Services	Compliance Services was formed with the bringing together of the following areas: Local Laws, Health, and Planning Enforcement. Services provide to the community include animal management, enforcement of Local Laws, management of school crossing, immunisation for adults and children through public sessions and school programs, investigation of complaints about situations which can affect the health and wellbeing of the public and work with food premises business owners providing advice on food safety.	(843)
Emerald Lake Park - Business Management	Support the value of the park to the community of Cardinia and Victoria by effectively managing the park's commercial and recreational visitor services, coordinating the park's marketing and promotion, increasing park usage, optimising park revenues, and attracting funding for park improvements.	100
Health	To minimise environmental problems within the community and as far as practicable to ensure food safety within the community.	(755)
Health Promotion	Council's role in ensuring the health and wellbeing of residents focuses on improving outcomes in relation the social determinants of health framework. These determinants have been identified by the World Health Organization (WHO) as critical for wellbeing, and include food security, social inclusion and support, employment and transport (WHO Europe 2003). The cornerstone of Council's health promotion program is the Municipal Public Health and Wellbeing Plan (MPHWP) which identifies the most significant health and wellbeing issues in the Shire and outlines future actions to address these priorities over a four-year period. The plan is a requirement of the Public Health and Wellbeing Act 2008 and was developed through the analysis of local data, broad community consultation and current State Government health priorities.	(476)
Infectious Diseases Control	To increase the community's immunity to preventable infectious diseases and to increase the rate of immunisation against vaccine preventable diseases.	(203)

Library	Council's Library program services the Pakenham and Emerald Libraries, and provides for a mobile library service to other townships within the Shire.	(1,864)
Maternal & Child Health	Promote healthy outcomes for children from birth to school age and their families, by providing a comprehensive and focused approach to managing physical, emotional and-or social factors affecting them in their community.	(1,104)
Recreation Planning	Provide assets and infrastructure that improve the quality of life and are sustainable, and ensure young people of the Shire are provided with access to a range of support services, and social, cultural, and recreational opportunities.	(127)
Youth Services	Provide quality services, events and programs for young people and their families. Seek the opinions of Cardinia's young people in relation to personal and community issues and aspirations. Encourage community leadership and volunteer initiatives that strengthen youth support networks and individuals.	(856)

### Major Initiatives

Arena Child and Family Centre (Officer) – complete construction, fit-out and open January 2017.
Comely Banks Integrated Childrens Facility (Officer)– design facility and tender construction.
Comely Banks Reserve (Officer) – develop reserve master plan and work with the developer to complete detailed design.
Pepi's Land (Emerald) Master Plan – develop boardwalks, pathways and bird hides around dam.
Henry Road (Pakenham) Stage 2 Regional Soccer Facility – commence construction of pavilion and synthetic playing surfaces as identified in master plan.
Heatherbrae Recreation Reserve (Officer) – complete project by finalising the construction of the pavilion.
Complete construction of the civil works and pavilion for the Pepi's Land (Emerald) netball facility.
Support implementation of family violence projects in the shire at a local, regional and state level including the Challenge Family Violence project, Together We Can initiative and White Ribbon Accreditation.
Establish the Safer Communities Committee and begin the development of the action plan in direct response to the consultation report.

### Initiatives

Review Child and Family Plan and Youth Strategy in-line with the review of Municipal Public Health and Wellbeing Plan and ensure that a range of community service providers, community members, children and young people are able to shape the priority setting and that up-to-date research helps informs the local planning.
Evaluate Henry Family Children's Centre (Pakenham) in conjunction with Monash Health and in particular the success of the paediatrician and GP model developed in 2015-16 as a model to be adopted within the Pakenham Health Hub.
In line with the World Health Organisation Guidelines, work in partnership with older people on an annual basis to develop and implement key actions from the Age Friendly Strategy 2015-2019 for the coming year. The focus for 16-17 will be a place-based project in Lang Lang.
Undertake playground upgrades at Garfield Recreation Reserve, Rotary Park (Garfield).
Work with the Youth Strategic Reference Group to identify priorities to be reflected in Child, Youth and Family Plan and ensure there is a focus on vulnerable young people and families.
Advocate for the physical, mental and emotional health needs of young people to be considered across government, peak bodies and local agencies and align with the development of Pakenham Health Hub.



Identify need for new schools annually and advocate to the Victorian Government and local MPs for the allocation of funding in the state budget.
Identify opportunities for increasing post-compulsory and vocational training provision within Cardinia Shire.
Support neighbourhood houses and U3As to deliver a range of training opportunities at a local level through annual funding and advice on community needs and identified gaps.
Deliver a range of healthy living initiatives in the shire with a focus on priorities set in Municipal Health and Wellbeing Plan.
Develop the annual action plan by November 2016 and commence development of the 2017–21 Municipal Public Health and Wellbeing Plan. Ensure that the new priorities align with the Victorian Health and Wellbeing plan but also reflect local needs and priorities.
Undertake social health research with communities in the growth and rural areas of the Shire.
Identify the outcomes for vulnerable and 'at risk' children being achieved through the work of the Area Partnership and ensure that children and young people in vulnerable situations are kept safe and that council's sport/recreation/youth activities are welcoming and supportive of their needs giving them a sense of connection to their community.
New tender in place for the management of the Officer Secondary College Indoor Stadium from 1 July 2016.
Deep Creek Reserve (Pakenham) - Finalise detailed design of Eco Centre/Golf Club House along with all abilities play space for funding applications.
Lang Lang sporting facility – Construct access road, preliminary earth works and services to the site. Commence construction of playing fields.
Refurbish the Chandler Reserve pavilion (Avonsleigh) in accordance with Council's facility standards.
Continue to support committees to protect and maintain existing reserves of high environmental significance including grants to each of the 'friends' groups.
Implement actions identified in Equestrian Strategy adopted in 2013–14, including Wrights Forrest (Cockatoo) perimeter track and road crossing in Huxtable Road Reserve (Pakenham) precinct.
James Bathe Reserve (Pakenham) – undertake detailed design for civil works at the reserve.
On adoption by Council, advocate for external funds to assist with the implementation of the priorities of the Cardinia Shire Pedestrian and Cycle Strategy.
Refer planning applications to Vic Police for comment on Crime Prevention Through Environmental Design (CPTED) and traffic safety issues.
Facilitate community fire safety education programs and support Community Fireguard groups in fire-prone areas.
Lead the regular review and exercising of the various elements of Cardinia Shire Council's Municipal Emergency Management arrangements to ensure its relevance to its risk profile.
Development of the Settlement Protection Policy in consultation with Councillors and key community stakeholders.
Work with VICSES to convert the risk profile for all hazards to the CERA (Community Emergency Risk Assessment) framework.

#### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100

Maternal and Child Health	Participation	Participation in 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 enrolled in the MCH service] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
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
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100

### 2.3 Strategic Objective 2: Our Community

Goal: To foster a strong sense of connection between Cardinia Shire's diverse communities.

#### Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Communications	Facilitate effective communication between Cardinia Council, the community and other stakeholders.	(825)
Cardinia Culture Centre	Provide the Cardinia community with a high quality venue for community, civic, cultural, social, business, and entertainment events and services. Attract regional use of the venue and its services and experiences. Contribute to the cultural development of the Shire.	(90)
Community Facilities	Administration of community facilities.	(12)
Cultural Development	Facilitate and support opportunities for participation in a diverse range of artistic and cultural pursuits.	(128)



Community Services Management	To provide leadership and community partnerships that create, sustain and enhance connected, inclusive and engaged communities that value diversity and healthy lifestyles. To manage and support community services business unit in the effective and efficient delivery of programs across the municipality. To provide evidenced based best practice in community services delivery in Cardinia.	(792)
Community Strengthening Management & Programs and Social & Community Planning	To develop and strengthen the capacity of local not-for-profit community organisations to meet community needs using an integrated community strengthening approach. To plan and advocate for adequate and appropriate services for the Aged and other socially excluded groups and the wider community within the municipality. Support and maintain effective communication channels between Cardinia Council and Cardinia's communities. Support local community organisations to contribute to the community's benefit. Involve the community in improving quality of life in Cardinia.	(1,293)
Events	Provide Support for seven key events per year, including Australia Day Events and volunteer ceremonies and others.	(87)
Grants and Subsidy	Provide a range of grants that enhance or support community groups.	(477)

#### Major Initiatives

Cardinia Arts Facility - Seek external funding to support the construction program.
Implement actions in the Access and Inclusion Plan which include the development of an employment pathway program and one township access map.

#### Initiatives

Undertake and update demographic data and trends annually. Revise website on demographic data and trends. Continue to update CardiStats so all data is current and relevant.
Identify partnership opportunities and commence development of a demonstration social housing project in the shire .
In conjunction with the Public Art Coordination team, deliver public art works at prominent sites across shire with a focus on Central Ward.
Coordinate a range of community engagement activities in the shire. Undertake a Cockatoo collective impact initiative to meet community needs.
Deliver a range of community leadership initiatives in the shire to meet identified local needs by providing targeted training for community groups/leaders.
Upgrade pathways and walking tracks across the shire in accordance with the footpath program and revised Pedestrian and Bicycle Strategy including continuation of footpath along the Princes Highway, Officer .
Implement the Diversity Action Plan including delivery of 'Taste of Harmony' event and work in partnership with community service organisations to deliver an annual Refugee Week event.
Implement actions identified in the Access and Inclusion Action Plan adopted in 2014 including initiate a volunteer matching program to provide people with disabilities the opportunity to volunteer at local sporting clubs.
Implement the Reconciliation Action Plan 2015–19 through the focus areas of relationships, respect and opportunities by increasing knowledge of Aboriginal culture across the organisation and community. Actions include to define when, where and how Welcome and/ or Acknowledgement takes place and to consider appropriate signage/cultural symbols for council infrastructure.
Host annual Mayoral volunteer reception to recognise the contribution of volunteers in our shire.
Review and update Community Engagement Framework and toolkit.

## 2.4 Strategic Objective 3: Our Environment

Goal: To continue to plan and manage the natural and built environment for present and future generations.

### Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Asset Management	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	(554)
Bridges	To maintain the bridge network in order to provide the safe travel of vehicles and pedestrians. To enable the preservation of the network at an acceptable standard.	(94)
Building Management	To administer and enforce building legislation within the Shire.	(3,261)
Cleansing	To ensure that parks, reserves and roads are maintained free of litter and to maintain public conveniences in a hygienic condition.	(602)
Development	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	38
Development Services	To administer and enforce the aims and objectives of the Cardinia Planning Scheme.	(1,277)
Domestic Waste Water	To ensure that domestic water is disposed of in accordance with the State Environment Protection Policy, Environment Protection Act and Cardinia Council policy.	(94)
Drainage Maintenance	To maintain the drainage infrastructure in order to protect both the road asset and private property and ensure a safe road network in all weather conditions.	(2,357)
Emerald Lake Park - Operations	To provide a safe, enjoyable environment for users of the park, while improving facilities and service levels and reducing ratepayer subsidy.	(318)
Emergency Management	To work in collaboration with relevant agencies to continuously improve the Municipal Emergency Management Plan. To facilitate planning to ensure Cardinia Shire Council remains at the forefront of Emergency Management. Develop Council's capacity and capability to undertake its mandated Emergency Management roles and responsibilities.	(307)
Engineering Services and Infrastructure Services	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	(2,279)
Environment Maintenance & Programs	Facilitate the on-going maintenance of natural and cultural resources in the Shire.	(458)
Environment Management	To facilitate sound environmental management of natural and cultural resources within the Cardinia shire. To lead Council and the community towards an environmentally sustainable future.	(631)
Footpaths & Street Furniture (Depot)	To maintain the street furniture, footpaths and shared path network while ensuring safety and accessibility to residents and visitors.	(671)

General Garbage Charge	To deliver efficient and cost effective waste disposal to the community.	59
Landscape Development	To maintain and enhance the landscaping under Council's control.	(32)
Operations Management	To efficiently and effectively manage Cardinia Council's operational activities whilst ensuring compliance with the road management act and other relevant legislation.	(995)
Parks & Gardens Operations	Maintain Council's parks, wet lands, garden beds, street and road-side trees and playgrounds to an aesthetically pleasing and safe standard to enable maximum utilisation by the community.	(5,629)
Planning Policy & Projects	To administer and enforce the aims and objectives of the Cardinia Planning Scheme.	(165)
Sealed Roads & Bridges	To maintain the sealed road network & bridges in order to provide safe travel for vehicles - pedestrians and to enable the preservation of the network at an acceptable standard.	(781)
Strategic Planning	Develop and maintain a sound planning policy framework to provide for the sustainable development of the natural and built environment in the Shire.	(2,218)
Unsealed Roads	To maintain the unsealed road network in order to provide safe travel of vehicles - pedestrians and to enable the preservation of the network at an acceptable standard.	(1,783)
Waste Management and Green	To ensure the efficient and effective collection, removal and disposal of waste within the Municipality. To provide services that encourage diversion of waste from landfill and resource recovery.	(38)
Weed Management	To manage current weed populations in an effective manner across the Shire's open space and road reserve network, with a long term aim to reach eradication.	(202)

#### Major Initiatives

Hills Hub (Emerald) Redevelopment – undertake construction and fit-out of the facility.
Pakenham Health Hub – work with Monash Health to deliver the multi-agency integrated Pakenham Health Centre in Pakenham – opening in late 2016.
Pakenham Health Hub – work with Monash Health to deliver the multi-agency integrated Pakenham Health Centre in Pakenham – opening in late 2016.
Conduct a program of resurfacing of playing surfaces at recreation reserves – Mountain Road Reserve (Cockatoo) – drainage, irrigation and shaping including athletics.
Wheeler's Road (Maryknoll) - Construction of Wheeler's Road.

#### Initiatives

Inspections and maintenance of the road network in accordance with the Road Management Plan. Enhanced monitoring and reporting of road conditions using new Maintenance Management System.
Finalise the Open Space Developer Guideline Handbook to ensure sustainable development.
- Commence the delivery of first stage of the McBride Street (Cockatoo) laneway development
- Complete infrastructure renewal/upgrade at Thwaites Park (Lang Lang), including park furniture, feature fence and the rotunda.
- Complete infrastructure renewal of the picnic area within RJ Chambers Reserve (Upper Pakenham)
- Complete erosion control and vegetation renewal with Bob Burgess Reserve (Beaconsfield).

As part of the Council buildings plan, improve accessibility and meet enhanced Disability Discrimination Act requirements for 2016–17 – program to be determined by outcomes of building audits and recommendations from the Access and Inclusion Committee including Garfield, Nar Nar Goon and Cockatoo Community Centres.
Depot Master Plan (Pakenham) – commence Stage 3 – further establishment of ground floor and construction of second floor mezzanine in former laundry building to cater for operational staff and construction of under-cover canopy between existing amenities block and new administration centre (note: this stage will be completed over 2016–17 and 2017–18).
Wadsley Avenue (Pakenham) - Finalisation of scheme costs and statutory process.
Consult and undertake the statutory process for the construction of a special charge scheme for O'Sullivan's Road, Hill Street and Peet Street (Pakenham).
Advocate for a new park and ride railway station facility in Officer.
Cockatoo–Gembrook Trail – prepare tender documentation for construction of the trail and complete land acquisition .
Provide information when required to the Interface Councils' Group and South Eastern Metro Integrated Transport Group as part of aim to enhance the frequency and coverage of public transport within Cardinia and the south-east region.
Support the South East Councils Climate Change Alliance (SECCCA) through membership and participating in relevant projects (e.g. expanding the Save it for the Game project).
Implement the Aspirational Energy Transition plan including completion of phase 1 of the decorative street lighting retrofit with energy efficient lighting.
Liaise with and support schools in the areas of waste minimisation, litter and recycling.
Introduce flexible plastics recycling into the kerbside recycling collection. Continue and review initiatives including the provision of 80-litre garbage bins and subsidised compost bins. Continue Council's e-waste drop off recycling and kerbside green waste collection service.
Continue working with Metropolitan Waste Resource Recovery Group and Sustainability Victoria and partnering councils to advocate advances in resource recovery.
Implement the Integrated Water Management Plan including completing water-efficiency audits at Cardinia Life (Pakenham) and Cardinia Cultural Centre (Pakenham).
Meet with water authorities to discuss mandated property connections.
Reduce off-site septic discharges by advocating to water authorities to complete the backlog sewer program and mandate property connection in 2016–17.
Enhance biodiversity across the shire including liaising with DELWP (Department of Environment, Land, Water and Planning) to become the committee of management for Toomuc Creek.
Improve high conservation roadsides by participating in the Emerald Starbush Partnership.
Advocate to implement the Healthy by Design framework into planning review processes.
Deliver the Sustainability Expo in conjunction with local suppliers and exhibitors to be held in Pakenham.
Undertake an amendment of the Cardinia Planning Scheme to correct anomalies and streamline the scheme.
Complete planning scheme amendments for the Pakenham East Precinct Structure Plan.
Introduce schedules for the new residential zones in Beaconsfield Upper.
Implement approved structure plans for the growth area. Progress acquisition of land required for district open space in the Officer Precinct Structure Plan.
Review the Emerald township strategy.
Review the Cockatoo township strategy.
Finalise Tynong Township Strategy.
Finalise the Westernport Green Wedge Management Plan and commence Precinct Structure Amendment.



**Service Performance Outcome Indicators**

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

**2.5 Strategic Objective 4: Our Economy**

Goal: To create and support local employment and business opportunities for our community and the wider region.

**Programs**

Program	Program Objective	Net Surplus (Deficit) \$'000
Economic Development	Increase local employment opportunity, economic prosperity, and community amenity through encouragement and support for sustainable business development and sustainable new investment.	(100)
Sustainable Communities Management	Provide co-ordinated and strategic leadership to the Sustainable Communities business unit, including co-ordination of strategy development in each area of operation, and ensure effective management and operation of the business unit.	(264)

**Major Initiatives**

Implement the actions of the Casey Cardinia Attracting Employment and Investment Strategy following the review. Further develop the staging of a Bunyip Food Belt proposal.
Seek and promote training opportunities for local businesses. Provide business breakfast series and conduct 3 business forums in relation to industry developments.

**Initiatives**

Work with the Lending and Real Estate industries to facilitate investment.
Develop conceptual framework for Officer South Precinct.

Finalise planning scheme amendment to incorporate Pakenham South Precinct Structure Plan into the Cardinia Planning Scheme.
Finalise car parking strategy for Pakenham Town Centre. Work with ISPT to facilitate the development of the mixed use precinct adjoining Pakenham Railway Station.
Facilitate development in accordance with the Officer Town Centre Urban Design Framework. Work with Places Victoria to facilitate development with the Officer Town Centre.
Identify and advocate on infrastructure issues to support the business community and facilitate investment.
Work with Southern Regional Development Australia, Department of State Development, Business and Innovation, Melbourne South East and Casey Cardinia Investment Strategy to advocate for our region.
Advocate for easier access to markets via regional food plan and enabling infrastructure including airports, Bunyip Food Belt and Thompsons Road extension. Partner with The Gippsland Transport Group to collaborate.
Implement actions from the Tourism Strategy adopted in 2014 as prioritised in conjunction with the Tourism Advisory Committee. Work with Tourism Advisory Committee to prioritise improvements from Mystery Shopper Program.
Assist businesses to develop in the Casey-Cardinia region.
Take a delegation of business to Sydney for National Manufacturing Week.

#### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	$\left[ \frac{\text{Number of businesses with an ABN in the municipality at the end of the financial year} - \text{Number of businesses with an ABN in the municipality at the start of the financial year}}{\text{Number of businesses with an ABN in the municipality at the start of the financial year}} \right] \times 100$

## 2.6 Strategic Objective 5: Our Governance

Goal: To consult with the community, as appropriate, in an open and accountable manner to assist in determining the key direction of Council.

#### Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Corporate Management	Provide leadership and direction to Council staff to ensure Council's vision and Council plans and decisions are achieved.	(3,023)
Finance Management and Corporate Financials	Ensure balanced budget outcomes and prudent management of debt and asset management, for a sustainable financial environment recognising inter-generational responsibility.	2,974
Depreciation	Wear and tear of Council's non-currents assets over their useful life.	(19,070)

Governance	Promote Council activities in a positive way, develop policy as required, and monitor compliance with legislative requirements.	(165)
Mayor & Councillors	Effectively resource the operations of the elected Council.	(1,285)

**Major Initiatives**

Develop annual budget and Five-year Financial Plan which will deliver on the actions presented in the Council plan and maintain long-term financial goals.
Ensure that asset management and financial management are transparent via the budget and planning process and ensure the long-term viability of Council.

**Initiatives**

Monitor compliance with statutory reporting requirements.
Maintain and update the register of information to be available to the public.
Following adoption of the Councillor Code of Conduct and Protocols, monitor adherence to commitments and take appropriate action if required.
Ensure all contracts and procurement guidelines adhere to a full life cycle cost and are not purely driven on any one factor.

**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 how Council has performed in the interests of the community

**2.7 Corporate Expenditure and Revenue**

The balance of funds represents the corporate expenditure and revenue to deliver the key outcomes of Council.

**Programs**

Program	Program Objective	Net Surplus (Deficit) \$'000
Customer Service	Provide customer service that is responsive to residents and is solution focused.	(1,059)
Fleet & Workshop	Maintain a plant fleet in an efficient manner, whilst minimising Council's costs, to deliver the standards agreed to by Council. NB - this is an internally generated revenue. Throughout each program's expenses, is the offsetting fleet expenditure.	1,081



Information Services and Egap	Provide the technological support to Council business units to improve their efficiency in delivery of Council services. Ensure Council's permanent and temporary corporate information is properly classified and stored to enable ease of access by staff, and to minimise Council's risk in the event of any litigation or fire.	(4,530)
Organisation Development	Provide services that are responsive to organisational needs, ensure legislative compliance, and support the development of a competent, flexible, and focused workforce committed to 'The Cardinia Way'.	(1,523)
Performance & Innovation	Provide consistent integrated business planning processes ensuring actions align to the key directions of Council, monitor the effectiveness of these plans and associated service delivery through corporate performance and business activity monitoring, and build a culture of innovation through a continued focus on analysis, improvement and change implementation.	(458)
Purchasing	Ensure councils procurement is managed in a sustainable manner to achieve the best outcome for Cardinia Shire.	(45)
Rates & Property Services	Manage Cardinia's rateable properties and provide a responsive, solution focused service to rate queries.	65,514
Rental Properties	Provide access to affordable housing for the aged and disabled.	32
Risk, Health & Safety	Minimise Council's exposure to risk and ensure Council staff have received the appropriate training and are operating in a safe workplace.	(1,116)

## 2.8 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 Act and included in the 2016-17 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 8) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

## 2.9 Reconciliation with budgeted operating result

	Net Surplus (Deficit) \$'000
1. Our People	(8,566)
2. Our Community	(3,703)
3. Our Environment	(24,650)
4. Our Economy	(364)
5. Our Governance	(20,570)
<b>Total activities &amp; initiatives</b>	<b>(57,852)</b>
Rates less non attributable areas	57,895
<b>Surplus for the year</b>	<b>43</b>

### 3. Budget influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

#### 3.1 Snapshot of Cardinia Shire Council

Cardinia Shire is located to the south-east of metropolitan Melbourne. Its largest town is Pakenham, which is 55 kilometres from the Melbourne CBD. The Shire Offices are located in the nearby township of Officer.

Cardinia Shire encompasses the three townships within the growth corridor (Pakenham, Officer and Beaconsfield) and 27 rural townships, spread across 1280 square kilometres. It stretches from the foothills of the Dandenong Ranges in the north to the shores of Westernport Bay in the south, and from Beaconsfield in the west to Bunyip in the east.

As well as being geographically diverse with large tracts of rural, agricultural areas, in the 2011 Census Cardinia Shire was Victoria's third fastest growing municipality and Australia's tenth fastest growing municipality.

Cardinia Shire's population forecast for 2015 is 90,325 and is forecast to grow to 174,993 by 2036, an increase of 93.7%. The number of dwellings in Cardinia Shire is forecast to grow from 28,372 in 2011 to 65,266 in 2036 (Source: .id)

Effectively managing this growth is the most pressing issue facing Cardinia in the short to medium term. Cardinia must also ensure that it does not lose sight of the issue facing other parts of the municipality and continues to ensure equity and fairness for all communities that make up the Shire.

#### 3.2 External influences

In preparing the 2016-17 budget, a number of external influences have been taken into consideration because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Rate Capping - The overall financial impact of rate capping for Cardinia Shire Council over the next four years when compared against the Financial Plan adopted as part of the 2015-16 Budget is approximately \$16,000,000 over 4 years. This will lead council to review its services and capital works program unless alternative funding sources can be sourced.
- Cost Shifting - this occurs where Local Government provides a service to the community on behalf of the State or Federal Government. Over time the funds received by Local Governments do not increase in line with real cost increases. An example of this is Maternal & Child Health, where the level of payment received by Council from the State Government does not reflect the real Cost of providing the service to the community.
- Councils across Australia raise approximately 3% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.

- Fire Services Property Levy - this will continue to be collected by Council on behalf of the State Government with the introduction of the Fire Services Property Levy Act 2012.

### 3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have an impact on the preparation of the 2016-17 budget. These include;

- Continued demands on Council resources for the renewal of existing assets; and
- Staffing changes as a result of the organisation dealing with Rate Capping

### 3.4 Budget Principles

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

- Existing fees and charges to be increased in line with market levels;
- Grants to be based on confirmed funding levels;
- New revenue sources to be identified where possible;
- Service levels to be maintained at 2015-16 levels;
- Aim to use less resources with an emphasis on innovation and efficiency;
- Real savings in expenditure and increases in revenue identified in 2015-16 to be preserved; and
- Operating revenues and expenses from completed 2015-16 capital projects to be included.

### 3.5 Long term strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include the Strategic Resource Plan for 2017-18 to 2019-20 (section 8), Rating information (section 9) and Future borrowings (section 10).

## 4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2016-17 year.

### 4.1 Budgeted income statement

	Ref	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
Total income	4.2	98,260	107,067	8,807
Total expenses	4.3	-90,986	-97,744	-6,758
<b>Surplus (deficit) for the year</b>	<b>4.1.1</b>	<b>7,274</b>	<b>9,322</b>	<b>2,049</b>
Grants – capital	4.2.6	-3,943	-2,072	1,871
Capital contributions - monetary	4.2.7	-385	-5,238	-4,853
Development levies - monetary	4.2.8	-825	-842	-17
Capital contributions - non-monetary	4.2.9	-1,100	-1,128	-28
Net gain on sale of assets	4.2.10	0	0	0
<b>Adjusted underlying result</b>	<b>4.1.2</b>	<b>1,021</b>	<b>43</b>	<b>-978</b>

#### 4.1.1 Surplus for the year (\$2.049 million increase)

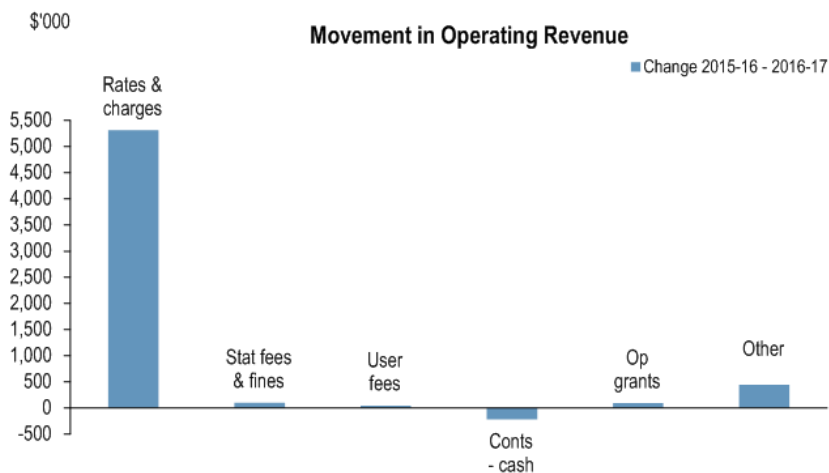
The projected result for the year, before adjusting for capital and other once-off items, is a surplus of \$9.322m, which is \$2.049m higher than in 2015-16.

#### 4.1.2 Adjusted underlying result (\$0.978 million decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for capital grants, contributions of non-monetary assets and other once-off adjustments. It removes the impact of non-recurring or once-off items of revenues and expenses. The adjusted underlying result for the 2016-17 year is a surplus of \$43k which is \$978k lower than the 2015-16 year.

### 4.2 Income

Income types	Ref	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
Rates and charges	4.2.1	72,153	77,468	5,315
Statutory fees and fines	4.2.2	2,906	3,006	100
User fees	4.2.3	2,275	2,322	47
Contributions - monetary	4.2.4	337	118	-219
Grants - operating	4.2.5	11,401	11,494	93
Grants - capital	4.2.6	3,943	2,072	-1,871
Capital contributions - monetary	4.2.7	385	5,238	4,853
Development levies - monetary	4.2.8	825	842	17
Capital contributions - non-monetary	4.2.9	1,100	1,128	28
Other income	4.2.10	2,934	3,381	447
<b>Total income</b>		<b>98,260</b>	<b>107,067</b>	<b>8,807</b>



Source: Appendix A

#### 4.2.1 Rates and charges (\$5.315 million increase)

The rate increase on current properties is proposed to be 2.5%, which is 3.0% lower than last year's increase of 5.5%. Rates make up 68.1% of Council's operating revenue, compared to 67.3% in 2015-16.

The residential garbage charge on individual properties is proposed to increase by \$6.85, from \$228.20 to \$235.05, due to increased costs. The garbage charge covers the costs of the contract fees for collection, recycling and disposal and the state government levy. The green waste charge is proposed to increase by \$3.85, from \$129.00 to \$132.85. The combined garbage and green waste charges make up 11.1% of Council's operating revenue, which is the same as last year.

#### 4.2.2 Statutory fees and fines (\$0.100 million increase)

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

Revenue from statutory fees and fines are forecast to increase by \$100k or 3.4% over 2015-16. The increase is mainly attributed to Development fees (design checking and supervision fees) and land information certificate fees.

A detailed listing of statutory fees is included in Appendix D - Fees and charges schedule.

#### 4.2.3 User fees (\$0.047 million increase)

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include income from s.86 committees, the use of leisure, entertainment and other community facilities. In setting the budget, the key principle for determining the level of user charges has been to ensure that user charges are at market levels.

Revenue from user fees is projected to increase by \$47K or 2.1% over 2015-16. The main areas contributing to the increase are use of children and family centres and additional income of section 86 committees.

A detailed listing of fees and charges is included in Appendix D - Fees and charges schedule.

#### 4.2.4 Contributions - monetary (\$0.219 million decrease)

Contributions relate to monies paid by non-government third parties for the purpose of funding the delivery of Council's services to ratepayers.

Revenue from contributions is projected to decrease by \$219k or 65.0% compared to 2015-16. This is primarily due to a decrease in Native Vegetation developer contributions.

#### 4.2.5 Grants - operating (\$0.093 million increase)

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 increase by 0.8% or \$93k over 2015-16. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below:

Operating grant funding types and source	Budget	Budget	Variance
	2015-16 \$'000	2016-17 \$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Victoria Grants Commission	9,179	9,408	229
Families & Children	10	0	-10
Corporate	25	0	-25
<i>Recurrent - State Government</i>			
Best Start program	109	112	3
Community Health	208	68	-140
Community Safety	45	0	-45
Disability	135	138	4
Emergency Management	107	110	3
Environment & Heritage	210	62	-149
Families & Children	140	266	126
Local Infrastructure	6	14	8
Maternal & Child Health	941	989	48
Community Strengthening	0	0	0
Recreation	118	154	36
School Crossing Supervisors	170	174	4
<i>Total Recurrent Grants</i>	<b>11,401</b>	<b>11,494</b>	<b>93</b>
<b>Total Operating Grants</b>	<b>11,401</b>	<b>11,494</b>	<b>93</b>

#### 4.2.6 Grants - capital (\$1.871 million decrease)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Budgeted capital grants have decreased by \$1.871m or 47.5% compared to 2015-16. The grants budgeted are \$1.292m Roads to Recovery funding and \$780k from the Victoria Grants Commission for local roads funding. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below:



Capital grant funding types and source	Budget	Budget	Variance
	2015-16 \$'000	2016-17 \$'000	\$'000
<i>Recurrent - Commonwealth Government</i>			
Victoria Grants Commission	720	780	60
Roads to Recovery	2,342	1,292	-1,050
<b>Total Recurrent Grants</b>	<b>3,061</b>	<b>2,072</b>	<b>-989</b>
<i>Non-Recurrent - State Government</i>			
Local Infrastructure	812	0	-812
Recreation	70	0	-70
<b>Total Non-Recurrent Grants</b>	<b>882</b>	<b>0</b>	<b>-882</b>
<b>Total Capital Grants</b>	<b>3,943</b>	<b>2,072</b>	<b>-1,871</b>

#### 4.2.7 Capital contributions - monetary (\$4.853 million increase)

Capital contributions include monies received from community sources for the purposes of funding the capital works program, including special charge schemes.

Capital contributions are projected to increase by \$4.853m from 2015-16. Budgeted contributions in 2016-17 relate to special charge schemes \$3.238m and Lang Lang sporting facilities \$2.0m.

#### 4.2.8 Development levies - monetary (\$0.017m increase)

Development levies are monies paid by developers and landowners and includes community infrastructure levies, public open space levies, and developer levies. These levies are projected to increase by \$17k or 2.1% from 2015-16.

#### 4.2.9 Capital contributions - non-monetary (\$0.028m increase)

Non-cash capital contributions are infrastructure assets in new developments (roads, drains, footpaths) contributed by developers. These contributions are expected to increase by \$28k or 2.5% from 2015-16.

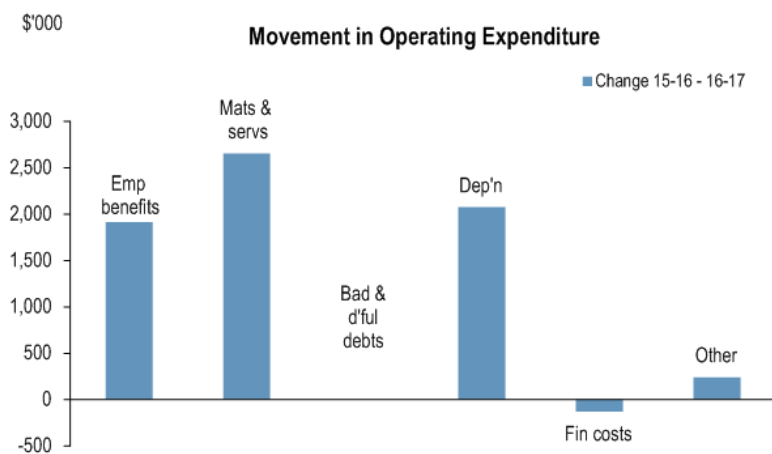
#### 4.2.10 Other income (\$0.447 million increase)

Other income relates to a range of items such as cost recoveries and other miscellaneous income items, and also includes interest revenue on investments. Other income is forecast to increase by \$447k or 15.3% from 2015-16.



### 4.3 Expenses

Expense types	Ref	Budget	Budget	Variance
		2015-16 \$'000	2016-17 \$'000	\$'000
Employee costs	4.3.1	29,942	31,855	1,913
Materials and services	4.3.2	37,461	40,115	2,654
Bad and doubtful debts	4.3.3	168	172	5
Depreciation and amortisation	4.3.4	16,996	19,070	2,074
Borrowing costs	4.3.5	4,183	4,054	-129
Other expenses	4.3.6	2,237	2,479	242
<b>Total expenses</b>		<b>90,986</b>	<b>97,744</b>	<b>6,759</b>



Source: Appendix A

#### 4.3.1 Employee costs (\$1.913 million increase)

Employee costs include all labor related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, and work cover premiums. It also includes Fringe Benefits Tax (FBT).

Employee costs are expected to increase by \$1.913m or 6.4% compared to 2015-16. This increase is primarily due to a combination of:

- Full year effect of new staff appointed during 2015-16,
- New staff appointments in 2016-17,
- An EBA increase, and
- Staff increment movements.

Overall, total EFT has increased from 311.7 in 2015-16 to 315.0 in 2016-17. The increase is primarily due to new staff appointments in 2016-17 from additional government funding and alternative models of service delivery.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below. The dollar amounts below include salaries and oncosts only. The Employee benefits figures above include additional items of expenditure, such as Fringe Benefits Tax.

Division	Budget 2016-17 \$'000	Comprises	
		Permanent Full Time \$'000	Permanent Part Time \$'000
Chief Executive Officer	2,017	2,017	-
Assets & Services	8,982	8,210	773
Corporate Services	5,708	4,675	1,032
Community Wellbeing	7,026	4,802	2,224
Planning & Development	5,424	4,316	1,108
People & Culture	600	500	100
<b>Total permanent staff expenditure</b>	<b>29,758</b>	<b>24,521</b>	<b>5,237</b>
<b>Casuals and other expenditure</b>	<b>1,181</b>		
<b>Total expenditure</b>	<b>30,939</b>		

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

Division	Budget 2016-17 EFT	Comprises	
		Permanent Full Time EFT	Permanent Part Time EFT
Chief Executive Officer	11.5	11.5	-
Assets & Services	104.0	95.0	9.0
Corporate Services	57.5	45.5	12.0
Community Wellbeing	66.0	45.0	21.0
Planning & Development	57.0	43.0	14.0
People & Culture	5.4	4.3	1.1
<b>Total permanent staff</b>	<b>301.4</b>	<b>244.3</b>	<b>57.1</b>
<b>Casuals and other</b>	<b>13.5</b>		
<b>Total EFT</b>	<b>315.0</b>		

#### 4.3.2 Materials and services (\$2.654 million increase)

Materials and services include the purchases of consumables, payments to contractors for the provision of services, and utility costs. Materials and services are forecast to increase by \$2.654m or 7.1% compared to 2015-16. This is as a result of a general CPI increase, increases in costs due to the increase in population of the Shire, and the resultant increase in the number of facilities provided and services required by the additional population.

The major increase is in external contracts, which are forecast to increase by \$1.482m or 7.6% over 2015-16. The main contracts contributing to this increase are waste \$825k (this includes hard and green waste, putrescible disposal, green waste bin, and garbage and recycling collection), parks and gardens \$269k and Melbourne Water drainage schemes \$250k.

Other significant increases are in legal and professional fees and software licences.

**4.3.3 Bad and doubtful debts (\$0.005 million increase)**

Bad and doubtful debts are projected to increase by \$5k or 2.7% over 2015-16.

**4.3.4 Depreciation and amortisation (\$2.074 million increase)**

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads, bridges, footpaths, and drains.

The increase of \$2.074m or 12.2% over 2015-16 is mainly due to an increase in the value of Council's assets from completed capital works projects and developer contributed assets and an increase in valuation of existing assets.

**4.3.5 Borrowing costs (\$0.129 million decrease)**

Borrowing costs relate to interest charged by financial institutions on funds borrowed, and bank charges.

The decrease relates to receiving favourable rates of interest on recent loans, and is in line with current loan agreements and the interest on the new loan to be drawn down in July 2016.

**4.3.6 Other expenses (\$0.242 million increase)**

Other expenses relate to a range of unclassified items including audit fees, rent and lease expenditure, government fees & charges and other miscellaneous expenditure items.

Other expenses are forecast to increase by \$242k or 10.8% over 2015-16. This is mainly due to an allocation of funds for the running of the Council election in October 2016.

## 5. Analysis of budgeted cash position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016-17 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.

### 5.1 Budgeted cash flow statement

	Ref	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
<b>Cash flows from operating activities</b>	5.1.1			
<i>Receipts</i>				
Rates and charges		70,540	76,932	6,392
Statutory fees and fines		2,906	3,006	100
User fees		4,791	1,882	-2,909
Grants - operating		11,401	11,494	93
Grants - capital		3,943	2,072	-1,871
Contributions - monetary		337	118	-219
Capital contributions - monetary		385	5,238	4,853
Development levies - monetary		825	842	17
Interest income		733	752	19
Other income		2,201	2,629	428
		<b>98,063</b>	<b>104,965</b>	<b>6,902</b>
<i>Payments</i>				
Employee costs		-29,566	-31,370	-1,804
Materials and services		-39,515	-41,597	-2,082
		<b>-69,081</b>	<b>-72,967</b>	<b>-3,886</b>
<b>Net cash provided by operating activities</b>		<b>28,981</b>	<b>31,997</b>	<b>3,016</b>
<b>Cash flows from investing activities</b>	5.1.2			
Payments for property, plant and equipment		-30,120	-33,190	-3,070
Proceeds from sales of property, plant & equip		2,481	2,200	-281
<b>Net cash used in investing activities</b>		<b>-27,639</b>	<b>-30,990</b>	<b>-3,351</b>
<b>Cash flows from financing activities</b>	5.1.3			
Finance costs		-4,183	-4,054	129
Proceeds from borrowings		4,250	3,250	-1,000
Repayment of borrowings		-5,135	-5,107	28
<b>Net cash used in financing activities</b>		<b>-5,068</b>	<b>-5,911</b>	<b>-843</b>
<b>Net change in cash and cash equivalents</b>		<b>-3,726</b>	<b>-4,904</b>	<b>-1,178</b>
Cash and cash equivalents at start of year		40,897	37,171	-3,726
<b>Cash and cash equivalents at end of year</b>	5.1.4/5.2	<b>37,171</b>	<b>32,267</b>	<b>-4,904</b>

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.

#### 5.1.1 Operating activities (\$3.016 million increase)

Operating activities refer to the cash generated or used in the normal service delivery functions of Council. The increase in cash inflows from operating activities is mainly due to increased rates and charges and capital contributions income, partly offset by increased payments to suppliers and employees and decreased income from user fees and capital grants.

	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
<b>Surplus (deficit) for the year</b>	<b>7,274</b>	<b>9,322</b>	2,048
Depreciation	16,996	19,070	2,074
Loss (gain) on sale of assets	0	0	0
Net movement in assets and liabilities	4,711	3,605	-1,106
<b>Cash flows available from operating activities</b>	<b>28,981</b>	<b>31,997</b>	<b>3,016</b>

#### 5.1.2 Investing activities (\$3.351 million decrease)

Investing activities refer 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, equipment, etc. The variance in net cash used in investing activities is primarily due to an increase in the costs of the Capital Works program.

#### 5.1.3 Financing activities (\$0.843 million decrease)

Financing activities refer to cash generated or used in the financing of Council functions and includes borrowings from financial institutions. These activities also include repayment of the principal and interest components of loan repayments for the year. The variance is primarily due to a decrease in the amount proposed to be borrowed in 2016-17.

#### 5.1.4 Cash and cash equivalents at end of the year (\$4.904 million decrease)

Overall, total cash and investments is forecast to decrease by \$4.904m from \$37.171m to \$32.267m as at 30 June 2017. This is mainly due to a lower cash balance at the beginning of the year of \$3.726m and net cash outflows for the year of \$1.178m.

### 5.2 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 2017 it will have cash and investments of \$32.267m, which has been restricted as follows:

**Statutory reserves** – These funds must be applied for specified statutory purposes in accordance with various legislative and contractual requirements. Whilst these funds earn interest revenues for Council, they are not available for other purposes.

**Working capital** – These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements and unexpected short term needs and are often required to take into the following financial year to contribute to that year's operations.

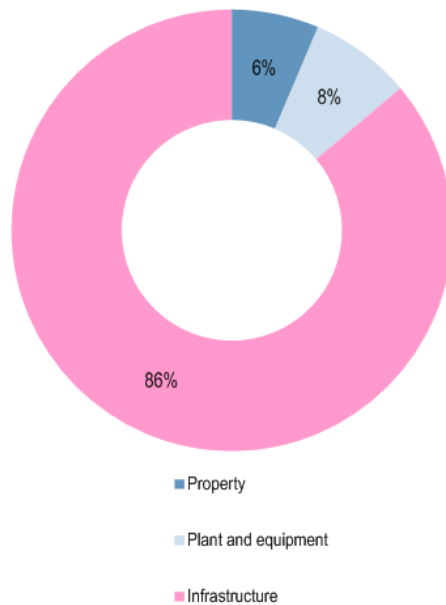
## 6. Analysis of capital budget

This section analyses the planned capital expenditure budget for the 2016-17 year and the sources of funding for the capital budget.

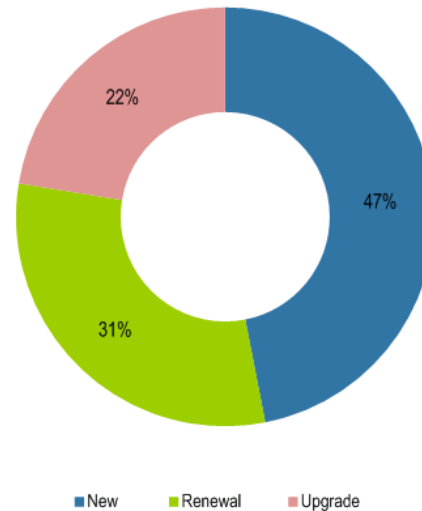
### 6.1 Capital works

Capital works areas	Ref	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
<b>New works</b>				
<b>Property</b>	6.1.1			
Land		4,202	1,200	-3,002
Buildings		920	1,153	233
<b>Total Property</b>		<b>5,122</b>	<b>2,353</b>	<b>-2,769</b>
<b>Plant and equipment</b>	6.1.2			
Plant, machinery and equipment		2,071	2,350	279
Computers and telecommunications		400	400	0
<b>Total Plant and equipment</b>		<b>2,471</b>	<b>2,750</b>	<b>279</b>
<b>Infrastructure</b>	6.1.3			
Roads		5,542	8,210	2,668
Bridges		600	600	0
Footpaths and cycleways		1,268	1,512	244
Drainage		300	380	80
Recreation, leisure & community facilities		13,243	17,326	4,083
Parks, open space and streetscapes		995	3,030	2,035
Off street car parks		200	152	-48
Other infrastructure		380	480	100
<b>Total Infrastructure</b>		<b>22,528</b>	<b>31,690</b>	<b>9,162</b>
<b>Total new works</b>		<b>30,121</b>	<b>36,793</b>	<b>6,672</b>
<b>Represented by:</b>				
New	6.1.4	16,235	17,266	1,031
Renewal	6.1.4	10,951	11,267	316
Upgrade	6.1.4	2,935	8,260	5,325
<b>Total capital works</b>		<b>30,121</b>	<b>36,793</b>	<b>6,672</b>

Budgeted new capital works 2016-17



Budgeted total capital works 2016-17



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

#### 6.1.1 Property (\$2.769 million decrease)

Property includes buildings and land.

For the 2016-17 year, \$1.153m will be expended on building projects. These projects are \$653k for general building works (including disability access works), and \$500k for the Purton Road depot

The land amount consists of strategic purchases required for the ongoing growth within the municipality.

#### 6.1.2 Plant & Equipment (\$0.279 million increase)

Plant and equipment includes information technology, motor vehicles and plant.

For the 2016-17 year, \$2.75m will be expended on plant and equipment. The more significant projects include \$2.25m for ongoing cyclical replacement of the plant and vehicle fleet and \$400k for upgrade and replacement of information technology.

#### 6.1.3 Infrastructure (\$9.162 million increase)

Infrastructure includes bridges, drainage, footpaths and cycleways, off street car parks, parks, open spaces & streetscapes, recreational, leisure & community infrastructure, and roads.

For the 2016-17 year, the major projects include IYU Recreation Reserve (regional soccer facility) \$3.52m, Hills Community Hub \$3.5m, and a Special Charge Scheme at O'Sullivan's, Hill and Peet Streets Pakenham \$3.0m. Also included are the annual roads renewal program totalling \$4.59m, Deep Creek Reserve upgrade \$2.5m, Heatherbrae Recreation Reserve pavillion \$2.0m, and Lang Lang sporting facilities \$2.0m.



Other projects include the Emerald netball facility, Arena kindergarten, and Chandler Recreation Reserve pavilion.

#### 6.1.4 New Assets (\$1.031 million increase), Asset Renewal (\$0.316 million increase), and Asset Upgrade (\$5.325 million increase).

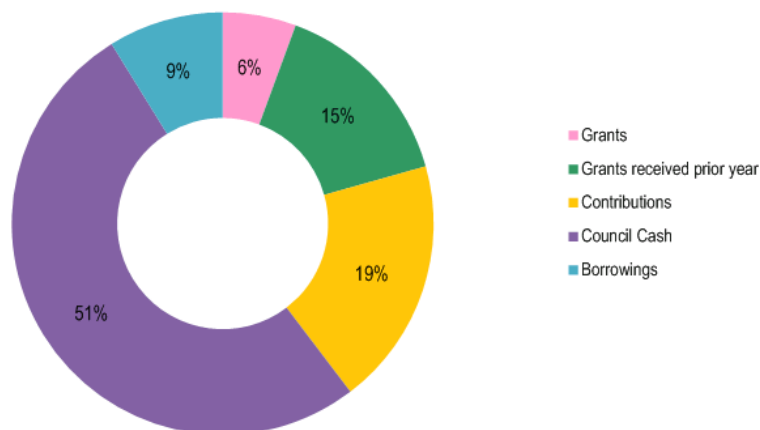
A distinction is made between expenditure on new assets and expenditure on asset renewal and upgrades. Expenditure on asset renewal is expenditure on an existing asset, which improves the service potential or the life of the asset. Expenditure on new assets does not have any element of expansion/upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal.

For the 2016-17 year, \$17.266m will be spent on new assets, \$11.267m on asset renewals, and \$8.26m on asset upgrades.

## 6.2 Funding sources

Sources of funding	Ref	Budget	Budget	Variance
		2015-16 \$'000	2015-16 \$'000	\$'000
Grants	6.2.1	3,943	2,072	-1,871
Grants received prior year	6.2.2	0	5,520	5,520
Contributions	6.2.3	6,138	6,997	859
Council Cash	6.2.4	15,789	18,954	3,165
Borrowings	6.2.5	4,250	3,250	-1,000
		<b>30,121</b>	<b>36,793</b>	<b>6,672</b>

**Budgeted total funding sources 2016-17**



Source: Appendix A

#### 6.2.1 Grants (\$1.871 million decrease)



Capital grants include all monies received from State and Federal governments for the purposes of funding the capital works program.

For the 2016-17 year, capital grants total \$2.072m. These are the Roads to Recovery and Victoria Grants Commission grants for roads resurfacing, resheeting, and pavement renewals.

#### **6.2.2 Grants received prior year (\$5.520 million increase)**

Capital grants received prior year include all monies received from State and Federal governments in 2015/16 for the purposes of funding the 2016/17 capital works program.

For the 2016-17 year, capital grants received prior year total \$5.520m. This is from the State Government Interface Growth Fund for IYU Recreation Reserve (regional soccer facility) and Heatherbrae Recreation Reserve.

#### **6.2.3 Contributions (\$0.859 million increase)**

Contributions include all monies community sources for the purposes of funding the capital works program, plus developer and community infrastructure levies. It is forecast that \$6.997m will be funded from these sources in 2016-17.

Special Charge Scheme contributions total \$3.238m, contributions for the Lang Lang sporting facilities are \$2.0m, and Developer Infrastructure levies total \$1.759m.

#### **6.2.4 Council Cash (\$3.165 million increase)**

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$17.954m will be generated from operations to fund the 2016-17 capital works program. Additionally, \$1.0m of sales and trade-in revenue from sale of plant has been forecast.

#### **6.2.5 Borrowings (\$1.0m decrease)**

A loan of \$3.25 million is budgeted in 2016-17 to partly fund the Capital Works program, which is a decrease of \$1.0m from 2015-16. Overall debt is being reduced due to repayments being greater than the new borrowings.

## 7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2015-16 and 2016-17.

### 7.1 Budgeted balance sheet

	Ref	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Variance \$'000
<b>Current assets</b>	7.1.1			
Cash and cash equivalents		37,171	32,267	-4,904
Trade and other receivables		11,757	13,901	2,144
Inventories		33	16	-17
Non-current assets classified as held for sale		11,698	8,726	-2,972
Other assets		816	560	-256
<b>Total current assets</b>		<b>61,475</b>	<b>55,470</b>	<b>-6,005</b>
<b>Non-current assets</b>	7.1.3			
Trade and other receivables		0	761	761
Investments in associates		883	1,432	549
Property, infrastructure, plant and equipment		709,299	933,538	224,239
Intangible assets		0	382	382
<b>Total non-current assets</b>		<b>710,182</b>	<b>936,113</b>	<b>225,931</b>
<b>Total assets</b>		<b>771,657</b>	<b>991,583</b>	<b>219,926</b>
<b>Current liabilities</b>	7.1.2			
Trade and other payables		12,340	16,078	-3,738
Trust funds and deposits		3,916	5,405	-1,489
Provisions		4,888	6,408	-1,520
Interest-bearing loans and borrowings		5,579	5,579	0
<b>Total current liabilities</b>		<b>26,723</b>	<b>33,469</b>	<b>-6,746</b>
<b>Non-current liabilities</b>	7.1.4			
Provisions		1,048	1,781	-733
Interest-bearing loans and borrowings		58,531	49,680	8,851
<b>Total non-current liabilities</b>		<b>59,579</b>	<b>51,461</b>	<b>8,117</b>
<b>Total liabilities</b>		<b>86,303</b>	<b>84,930</b>	<b>1,373</b>
<b>Net assets</b>		<b>685,354</b>	<b>906,652</b>	<b>221,298</b>
<b>Equity</b>	7.1.5			
Accumulated surplus		483,870	598,547	114,677
Reserves		201,484	308,106	106,622
<b>Total equity</b>		<b>685,354</b>	<b>906,652</b>	<b>221,298</b>

Source: Appendix A

**7.1.1 Current Assets (\$6.005 million decrease)**

Cash and cash equivalents are forecast to decrease by \$4.904m, as detailed in Section 5 - Analysis of budgeted cash position, and land held for resale is forecast to decrease by \$2.972m. These have been partly offset by trade and other receivables, which includes rates, infringement and sundry debtors, which are forecast to increase by \$2.144m.

**7.1.2 Current Liabilities (\$6.746 million increase)**

Current liabilities are those obligations Council must pay within the next year. These liabilities are budgeted to increase by \$6.746m, due to increases in trade and other payables (creditors), provisions, and trust funds and deposits.

Interest-bearing loans and borrowings are borrowings of Council. The decrease in this category reflects the payment characteristics of Council's loan portfolio.

**7.1.3 Non-Current Assets (\$225.931 million increase)**

Non-current assets are expected to increase by \$225.931m during the 2016-17 year. This is almost entirely in property, infrastructure, plant and equipment, and is primarily due in the valuation of Council assets following revaluation of existing assets and the inclusion of new and contributed assets.

**7.1.4 Non-Current Liabilities (\$8.117 million decrease)**

Non-current liabilities (that is, obligations Council must pay beyond the next year) are expected to decrease by \$8.117m, mainly as a result of a decrease in interest-bearing loans and borrowings, which is in line with current loan agreements.

**7.1.5 Equity (\$221.298 million increase)**

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

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

**7.2 Key assumptions**

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

- Repayment of loan principal to be \$5.107m, and;
- Total capital expenditure to be \$36.793m.

## 8. Strategic resource plan and financial performance indicators

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

### 8.1 Plan development

Council has prepared a proposed budget for 2016-17 and a Strategic Resource Plan (SRP) for the years 2017-18 to 2019-20 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 three years.

The key objective, which underlines the development of the Plan, is financial sustainability in the short term, whilst still achieving Council's strategic objectives as specified in the Council Plan. The key financial objectives, which underpin the Long Term Financial Plan, are:

- Service delivery strategy
- Financial sustainability
- Infrastructure strategy
- Borrowing guidelines

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

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

The Plan is updated annually through a rigorous process of consultation with Council service providers followed by a detailed sensitivity analysis to achieve the key financial objectives.

### 8.2 Financial resources

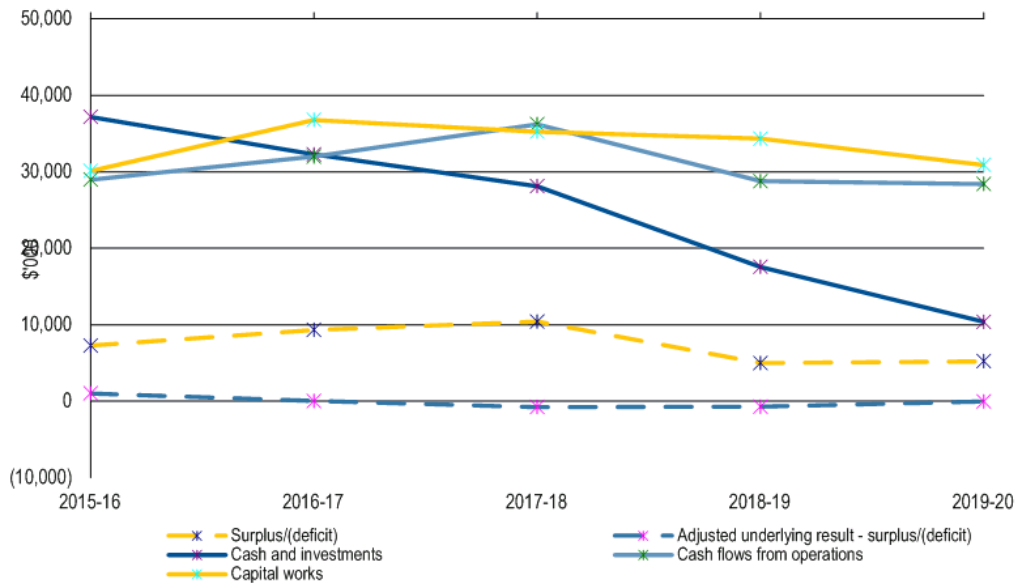
The following table summarises the key financial results for the next four years as set out in the 2016-17 proposed budget and SRP for years 2017-18 to 2019-20. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

	Strategic Resource Plan					Trend
	Budget	Budget	Projections			
	2015-16	2016-17	2017-18	2018-19	2019-20	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit)	7,274	9,322	10,417	4,993	5,231	○
Adjusted underlying result - surplus/(deficit)	1,021	42	(766)	(717)	(33)	○
Cash and investments	37,171	32,267	28,112	17,571	10,379	-
Cash flows from operations	28,981	31,997	36,220	28,786	28,403	○
Capital works	30,121	36,793	35,245	34,335	30,899	○

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

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



The key outcomes of the Plan are as follows:

**Financial sustainability (section 5)** - Cash and investments is forecast to decrease over the four year period from \$32.267m to \$10.379m, mainly due to the impact of rate capping and the drawdown of Developer Contribution Plan (DCP) funds.

**Rating strategy (section 9)** – A rate of increase of 2.5% is budgeted in 2016-17, and for the following three years.

**Service delivery** – Service levels have been maintained throughout the four year period. Significant surpluses are budgeted throughout the four year period. Excluding the effects of non-operating items such as capital contributions, the adjusted underlying result is a small surplus in 2016-17, and deficits in the subsequent years. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result.

**Borrowing guidelines (Appendix E)** – Borrowings are forecast to reduce from \$55.259m to \$47.514m over the four year period. This includes new borrowings of \$3.25m in 2016-17.

**Infrastructure** - Capital expenditure over the four year period will total \$137.272m at an average of \$34.318m.

### 8.3 Key financial indicators

The following table highlights Council's current and projected performance across a range of key financial indicators (KPIs). KPIs 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 Projections					Trend
			Budget 2015-16	Budget 2016-17	2017-18	2018-19	2019-20	
<b>Operating position</b>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	1.1%	0.0%	-0.8%	-0.7%	0.0%	o
<b>Liquidity</b>								
Working Capital	Current assets / current liabilities	2	230.0%	165.7%	144.2%	114.3%	94.9%	-
Unrestricted cash	Unrestricted cash / current liabilities		124.2%	80.3%	65.5%	34.9%	14.2%	-
<b>Obligations</b>								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	88.9%	71.3%	65.6%	60.2%	55.3%	+
Loans and borrowings	Interest and principal repayments / rate revenue		12.7%	11.5%	11.2%	10.9%	10.0%	+
Indebtedness	Non-current liabilities / own source revenue		74.2%	59.7%	56.1%	51.9%	47.4%	+
Asset renewal	Asset renewal expenditure / depreciation	4	64.4%	59.1%	54.9%	58.2%	51.5%	-
<b>Stability</b>								
Rates concentration	Rate revenue / adjusted underlying revenue	5	78.4%	79.2%	81.7%	82.2%	82.5%	o
Rates effort	Rate revenue / property values (CIV)		0.5%	0.5%	0.5%	0.5%	0.5%	o
<b>Efficiency</b>								
Expenditure level	Total expenditure / no. of assessments		\$2,500	\$2,511	\$2,451	\$2,429	\$2,400	+
Expenditure level	Specific purpose grants expended / Specific purpose grants received		100.0%	100.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,486	\$1,526	\$1,559	\$1,589	\$1,618	+
Workforce turnover	No. of resignations & terminations / average no. of staff							

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. A small surplus is forecast in 2016-17 and deficits in the subsequent three years.

**2. Working Capital** - The proportion of current liabilities represented by current assets. Working capital is forecast to decrease over the four year period. Current liabilities increase slightly, whilst current assets reduce significantly primarily due to a reduction in cash and cash equivalents.



**3. Loans & Borrowings** - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

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

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

#### 8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2016-17 budget year and SRP years of 2017-18 to 2019-20 is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Strategic Resource Plan				
	Budget 2015-16	Budget 2016-17	Projections		
			2017-18	2018-19	2019-20
<b>Staff expenditure</b>					
Salaries and oncosts	29,096	30,939	31,822	33,336	34,502
<b>Staff numbers</b>					
Employee numbers	311.7	315.0	317.5	320.5	323.0

## 9. Rating information

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

### 9.1 Strategy development

In developing the Strategic Resource Plan (referred to in Section 8), rates and charges were identified as a critical source of revenue, accounting for 79.2% (78.4% in 2015-16) of the operating revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source and as the impact of rate capping continues to restrict Council to deliver services, Council will be seeking community feedback on the best way to manage this state government directive. For 2016/17 the impact of rate capping across the shire will be unclear due to the general revaluations of properties for the 2016/17 rating year.

### 9.2 Current year rate increase

It is predicted that 2016-17 operating position will be significantly impacted by the stagnation of government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve ongoing operating surpluses. The \$18.954m contribution from operations toward capital investment for the 2016-17 year is required to meet the capital investment required for achieving the Capital Works Program set out in the Strategic Resource Plan.

expenditure program, general rates are proposed to increase by 2.5% in 2016-17 (5.5% in 2015-16), raising a total rate of \$66.619m, including \$700k generated from supplementary rates. The following table sets out future proposed rate increases based on the forecast financial position of Council as at 30 June 2016.

Year	Increase %
2016/17	2.5
2017/18	2.5
2018/19	2.5
2019/20	2.5

### 9.3 Rating structure

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

- Property values, based on valuations approved by the Victorian Valuer General.
- User pays component to reflect usage of services provided by Council.

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential or business purposes. This distinction is based on the concept that business should pay a fair and equitable contribution to rates taking into account the benefits those businesses derive from the local community.

Having reviewed the various valuation bases for determining the property value component of rates, Council has determined to apply a Capital Improved Value (CIV) 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 four years.

## 10. Future borrowings

The borrowing guidelines are outlined in Appendix E.

Cardinia Shire Council, as with many other Councils in Victoria, face a dilemma of whether to borrow or increase rates to fund the requirement of infrastructure replacement and new capital works.

Council has a budgeted loan liability of \$64.11m (at 30 June 2016), and the costs to service these loans is approximately \$4.003 million (for the year ending 30 June 2016). This level of indebtedness was built between 2000 and 2005, subsequently, successive Councils have endeavoured to maintain and/or reduce the absolute debt. The strategic decision to purchase the new Civic Centre resulted in the drawdown of an additional \$20.0m loan in 2014-15. The continuing pressures placed on Council have limited Council's ability to significantly reduce the debt although the growth of this debt has been managed to reduce the overall percentage of debt servicing and redemption costs to rate revenue. The Debt guidelines in Appendix E set out the future strategy for Council to manage this debt and over time to bring the total debt in line with guidelines established by the Municipal Association of Victoria and the Auditor General's Office.

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

	2015-16 \$'000	2016-17 \$'000
Total amount borrowed as at 30 June of the prior year	64,995	57,116
Total amount to be borrowed	4,250	3,250
Total amount projected to be redeemed	(5,135)	(5,107)
Total amount proposed to be borrowed as at 30 June	64,110	55,259

Council's borrowings are proposed to be \$3.25m to partly fund the 2016-17 Capital Works program.

Financial pressures for the 2016-17 budget include:

1. This budget was developed under the State Government cap on the level of rate increases.
2. Continued commitment of \$19.527m to renew and upgrade the Shire's infrastructure in the capital works program.
3. To ensure intergenerational equity in funding the acquisition, renewal or construction of assets, Council recognises that it may need to resort to the prudent use of loan borrowings.
4. Growth within the Shire and the increasing contract costs to regularly maintain the increased number of parks and gardens, buildings and other infrastructure.

The Borrowing Guidelines (Appendix E) are an explanation of the way forward bringing to the ratepayers and residents an understanding of the current Council's view about the question of debt and the considerations that surround this aspect of the Council's finances.

## Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 10 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
A	Financial statements
B	Rates and charges
C	Capital works program
D	Fees and charges schedule
E	Borrowing Guidelines

## Appendix A

### Financial statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2016-17 to 2019-20 has been extracted from the Strategic Resource Plan.

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

The appendix includes the following budgeted information:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources



**Comprehensive Income Statement**

For the four years ending 30 June 2020

	Budget	Budget	Strategic Resource Plan		
	2015-16	2016-17	Projections		
	\$'000	\$'000	2017-18	2018-19	2019-20
			\$'000	\$'000	\$'000
<b>Income</b>					
Rates and charges	72,153	<b>77,468</b>	80,351	83,101	85,920
Statutory fees and fines	2,906	<b>3,006</b>	3,063	3,157	3,236
User fees	2,275	<b>2,322</b>	1,774	1,904	1,957
Grants - Operating	11,401	<b>11,494</b>	11,546	11,600	11,654
Grants - Capital	3,943	<b>2,072</b>	4,174	3,569	2,369
Contributions - monetary	337	<b>118</b>	0	0	0
Capital contributions - monetary	825	<b>5,238</b>	6,150	1,264	2,000
Development levies - monetary	385	<b>842</b>	859	877	895
Contributions - non-monetary	1,100	<b>1,128</b>	0	0	0
Interest income	733	<b>752</b>	508	396	309
Other income	2,201	<b>2,629</b>	1,078	962	1,126
<b>Total Income</b>	<b>98,260</b>	<b>107,067</b>	<b>109,503</b>	<b>106,830</b>	<b>109,466</b>
<b>Expenses</b>					
Employee costs	29,942	<b>31,855</b>	32,770	34,316	35,517
Materials and services	37,461	<b>40,115</b>	40,412	41,500	42,601
Bad & doubtful debts	168	<b>172</b>	176	180	185
Depreciation and amortisation	16,996	<b>19,070</b>	19,847	20,085	20,306
Borrowing costs	4,183	<b>4,054</b>	3,658	3,486	3,311
Other expenses	2,237	<b>2,479</b>	2,224	2,269	2,316
<b>Total Expenses</b>	<b>90,986</b>	<b>97,744</b>	<b>99,086</b>	<b>101,837</b>	<b>104,235</b>
<b>Surplus/(deficit) for the year</b>	<b>7,274</b>	<b>9,322</b>	<b>10,417</b>	<b>4,993</b>	<b>5,231</b>
less Capital income & other abnormals	<b>(6,253)</b>	<b>(9,280)</b>	<b>(11,183)</b>	<b>(5,710)</b>	<b>(5,264)</b>
<b>Adjusted underlying result</b>	<b>1,021</b>	<b>42</b>	<b>(766)</b>	<b>(717)</b>	<b>(33)</b>

**Balance Sheet**

For the four years ending 30 June 2020

	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Strategic Resource Plan Projections		
			2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Current assets</b>	0				
Cash and cash equivalents	37,171	<b>32,267</b>	28,112	17,571	10,379
Trade and other receivables	11,757	<b>13,901</b>	12,629	12,989	13,500
Inventories	33	<b>16</b>	16	16	16
Non-current assets classified as held for sale	11,698	<b>8,726</b>	8,726	8,726	8,726
Other assets	816	<b>560</b>	560	560	560
<b>Total current assets</b>	<b>61,475</b>	<b>55,470</b>	<b>50,043</b>	<b>39,862</b>	<b>33,181</b>
<b>Non-current assets</b>					
Trade and other receivables	0	<b>761</b>	761	761	761
Investments in associates and joint ventures	883	<b>1,432</b>	1,432	1,432	1,432
Property, infrastructure, plant and equipment	709,299	<b>933,538</b>	947,836	960,946	970,398
Intangible assets	0	<b>382</b>	382	382	382
<b>Total non-current assets</b>	<b>710,182</b>	<b>936,113</b>	<b>950,411</b>	<b>963,521</b>	<b>972,973</b>
<b>Total assets</b>	<b>771,657</b>	<b>991,583</b>	<b>1,000,454</b>	<b>1,003,383</b>	<b>1,006,153</b>
<b>Current liabilities</b>					
Trade and other payables	12,340	<b>16,078</b>	16,594	16,633	16,120
Trust funds and deposits	3,916	<b>5,405</b>	5,405	5,405	5,405
Provisions	4,888	<b>6,408</b>	6,840	7,302	7,795
Interest Bearing Loans and Borrowings	5,579	<b>5,579</b>	5,853	5,534	5,629
<b>Total current liabilities</b>	<b>26,723</b>	<b>33,469</b>	<b>34,692</b>	<b>34,874</b>	<b>34,950</b>
<b>Non-current liabilities</b>					
Provisions	1,048	<b>1,781</b>	1,859	1,940	2,026
Interest Bearing Loans and Borrowings	58,531	<b>49,680</b>	46,834	44,507	41,885
<b>Total non-current liabilities</b>	<b>59,579</b>	<b>51,461</b>	<b>48,693</b>	<b>46,448</b>	<b>43,911</b>
<b>Total liabilities</b>	<b>86,303</b>	<b>84,930</b>	<b>83,385</b>	<b>81,321</b>	<b>78,860</b>
<b>Net assets</b>	<b>685,354</b>	<b>906,652</b>	<b>917,069</b>	<b>922,062</b>	<b>927,293</b>
<b>Equity</b>					
Accumulated Surplus	483,870	<b>598,547</b>	611,532	621,205	627,235
Reserves	201,484	<b>308,106</b>	305,538	300,857	300,058
<b>Total equity</b>	<b>685,354</b>	<b>906,652</b>	<b>917,069</b>	<b>922,062</b>	<b>927,293</b>

**Statement of Changes in Equity**

For the four years ending 30 June

	Total	Accumulated Surplus	Revaluation Reserve	Other Reserves
	\$'000	\$'000	\$'000	\$'000
<b>2017</b>				
Balance at beginning of the financial year	897,330	588,308	286,197	22,826
Surplus/(deficit) for the year	9,322	9,322	0	0
Transfer to reserves	0	(842)	0	842
Transfer from reserves	0	1,759	0	(1,759)
<b>Balance at end of the financial year</b>	<b>906,652</b>	<b>598,547</b>	<b>286,197</b>	<b>21,909</b>
<b>2018</b>				
Balance at beginning of the financial year	906,652	598,547	286,197	21,909
Surplus/(deficit) for the year	10,417	10,417	0	0
Transfer to reserves	0	(859)	0	859
Transfer from reserves	0	3,427	0	(3,427)
<b>Balance at end of the financial year</b>	<b>917,069</b>	<b>611,532</b>	<b>286,197</b>	<b>19,341</b>
<b>2019</b>				
Balance at beginning of the financial year	917,069	611,532	286,197	19,341
Surplus/(deficit) for the year	4,993	4,993	0	0
Transfer to reserves	0	(877)	0	877
Transfer from reserves	0	5,558	0	(5,558)
<b>Balance at end of the financial year</b>	<b>922,062</b>	<b>621,206</b>	<b>286,197</b>	<b>14,660</b>
<b>2020</b>				
Balance at beginning of the financial year	922,062	621,206	286,197	14,660
Surplus/(deficit) for the year	5,231	5,231	0	0
Transfer to reserves	0	(895)	0	895
Transfer from reserves	0	1,694	0	(1,694)
<b>Balance at end of the financial year</b>	<b>927,293</b>	<b>627,236</b>	<b>286,197</b>	<b>13,861</b>

**Statement of Cash Flows**

For the four years ending 30 June 2020

	Budget 2015-16 \$'000	Budget 2016-17 \$'000	Strategic Resource Plan Projections		
			2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
	Inflows (Outflows)	Inflows )	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
<b>Cash flows from operating activities</b>					
Rates and charges	70,540	<b>76,932</b>	80,060	82,824	85,636
Statutory Fees and fines	2,906	<b>3,006</b>	3,063	3,157	3,236
User Fees	4,791	<b>1,882</b>	3,337	1,821	1,730
Grants - operating	11,401	<b>11,494</b>	11,546	11,600	11,654
Grants - capital	3,943	<b>2,072</b>	4,174	3,569	2,369
Contributions - monetary	337	<b>118</b>	0	0	0
Capital contributions - monetary	385	<b>5,238</b>	6,150	1,264	2,000
Development levies - monetary	825	<b>842</b>	859	877	895
Interest received	733	<b>752</b>	508	396	309
Other receipts	2,201	<b>2,629</b>	1,078	962	1,126
Employee costs	(29,566)	<b>(31,370)</b>	(32,259)	(33,773)	(34,939)
Materials and services	(39,515)	<b>(41,597)</b>	(42,296)	(43,911)	(45,614)
Net cash provided by operating activities	28,981	<b>31,997</b>	36,220	28,786	28,403
<b>Cash flows from investing activities</b>					
Payments for property, infrastructure, plant and equipment	(30,120)	<b>(33,190)</b>	(35,245)	(34,335)	(30,898)
Proceeds from sale of property, infrastructure, plant and equipment	2,481	<b>2,200</b>	1,100	1,140	1,140
Net cash used in investing activities	(27,639)	<b>(30,990)</b>	(34,145)	(33,195)	(29,758)
<b>Cash flows from financing activities</b>					
Finance costs	(4,183)	<b>(4,054)</b>	(3,658)	(3,486)	(3,311)
Proceeds from Borrowings	4,250	<b>3,250</b>	3,000	3,200	3,000
Repayment of Interest Bearing Loans & Borrowings	(5,135)	<b>(5,107)</b>	(5,572)	(5,846)	(5,527)
Net cash provided by (used in) financing activities	(5,068)	<b>(5,911)</b>	(6,230)	(6,132)	(5,837)
<b>Net change in cash &amp; cash equivalents</b>	<b>(3,726)</b>	<b>(4,904)</b>	<b>(4,155)</b>	<b>(10,541)</b>	<b>(7,193)</b>
Cash & cash equivalents at beginning of year	40,897	<b>37,171</b>	32,267	28,112	17,571
<b>Cash &amp; cash equivalents at end of year</b>	<b>37,171</b>	<b>32,267</b>	28,112	17,571	10,379

**Statement of Capital Works**

For the four years ending 30 June 2020

	Budget	Budget	Strategic Resource Plan		
	2015-16	2016-17	Projections		
	\$'000	\$'000	2017-18	2018-19	2019-20
			\$'000	\$'000	\$'000
<b>New works</b>					
<b>Property</b>					
Land	4,202	<b>1,200</b>	1,500	1,300	1,500
Buildings	920	<b>1,153</b>	1,363	1,278	2,471
<b>Total Property</b>	<b>5,122</b>	<b>2,353</b>	<b>2,863</b>	<b>2,578</b>	<b>3,971</b>
<b>Plant and equipment</b>					
Plant, machinery and equipment	2,071	<b>2,350</b>	2,270	2,410	2,410
Computers and telecommunications	400	<b>400</b>	410	460	460
<b>Total Plant and equipment</b>	<b>2,471</b>	<b>2,750</b>	<b>2,680</b>	<b>2,870</b>	<b>2,870</b>
<b>Infrastructure</b>					
Roads	5,542	<b>8,210</b>	10,923	7,056	8,023
Bridges	600	<b>600</b>	700	800	500
Footpaths and cycleways	1,268	<b>1,512</b>	2,161	2,552	1,401
Drainage	300	<b>380</b>	400	420	450
Recreation, leisure and community facilities	13,243	<b>17,326</b>	13,550	12,912	10,750
Parks, open space and streetscapes	995	<b>3,030</b>	1,391	4,512	2,214
Off street car parks	200	<b>152</b>	157	165	140
Other infrastructure	380	<b>480</b>	420	470	580
<b>Total Infrastructure</b>	<b>22,528</b>	<b>31,690</b>	<b>29,702</b>	<b>28,887</b>	<b>24,058</b>
<b>Total new works</b>	<b>30,121</b>	<b>36,793</b>	<b>35,245</b>	<b>34,335</b>	<b>30,899</b>
<b>Represented by:</b>					
New asset expenditure	16,235	<b>17,266</b>	15,109	14,455	11,695
Asset renewal expenditure	10,951	<b>11,267</b>	10,887	11,680	10,454
Asset upgrade expenditure	2,935	<b>8,260</b>	9,249	8,201	8,750
<b>Total capital works</b>	<b>30,121</b>	<b>36,793</b>	<b>35,245</b>	<b>34,335</b>	<b>30,899</b>

**Statement of Human Resources**

For the four years ending 30 June 2020

	Budget 2015-16 \$'000	Budget <b>2016-17</b> \$'000	Strategic Resource Plan Projections		
			2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Staff expenditure</b>					
Salaries and Oncosts - operating	29,096	<b>30,939</b>	31,822	33,336	34,502
<b>Total staff expenditure</b>	29,096	<b>30,939</b>	31,822	33,336	34,502
<b>Staff numbers</b>	EFT	<b>EFT</b>	EFT	EFT	EFT
Employees	311.7	<b>315.0</b>	317.5	320.5	323.0
<b>Total staff numbers</b>	311.7	<b>315.0</b>	317.5	320.5	323.0



## **Appendix B**

### **Rates and charges**

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

## 1. Rates and charges

1.1 The rate in the dollar to be levied as general rates under section 158 of the Act for each type or class of land compared with the previous financial year.

Type or class of land	2015-16 \$/CIV	2016-17 \$/CIV	Change %
Base Rate	0.003607	0.003696	2.5%
Agricultural Land	0.002705	0.002772	2.5%
Urban Rate	0.003823	0.003918	2.5%
Urban Vacant Land	0.008297	0.008501	2.5%
Urban Commercial and Industrial	0.005231	0.005360	2.5%
Urban Agricultural Land	0.003066	0.003142	2.5%
Lakeside Residential	0.003896	0.003992	2.5%
Lakeside Vacant Land	0.008404	0.008612	2.5%
Rate concession for cultural and recreational land	25%	25%	0.0%

1.2 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year.

Type or class of land	2015-16 \$	2016-17 \$
Base Rate	23,962,568	25,119,072
Agricultural Land	3,217,067	3,338,292
Urban Rate	21,594,800	24,396,479
Urban Vacant Land	3,922,196	4,154,341
Urban Commercial and Industrial	4,925,126	5,328,156
Urban Agricultural Land	166,551	130,219
Lakeside Residential	3,185,366	3,304,233
Lakeside Vacant Land	92,487	44,135
Cultural and Recreational Land	22,668	103,673
Supplementary	830,700	700,000
<b>Total amount to be raised by general rates</b>	<b>61,919,530</b>	<b>66,618,600</b>

**1.3 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year.**

<b>Type or class of land</b>	<b>2015-16</b>	<b>2016-17</b>
	<b>#</b>	<b>#</b>
Base Rate	<b>14,397</b>	<b>14,716</b>
Agricultural Land	<b>1,152</b>	<b>1,172</b>
Urban Rate	<b>16,065</b>	<b>17,549</b>
Urban Vacant Land	<b>1,177</b>	<b>1,781</b>
Urban Commercial and Industrial	<b>1,217</b>	<b>1,291</b>
Urban Agricultural Land	<b>17</b>	<b>16</b>
Lakeside Residential	<b>2,341</b>	<b>2,344</b>
Lakeside Vacant Land	<b>30</b>	<b>50</b>
Cultural and Recreational Land	<b>5</b>	<b>5</b>
<b>Total</b>	<b>36,401</b>	<b>38,924</b>

1.4 The basis of valuation to be used is the Capital Improved Value (CIV).

**1.5 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year.**

<b>Type or class of land</b>	<b>2015-16</b>	<b>2016-17</b>
	<b>\$</b>	<b>\$</b>
Base Rate	6,643,268,500	6,796,528,500
Agricultural Land	1,189,295,000	1,204,290,000
Urban Rate	5,648,180,000	6,227,150,000
Urban Vacant Land	472,752,000	488,700,000
Urban Commercial and Industrial	941,582,500	994,059,000
Urban Agricultural Land	54,325,000	41,450,000
Lakeside Residential	817,575,000	827,780,000
Lakeside Vacant Land	11,005,000	5,125,000
Cultural and Recreational Land	8,380,000	37,400,000
<b>Total</b>	<b>15,786,363,000</b>	<b>16,622,482,500</b>



1.6 The rate or unit amount to be levied for each type of service rate or charge under section 162 of the Act compared with the previous financial year.

Type of Charge	Per Rateable Property	Per Rateable Property	Change
	2015-16	2016-17	
	\$	\$	%
Garbage Charge	228.20	235.05	3.0%
Green Waste Charge	129.00	132.85	3.0%

1.7 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year.

Type of Charge	2015-16 \$	2016-17 \$
Garbage Charge	7,971,026	8,612,800
Green Waste Charge	2,262,918	2,236,500
<b>Total amount to be raised by charges</b>	<b>10,233,944</b>	<b>10,849,300</b>

1.8 The estimated total amount to be raised by all rates and charges compared with the previous financial year.

Type of Charge	2015-16 \$	2016-17 \$
General Rates	61,919,530	66,618,600
Garbage Charge	7,971,026	8,612,800
Green Waste Charge	2,262,918	2,236,500
Rates & Charges	72,153,474	77,467,900

**1.9 Any significant changes that may affect the estimated amounts to be raised by rates and charges.**

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

- The making of supplementary valuations;
- The variation of returned levels of value (e.g. valuation appeals);
- Changes of use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes of use of land such that residential land becomes business land and vice versa.

## 2. Differential rates

### 2.1 Rates to be levied

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

Type or class of land	2015-16 cents/\$CIV	2016-17 cents/\$CIV
Base Rate	0.3607	0.3696
Agricultural Land	0.2705	0.2772
Urban Rate	0.3823	0.3918
Urban Vacant Land	0.8297	0.8501
Urban Commercial and Industrial	0.5231	0.5360
Urban Agricultural Land	0.3066	0.3142
Lakeside Residential	0.3896	0.3992
Lakeside Vacant Land	0.8404	0.8612
Cultural and Recreational Land	0.2705	0.2772

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.

## 2.2 Base Rate

Base Rate applies to any land which does not have the characteristics of:

Agricultural Land  
Urban Land  
Urban Vacant Land  
Urban Commercial and Industrial  
Urban Agricultural Land  
Lakeside Residential  
Lakeside Vacant Land

### **Objective:**

The objective of the rate is to ensure owners of land having the characteristics of Other Land make an equitable financial contribution to the cost of carrying out Council's functions.

### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.



### 2.3 Agricultural Land

Agricultural Land is any rateable land:

- which is or exceeds 40 hectares in area;
- is 'farm land' within the meaning of section 2(1) of the *Valuation of Land Act 1960*; and
- is used by a business which is likely to generate a turnover of \$25,000 or more during the financial year.

**Objective:**

The objective of the rate is to:

- assist in the maintenance of farming activities within areas eminently suited for that purpose; and
- discourage the proliferation of non-agricultural activities on soil of high Agricultural value by protecting the social characteristics of the rural community from the encroachment of urban-type development.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.

## 2.4 Urban Land

Urban Land is any land:

- which is located within the Urban Growth Corridor and the Employment Corridor and does not have the characteristics of:

- Urban Vacant land
- Urban Commercial and Industrial
- Urban Agricultural Land
- Lakeside Residential
- Lakeside Vacant Land

**Objective:**

The objective of the rate is to ensure owners of land having the characteristics of Urban Land make an equitable financial contribution to the cost of carrying out Council's functions.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.

## 2.5 Urban Vacant Land

Urban Vacant Land is any land:

- on which no dwelling or other building designed or adapted for occupation is constructed; and
- which is located within the Urban Growth Corridor

**Objective:**

The objective of the rate is to encourage development for residential purposes.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

## 2.6 Urban Commercial and Industrial Land

Urban Commercial and Industrial Land is any land:

- which is used primarily for commercial or industrial purposes; and
- which is located within the Urban Growth Corridor and Employment Corridor.

**Objective:**

The objective of the rate is to encourage commerce and ensure that the owners of the land having the characteristics of Urban Commercial and Industrial Land make an equitable financial contribution to the cost of carrying out Council's functions.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.

## 2.7 Urban Agricultural Land

Urban Agricultural Land is any rateable land:

- which is or exceeds 40 hectares in area;
- is 'farm land' within the meaning of section 2(1) of the *Valuation of Land Act 1960*; and
- is used by a business which is likely to generate a turnover of \$25,000 or more during the financial year.

### **Objective:**

The objective of the rate is to encourage commerce and ensure that the owners of the land having the characteristics of Urban Agricultural Land make an equitable financial contribution to the cost of carrying out Council's functions.

### **Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

### **Geographic Location:**

Wherever located within the municipal district.

### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

### **Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

### **Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.

## 2.8 Lakeside Residential

Lakeside Residential Land is any land:

- any land located within the Pakenham Lakeside Subdivision north of the railway line; and
- is currently used primarily for residential purposes.

**Objective:**

The objective of the rate is to ensure owners of land having the characteristics of Lakeside Residential Land make an equitable financial contribution to the cost of carrying out Council's functions.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2015-16 financial year.



## 2.9 Lakeside Vacant Land

Lakeside Vacant Land is any land:

- on which no dwelling or other building designed or adapted for occupation is constructed; and
- which is located within the Lakeside Pakenham Subdivision north of the railway line.

**Objective:**

The objective of the rate is to encourage development for residential purposes.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Planning Scheme.

## Appendix C

### Capital works program

This appendix presents a listing of the capital works projects that will be undertaken for the 2016-17 year.

The capital works projects are grouped by class and include new works for 2016-17.

**Capital works program**

For the year ending 30 June 2017

**New works**

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Grants received prior year \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
<b>PROPERTY</b>										
<b>Land</b>										
Land Acquisition	1,200	1,200								1,200
<b>Total Land</b>	1,200	1,200	-	-	-	-	-	-	-	1,200
<b>Buildings</b>										
Buildings	553		553						553	
Disability Access Works	100		100						100	
Purton Road Depot Masterplan	500			500					500	
<b>Total Buildings</b>	1,153	-	653	500	-	-	-	-	1,153	-
<b>TOTAL PROPERTY</b>	2,353	1,200	653	500	-	-	-	-	1,153	1,200

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Grants received prior year \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
<b>PLANT AND EQUIPMENT</b>										
<b>Plant, Machinery and Equipment</b>										
New plant program	50	50							50	
Community Grants - Minor Equipment	50	50							50	
Plant replacement	2,250		2,250						2,250	
<b>Total Plant, Machinery and Equipment</b>	<b>2,350</b>	<b>100</b>	<b>2,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,350</b>	<b>-</b>
<b>Computers and Telecommunications</b>										
IT Strategy	350			350					350	
GIS Strategy	50			50					50	
<b>Total Computers and Telecommunications</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>400</b>	<b>-</b>
<b>TOTAL PLANT AND EQUIPMENT</b>	<b>2,750</b>	<b>100</b>	<b>2,250</b>	<b>400</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,750</b>	<b>-</b>

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Grants received prior year \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
<b>INFRASTRUCTURE</b>										
<b>Roads</b>										
Traffic management devices	100	100							100	
Resurfacing	1,909		1,909			550			1,359	
Resurfacing Preparation	489		489						489	
Unsealed Road Resheeting	900		900			230			670	
Pavement Renewals	1,292		1,292			1,292				
Ivory Drive, Pakenham	220			220				110	110	
O'Sullivan's Road, Hill and Peet Streets, Pakenham	3,000			3,000				3,000		
Fairbridge Lane, Cockatoo	50			50					50	
Wheeler Road, Maryknoll	250			250				128	122	
<b>Total roads</b>	<b>8,210</b>	<b>100</b>	<b>4,590</b>	<b>3,520</b>	<b>-</b>	<b>2,072</b>	<b>-</b>	<b>3,238</b>	<b>2,900</b>	<b>-</b>
<b>Bridges</b>										
Bridges - replacement/upgrade	600		600						600	
<b>Total Bridges</b>	<b>600</b>	<b>-</b>	<b>600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>600</b>	<b>-</b>
<b>Footpaths and Cycleways</b>										
Pedestrian & Bicycle strategy - shared path linkages	250	250							250	
Footpaths	600	600							600	
Equestrian Trails strategy implementation	50	50							50	
Emerald-Gembrook trail	150	150							150	
Concrete footpaths	317		317						317	
Gravel pathway resheeting	95		95						95	
Asset Renewal Equestrian Trails	50		50						50	
<b>Total Footpaths and Cycleways</b>	<b>1,512</b>	<b>1,050</b>	<b>462</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,512</b>	<b>-</b>
<b>Drainage</b>										
Drainage replacement	380		380						380	
<b>Total Drainage</b>	<b>380</b>	<b>-</b>	<b>380</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>380</b>	<b>-</b>

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Grants received prior year \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
<b>Recreational, Leisure and Community Facilities</b>										
Hills Community Hub	3,500	3,500							2,000	1,500
Arena double kindergarten - open January 2017	1,129	1,129						1,129		
Heatherbrae Recreation Reserve pavilion	2,000	2,000					2,000			
Regional Soccer Facility (YU Recreation Reserve)	3,520	3,520					3,520			
Lang Lang Sporting Facilities	2,000	2,000						2,000		
Emerald Netball Pavillion/Courts	1,517	1,517							967	550
Comely Banks Recreation Reserve	100	100						100		
Integrated children's facility - open January 2019	120	120						80	40	
James Bathe Recreation Reserve	450	450						450		
Chandler Recreation Reserve Pavillion	1,000		1,000						1,000	
Cardinia Cultural Centre	50		50						50	
Golf Club Capital Expenditure - Relating to Purchase Price	200		200						200	
BMX Facility Asset renewal	30		30						30	
Netball/Tennis courts	110		110						110	
Recreation reserve resurfacing	350		350						350	
Swimming facilities	80		80						80	
Public Art Program	80		80						80	
Asset Upgrade Netball Facilities	330			330					330	
Recreation Reserve lighting and power upgrade	120			120					120	
Community Grants	500			500					500	
Township Strategy Implementation	100			100					100	
SRV Minor Grants matching funding	40			40					40	
<b>Total Recreation, Leisure and Community Facilities</b>	<b>17,326</b>	<b>14,336</b>	<b>1,900</b>	<b>1,090</b>	<b>-</b>	<b>-</b>	<b>5,520</b>	<b>3,759</b>	<b>5,997</b>	<b>2,050</b>



Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources				
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Grants received prior year \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
<b>Parks, Open Space and Streetscapes</b>										
Implementation of Pepi's Land Strategy	100	100							100	
Tree planting program	50	50							50	
Playgrounds	180		180						180	
Tree management works at high risk sites	100		100						100	
Deep Creek Reserve	2,500			2,500					2,500	
Open Space Program	100			100					100	
<b>Total Parks, Open Space and Streetscapes</b>	<b>3,030</b>	<b>150</b>	<b>280</b>	<b>2,600</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,030</b>	<b>-</b>
<b>Off Street Car Parks</b>										
Carpark resurfacing	152		152						152	
<b>Total Off Street Car Parks</b>	<b>152</b>	<b>-</b>	<b>152</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>152</b>	<b>-</b>
<b>Other Infrastructure</b>										
Installation of new lighting	60	60							60	
Environmental projects	200	200							200	
Lakeside West masterplan	70	70							70	
Priority Works	150			150					150	
<b>Total Other Infrastructure</b>	<b>480</b>	<b>330</b>	<b>-</b>	<b>150</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>480</b>	<b>-</b>
<b>TOTAL INFRASTRUCTURE</b>	<b>31,690</b>	<b>15,966</b>	<b>8,364</b>	<b>7,360</b>	<b>-</b>	<b>2,072</b>	<b>5,520</b>	<b>6,997</b>	<b>15,051</b>	<b>2,050</b>
<b>TOTAL NEW CAPITAL WORKS 2015/16</b>	<b>36,793</b>	<b>17,266</b>	<b>11,267</b>	<b>8,260</b>	<b>-</b>	<b>2,072</b>	<b>5,520</b>	<b>6,997</b>	<b>18,954</b>	<b>3,250</b>
<b>Summary</b>										
PROPERTY	2,353	1,200	653	500	-	-	-	-	1,153	1,200
PLANT AND EQUIPMENT	2,750	100	2,250	400	-	-	-	-	2,750	-
INFRASTRUCTURE	31,690	15,966	8,364	7,360	-	2,072	5,520	6,997	15,051	2,050
<b>TOTAL CAPITAL WORKS</b>	<b>36,793</b>	<b>17,266</b>	<b>11,267</b>	<b>8,260</b>	<b>-</b>	<b>2,072</b>	<b>5,520</b>	<b>6,997</b>	<b>18,954</b>	<b>3,250</b>

## Appendix D

### Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2016-17 year.

Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
<b>Community Services</b>					
<b>Aged Services</b>					
Mecwacare Pakenham provide Home & Community Care (HACC) services in Cardinia Shire. Contact them on 5941-5454 for current fees and charges. These services include Home Care, Personal Care, Respite Care, Home Maintenance, Meals on Wheels, and Planned Activity Groups.					
<b>MCH Service</b>					
Breast Pump Kit Purchase - single	No	Yes	\$31.00	\$32.00	3.2%
Breast Pump Kit Purchase - double	No	Yes	\$42.00	\$43.00	2.4%
<b>My Place</b>					
Casual Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$37.00	\$40.00	8.1%
Casual Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$74.00	\$75.00	1.4%
Casual Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$47.50	\$50.00	5.3%
Casual Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$95.00	\$100.00	5.3%
Casual Room Hire - Activity Room Half Day Rate	Yes	Yes	\$52.50	\$55.00	4.8%
Casual Room Hire - Activity Room Full Half Day Rate	Yes	Yes	\$105.00	\$110.00	4.8%
Regular Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$22.00	\$25.00	13.6%
Regular Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$44.50	\$45.00	1.1%
Regular Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$28.50	\$30.00	5.3%
Regular Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$56.50	\$60.00	6.2%
Regular Room Hire - Activity Room Half Day Rate	Yes	Yes	\$32.00	\$35.00	9.4%
Regular Room Hire - Activity Room Full Day Rate	Yes	Yes	\$63.00	\$70.00	11.1%
Note - Half Day - up to and including 4 hours, Day - 4 to 8 hours					
Regular Rates - 6 or more consecutive bookings					
<b>Children's Centres</b>					
<b>Private/for profit organisations:</b>					
Community room half day	Yes	Yes	\$70.00	\$72.00	2.9%
Committee room half day	Yes	Yes	\$60.00	\$61.50	2.5%
ECIS room (half room) half day	Yes	Yes	\$60.00	\$61.50	2.5%
Consult room - half day	Yes	Yes	\$60.00	\$61.50	2.5%
Community room full day	Yes	Yes	\$144.00	\$148.00	2.8%
Committee room full day	Yes	Yes	\$120.00	\$123.00	2.5%
ECIS room (half room) full day	Yes	Yes	\$120.00	\$123.00	2.5%
Consult room full day	Yes	Yes	\$120.00	\$123.00	2.5%
<b>Not for profit organisations:</b>					
Community Room half day	Yes	Yes	\$49.00	\$50.00	2.0%
Committee Room half day	Yes	Yes	\$40.00	\$41.00	2.5%
ECIS room (half room) half day	Yes	Yes	\$40.00	\$41.00	2.5%
Consult room half day	Yes	Yes	\$40.00	\$41.00	2.5%
Community room full day	Yes	Yes	\$98.00	\$100.00	2.0%
Committee room full day	Yes	Yes	\$80.00	\$82.00	2.5%
ECIS room (half room) full day	Yes	Yes	\$80.00	\$82.00	2.5%
Consult room full day	Yes	Yes	\$80.00	\$82.00	2.5%
<b>Community groups:</b>					
Community room half day	Yes	Yes	\$20.00	\$20.50	2.5%
Committee room half day	Yes	Yes	\$15.00	\$15.50	3.3%
ECIS room (half room) half day	Yes	Yes	\$15.00	\$15.50	3.3%
Community room full day	Yes	Yes	\$40.00	\$41.00	2.5%
Committee Room full day	Yes	Yes	\$30.00	\$31.00	3.3%
ECIS room (half room) full day	Yes	Yes	\$30.00	\$31.00	3.3%
<b>Kindergarten Central Enrolment</b>					
	No	Yes	\$25.00	\$26.00	4.0%
<b>Rates &amp; Property Services</b>					
Land information certificates (statutory fee)	No	No	\$20.00	\$24.80	24.0%
Late payment of rates administration fee	No	Yes	\$30.00	\$30.00	0.0%
Sales Data (Valuers)	Yes	Yes	\$85.00	\$85.00	0.0%
<b>Information Services</b>					
Fees - FOI (statutory fees applicable under FOI Act):					
Application Fee	No	No	\$25.70	\$27.20	5.8%
Search Charge per hour or part thereof	No	No	\$20.00	\$20.00	2.0%
Supervision Charge per quarter hour	No	No	\$5.00	\$5.00	0.0%

Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
Photocopy charge	No	No	\$0.20	\$0.20	0.0%
<b>IT - Geographic Information System maps</b>					
Setup fee per map	Yes	Yes	\$50.00	\$51.50	3.0%
A3 Plotter (per map)	Yes	Yes	\$17.50	\$18.00	2.9%
A2 (per map)	Yes	Yes	\$26.00	\$26.50	1.9%
A1 (per map)	Yes	Yes	\$39.00	\$40.00	2.6%
A0 (per map)	Yes	Yes	\$57.00	\$58.50	2.6%
<b>IT - Plan printing charges (per copy)</b>					
PLAN OF SUBDIVISION (A3)	Yes	Yes	\$4.60	\$4.70	2.2%
SHIRE PLAN (AO)	Yes	Yes	\$33.00	\$34.00	3.0%
A4 PHOTOCOPIES	Yes	Yes	\$0.80	\$0.85	6.2%
Multiple Copies (10+)	Yes	Yes	\$0.80	\$0.85	6.2%
A1 SIZE PLAN	Yes	Yes	\$11.50	\$11.50	0.0%
A0 SIZE PLAN	Yes	Yes	\$21.50	\$22.00	2.3%
<b>Development &amp; Compliance Services</b>					
<b>Public Health and Wellbeing Act Premises (PHWBA)</b>					
Registration of hairdressers, beauty parlours, etc.	No	Yes	\$154.50	\$159.10	3.0%
Skin Penetration	No	Yes	\$154.50	\$159.10	3.0%
Registration renewal of prescribed accommodation (4-10 persons)	No	Yes	\$154.50	\$159.10	3.0%
Registration renewal of prescribed accommodation (11-20 persons)	No	Yes	\$233.50	\$240.50	3.0%
Registration renewal of prescribed accommodation (21-30 persons)	No	Yes	\$318.00	\$327.50	3.0%
Registration renewal of prescribed accommodation (more than 30 persons)	No	Yes	\$402.50	\$414.60	3.0%
Registration renewal of prescribed accommodation (Hotel/Motel)	No	Yes	\$154.50	\$159.10	3.0%
Registration renewal of prescribed accommodation (bed & breakfast)	No	Yes	\$154.50	\$159.10	3.0%
Colonic Irrigation	No	Yes	\$154.50	\$159.10	3.0%
Two or more activities conducted on the premises by the same proprietor	No	Yes	\$233.50	\$240.50	3.0%
Transfer of Registration (Health Act premises)	No	Yes	50% Annual Fee	50% Annual Fee	
Caravan Parks	No	No	\$13.60 per fee unit	TBA	
*NOTE: - Transfer of Registration currently 5 fee units	No	No	\$68.00	TBA	
<b>Food Act Registered Premises</b>					
* Up to 5 employees					
Class 1 (includes one routine inspection and assessment of audit)	No	Yes	\$501.50	\$516.50	3.0%
Class 2 (includes one routine inspection and compliance check)	No	Yes	\$501.50	\$516.50	3.0%
Class 3 (includes one routine inspection)	No	Yes	\$159.50	\$164.30	3.0%
Fee for inspections in addition to routine inspection - rate per hour.	Yes	Yes	\$80.00	\$82.40	3.0%
Audit fees - rate per hour.	Yes	Yes	\$80.00	\$82.40	3.0%
* For each additional effective full-time employee greater than 5.	No	Yes	\$25.50	\$26.30	3.1%
<b>School Canteens</b>					
* Not for Profit (same as Class 3)	No	Yes	\$112.00	\$115.40	3.0%
* Privately run - calculated according to Class of premises	No	Yes			
Transfer of Registration (Food Act premises)	No	Yes	\$188.00	\$193.60	3.0%
Food Act Premises Establishment Fee	No	Yes	50% Annual Fee	50% Annual Fee	
Maximum Fee (greater than 75 effective full time employees)	No	Yes	\$2,215.50	\$2,282.00	3.0%
Class 1 and 2 (Temporary Food Premises)	No	Yes	\$58.50	\$60.30	3.1%
Class 3 (Temporary Food Premises)	No	Yes	\$38.00	\$39.10	2.9%
Infringements (Food Act 184 and Public Health & Wellbeing Act 2008) as prescribed by State Government	No	No			
<b>PHWBA and Food Act</b>					
Pre application Site Consultation.	Yes	Yes	\$80.00	\$82.40	3.0%
After 1st July the Registration Fee will be 50% of the annual fee (plus the establishment fee).	No	Yes	50% Annual Fee	50% Annual Fee	
Inspection requests from Solicitors or proposed proprietors	Yes	Yes	\$139.00	\$143.20	3.0%
Late fee for Registration- All premises (after 31st December)	No	Yes	50% Annual Fee	50% Annual Fee	
Sale of sharps containers	Yes	Yes	\$28.00	\$28.30	1.1%
<b>Septic Tanks</b>					
Installation permits (new)	No	Yes	\$346.00	\$356.40	3.0%
Permit for Alteration	No	Yes	\$174.00	\$179.22	3.0%
Septic Tank consent report	No	Yes	\$46.00	\$47.40	3.0%
Septic Tank Plan Search Fee	No	Yes	\$47.00	\$48.40	3.0%
Reissue Septic permit	No	Yes	\$36.00	\$37.10	3.1%
Infringements (Septic tanks) currently 5 penalty units as prescribed by State Government	No	No	\$758.40	TBA	
<b>Regulatory Services - Animal Control</b>					
Dog registration	No	Yes	\$109.00	\$112.30	3.0%
Cat registration	No	Yes	\$109.00	\$112.30	3.0%
Reduced Fee Dog - (microchipped, sterilised, 10 years of age plus, working dog)	No	Yes	\$33.00	\$34.00	3.0%
Reduced Fee Cat - (microchipped, sterilised, 10 years of age plus)	No	Yes	\$32.00	\$33.00	3.1%
Member Canine Assoc (unsterilised)	No	Yes	\$33.00	\$34.00	3.0%
Reduced Fee Unsterilised Dog - Pensioner	No	Yes	\$54.50	\$56.10	2.9%
Reduced Fee Unsterilised Cat - Pensioner	No	Yes	\$54.50	\$56.10	2.9%

Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
Reduced Fee Sterilised Dog - Pensioner	No	Yes	\$16.50	\$17.00	3.0%
Reduced Fee Sterilised Cat - Pensioner	No	Yes	\$16.50	\$17.00	3.0%
Domestic animal businesses - Licence to operate breeding establishment	No	Yes	\$448.00	\$461.40	3.0%
Animal Register inspection fees	No	Yes	\$34.00	\$35.00	2.9%
Hire of cat traps	Yes	Yes	\$30.00	\$30.90	3.0%
Hire of anti barking collars (citronella collars)	Yes	Yes	\$59.00	\$60.80	3.1%
Bonds/deposits on anti barking collars, cat traps, and possum traps	No	Yes	\$63.00	\$64.90	3.0%
Animal Release Fee - Cat - day one	No	No	\$125.00	\$128.80	3.0%
Animal Release Fee - Dog - day one	No	No	\$125.00	\$128.80	3.0%
Animals - Excess numbers permit	No	Yes	\$72.00	\$74.20	3.1%
Animal-related fines	No	No	As prescribed by State Government legislation	As prescribed by State Government legislation	
Animals - Excess numbers	No	Yes	\$72.00	\$74.20	3.1%
Animals – Grazing on nature strips	No	Yes	\$151.00	\$155.50	3.0%
Animals – Fence off nature strip for grazing	No	Yes	\$151.00	\$155.50	3.0%
Impound fee (small and large animals )	No	No	\$42.50	\$43.80	3.1%
Sustenance large animal	No	No	\$13.00	\$13.40	3.1%
Sustenance small animal	No	No	\$10.00	\$10.30	3.0%
Labour (business hours / out-of-business hours)	No	Yes	\$65.00 / \$92.00	\$67.00 / \$94.80	
Stock Transportation	Yes	No	Fees as charged by contractor	Fees as charged by contractor	
<b>Regulatory Services - Local Laws</b>					
Local Law Fines	No	Yes	As per CSCs adopted Local Laws	As per CSCs Local Laws	
Parking Fines	No	No	As prescribed by Road Rules Victoria	As per CSCs Local Laws	
Copies of any local laws	No	Yes	\$27.00	\$27.80	3.0%
Charity bins	No	Yes	\$66.00	\$68.00	3.0%
Advertising Signs - A Frames	No	Yes	\$151.00	\$155.50	3.0%
Advertising Signs - Real Estate Auction Boards (3 months)	No	Yes	\$198.00	\$203.90	3.0%
Advertising Signs, Flags overhanging roads-3 metres (3 months)	No	Yes	\$198.00	\$203.90	3.0%
Advertising signs schools (up to three per year)	No	Yes	N/A	\$100.00	
Camping and Caravans (per month)	No	Yes	\$151.00	\$155.50	3.0%
Footpath - Display goods (per item)	No	Yes	\$151.00	\$155.50	3.0%
Footpath - Table and Chairs - Fee per table	No	Yes	\$47.50	\$48.90	2.9%
Footpath - Table and Chairs - Fee per chair	No	Yes	\$30.00	\$30.90	3.0%
Footpath - Windbreaker screen	No	Yes	\$178.00	\$183.30	3.0%
Rubbish Containers - Skips on public land per day	No	Yes	\$47.50	\$48.90	2.9%
Commercial Bins Business use eg. restaurants, businesses in CBD per month	No	Yes	\$151.00	\$155.50	3.0%
Heavy Vehicle – on land under 0.8ha (2 acres)	No	Yes	\$151.00	\$155.50	3.0%
Liquor - Consumption/Possession – within 500 metres of licensed premises	No	Yes	\$151.00	\$155.50	3.0%
Recreational Vehicles	No	Yes	\$151.00	\$360.00	138.4%
Personal Trainers in public place	No	Yes	N/A	\$183.30	
General Permit	No	Yes	\$151.00	\$155.50	3.0%
Mobile Crane/Tower	No	Yes	\$151.00	\$155.50	3.0%
Roadside Trading (Highway Sites by Tender) - per year	No	Yes	Subject to tender	Subject to tender	
Roadside Trading (Highway Sites by Tender) - per day	No	Yes	Subject to tender	Subject to tender	
Street Stalls (inc. sausage sizzles) (No charge applicable to Community Groups) per day	No	Yes	\$46.50	\$47.90	3.0%
Vegetation/Firewood - removal/destruction per application	No	Yes	\$91.50	\$94.30	3.1%
Abandoned Vehicle Release	Yes	Yes	\$261.00	\$268.80	3.0%
Impounded Item Release	Yes	Yes	\$130.00	\$133.90	3.0%
General Local Laws Fines	No	Yes	As per CSCs Local Laws	As per CSCs Local Laws	
Release of impounded recreational vehicle/monkey bike	Yes	Yes	\$299.00	\$308.00	3.0%
<b>Building</b>					
Note that Council charge the maximum statutory fee as set out in the Building Regulations 2006					
Lodgement Fee (cost of building work \$5,000 or more)	No	No	\$37.40	TBA	
Property Information	No	No	\$49.90	TBA	
Copies of Plans	No	Yes	\$93.70	\$96.50	3.0%
Copies of Documents	No	Yes	\$39.10	\$40.30	3.1%
Council Consent/Siting dispensation	No	No	\$250.60	TBA	
Council Consent/Building over easement dispensation	No	No	\$250.60	TBA	
Council Consent/Land liable to flood/inundation dispensation	No	No	\$250.60	TBA	
Council Consent/Protection of the Public	No	No	\$250.60	TBA	
Building Inspection	No	Yes	\$159.00	\$163.80	3.0%
Heritage/Demolition Consent	No	No	\$62.55	TBA	
Temporary Public Structure Siting	No	Yes	\$211.00	\$217.30	3.0%
Occupancy Permits - Place of Public Entertainment	No	Yes	\$396.50	\$408.40	3.0%
Community Infrastructure Levy - Pakenham	No	Yes	\$623.00	TBA	
Community Infrastructure Levy - Cardinia Rd & Officer	No	Yes	\$900.00	TBA	
Trust System (Hoarding Deposits)	No	Yes	\$200.00 per 15m	\$206.00 per 15m	3.0%
<b>Planning</b>					
Note that Council charge the maximum statutory fee as set out in the Building Regulations 2006					

Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
For a declaration by the Council as to whether a matter specified on a permit to be carried out to the "satisfaction of the Council" has in fact been completed:-	No	No	\$102.00	TBA	
Applications for Permits					
1 An application for use only.	No	No	\$502.00	TBA	
An application to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is:					
2 > \$10,000 < \$100,000	No	No	\$239.00	TBA	
3 > \$100,001	No	No	\$490.00	TBA	
An application to develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:					
4 <= \$10,000	No	No	\$102.00	TBA	
5 > \$10,001 - \$250,000	No	No	\$604.00	TBA	
6 > \$250,001 - \$500,000	No	No	\$707.00	TBA	
7 > \$500,001 - \$1,000,000	No	No	\$815.00	TBA	
8 > \$1,000,001 - \$7,000,000	No	No	\$1,153.00	TBA	
9 > \$7,000,001 - \$10,000,000	No	No	\$4,837.00	TBA	
10 > \$10,000,001 - \$50,000,000	No	No	\$8,064.00	TBA	
11 > \$50,000,001	No	No	\$16,130.00	TBA	
12 An application to subdivide an existing building.	No	No	\$386.00	TBA	
13 An application to subdivide land into two lots	No	No	\$386.00	TBA	
14 To effect a realignment of a common boundary between lots or to consolidate two or more lots	No	No	\$386.00	TBA	
15 An application to subdivide land	No	No	\$781.00	TBA	
16 An application to remove a restriction (within the meaning of the Subdivision Act 1988) over land if the land has been used or developed for more than 2 years before the date of the applications in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction.	No	No	\$249.00	TBA	
17 An application to create, vary or remove a restriction within the meaning of the Subdivision Act 1988; or to create or remove a right of way	No	No	\$541.00	TBA	
18 To create, vary or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in a Crown grant	No	No	\$404.00	TBA	
Request for planning scheme amendment	No	No	\$798.00	TBA	
Consideration of submissions to a planning scheme amendment	No	No	\$798.00	TBA	
Adoption of a planning scheme amendment	No	No	\$524.00	TBA	
Consideration of request to approve a planning scheme amendment	No	No	\$798.00	TBA	
Plan of subdivision (certification)	No	No	\$100 plus \$20 per lot	TBA	
Planning Enquiries	No	Yes	\$76.00	\$110.00	44.7%
Provide a copy of an endorsed plan	No	Yes	\$59.00	\$100.00	69.5%
Extension of time to planning permit	No	Yes	\$88.00	\$125.00	42.0%
Voluntary amendment permit and or plan	No	Yes	\$128.00	\$200.00	56.3%
Advertising Fee (up to 20 notices)	No	Yes	\$85.00	\$87.50	2.9%
Advertising Fee (20 to 40 notices)	No	Yes	\$144.00	\$175.00	21.5%
Advertising Fee (over 40 notices)	No	Yes	N/A	\$200.00	
Planning Certificate	No	No	\$18.20	TBA	
Planning Certificate (Priority)	No	Yes	\$57.00	\$58.70	3.0%
Sign	Yes	Yes	\$29.00	\$60.00	106.9%
Applications for Amendments to Permits					
1 An application to amend a permit to use the land if that amendment is to change the use for which the land may be used.	No	No	\$502.00	TBA	
2 An application to amend a permit (other than a permit to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot) - (a) to change the statement of what the permit allows; or (b) to change any or all of the conditions which apply to the permit; or (c) in any way not otherwise provided for in this regulation.	No	No	\$502.00	TBA	
An application to amend a permit (other than a permit to subdivide land) to - (a) develop land for a single dwelling per lot; or (b) use and develop land for a single dwelling per lot; or (c) undertake development ancillary to the use of the land for a single dwelling per lot - if the estimated cost of any additional development to be permitted by the amendment is:					
3 >10,000 - 100,000	No	No	\$239.00	TBA	
4 >\$100,000	No	No	\$490.00	TBA	
5 An application to amend a permit to develop land, other than - (a) a permit to undertake development ancillary to the use of the land for a single dwelling per lot where the total estimated cost of the development originally permitted and the additional development to be permitted by the amendment is not more than \$10,000; or (b) a permit to subdivide land - if the estimated cost of any additional development to be permitted by the amendment is \$10,000 or less.	No	No	\$102.00	TBA	



Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
6 An application (other than a Class 3 or Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$10,000 and not more than \$250,000.	No	No	\$604.00	TBA	
7 An application (other than a Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$250,000 and not more than \$500,000.	No	No	\$707.00	TBA	
8 An application (other than a Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$500,000.	No	No	\$815.00	TBA	
9 An application to amend a permit to - (a) subdivide an existing building; or (b) subdivide land into 2 lots; or (3) effect a realignment of a common boundary between lots or to consolidate 2 or more lots.	No	No	\$386.00	TBA	
Certificates of compliance	No	No	\$147.00	TBA	
Amendment of plans prior to certification	No	Yes	N/A	\$147.00	
Request to amend an application for a permit after notice of the application has been given for every class of application (other than a Class 4 application) set out in the table 'Applications for Permits'.	No	No	\$102.00	TBA	
Request to amend an application to amend a permit after notice of the application has been given for every class of application (other than a Class 5 application) set out in the table 'Applications for Amendments to Permits'.	No	No	\$102.00	TBA	
<b>Community Risk &amp; Emergency Management</b>					
<b>Fire Prevention</b>					
Fail to Comply with a Notice (Fire Prevention Notice)	No	No	\$1,516.70	TBA	
<b>Sustainable Communities</b>					
<b>Beaconsfield Community Complex</b>					
Please phone 8768 4400 for the current hire rates					
<b>Cardinia Cultural Centre</b>					
<b>Banquet Room (incl. Lakeview &amp; Dance rooms)</b>					
4 hours - Standard	Yes	Yes	\$620.00	\$640.00	3.2%
8 hours - Standard	Yes	Yes	\$1,080.00	\$1,110.00	2.8%
Expo rate (10 hours+) - Standard	Yes	Yes	\$1,550.00	\$1,595.00	2.9%
4 hours - Community Group	Yes	Yes	\$530.00	\$545.00	2.8%
8 hours - Community Group	Yes	Yes	\$920.00	\$945.00	2.7%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$1,320.00	\$1,360.00	3.0%
<b>Lakeview Room</b>					
4 hours - Standard	Yes	Yes	\$330.00	\$340.00	3.0%
8 hours - Standard	Yes	Yes	\$580.00	\$600.00	3.4%
Expo rate (10 hours+) - Standard	Yes	Yes	\$825.00	\$850.00	3.0%
4 hours - Community Group	Yes	Yes	\$280.00	\$290.00	3.6%
8 hours - Community Group	Yes	Yes	\$495.00	\$510.00	3.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$705.00	\$725.00	2.8%
<b>Dance Room</b>					
4 hours - Standard	Yes	Yes	\$310.00	\$320.00	3.2%
8 hours - Standard	Yes	Yes	\$540.00	\$550.00	1.9%
Expo rate (10 hours+) - Standard	Yes	Yes	\$770.00	\$795.00	3.2%
4 hours - Community Group	Yes	Yes	\$265.00	\$275.00	3.8%
8 hours - Community Group	Yes	Yes	\$460.00	\$475.00	3.3%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$655.00	\$675.00	3.1%
<b>Gallery Room</b>					
4 hours - Standard	Yes	Yes	\$185.00	\$185.00	0.0%
8 hours - Standard	Yes	Yes	\$325.00	\$325.00	0.0%
Expo rate (10 hours+) - Standard	Yes	Yes	\$465.00	\$465.00	0.0%
4 hours - Community Group	Yes	Yes	\$160.00	\$160.00	0.0%
8 hours - Community Group	Yes	Yes	\$275.00	\$275.00	0.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$390.00	\$390.00	0.0%
<b>Seminar Room</b>					
4 hours - Standard	Yes	Yes	\$165.00	\$165.00	0.0%
8 hours - Standard	Yes	Yes	\$290.00	\$290.00	0.0%
Expo rate (10 hours+) - Standard	Yes	Yes	\$410.00	\$410.00	0.0%
4 hours - Community Group	Yes	Yes	\$140.00	\$140.00	0.0%
8 hours - Community Group	Yes	Yes	\$250.00	\$250.00	0.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$355.00	\$355.00	0.0%
<b>Workshop Room</b>					
4 hours - Standard	Yes	Yes	\$60.00	\$65.00	8.3%
8 hours - Standard	Yes	Yes	\$110.00	\$115.00	4.5%
Expo rate (10 hours+) - Standard	Yes	Yes	\$155.00	\$160.00	3.2%
4 hours - Community Group	Yes	Yes	\$52.00	\$55.00	5.8%
8 hours - Community Group	Yes	Yes	\$91.00	\$95.00	4.4%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$130.00	\$135.00	3.8%
<b>Theatre</b>					
Rehearsal per hour (includes 1 tech) - Commercial	Yes	Yes	\$180.00	\$185.00	2.8%
Rehearsal per hour (includes 1 tech) - Community Group	Yes	Yes	\$165.00	\$170.00	3.0%

Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
Rehearsal per hour (includes 1 tech) - Not for Profit	Yes	Yes	\$140.00	\$145.00	3.6%
Performance per hour (includes 1 tech) - Commercial	Yes	Yes	\$230.00	\$240.00	4.3%
Performance per hour (includes 1 tech) - Community Group	Yes	Yes	\$215.00	\$225.00	4.7%
Performance per hour (includes 1 tech) - Not for Profit	Yes	Yes	\$190.00	\$195.00	2.6%
<b>Pakenham Hall</b>					
Community Hall, Supper Room & Kitchen - Standard - per hour	Yes	Yes	\$82.00	\$85.00	3.7%
Community Hall - Standard - per hour	Yes	Yes	\$62.00	\$65.00	4.8%
Supper Room - Standard - per hour	Yes	Yes	\$52.00	\$55.00	5.8%
Kitchen - Standard - per hour	Yes	Yes	\$52.00	\$55.00	5.8%
Community Hall & Kitchen - Standard - per hour	Yes	Yes	\$72.00	\$75.00	4.2%
Community Hall & Supper Room - Standard - per hour	Yes	Yes	\$67.00	\$70.00	4.5%
Supper Room & Kitchen - Standard - per hour	Yes	Yes	\$62.00	\$65.00	4.8%
Community Hall, Supper Room & Kitchen - Community Group - per hour	Yes	Yes	\$66.00	\$70.00	6.1%
Community Hall - Community Group - per hour	Yes	Yes	\$50.00	\$52.50	5.0%
Supper Room - Community Group - per hour	Yes	Yes	\$42.00	\$42.50	1.2%
Kitchen - Community Group - per hour	Yes	Yes	\$42.00	\$42.50	1.2%
Community Hall & Kitchen - Community Group - per hour	Yes	Yes	\$58.00	\$60.00	3.4%
Community Hall & Supper Room - Community Group - per hour	Yes	Yes	\$54.00	\$55.00	1.9%
Supper Room & Kitchen - Community Group - per hour	Yes	Yes	\$50.00	\$52.50	5.0%
<b>Emerald Lake Park</b>					
Parking - all day	Yes	Yes	\$6.00	\$6.00	0.0%
Shelter Hire - Lions Den	Yes	Yes	\$141.00	\$145.00	2.8%
Shelter Hire - Messmate	Yes	Yes	\$89.00	\$91.00	2.2%
Shelter Hire - Boatshed	Yes	Yes	\$62.00	\$63.00	1.6%
Shelter Hire - Poolside	Yes	Yes	\$62.00	\$63.00	1.6%
Shelter Hire - Lakeside	Yes	Yes	\$62.00	\$63.00	1.6%
Amphitheatre Hire - Gus Ryberg	Yes	Yes	\$285.00	\$293.00	2.8%
Amphitheatre Hire - Bunerong	Yes	Yes	\$213.00	\$219.00	2.8%
Amphitheatre Hire - Carl Stemp	Yes	Yes	\$213.00	\$219.00	2.8%
Amphitheatre Hire - The Pines	Yes	Yes	\$85.00	\$87.00	2.4%
Amphitheatre Hire - The Gums	Yes	Yes	\$213.00	\$219.00	2.8%
Lakeside Function Room	Yes	Yes	\$195.00	\$200.00	2.6%
<b>Kooweerup Community Complex</b>					
Please phone 5997-9679 for the current hire rates					
<b>Council Managed Recreation Reserves</b>					
Lakeside Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,212.00	\$1,260.50	4.0%
O'Neil Road Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,212.00	\$1,260.50	4.0%
Don Jackson Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,212.00	\$1,260.50	4.0%
Holm Park Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,212.00	\$1,260.50	4.0%
Holm Park Recreation Reserve netball courts - full year	Yes	Yes	\$562.00	\$1,169.00	108.0%
Heatherbrae Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,212.00	\$1,260.50	4.0%
Heatherbrae Recreation Reserve netball courts - full year	Yes	Yes	\$562.00	\$584.50	4.0%
Holm Park Community Room	Yes	Yes	\$25 per hour Non Community group \$12.50 per hour Community group	\$25 per hour Non Community group \$12.50 per hour Community group	
IYU Recreation Reserve - Northern / Junior Turf Soccer Pitches (Seasonal use 6 months, summer and winter)	Yes	Yes	N/A	\$845.00	
IYU Recreation Reserve - Southern / Senior Turf Soccer Pitch (Seasonal use 6 months, summer and winter)	Yes	Yes	N/A	\$630.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Full Pitch, no lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$45.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$55.00	
Cardinia Schools - per hour	Yes	Yes	N/A	\$22.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$30.00	
Corporate - per hour	Yes	Yes	N/A	\$70.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Full Pitch, with lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$60.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$70.00	
Cardinia Schools - per hour	Yes	Yes	N/A	\$30.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$40.00	
Corporate - per hour	Yes	Yes	N/A	\$85.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Half Pitch, no lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$30.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$40.00	



Description	GST Applies	Set by Council	Total Fee 2015/16 incl. GST (if applicable)	Total Fee 2016/17 incl. GST (if applicable)	% Change 15/16 to 16/17
Cardinia Schools - per hour	Yes	Yes	N/A	\$15.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$22.00	
Corporate - per hour	Yes	Yes	N/A	\$55.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Half Pitch, with lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$40.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$50.00	
Cardinia Schools - per hour	Yes	Yes	N/A	\$20.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$30.00	
Corporate - per hour	Yes	Yes	N/A	\$65.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Quarter Pitch, no lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$20.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$30.00	
Cardinia Schools - per hour	Yes	Yes	N/A	\$10.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$15.00	
Corporate - per hour	Yes	Yes	N/A	\$38.00	
<b>IYU Recreation Reserve Synthetic Soccer Pitch - Quarter Pitch, with lights</b>					
Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$27.00	
Non Cardinia based Sporting Clubs - per hour	Yes	Yes	N/A	\$37.00	
Cardinia Schools - per hour	Yes	Yes	N/A	\$15.00	
Non Cardinia Schools - per hour	Yes	Yes	N/A	\$20.00	
Corporate - per hour	Yes	Yes	N/A	\$45.00	
<b>Infrastructure Services</b>					
<b>Engineering Services</b>					
Asset protection fee	No	Yes	\$240.00	\$247.00	2.9%
Asset protection bond	No	Yes	\$940.00	\$1,000.00	6.4%
Inspection fees	No	Yes	\$81.37	\$83.80	3.0%
Road opening permits - works conducted on, or any part of, the roadway, shoulder, or pathway (minor works)	No	No	\$144.36	\$144.36	0.0%
Road opening permits - works not conducted on, or any part of, the roadway, shoulder, or pathway	No	No	\$63.00	\$63.00	0.0%
<b>Garbage Collection/Waste Disposal</b>					
Residential Garbage (1 x 120L garbage bin and 1 recycling bin)	No	Yes	\$228.20	\$235.05	3.0%
Residential Garbage (1 x 80L garbage bin and 1 recycling bin)	No	Yes	\$198.20	\$205.05	3.5%
Commercial Waste service	Yes	Yes	\$269.00	\$277.00	3.0%
Green Waste Service	No	Yes	\$129.00	\$132.85	3.0%
Additional Residential Recycling Service	No	Yes	\$47.50	\$48.95	3.1%
Additional Residential Garbage Bin (120 litre bin only)	No	Yes	\$211.00	\$217.35	3.0%
Additional Commercial Garbage Bin	Yes	Yes	\$235.00	\$242.05	3.0%
Additional Commercial Recycling Bin	Yes	Yes	\$52.00	\$53.55	3.0%
Additional Bundled Branch option - Green and Hard Waste service (being trialled)	No	Yes	\$65.00	\$60.00	-7.7%
Litter and Waste Amenity Charge	No	Yes	\$114.00	\$117.45	3.0%
Community Event Bin Service	Yes	Yes	\$57.00	\$58.70	3.0%
Waste for Events - trailer hire	Yes	Yes	\$140.00	\$144.20	3.0%
<b>Asset Management</b>					
Supervision of private works	No	Yes	2.5% of E.C.	2.5% of E.C.	
Design checking	No	Yes	0.75% of E.C.	0.75% of E.C.	
Stormwater discharge points	No	Yes	\$31.00	\$32.00	3.2%
Drainage Levy	No	Yes	Set in line with Melbourne Water Area Drainage Levies	Set in line with Melbourne Water Area Drainage Levies	
Sale of standard drawings	Yes	Yes	\$152.00	\$156.50	3.0%
Sale of specification documents	Yes	Yes	\$152.00	\$156.50	3.0%

## Appendix E

### Borrowing guidelines

The purpose of these guidelines is to provide for the effective management of the Council's debt in the short to medium term. Debt does not mean a Council is living beyond its means, debt merely provides an alternative and immediate form of capital to allow works to proceed in line with growth and other associated factors. A zero debt policy is often inappropriate for local government as it implies that current ratepayers are expected to meet the full cost of infrastructure assets, while in reality most of the benefit will actually be gained by future ratepayers.

#### 1. Intent

These guidelines outline Cardinia Shire Council's Borrowing Strategy and its intent is to ensure the sound management of Council's existing and future debt. Whilst the preferred policy position of the Cardinia Shire Council is to reduce the existing debt (except for self supporting loans), the Council recognises that in order to ensure intergenerational equity in funding the acquisition, renewal or construction of assets, it may need to resort to the prudent use of loan borrowings from time to time.

#### 2. Scope

2.1 As part of the Council's continuing commitment to the development of Cardinia Shire and in accordance with Section 146 of the Local Government Act, Council is required, as part of its annual budgetary process, to identify the borrowings planned for each budgetary year.

2.2 These borrowings will include funds borrowed:

- a. to finance the cost of new capital works and asset acquisitions, which cannot be financed from normal Council operating revenues such as rates, fees and charges;
- b. for short-term working capital, which is to be repaid within the current financial year; and
- c. for a genuine emergency hardship.

2.3 Where assets are acquired, the Council will minimise debt servicing obligations by maintaining debt at terms in accordance with the effective life of the class of assets acquired.

#### 3. Objectives

To disclose Council's planned Financial Management for existing and future debt:

- 3.1 Borrowing is the financial funding option of last resort;
- 3.2 Existing assets are to be replaced from depreciation costs;
- 3.3 Operational works are not to be funded from long term debt.
- 3.4 Councils Target is to reduce debt to recommended levels of the MAV and Victorian Auditor General.

#### 4. Policy Principles

##### 4.1 Borrowing Purposes

- a. Borrowings will only be used to finance capital works that will provide services now, and into the future. No borrowings will be used to finance recurrent expenditure and the operational activities of the Council; and
- b. When seeking funding for capital works, Council will, whenever possible, use its existing cash reserves. The use of any existing cash reserves will be subject to maintaining all relevant financial ratios and measures within adopted targets.

#### 4.2 Repayments and Repayment Ability

- a. Borrowings will be undertaken for capital works only where the interest and debt principal repayments can be serviced and relevant financial ratios and measures are maintained within approved targets;
- b. If sufficient cash resources are available, Council may further consider repaying instalment(s) in advance;
- c. Council will continue to discharge this debt in the shortest possible time subject to overall budgetary constraints; and
- d. New loans will be taken up only if the subsequent increase in debt servicing payments allows the total debt servicing ratio to remain within corporate targets.

#### 4.3 Borrowing Sources

Council shall raise all external borrowings at the most competitive rates available and from sources available as defined by legislation.

### 5. Schedule of borrowings

Total borrowing requirements over the next four years are expected to be in the order of:

- \$3.25m for 2016-17;
- \$3.0m for 2017-18;
- \$3.2m for 2018-19; and
- \$3.0m for 2019-20.

### 6. Controls

Prior to undertaking any borrowing the Council shall assess its capacity to pay, to ensure that the community is not burdened with unnecessary risk. The Council shall then reassess its capacity to pay on an annual basis as part of its budgeting process. When assessing the borrowing ratios, consideration will be given to the economic earnings potential of the asset being acquired or constructed.

6.1 A report will be prepared as part of Budget Discussions each year to Council suggesting strategies for debt financial management, with key ratio's identified and approval sought for each borrowing requirement annually.

6.2 Detailed Capital Works and Asset Acquisition programs for the next Five (5) Years together with the Ten (10) Year financial model will provide the basis for determination of funding options.

6.3 Table of Maximum Debt

### 7. Debt Management: Total Debt as a % of Rates and Charges Revenue

Total Debt as a % of Rate & Charges Revenue	Target	Period for Achievement
> 100%	Proposed New Borrowing Rejected	
85%, < 100%	85%	1 Years
66%, < 85%	66%	4 Years
50%, < 66%	50%	8 Years
40%, < 50%	Review Debt Strategy	Not applicable