



Melton City Council
Draft Budget 2017/2018

A Proud Community Growing Together



Contents	Page
Mayor's forward	1
Executive summary	2
Budget reports	
1. Linkage to the Council Plan	12
2. Activities, initiatives and service performance indicators	16
3. Financial statements	25
4. Financial performance indicators	32
5. Other budget information (required by regulation)	34
6. Detailed list of capital works	37
7. Rates and charges	46
Budget analysis (best practice)	
8. Summary of financial position	60
9. Budget influences	67
10. Analysis of operating budget	69
11. Analysis of budgeted cash position	79
12. Analysis of capital budget	83
13. Analysis of budgeted financial position	90
Long term strategies	
14. Strategic resource plan	95
15. Rating information	97
16. Summary of other strategies	99
Appendices	
A Fees and charges schedule	102
B Budget process	121

Mayor's Foreword

It is my pleasure to present you with the Melton City Council Draft 2017/2018 Budget.

This draft budget includes more significant investment in capital works and initiatives, a two per cent rate increase in line with rate capping, and the retention of the pensioner rebate. These are remarkable achievements made possible by Council's grant funding success, revenue stream diversification, debt reduction and strategic forward planning.

The biggest project in the 2017/2018 budget is construction of sporting ovals, courts and a pavilion at Taylors Hill West Primary School at a cost of \$10,522,075.

Other projects in the proposed 2017/2018 budget include:

- Melton Town Centre streetscape renewal works (\$5.334 million)
- Caroline Springs Leisure Centre and Tennis Complex extension (\$4.5 million)
- Construction of Westwood Drive bridge over Kororoit Creek (\$4.1 million)
- Hume Drive duplication stage one (\$3.545 million)
- Footpath extensions maintenance and replacement (\$1.305 million)
- Burnside multipurpose community centre stage two (\$1 million– another \$1 million was received in grants in 2016/2017)
- Macpherson Park regional facility redevelopment (\$1 million)
- Caroline Springs Leisure Centre new roof (\$500,000)
- Community rooms at Taylors Hill West Multipurpose Community Centre (\$500,000)
- Mount Cottrell Recreation Reserve rehabilitation works (\$450,000)
- Melton Botanic Garden botanic trail path works (\$340,900)
- Melton Bowling Club's East Green extension (\$250,000)
- Bridge Road upgrade (\$200,000)
- Hillside Tennis Club proposed pavilion extension (\$170,000)
- Taylors Road and City Vista Drive roundabout construction (\$100,000)
- Taylors Road and Sinclair Road intersection upgrade (\$100,000)
- Melton North Neighbourhood House construction (\$50,000)

I encourage you to read the full 2017/2018 Draft Budget for details of other projects and new initiatives.

Thank you to all residents and community groups who shared ideas and visions for our City at budget engagement sessions in November 2016 and February 2017. Your input has been an important part of the budget process, as we focus on being a sustainable Council providing value to all ratepayers.

Cr Sophie Ramsey
Mayor
Melton City Council

Executive summary

Council has prepared a Budget for 2017/18 which is aligned to the vision in the Council Plan 2017/2021. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community, and do this within the rate increase mandated by the State Government.

This Budget projects a surplus of \$91.2 million for 2017/18, however, it should be noted that the adjusted underlying result is a surplus of \$4.4m after adjusting for capital grants, developer contributions and gifted assets (refer Sections 5 and 10.1).

1. Key things we are funding

- 1) Ongoing delivery of services to the Melton City community funded by a budget of \$117.2 million. These services are summarised in Section 2.6.
- 2) Continued investment in Infrastructure assets (\$52.1 million) for new and renewal works in 2017/18. This includes roads (\$15.7 million); buildings (\$5.4 million) bridges (\$4.6 million); drainage (\$0.560 million); recreational, leisure and community facilities (\$19.0 million); plant equipment and furniture (1.43 million); library books (\$0.375 million); Footpaths and Cycleways (\$1.3 million); other infrastructure (\$3.75 million). The Statement of Capital Works can be found in Section 3 and further details on the capital works budget is also provided in Sections 6 and 12.

Strategic Objective 1: Statutory Planning- Delivering Precinct Structure Plans (PSP)

- 3) Council has major challenges in delivering the PSP's in the Melton Planning Scheme. Based on current consolidation of Developer Contribution Plan (DCP) cash flow analysis and project prioritising, Council will be faced with cash flow shortfall implications within the medium term as reserve funds become exhausted. It is anticipated that the shortfall will reach its peak of over \$116 million to fund projects by 2025/26. This is without incorporating those PSP's in preparation.
- 4) The Introduction of a new developer contributions model called the Infrastructure Contributions Plan. The details of the Infrastructure Contributions Plan (ICP) have not yet been finalised so the true cost of implementing, monitoring and reporting on two systems is not yet known.

Strategic Objective 2: Families & Children

- 5) The Maternal and Child Health (M&CH) service memorandum of understanding (MOU) is being negotiated between the Municipal association and the State Government in June 2016 which will increase the funding dollars received towards the program. The MOU will also include the future funding for the M&CH enhanced program. The financial benefits are unknown at this stage.
- 6) The Families and Children services review their program budget costs annually and identify strategies to reduce the net cost to Council. Family Day Care has business plan that identifies certain programs at nil net cost to Council by Financial Year 16/17. This is through negotiating funding agreements on new programs for the state Government that deliver nil net cost to Council.

Strategic Objective 3: Community Care & Inclusion

- 7) The government has two major reforms i.e. Aged Care Reform (over 65 years), National Disability Insurance Scheme (under 65 years). In relation to funding and service agreements it has been determined that as from 1 July 2016 the Commonwealth will take full responsibility for over 65 years and funding will be maintained and the State will manage the under 65 years and funding will be maintained.

8) Strategic Objective 4: Information Technology – Business Process Transformation Program

The delivery of effective Council services is largely influenced by staff capability, optimal business processes and aligned information systems. The newly commissioned Business Process Transformation Program aims to improve Council service delivery by aligning its people, processes and technology. In the current year Council is investing approximately \$0.370 million to commence this transformation program.

The Rate Rise

- a. The average rate will rise by 2.0% in line with the order by the Minister for Local Government on 16 December 2016 under the Fair Go Rates System.
- b. Key drivers
 - i. To fund ongoing service delivery – business as usual in a climate of reducing total revenue.
 - ii. To fund the increase in the level of infrastructure needs of the growing city population and the resultant impact this has on the operating costs in 2017/18 and future years
 - iii. To cope with growth in the population of Melton residents balanced with greater service demands from residents.
 - iv. To cope with cost shifting from the State Government (refer **Section 5- Page 7**)
 - v. To cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant.
 - vi. To cope with the continuing impact of the reducing level of state and federal operating grants.
- c. This is not a revaluation year. Valuations will be as per the last General Revaluation dated 1 January 2016 (as amended by supplementary valuations).
- d. Council has chosen not to make any changes to the existing rate differential. In aggregate, total rates and charges in dollar terms will increase by 5.3% compared to 2016/17 forecast.
- e. Refer to Sections 7 and 15 for further rates and charges details.

Key Statistics

- **Total Revenue:** \$239.1 million (2016/17 forecast = \$212.2 million)
- **Total Revenue** (Excluding non cash revenue) \$166.2 million (2016/17 forecast = \$169.2 million)
- **Total Expenditure:** \$148.0 million (2016/17 forecast = \$141.4 million)
- **Accounting Result: Surplus** \$91.2 million (2016/17 forecast = \$70.9 million)

(Note: Accounting result is based on total income of \$239.1 million which includes capital grants, cash and non cash contributions of \$86.8 million (Refer to Income Statement in Section 3)

- **Underlying operating result:** Surplus of \$4.4 million (2016/17 forecast = surplus of \$4.4m)

(Note: Underlying operating result is an important measure of financial sustainability as it excludes income which is to be used for capital, from being allocated to cover operating expenses-Refer to Analysis of operating Budget in Section 10.1)

- **Cash result:** \$1.3 million deficit (2017/18 forecast = \$10.9m surplus)

(Refer Statement of Cash Flows in Section 3)

This is the net funding result for the year after considering the funding requirements to meet loan principal repayments and the reserve transfers.

- Total **Capital Works Program** of \$52.1 million which includes carry forward works of \$11.3 from 2016/17. The total capital works program is funded as follows:
 - \$29.77 million from Council operations (rates funded)
 - \$5.62 million from developer contributions
 - \$5.46 million from capital grants
 - \$11.3 million from carry forward surplus

2. Budget Influences

4.1 External Influences

The preparation of the budget is influenced by the following external factors:

- The Victorian State Government has introduced a cap on rate increases from 2016/17. The cap for 2017/18 has been set at 2.0% (2016/2017: 2.5%).
- CPI for Victoria is forecast to be 2.0% for the 2017/18 year (Victorian Department of Treasury & Finance, 2016-17 Budget Update).
- The Victorian Wage Price Index is projected to be 2.5% in 2017/18 (Victorian Department of Treasury & Finance, 2016-17 Budget Update).
- EBA increase has been built into the employee cost in 2017/18 at 2.5%. Council negotiated the last EBA effective from 1 July 2016 with wages growth linked to productivity at 2.5% per annum for a 3-year period. This agreement terminates on 30th June 2019. The EBA increase of 2.5% does not include the cost of progression of staff through the various levels of the relevant award, nor does it cover cost of new staff.
- The Victorian Grants Commission and Local Roads funding is on an indexation freeze since 2014/15, for three years, however this is subject to an increase due to population growth. This has been allowed at a modest increase of 5.1% from 2016/17 levels in 2017/18. The impact of indexation freeze on the 2017/18 budget is estimated at \$0.560 million compared to the prior year.
- Costs associated with building materials and constructions are forecast to increase higher than CPI and this is particularly salient in the local government environment.
- Receipt of capital works funding of \$5.46 million for various capital projects including \$2.3 million for the streetscapes improvements, \$1.54 million for annual resurfacing and reseals and \$1.0 million for Taylors Hill West PSP 2 seniors's football/cricket and Hume drive duplication (stage 1) \$0.63 million. 2016/17 forecast result projects a total of \$9.34 million in capital grants, any unspent component of these grants will be carried forward to 2017/18 for completion of the works.
- Anticipated increases of 2.0% (or \$1.24 per tonne) in the levy payable to the State Government upon disposal of waste into landfill, resulting in additional waste tipping costs. The levy has increased from \$9 per tonne in 2008/2009 to a forecast \$63.27 per tonne in 2017/2018 (703% increase in 9 years) and has added an estimated \$1.2 million to Council's costs.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases.
- After number of years of downturn in the housing and building industry. There are early signs of some recovery and if this is sustained, will be beneficial to Council's financial position particularly because Melton is a joint partner in the Atherstone development.
- Councils across Australia raise approximately 3.5% 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 the 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.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

4.2 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2017/18 Budget. These matters have arisen from events occurring in the 2016/17 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2017/18 year. These matters and their financial impact are set out below:

- Higher employee costs from the EBA increases resulting in additional ongoing employee costs in 2017/18 and also the projected increase in staff numbers to support new initiative programs approved by Council for 2017/18. The Council does not foresee an unfunded superannuation call in the short-term; hence the employee oncosts component in 2017/18 will be set at 20%, similar to 2016/17.

- Total budgeted revenue includes a conservative estimate of receipts from land sales from development agreements entered into by Council. There are early signs of improvement in the housing market conditions for 2017/18.

4.3 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 by a minimum of 3.5% in line with local government growth index except where statutory limitations apply.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2016/17 levels, with the aim to use less resources with an emphasis on innovation and efficiency. Any departure of growth in service levels justified through business case process.
- Salaries and wages are projected to increase in line with Enterprise Bargaining Agreement (EBA), estimated at 2.5% and growth in staff numbers.
- New initiatives or new employee proposals which are not cost neutral have been justified through a business case.
- Contract labour and consultancy have been minimised.
- Real savings in expenditure and increases in revenue identified in 2016/17 have been preserved in 2017/2018.
- Operating revenues and expenses arising from capital projects completed in 2016/17 have been included in the operating results for 2017/18.

Cost Shifting

Cost shifting occurs when Commonwealth and State programs transfer responsibilities to local government with insufficient funding or grants which don't keep pace with delivery costs.

Type 1: Cost Shifting for Specific Services

Examples:

1. Library Services - \$0.343 million from 2011/12 to 2017/18
2. Maternal and Child Health - \$0.466 million for 2017/18
3. School Crossing Supervision - \$0.132 million from 2011/12 to 2017/18

Type 2: Loss of funding in General

Examples:

4. A freeze on indexation of the federal financial assistance grants. The Commonwealth announced in its 2014-15 Budget that it will pause indexation of the total national pool of financial assistance grants to local government for three years (2014/15, 2015/16, 2016/17). The cumulative impact on Melton for the three years is estimated at \$1.68 million.
5. Discontinuance of the Community Support Program (CSP) Fund for Family Day Care program from 1 July 2015 has been estimated at \$0.180 million per annum.

Type 3: Statutory fee that prohibits full cost recovery

Examples:

6. Planning fees (set by the State and have been frozen for most of the past 14 years).
7. Revenue foregone for the past 14 years is conservatively estimated to be \$0.070 million. This loss of revenue however is only attributable to Council's inability to apply CPI to the fee schedule since the freeze 14 years ago. Revenue forgone based on full cost recovery is significantly higher but no estimate is provided for this at this point.

Type 4: Levies

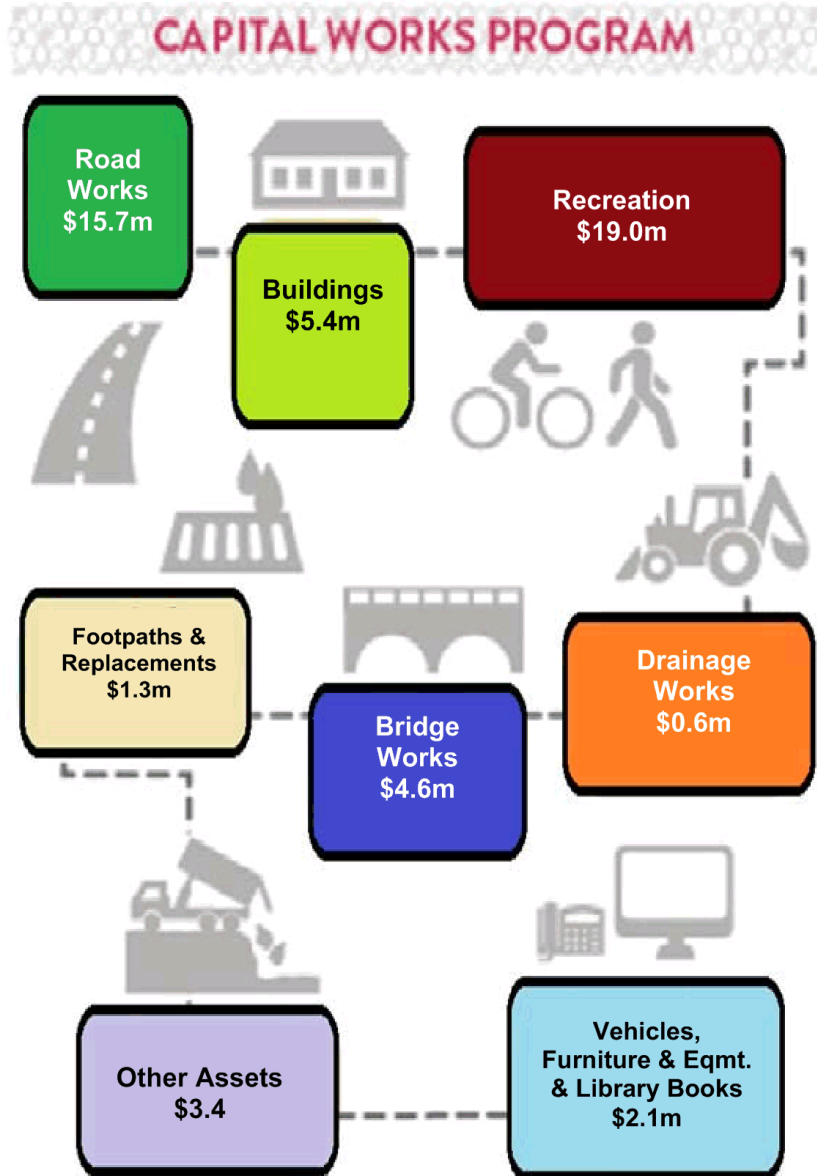
Examples:

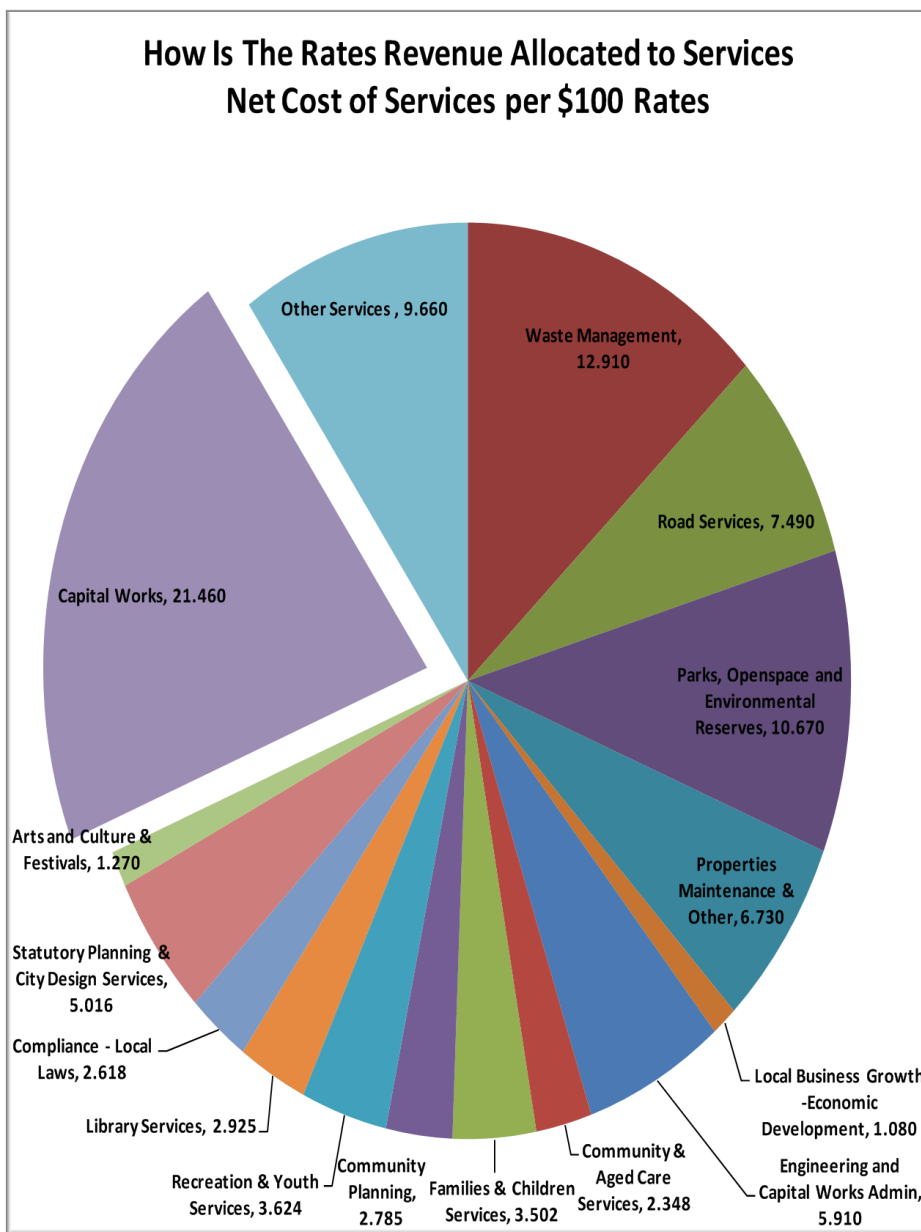
8. State Government landfill levy has increased from \$9 per tonne in 2008/09 to \$60.52 per tonne in 2017/18. The increase from 2015/16 to 2017/18 is conservatively estimated at \$0.100 million.
9. Total landfill levy for Melton City Council is estimated at \$1.1 million for the 8 years from 2008/09 to 2017/18.
10. The impact of Animal Registration Levy is estimated at \$0.338 million from 2011/12 to 2017/18

Type 5: Statutory requirements lead to increased costs

Examples:

11. Line clearance (cutting back tree branches around power lines) is approximately \$0.250 million from 2011/12 to 2017/18.
12. State Emergency Services (SES). Council currently matches the state contribution dollar for dollar and is under no obligation to do so. Total co-contributions by Council for the last 10 years are estimated at \$0.142 million.





3. Population Growth

City of Melton's growth

2016	2026	2041
140,422	207,256	374,700

- City of Melton is one of the fastest growing municipalities in Australia.
- In the last decade, the population of the City of Melton has increased from 80,595 to 140,422. During the last ten years the City of Melton has been growing at around 6.5 per cent annually.
- Between 2011-2016, the city of Melton population grew by an estimated 27,777 people.
- The total estimated population as at 31 December 2016 was 140,422.

Latest population growth according to the data released by the Australian Bureau of Statistics (ABS)

According to the data released by the Australian Bureau of Statistics (ABS), Regional Population Growth March 2016, Australia's estimated resident population (ERP) growth was 1.4 per cent since 30 June 2014. This compared with a growth rate of 1.5 per cent in 2013-14.

Victoria's population increased by 1.7 per cent between June 2014 and June 2015. This was the fastest growth rate of all states and territories, and above the national growth rate of 1.4 per cent.

Melbourne is the fastest-growing capital

Melbourne is officially Australia's fastest growing capital city; Melbourne's growth rate of 2.1 per cent, although down slightly from 2.2 per cent last year, was still the fastest in Australia. Melbourne's outer suburbs had some of the largest growth in Australia. Seven out of the country's top ten growth areas were in Greater Melbourne.

City of Melton's rapid growth

City of Melton's ERP reached 140,422 at 31 December 2016. In the five years to 2016, the City of Melton populations increased 27,777 people or an average of 4 per cent annually (Australia 1.4 per cent and Victoria 1.7 per cent).

City of Melton experienced the fifth fastest population growth in the State (after Melbourne, Wyndham, Whittlesea and Cardinia) and the fifth largest growth in the State (after Wyndham, Casey, Whittlesea and Melbourne).

During the 2014/15, the fastest and the largest population growth were in:

- Melton South (which also includes Eynesbury and Toolern), growing at 7.5 per cent (or 1,569 people, a total of 22,484 people),
- Hillside (which also includes Taylors Hill West) and growing at 6.7 per cent (or 1,189 people, a total of 18,887 people) and
- Rockbank - Mount Cottrell growing at 5.1 per cent (or 149 people, a total of 3,063 people).

Between 2016 and 2036, the City of Melton population is projected to increase by a further 150 per cent to 315,908 people, making it almost the size of Canberra today, growing at an average annual rate of 4.21 per cent, further growth is now predicted to 2041 to 374,700 people.

Source:

- Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0).
- <http://forecast.id.com.au/melton/population-age-structure>



Budget Reports

A Proud Community Growing Together

Page 10



Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 15 of this report.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report.

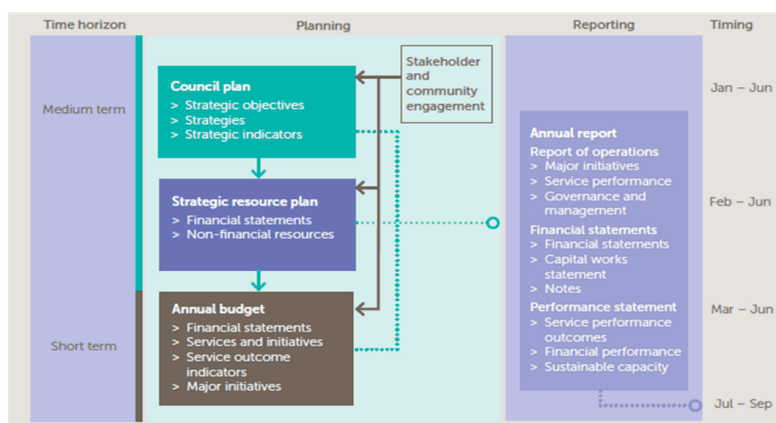
- 1 Linkage to the Council Plan
- 2 Activities, Initiatives and Services Performance Indicators
- 3 Financial Statements
- 4 Financial Performance Indicators
- 5 Other Budget Information (Required by Legislation)
- 6 Detailed List of Capital Works
- 7 Rates and Charges

1 Linkage to the Council Plan

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

1.1 Planning and accountability framework

This section provides a description of the services and initiatives to be funded in the Budget for the 2017/18 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major initiatives, initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



Source: DELWP, Department of Environment, Land, Water & Planning (formerly DTPLI,

1.2 Our purpose

Our vision

A Proud Community Growing Together.

Our values

Continuous Improvement

- We encourage and support innovation and creativity.
- We commit to driving continuous improvement.
- We constantly review what we do.
- We embrace and respond to change as it occurs.
- We strive to deliver the best possible outcomes.

Recognition

- We recognise and encourage the contributions of others.
- We actively support and promote our colleagues.
- We acknowledge and reward employees exceeding performance expectations.
- We give credit where credit is due.
- We celebrate success.

Accountability

- We work in an open and transparent manner and follow through on commitments.
- We take responsibility for our personal decisions and actions.
- We adhere to policies and procedures.
- We make the best use of our time and resources.
- We all take responsibility for the way we treat each other.

Fairness

- We show respect when speaking to and about others.
- We build trusting and productive relationships.
- We deal with others fairly and consistently.
- We actively listen and respond appropriately.
- We respect all people and celebrate our diversity.

Teamwork

- We help each other to achieve organisational goals.
- We involve team members in solving problems and decision making.
- We encourage everyone's contribution to the team.
- We communicate clearly, openly and respectfully.
- We provide positive, constructive and timely feedback.

1.3 Strategic Outcomes

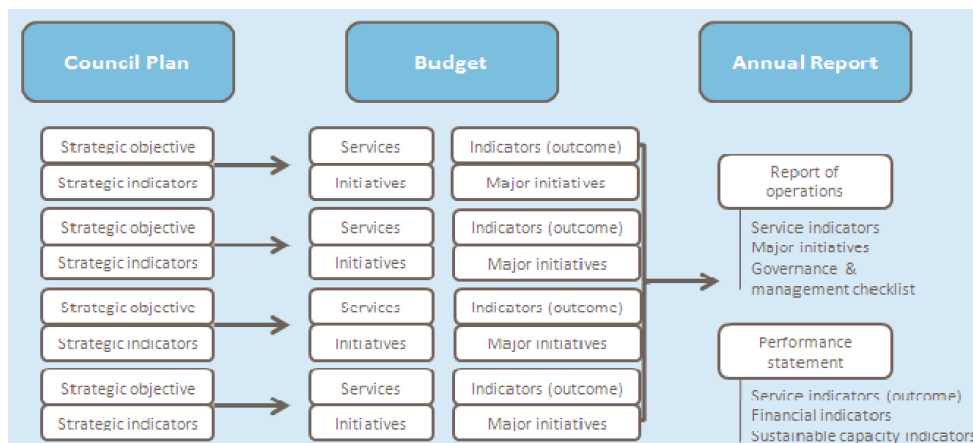
Council delivers services and initiatives across 17 Departments. Each Department contributes to the achievement of one or more of the four Strategic Outcomes as established in the Council Plan for the 2017-21 years. The following table exhibits the five Strategic Themes and Outcomes as described in the Council Plan.

Theme /Strategic Outcome	Description
1. A Proud, Inclusive and Safe Community - a City of people leading happy and healthy lives	Our community are at the heart of everything we do and Council is committed to supporting a strong and inclusive community that elicits pride. Our community have told us that they value a sense of community, they want to feel and be safe in their homes and neighbourhoods and what to have opportunities to participate in community programs and gatherings. Proud, inclusive and safe communities are created through strong partnerships, local leadership, services and programs and environments that promote and protect community wellbeing.
2. A Thriving and Resilient Natural Environment - a City that preserves and enhances its natural environment for future generations	Council is committed to protecting and enhancing its natural environments including grasslands, forests, waterways and its flora and fauna. We recognise the adverse effects of climate change and are committed to actively taking steps to reduce its effects. Our community values the City's natural spaces and wants to ensure that they are accessible and welcoming now, and preserved for future generations. They recognise the many benefits of the natural environment - including for health and wellbeing. A whole-of-community commitment will be required to ensure a thriving natural environment for current and future generations.
3. A Well Planned & Built City - a City with a clear vision to manage growth in a sustainable and accessible way	As the City grows and develops Council is committed to ensuring this occurs in an accessible, fair and responsible way. Our community have told us that community infrastructure will continue to be important as well as connected and flexible transport networks. Public spaces should be created and maintained, providing places for everyone. The City should grow in a way that supports the health and wellbeing of the community. Council will not be able to achieve this alone and will be an advocate, partner, planning and service provider to work towards achieving this.
4. A Strong Local Economy and a Lifelong Learning City - a City rich in local employment and education opportunities	A strong local economy offers a variety of education, training, employment and visitor opportunities for all ages and life stages. Our community has told us that as the population grows the need of local schools and tertiary providers will become critical. They want to study and work locally with more local employment opportunities. Council is committed to creating a lifelong learning City, full of opportunities for all. We will work in partnership with the community, private sector and other levels of government to achieve this.

<p>5. A High Performing Organisation Demonstrating Leadership and Advocacy - an organisation operating with innovation, transparency, accountability and sustainability</p>	<p>Council is committed to providing strategic leadership and working in collaboration to better engage, represent and communicate with our diverse community. We will ensure that our services and facilities are efficient, effective and appropriate to seek the best outcomes for our community. We will manage the municipality in an innovative, responsible and financially sustainable manner that meets the needs and aspirations of current and future communities.</p>
---	---

2. Activities, Initiatives and Service Performance Indicators

This section provides a description of the services to be funded in the Budget for the 2017/18 year and how these will contribute to achieving the strategic outcomes and strategic objectives specified in the Council Plan as set out in Section 1. It also includes Local Government Performance Service Indicators and describes the major initiatives funded in this budget.



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

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in Service(bold) in the following sections.

Initiatives are Council Priority projects to be undertaken during the 2017/18 financial year.

Major initiatives are those projects which require additional funding of \$100,000 plus.

2.1 Strategic Outcome 1: A proud, inclusive and safe community: A City of people leading happy and healthy lives

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Families and Children's Services (4)	Provision of services for children 0-12 years and their families. Programs include Maternal and Child Health, Child Care services, Kindergarten enrolment, playgroup and children's programs, family parenting programs, family support services, preschool field officer program, best start program and housing support (to vulnerable individuals and families). The service also facilitates Council's Early Years Partnership committee delivering Melton's Municipal Early Years Plan.	9,526
		(5,660)
		3,866
Community Care	Provision of a range services and programs for the older people, people with a disability and their carers including delivered and centre based meals, personal care, domestic assistance, community transport ,property maintenance, community and centre based respite and Men's Shed.	7,858
		(5,266)
		2,592
Recreation and Youth (5-11)	Provision of leisure and aquatic centres, sports infrastructure, reserves, youth support services and youth programs through Melton and Taylors Hill Youth Centres. The service also provides advice to Council on open space planning, sport development, leisure needs and access to recreation activities.	5,023
		(1,461)
		3,562
Community Planning (12-18)	Plans, promotes and supports a more inclusive, engaged, sustainable, healthier, learned and safer community. This is delivered through the provision of strategic planning, policy development, and program delivery services in the functions of Council planning, social research, social planning, community infrastructure planning, health and wellbeing, community safety, road safety and active travel, the prevention of violence against women, community capacity development, reconciliation, culturally and linguistically diverse engagement, community engagement, policy management, community funding, neighbourhood houses, community facilities management, and community learning planning and programs.	4,261
		(1,198)
		3,063

Major Initiatives

- Proposed pavilion extension Hillside Tennis Club (\$170,000 net cost)

Initiatives

- Improvements to Blackwood Reserve Pavilion and grounds seating (\$10,000 net cost)
- Improvements to Arnolds Creek Reserve paving (\$5,000 net cost)
- Improvements to Kurunjang Reserve - kitchen renovations (\$50,000 net cost)
- Improvements to Botanical Springs Childrens and Community Centre blinds (\$1,000 net cost)
- Burnside Recreational Reserve modifications (\$10,000 net cost)
- Burnside Heights Reserve - power points near cricket nets (\$5,000 net cost)

- Burnside Recreational Reserve upgrade - kitchen exhaust (\$15,000 net cost)
- Hillside Recreational Reserve modifications (\$10,000 net cost)
- Scoping for court lights for Kurunjang Tennis Club (\$10,000 net cost)
- Design of roof for range 4 at Melton Pistol Club (\$30,000 net cost)
- Horse wash improvements Melton Equestrian Park (\$5,000 net cost)
- Melton Health Expo (\$35,000 net cost)
- Mt Cottrell Aboriginal Recognition (\$20,000 net cost)

Service Performance Outcome Indicators			
Service	Indicator	Performance Measure	Computation
Planning Services	Decision making	Council planning decisions upheld at VCAT	[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
Maternal and Child Health(MCH)	Participation	Participation 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
		Participation in MCH service by Aboriginal children	[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
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities	Number of visits to aquatic facilities / Municipal population

2.2 Strategic Outcome 2: A thriving and resilient natural environment: A City that preserves and enhances its natural environment for future generations

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
City Design, Strategy and Environment (1)	Provision of strategic planning and administration of the Melton Planning Scheme, environmental planning and management, environmental education programs, urban design and landscape architecture for assessment of planning permits, design and delivery of council assets and facilities.	3,100
		-
		3,100
Operations	Provision of waste management and cleaning services that include kerbside waste, recycling and organics collection, street and footpath sweeping services, litter collection, graffiti removal and the operation of the Melton Recycling Facility. Maintenance of our parks, open spaces, trees, property, drainage and roads.	41,453
		(3,502)
		37,951
Initiatives		

- Platypus Festival, Friends of Toolern Creek (\$5,000 net cost)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste Collection	Waste Diversion	Kerbside collection waste diverted from landfill	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

2.3 Strategic Outcome 3: A well planned and built City: A City with a clear vision to manage growth in sustainable and accessible way

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Engineering Services (2)	Provision of design for capital works, traffic management planning, built assets management, civil and landscape infrastructure planning, and geographic information systems.	6,642
		(2,368)
		4,274
Planning	Provision of assessment of planning and subdivision proposals under the relevant planning and subdivision legislation, and ensuring compliance with the planning controls. Services provided include the assessment of Planning and Subdivision Applications, pre-application consultation, planning advice, post permit approvals, issue of Statements of Compliance, and collection, monitoring and reporting of development contributions.	2,509
		(700)
		1,809
Capital Projects	Capital Projects is responsible for the planning, design and construction of a complex suite of new civil and community infrastructure within an operational framework delivering a works program via project management processes and controls. The unit's primary responsibility is to achieve the timely programming and roll-out of Council's capital projects.	1,868
		-
		1,868

Major Initiatives

- Footpath extensions Navan Park (\$220,000 net cost)

Initiatives

- Venue modifications for senior citizens in Caroline Springs (\$6,000 net cost)
- Landscape improvements Hillside and Burnside (\$20,000 net cost)
- Upgrade and upkeep at Brookside Community Centre bike racks (\$5,000 net cost)
- Fenced dog park - Diggers Rest (\$50,000 net cost)
- Repairs and improvements to Banchory Community Centre (nil net cost - funded within existing Building Component Renewal Program)
- Additional external lighting Banchory Community Centre (to be prioritised in the 2017/18 Building Component Renewal Program)
- Review the Masterplan for Melton Botanic Garden development (\$30,000 net cost)
- Walkway concreting at Melton Foodbank (\$12,000 net cost)

2.4 Strategic Outcome 4: A strong local economy and a Lifelong Learning City: A City rich in local employment and education opportunities

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
		3,925
Libraries (3)	Provision of public library services including collections, programs, activities and access to technology from two library locations, online and via outreach services to promote reading, learning and literacy. Provision of arts and cultural activities	(942)
		2,983
Initiatives		

- Early years tree initiative (\$10,000 net cost)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Libraries	Participation	Active library members	[Number of active library members / municipal population] x100

2.5 Strategic Outcome 5: A high performing organisation demonstrating leadership and advocacy: An organisation operating with innovation, transparency, accountability and sustainability

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Compliance	Administer general local laws enforcement, planning enforcement, building services, environmental health (Food Safety & Immunisation programs), animal management, parking enforcement and school crossings.	6,522
		(3,631)
		2,891
Engagement & Advocacy	Provision of inbound call handling and counter services, communication campaigns and media management, hosting of events, artistic and cultural activities, facilitation of economic development & tourism outcomes and advocacy promoting Council priorities	5,984
		(291)
		5,693
Finance	Provision of financial services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges and property valuation.	3,536
		(14,244)
		(10,708)
Information Services	Information Services provides leadership, support and improvement capability in the area of information and technology so that the organisation can deliver effective services.	6,744
		0
		6,744
People and Culture	Provision of human resources, learning and development payroll, industrial relations	1,768
		-
		1,768
Executive and Councillors	This area of governance includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	2,537
		-
		2,537
Legal & Governance	Provision of a range of internal services to Council including governance, legal, procurement, insurance, contractual and internal audit services. Also administrative support to the Mayor and Councillors	2,379
		(183)
		2,196
Risk & Performance	Provides risk management services through occupational health and safety programs, workers' compensation services, health and wellbeing initiatives, fraud and corruption control, municipal fire prevention, business continuity management, and community emergency management (planning, preparedness and recovery). Provides performance management through corporate planning and performance reporting functions	1,578
		(276)
		1,302

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
Animal Management	Health and safety	Animal management prosecutions	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications	[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

2.5 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on in the Performance Statement which is prepared at the end of the year as required by Section 132 of the Act and included in the 2017/18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in Section 8) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General 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.

2.6 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
1: A proud, inclusive and safe community	13,085	26,668	(13,583)
2: A thriving and resilient natural environment	41,051	44,553	(3,502)
3: A well planned and built City	7,951	11,019	(3,068)
4: A strong local economy and a Lifelong Learning City	2,983	3,925	(942)
5: A high performing organisation demonstrating leadership and advocacy	12,423	31,048	(18,625)
Total services and initiatives	77,493	117,213	(39,720)
Other non-attributable	-58,904		
Deficit before funding sources	18,589		
Funding sources:			
Rates & charges	-104,277		
Capital grants	-5,465		
Total funding sources	-109,742		
Surplus for the year	-91,153		

3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2017/18 to 2020/21 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report:

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

3.1 Comprehensive Income Statement
 For the four years ending 30 June 2021

Budgeted Comprehensive Income Statement Year Ended 30th June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		Budget 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Income					
Rates and charges	99,075	104,277	108,865	113,655	118,656
Statutory fees and fines	3,029	3,295	3,402	3,521	3,645
User fees	9,941	9,984	10,308	10,669	11,042
Contributions - monetary	14,051	8,357	12,463	12,811	8,445
Contributions - non-monetary assets	43,060	72,953	69,819	67,280	67,469
Grants - Operating (recurrent)	23,727	24,368	25,160	26,041	26,953
Grants - Operating (non-recurrent)	339	281	290	301	311
Grants - Capital (non-recurrent)	9,348	5,465	8,970	5,870	6,770
Net gain on disposal of assets	4,576	5,600	3,880	4,154	4,390
Other income	5,099	4,563	4,826	4,795	4,887
Share of net P/L of assoc. and joint ventures					
Total Income	212,244	239,144	247,984	249,097	252,568
Expenses					
Employee costs	49,841	53,304	55,836	58,628	61,559
Materials and services	59,348	58,307	60,177	62,258	64,411
Bad and doubtful debts	400	400	410	420	431
Depreciation and amortisation	25,362	29,417	30,888	32,432	34,054
Finance costs	1,322	961	785	644	503
Other expenses	5,118	5,602	5,854	6,147	6,454
Total Expenses	141,389	147,991	153,950	160,529	167,412
Surplus/(Deficit)	70,855	91,153	94,034	88,568	85,156
Other comprehensive income					
Items that will not be reclassified to surplus or deficit:					
Net revaluation increment/decrement					
Share of other comprehensive Income of assoc. and Joint vent.					
Items that may be reclassified to surplus or deficit in future periods					
Total Comprehensive Result	70,855	91,153	94,034	88,568	85,156

3.2 Balance Sheet
 For the four years ending 30 June 2021

Balance Sheet As at 30 June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		Budget Projections			
		2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Current assets					
Cash and cash equivalents	88,412	87,158	80,660	89,180	86,021
Trade and other receivables	2,958	7,346	12,381	17,755	26,046
Other Financial assets	2,180	2,190	2,200	2,210	2,220
Inventories	25	25	25	25	25
Non Current Assets held for resale	2,500	3,000	3,250	3,500	4,000
Other assets					
Total current assets	96,075	99,719	98,516	112,670	118,312
Non-current assets					
Trade & other Receivables					
Property Plant & Equipment	1,793,160	1,884,336	1,976,597	2,054,368	2,133,241
Inventories	52	57	60	63	66
Investment property	7,000	7,500	7,500	8,000	8,500
Intangible assets	4,011	3,684	3,357	3,030	2,703
Other assets	1,410	1,425	1,440	1,450	1,475
Total non-current assets	1,805,633	1,897,002	1,988,954	2,066,910	2,145,985
Total Assets	1,901,708	1,996,721	2,087,470	2,179,580	2,264,297
Current liabilities					
Trade and other payables	14,150	14,400	14,600	14,800	15,000
Trust funds & deposits	2,170	2,259	2,314	2,368	2,422
Provisions	9,062	9,400	9,682	9,973	10,272
Interest-bearing loans and borrowings	3,380	2,826	2,967	2,306	2,402
Other current liabilities					
Total Current Liabilities	28,762	28,886	29,563	29,446	30,096
Non-current liabilities					
Provisions	2,202	2,227	2,073	2,073	2,023
Interest bearing loans & borrowings	18,773	15,947	12,980	10,674	8,272
Other non current liabilities	3,150	3,465	3,742	4,042	4,365
Total non current liabilities	24,125	21,639	18,795	16,789	14,660
Total Liabilities	52,887	50,525	48,358	46,235	44,756
Net Assets	1,848,821	1,946,197	2,039,112	2,133,345	2,219,541
Equity					
Accumulated surplus	1,044,150	1,135,304	1,229,337	1,317,905	1,403,061
Asset revaluation reserve	753,324	755,823	757,482	759,353	759,353
Other reserves	51,347	55,070	52,293	56,086	57,127
Total Equity	1,848,821	1,946,197	2,039,112	2,133,345	2,219,541

3.3 Statement of Changes in Equity
 For the four years ending 30 June 2021

Budgeted Statement of Changes in Equity		Accumulated	Revaluation	Other
For the years ending		Surplus	Reserve	Reserves
	Total	\$'000	\$'000	\$'000
	\$'000	\$'000	\$'000	\$'000
Year Ended 30th June 2018				
Balance at beginning of the financial year	1,848,821	1,044,150	753,324	51,347
Interest Income	850			850
Comprehensive result	91,153	91,153		
Net asset revaluation Increment/(decrement)	2,500		2,500	
Other PSP related Transfers				
Transfers to reserves	9,597			9,597
Transfers from Reserves	-6,724			-6,724
Balance at end of Financial Year	1,946,197	1,135,303	755,824	55,070
Year Ended 30th June 2019				
Balance at beginning of the financial year	1,946,197	1,135,303	755,824	55,070
Interest Income	878			878
Comprehensive result	94,034	94,034		
Net asset revaluation Increment/(decrement)	1,658		1,658	
Impairment losses on revalued assets	-4,000			-4,000
Other PSP related Transfers				
Transfers to reserves	13,737			13,737
Transfers from Reserves	-13,392			-13,392
Balance at end of Financial Year	2,039,112	1,229,337	757,482	52,293
Year Ended 30th June 2020				
Balance at beginning of the financial year	2,039,112	1,229,337	757,482	52,293
Interest Income	898			898
Comprehensive result	88,568	88,568		
Net asset revaluation Increment/(decrement)	1,871		1,871	
Transfers to reserves	14,121			14,121
Transfers from Reserves	-11,225			-11,225
Balance at end of Financial Year	2,133,345	1,317,905	759,353	56,086
Year Ended 30th June 2021				
Balance at beginning of the financial year	2,133,345	1,317,905	759,353	56,086
Interest Income	546			546
Comprehensive result	85,156	85,156		
Net asset revaluation Increment/(decrement)				
Other PSP related Transfers				
Transfers to reserves	9,792			9,792
Transfers from Reserves	-9,297			-9,297
Balance at end of Financial Year	2,219,541	1,403,061	759,353	57,127

3.4 Statement of Cash Flows
 For the four years ending 30 June 2021

Budgeted Statement of Cash Flows As at 30 June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections Budget Projections			
		2017/18	2018/19	2019/20	2020/21
		\$'000	\$'000	\$'000	\$'000
Cash flows from operating					
Receipts					
General rates	98,879	104,177	108,565	113,305	118,556
Grants Income - Operating & Capital	33,414	30,115	34,421	32,212	34,384
Interest	2,618	1,830	2,035	2,156	2,073
User charges	12,505	13,454	9,360	14,090	14,887
Contributions & Reimbursements	14,051	8,357	12,463	12,811	8,445
Other revenue	2,543	2,563	696	2,677	2,944
Total Receipts	164,010	160,496	167,539	177,251	181,289
Payments					
Employee costs	48,804	52,941	55,708	58,338	61,310
Contractor payments	41,504	41,928	43,155	44,713	46,285
Other expenses	22,509	23,231	26,112	26,531	28,081
Financing Costs	1,322	961	785	644	503
Total Payments	114,138	119,061	125,761	130,226	136,179
Net cash provided by operating activities	49,872	41,436	41,779	47,025	45,110
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	12,236	12,826	9,024	9,660	10,211
Payments for property, plant and equipment	-39,336	-52,135	-50,475	-45,199	-56,175
PSP Rolling Credit Payments	-5,000		-4,000		
Net cash used in investing activities	-32,101	-39,310	-45,451	-35,539	-45,964
Cash flows from financing activities					
Finance costs					
Proceeds from borrowings					
Repayment of borrowings	-6,914	-3,380	-2,826	-2,967	-2,304
Net Cash used in financing activities	-6,914	-3,380	-2,826	-2,967	-2,304
Net decrease in cash & cash equivalents	10,857	-1,254	-6,498	8,519	-3,158
Cash & equivalents at beginning of year	77,555	88,412	87,158	80,660	89,180
Cash & equivalents at 30 June	88,412	87,158	80,660	89,180	86,021

3.5 Statement of Capital Works
 For the four years ending 30 June 2021

Budgeted Statement of Capital Works For the years ending 30th June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		Budget Projections			
		2017/18	2018/19	2019/20	2020/21
		\$'000	\$'000	\$'000	\$'000
Property					
Land	1,439	1,030			
Total Land	1,439	1,030			
Buildings & Building Improvements					
Buildings	4,133	5,420	8,926	12,165	29,476
Building Improvements					
Total Buildings	4,133	5,420	8,926	12,165	29,476
Total Property	5,571	6,450	8,926	12,165	29,476
Plant and equipment					
Plant, machinery and equipment	1,100	1,250	1,250	1,250	1,250
Fixtures, fittings and furniture	185	181	150		
Computers and telecommunications	362	320	320	320	320
Library books	360	375	375	375	375
Total Plant and Equipment	2,007	2,126	2,095	1,945	1,945
Infrastructure					
Roads	20,480	15,701	16,608	12,969	18,070
Bridges	317	4,570	1,770	770	370
Drainage	866	560	330	310	310
Recreational, leisure and community facilities	5,511	19,021	17,674	14,039	3,422
Other infrastructure	4,584	3,707	3,072	3,001	2,582
Total infrastructure	31,758	43,559	39,454	31,089	24,754
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175
Represented by:					
Asset renewal expenditure	13,937	16,314	12,935	15,099	14,985
New asset expenditure	15,358	25,519	32,479	27,420	30,005
Asset Upgrade expenditure	5,101	3,508	3,343	2,529	2,920
Asset expansion expenditure	4,940	6,794	1,718	151	8,265
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175
Represented by:					
Grants Income	2,621	5,465	8,970	5,870	6,770
Developer Contributions	11,754	5,624	12,292	10,125	8,197
Funded from Operating Surplus	9,504	29,768	29,213	29,204	41,208
Funded From carry Forward Surplus	15,457	11,278			
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175

3.6 Statement of Human Resources
 For the four years ending 30 June 2021

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

Budgeted Statement of Human Resources	Forecast 2016/17 \$'000	Strategic Resource Plan Budget			
		2017/18	2018/19	2019/20	2020/21
		\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Executive Management	1,505	1,693	1,774	1,863	1,956
Corporate Services Management	9,326	9,619	10,076	10,580	11,109
Planning and Development Management	15,976	17,429	18,256	19,169	20,128
Community Services Management	23,034	24,563	25,730	27,016	28,367
Total Staff	49,841	53,304	55,836	58,628	61,559

Budgeted Statement of Human Resources	Forecast 2015/16 \$'000	Strategic Resource Plan Budget			
		2016/17	2017/18	2018/19	2019/20
		\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Employee Costs - Operating	49,841	53,304	55,836	58,628	61,559
Employee Costs - Capital					
Total Staff Costs	49,841	53,304	55,836	58,628	61,559
Total Staff Numbers (EFT)	515.2	531.7	540.7	549.7	559.7

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

Budgeted Statement of Human Resources	Forecast 2016/17 \$'000	Strategic Resource Plan Budget			
		2017/18	2018/19	2019/20	2020/21
		\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Executive Management	12.0	12.2	13.2	13.2	13.2
Corporate Services Management	87.6	88.0	90.0	92.0	94.0
Planning and Development Management	174.5	168.9	171.9	174.9	178.9
Community Services Management	241.2	262.6	265.6	269.6	273.6
Total Staff	515.2	531.7	540.7	549.7	559.7

4. Financial Performance Indicators

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

Financial Performance Indicators	Measure	Notes	Forecast 2016/17	Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
					2018/19	2019/20	2020/21	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying	4.1	3.0%	2.9%	1.8%	1.6%	1.5%	-
Liquidity								
Working Capital	Current assets / current liabilities	4.2	334.0%	345.2%	333.2%	382.6%	393.1%	+
Unrestricted cash	Unrestricted cash / current liabilities		107.6%	104.6%	128.2%	145.2%	128.8%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4.3	22.4%	18.0%	14.6%	11.4%	9.0%	-
Loans and borrowings	Interest and principal repayments / rate revenue		8.3%	4.2%	3.3%	3.2%	2.4%	-
Indebtedness	Non-current liabilities / own source revenue		19.8%	16.9%	14.3%	12.3%	10.3%	-
Asset renewal	Asset renewal expenditure / depreciation	4.4	55.0%	55.5%	41.9%	46.6%	44.0%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	4.5	68.0%	68.4%	69.5%	69.7%	69.8%	+
Rates effort	Rate revenue / property values (CIV)		0.0047191	0.0043584	0.0041365	0.0041725	0.0039601	-
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$2,737	\$2,745.2	\$2,746	\$2,753	\$2,761	o
Expenditure level	Specific purpose grants expended / Specific purpose grants received		89.3%	95.6%	88.6%	92.1%	90.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,315	\$1,326.7	\$1,333	\$1,339	\$1,344	+
Workforce turnover	No. of resignations & terminations / average no. of staff		13.9%	14.0%	14.0%	14.0%	14.0%	o

Key to Forecast Trend:

+ Trending higher

o Same

- Trending lower

Notes to indicators

4.1 Adjusted underlying result

An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, although continued losses means reliance on Council's cash reserves or increased debt to maintain services.

This ratio refers to the operational outcome as assessed in the comprehensive income statement, adjusted for non-operational items such as capital income, contributed monetary and non monetary assets and non operational asset sales.

It should however be noted that land sales revenue is considered operational income in the computation of underlying result. This is because Melton is a joint developer in the Atherstone property development and land sales income is a regular component of the Melton's total operational revenue and will continue to remain so in the next 15 to 20 years.

The underlying result for 2017/18 at \$4.4 million is on par with 2016/17 forecast. The favourable underlying result during the currency of the Strategic Resource Plan is largely due to growth in revenue and cost constraints.

4.2 Working capital

The proportion of current liabilities represented by current assets. Working capital is forecast to increase in 2017/18 year due to reduction in debt. The trend in later years is also expected to improve steadily due to modest underlying surpluses used.

4.3 Loan and borrowings compared to rates

This indicator measures the level of Council's total debt as a percentage of rate revenue. The ratio improves significantly due to Council decision not to acquire new borrowing in 2017/18 due to modest underlying surpluses used to retire existing debt and fund capital expenditure.

4.4 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 will require future capital expenditure to renew assets back to their existing condition. The trend indicates Council's renewal expenditure (renewal plus upgrade) is lower than the annual depreciation charge. While this is a useful indicator, however depreciation is an accounting measure and may not always represent asset consumption on an annual basis and care should be used in its interpretation.

4.5 Rates concentration

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

5. Other Budget Information (Required by the Regulations)

This section presents other budget related information required by the Regulations

This section includes the following statements and reports:

- 5.1 Grants operating
- 5.2 Grants capital
- 5.3 Statement of borrowings

5.1 Grants - operating (\$0.583 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.

The level of operating grants is projected to increase by only \$0.584 million or 2.4% compared to 2016/17 forecast. This overall increase however is based mainly on the assumption that in the first year of post indexation freeze in 2017/18, Grants Commission allocation will increase by at least \$0.682 million or 5.0% due to population growth. While there is no indication from the Commission to make a prediction at this stage, nevertheless this is projected as a reasonable expectation given the indexation freeze over the last three years. The final grants commission allocation however will not be known prior to adoption of the budget. Other increase in grants projected include a significant increase of \$0.272 million in 2017/18 for school crossing program due to change in funding methodology. The level of grants for Community Care & Inclusion is also expected to increase marginally by \$0.062 million or 1.3%. The overall increase is partly offset by reduction in grants for Family & Children programs by \$0.078 million or 2.3% while Community Capacity, Social Planning and Wellbeing and other programs are projected to reduce significantly by \$0.338 million or 46.3% from 2016/17 levels. The reduction in operating grants is a continuing trend which has posed serious challenges for the Council over the years in achieving an underlying surplus and this is further exacerbated by rate capping regime currently in place.

A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Grants by Funding Types	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Recurrent Grants			
Grants Commission	13,355	14,037	682
Community Care & Inclusion			
Community Participation & Engagement	1,205	1,376	171
Home Based Services and Other	3,525	3,416	-109
Family & Children			
Early Childhood Programs	213	181	-32
Early Years Partnership	313	303	-10
Family Services	708	704	-4
Housing Services	351	353	2
Maternal Childhealth Services	1,816	1,782	-34
Social Planning and Wellbeing and other			
Compliance			
School Crossing Supervisors	172	443	271
Immunisation and Other	102	114	12
Other Programs			
Youth & Youth Support	286	286	
Library Services	847	856	9
Community Capacity & Other	356	195	-161
Neighbourhood Participation	127	127	
Social Planning & Wellbeing	158	20	-138
Other	213	174	-39
Non Recurrent			
Emergency Management	246	260	14
Social Planning and Wellbeing	27	22	-5
Other	46		-46
Total	24,066	24,649	583

5.2 Grants - capital (\$3.883 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants is lower than 2016/17 forecast by \$3.88 million or 41.5%. This is mainly due to the fact that significant levels of one-off capital grants were received in 2016/17. Unspent component of these grants amounting to \$7.3 million will be carried forward to 2017/18 to complete the operating and capital programs in 2017/18. Section 6. "Analysis of Capital Works" includes a more

detailed breakdown of the grants and contributions expected to be received during the 2017/18 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Non Recurrent Grants		Forecast	Budget	Variance
	Note	2016/17	2017/18	
		\$'000	\$'000	\$'000
Total Non Recurrent Capital Grants				
Land				
Buildings		1,000		-1,000
Roads		2,989	2,165	-824
Public Open Space		1,938	2,300	362
Recreation		2,921	1,000	-1,921
Plant & Machinery				
Draingae				
Footpaths				
Other		500		-500
Total Non Recurrent Grants		9,348	5,465	-3,883

5.3 Statement of borrowings

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

No new borrowings are envisaged in 2017/18. Council borrowing strategy is to have no new borrowings and to utilise modest surpluses to retire debt during the currency of the latest Strategic Resource Plan.

Borrowings	New Borrowings	Principal Paid	Interest Paid	Balance 30 June
Year	\$'000	\$'000	\$'000	\$'000
2016/17		6,914	1,322	22,153
2017/18		3,380	961	18,773
2018/19		2,826	785	15,947
2019/20		2,967	644	12,980
2020/21		2,304	503	10,674

6. Detailed List of Capital Works

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

The capital works projects are grouped by class and include the following:

1. Total Council Capital Works Program
2. Total New Initiatives
3. Carry Forwards from 2016/17 Financial Year

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
PROGRAMS									
5020	Sealed Road Resurfacing and Rehabilitation Program	To be determined from Asset System	2,739,948	-	-	1,539,948	1,200,000	2,739,948	
5019	Plant & Machinery	Purchase of Plant & Machinery	1,250,000	1,250,000	-	-	-	1,250,000	
5021	Building Components Annual Renewal Program	Replacement of building components at failure or planned end of life	1,114,000	-	-	-	1,114,000	1,114,000	
5018	Plant & Machinery	Replacement of footpaths across the municipality based on condition audits	1,085,000	-	-	-	1,085,000	1,085,000	
5023	Passive Reserve Development Program	Development of Reserves around the Municipality	715,000	-	-	-	715,000	715,000	
5024	Street Tree Planting Beautification Program	Planting and establishment of new street trees across the municipality	650,000	-	-	-	650,000	650,000	
5025	Traffic Management Devices Construction Program	Construction of Traffic Management Devices across the municipality	600,000	-	-	-	600,000	600,000	
5298	Recreation Facilities - Female Change Room Upgrade Program	Upgrade female change rooms within recreation facilities	600,000	-	-	-	600,000	600,000	
5022	Shared Paths Construction Program	Construction of Shared Paths across the municipality	500,000	-	-	-	500,000	500,000	
5026	Major Traffic Management Upgrade Program	Construction of Major Traffic Management Devices across the Municipality	500,000	-	-	-	500,000	500,000	
5008	Library Collection Acquisitions	To enable the delivery of various learning Communities strategies and activities and ensure sufficient resources are available for the community to meet growth and increasing demand within the community.	375,000	-	-	-	375,000	375,000	
5027	Footpath Construction Program	Construction of New Footpaths across the municipality	250,000	-	-	-	250,000	250,000	
5028	Pedestrian Bridge Construction Program	Construction of Pedestrian Bridges across the municipality	250,000	-	-	-	250,000	250,000	
5034	Netball Court Upgrade Program	Netball Court Upgrade Program across the municipality	250,000	-	-	-	250,000	250,000	
5030	Irrigation System Renewal Program	Renewal of existing irrigation systems within parks and open spaces across the municipality based on hierarchy and condition audit	210,000	-	-	-	210,000	210,000	
5269	Corporate Desktop computer replacement	Replacement of corporate desktop computers based on Asset Management Plan	210,000	-	-	-	210,000	210,000	
5029	Tennis Court Upgrade Program	Upgrades to renew surfaces and meet Aust Standards	208,000	-	-	-	208,000	208,000	
5299	Passive Reserves - Lighting Program	Install lighting in passive reserves and parks in accordance with prioritised program	200,000	-	-	-	200,000	200,000	
5071	Refurbishment of Public Convenience Program	Refurbishment of Public Convenience Facilities across the Municipality	160,000	-	-	-	160,000	160,000	
5031	Playground Replacement Program	Replacement of existing playgrounds within parks and open spaces across the municipality based on condition audit	150,000	-	-	-	150,000	150,000	

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
5033	Water Sensitive Urban Design Construction Program	Construction of Water Sensitive Urban Design treatments across the municipality	150,000	-	-	-	150,000	150,000	
5058	Office Furniture - Replacement		150,000	-	-	-	150,000	150,000	
5046	Cricket Net and Run Up Refurbishment Program	Refurbishment of Cricket Nets and development of Run Up areas across the municipality	120,000	-	-	-	120,000	120,000	
5048	Bridge Rehabilitation Program	Rehabilitation works to Bridges across the municipality as identified through condition audits	120,000	-	-	-	120,000	120,000	
5051	Synthetic Field Maintenance Program	Renewal of Synthetic Fields	115,500	-	-	-	115,500	115,500	
5270	Public Desktop computer replacement program	Replacement of public desktop computers (libraries etc) based on Asset Management Plan	110,000	-	-	-	110,000	110,000	
5040	Passive Open Space Vegetation Renewal Program	Renewal of existing vegetation (garden beds, grasses) within passive open space reserves across the municipality based on condition audit	105,000	-	-	-	105,000	105,000	
5032	Street Lighting Improvement Program	Installation of new public lighting across the municipality	100,000	-	-	-	100,000	100,000	
5037	Parks and Open Space Furniture & Fixture Renewal Program	Renewal of existing furniture (benches, tables, BBQs, seats, bins) within parks and open spaces across the municipality based on condition audit	100,000	-	-	-	100,000	100,000	
5038	Parks and Open Space Structures Renewal Program	Renewal of existing building structures within parks and open spaces across the municipality based on condition audit	100,000	-	-	-	100,000	100,000	
5039	Active Open Space Grass Playing Surface Renewal Program	Renewal of existing grass playing surfaces within active open space reserves across the municipality based on condition audit	100,000	-	-	-	100,000	100,000	
5041	Roadside Hazard/Safety Improvements Program	Removal and protection of roadside hazards across the municipality	100,000	-	-	-	100,000	100,000	
5043	Sports Ground Lighting - New Installation Program	Installation of new sports ground lighting to Aust Standards	100,000	-	-	-	100,000	100,000	
5045	Underground Drainage/Flood Protection Works Program	Construction of Underground Drainage/Flood Protection Works across the municipality	100,000	-	-	-	100,000	100,000	
5052	Kerb and Channel Renewal Program	Renewal of Kerb and Channel across the municipality	100,000	-	-	-	100,000	100,000	
5044	Sports Floor Renewal and Maintenance Program	Renewal of sports floors across the municipality	90,000	-	-	-	90,000	90,000	
5049	Culverts/Open Channels Construction Program	Construction of Culverts/Open Channels across the municipality	80,000	-	-	-	80,000	80,000	
5050	Road Safety Around Schools Program	Construction of works to improve road safety around schools across the municipality	80,000	-	-	-	80,000	80,000	
5035	Open Space Fencing Renewal Program	Renewal of Fencing around Open Space Reserves	66,000	-	-	-	66,000	66,000	
5260	Non Active Open Space Lighting Renewal/Maintenance Program	Renewal and maintenance program of existing park lighting across the municipality based on condition audit	52,500	-	-	-	52,500	52,500	

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
5036	Active Open Space Lighting Renewal Program	Active Open Space Lighting Renewal Program - Year 1							
		Audit & renewal/maintenance program of existing park (active rec) lighting for sporting fields	50,000	-	-	-	50,000	50,000	
5053	Sportsground Furniture Renewal Program	Renewal of furniture at sports grounds	50,000	-	-	-	50,000	50,000	
5056	Cricknet Pitch Replacement Program	Replacement of Cricket pitches across the municipality	50,000	-	-	-	50,000	50,000	
5047	Bus Stop Works Program	Construction of improvements to bus stops across the municipality	45,000	-	-	-	45,000	45,000	
5054	DDA Works Program	Construction of DDA works across the municipality	45,000	-	-	-	45,000	45,000	
5250	Ball Protection Fencing Program	Erect ball protection fencing at end of grounds as identified by audit	42,000	-	-	-	42,000	42,000	
5055	Occupant Evacuation System Program	Retrofit to Existing Multi Occupied Facilities	40,000	-	-	-	40,000	40,000	
5042	Softfall and Softpath Renewal Program	Renewal of existing parks and open space softfall (ground material surrounding play equipment) and softpath (crushed rock walking paths) across the municipality based on condition audit	27,500	-	-	-	27,500	27,500	
5280	Public Art Rehabilitation Program	Rehabilitation of public art installations & pieces	25,000	-	-	-	25,000	25,000	
		TOTAL	14,430,448	1,250,000	-	1,539,948	11,640,500	14,430,448	-
		PROJECTS							
5002	Taylor's Hill West PSP - Sporting ovals & courts & Pavilion	Taylor's Hill West PSP - 2 senior football / cricket ovals, tennis & netball courts and Pavilion (includes \$1M contribution from George Cross shown in Grant Funding)	9,172,075	3,543,914	-	1,000,000	4,628,161	9,172,075	
5278	Melton Town Centre Streetscape Renewal	Renewal of streetscape in Melton town centre (Pride of Melton Project)	3,671,000	-	-	2,300,000	1,371,000	3,671,000	
5145	Hume Drive Duplication (Stage 1)	Calder Park Drive to Shire Boundary	3,545,000	-	-	625,000	2,920,000	3,545,000	
5061	Caroline Springs Leisure Centre & Tennis Complex	Extend stadium (including 2 additional indoor courts) and 12 court regional tennis facility (including lighting for 8 courts)	2,000,000	-	-	-	2,000,000	2,000,000	
5255	Westwood Drive bridge	Construction of Bridge over Kororot Creek	2,000,000	-	-	-	2,000,000	2,000,000	
5291	PSP Land	Precinct structure plan - WIK and land	630,000	-	130,000	-	500,000	630,000	
5114	Burnside Stage 2 - Multipurpose Community Centre	Note: Total project is \$2M, with \$1M grant funds received in 16/17	1,000,000	-	-	-	1,000,000	1,000,000	
5300	Macpherson Park Redevelopment	Redevelopment of the Macpherson Park regional facility	1,000,000	-	-	-	1,000,000	1,000,000	
5297	Caroline Springs Leisure Centre	Install new roof to existing building	500,000	-	-	-	500,000	500,000	
5014	Taylor's Hill West - Multi-purpose Community Centre	Multiple community rooms with design to allow for conversion to kindergarten/mch facilities.	500,000	500,000	-	-	-	500,000	
5262	Mount Cottrell Recreation Reserve - Rehabilitation Works	Rehabilitation works required by EPA Management Plan	450,000	-	-	-	450,000	450,000	
5294	Melton Bowling Club	Extension of East Green	250,000	-	-	-	250,000	250,000	

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
5063	Bridge Road	Upgrade to Bridge Road to match Toolern entrance/gateway and reinstaite/rehabilitate the old Bridge Road section east of creek	200,000	-	-	-	200,000	200,000	
5295	Melton Botanic Gardens	Botanic trail - Path works in conjunction with Growing Suburbs Fund grant	150,000	-	-	-	150,000	150,000	
5068	Taylors Road & City Vista Drive Roundabout	Roundabout at southern entry City Vista Drive --construction - Taylors Hill West PSP	100,000	100,000	-	-	-	100,000	
5275	Taylors Road & Sinclair Road intersection	Design of intersection upgrade works - acquisition of land & construction of intersection to be funded through Plumpton & Kororot PSP's	100,000	-	100,000	-	-	100,000	
5289	Melton North Neighbourhood House	Construction of neighbourhood house in the Melton North - Kurunjang area	50,000	-	-	-	50,000	50,000	
5293	Hillside Recreation Reserve	BBQ & park rotunda	20,000	-	-	-	20,000	20,000	
5272	Caroline Springs Library Civic	Furniture replacement - public areas	16,000	-	-	-	16,000	16,000	
5273	Melton Library & Learning Centre	Furniture replacement - public areas	15,000	-	-	-	15,000	15,000	
	Total Projects Cost	TOTAL	25,369,075	4,143,914	230,000	3,925,000	17,070,161	25,369,075	-
	1. Total Council Capital Works Program		39,799,523	5,393,914	230,000	5,464,948	28,710,661	39,799,523	-
	NEW INITIATIVES								
826	Suitable venue for seniors in Caroline Springs		6,000				6,000	6,000	
	Upgrade and 'up keep' of Brookside Community Centre		5,000				5,000	5,000	
829	Improvements to Blackwood Reserve Pavilion and grounds (seating)	Seating around pavilion with paved area	10,000				10,000	10,000	
853	Improvements to Arnolds Creek Reserve		5,000				5,000	5,000	
854	Roof for range 4 at Melton Pistol Club-Design		30,000				30,000	30,000	
855	Improvements to Botanica Springs Children's and Community Centre	Sun block on west wall of windows	1,000				1,000	1,000	
682	Proposed Pavilion Extension - Hillside Tennis Club		170,000				170,000	170,000	
881	Footpath extensions	Extend footpath around Navan Park	220,000				220,000	220,000	
883	Burnside Recreational Reserve modifications	Public Seating to be installed	10,000				10,000	10,000	
867	Court Lights for Kurunjang Tennis Club	Project is supported in principle to increase the amenity and participation opportunities for the community and consistent with the 2012 Melton Tennis Strategy	10,000				10,000	10,000	
876	Melton Botanic Garden development	Review Master Plan	30,000				30,000	30,000	

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
885	Construction of a double bay horse wash	Construction of a double bay horse wash with tubular frame enclosure, concrete floor and associated water supply and drainage system	5,000				5,000	5,000	
836	Hillside Recreation Reserve	Sealing	10,000				10,000	10,000	
835	Fenced Dog Park - Diggers Rest	Approved by Council on 6 March 2017. Item 12.6 Notice of Motion 440	50,000				50,000	50,000	
895	Mental Health Expo	During Mental Health week	35,000				35,000	35,000	
891	Walkway concreting at Melton Foodbank	The Melton Foodbank in Coburns Road currently has gravel paths around the building which have proven to be difficult for elderly and disabled clients of the service, especially when taking groceries from the building to their cars. It is proposed that Council assist by funding the installation of concreted walkways around the building.	12,000				12,000	12,000	
901	Mt Cottrell Aboriginal Recognition	That Council consider developing an initiative to help the broader community understand and acknowledge the Aboriginal history of the Mount Cottrell area. Such a project would involve Registered Aboriginal Parties, relevant state and/or federal government authorities as well as others from the local Aboriginal community through Council's Reconciliation Advisory Committee.	20,000				20,000		20,000
905	Friends of Toolern Creek - Platypus Festival	That Council consider providing additional financial support to the Friends of Toolern Creek community group, to keep doing what they do well. The anticipated amount of support would be in the vicinity of that provided to Melton Botanical Gardens	5,000				5,000	5,000	5,000
906	Early Years Tree Initiative	That Council consider providing a gift of a tree to all four year old children at the point of enrolment in kindergarten within the municipality	10,000				10,000		10,000
851	Landscape Improvements Hillside and Burnside Improvements to Kurunjang Reserve	Kitchen Renovations	20,000				20,000	20,000	
834	Burnside Recreational Reserve upgrade	Kitchen Exhaust	50,000				50,000	50,000	
856	Burnside Springs Cricket Club	Power points near cricket nets - Burnside Heights Reserve	15,000				15,000	15,000	
2017	Acquisition of Property		5,000				5,000	5,000	
2. Total New Initiatives			400,000				400,000	400,000	
			1,134,000				1,134,000	1,058,000	76,000

Melton City Council Draft Budget 2017/18

2017/18 Capital Works Program									
ID	NAME	Description of Project	Total 2017/2018 \$	Reserve / DCP Funding 2017/2018 \$	DCP Land 2017/2018 \$	Grant Funding 2017/2018 \$	Council Funding 2017/2018 \$	Capital	Operating
	CARRY FORWARDS FROM 2016/17								
C5022	Shared/Bicycle Paths Construction Program		300,000				300,000	300,000	
C5255	Bridgeworks Construction-Westwood Dr Bridge		2,100,000				2,100,000	2,100,000	
C5033	WSUD-Water Sensitive Urban Design Program		230,000				230,000	230,000	
4538	Boundary and Sinclair Road Blackspot Funding		616,063				616,063	616,063	
8705	5 McKenzie St. Redevelopment-Stage 1		100,000				100,000	100,000	
C5114	Burnside Heights Children's Community Centre		1,000,000				1,000,000	1,000,000	
C5061	Caroline Springs Sub Regional Tennis Centre- Design		2,500,000				2,500,000	2,500,000	
C5278	Streetscape Improvements		1,663,800				1,663,800	1,663,800	
C5002	Taylor's Hill West PSP-2 Senior Football / Cricket		1,350,000				1,350,000	1,350,000	
C5023	Passive Reserve Development Program		194,000				194,000	194,000	
C5060	Mt Cottrell Road Widening (Stage 2)		432,748				432,748	432,748	
C5048	Bridge Rehabilitation Program		100,000				100,000	100,000	
C5295	Melton Botanic Garden Walking Trail		190,900				190,900	190,900	
8870	Scouts Activity Centre - Burnside		500,000				500,000	500,000	
	3. Total Carry Forwards from the 2016/17 Financial Year		11,277,511	-	-	-	11,277,511	11,277,511	-
	2017/18 Total Capital works Program Including Programs, Projects and New Initiatives		52,211,034	5,383,914	230,000	5,464,948	41,122,172	52,135,034	76,000

Capital expenditure by Asset Expenditure Type

For the Year Ending 2017/18

Capital Works Area	Project Cost 2017/18	Asset Expenditure Class				Funding Source		
		New	Renewal	Upgrade	Expansion	Capital Grants	Developer Contributions & Other Reserves	Net Cost to Council
Vehicles - Capital Cost								
01605 - Plant Purchases/Replacement	1,250,000		1,250,000				1,250,000	-
Total Vehicles - Capital Cost	1,250,000	0	1,250,000	0	0	0	1,250,000	0
Furniture								
01510 - Furniture & Equipment	150,000		150,000					150,000
02300 - Melton Library Services	15,000		15,000					15,000
02301 - Caroline Springs Library Services	16,000		16,000					16,000
Total - Furniture	181,000	0	181,000	0	0	0	0	181,000
IT Equipment								
02033 - Annual Computer Replacement Project	320,000		320,000					320,000
Total IT Equipment	320,000	0	320,000	0	0	0	0	320,000
Land								
03904 - PSP Council Funded Portion WIKILand	500,000	500,000						500,000
03908 - PSP-Public Open Space Compensation	130,000	130,000					130,000	-
03948 - Acquisition of Property	400,000	400,000						400,000
Total Land	1,030,000	1,030,000	0	0	0	0	130,000	900,000
Buildings								
06334 - Melton Pistol Club	30,000				30,000			30,000
07035 - Recreation Facilities - Female Change Room Upgrade	600,000	600,000						600,000
08589 - Hillside Recreation Reserve	20,000	20,000						20,000
08705 - 5 McKenzie St. Redevelopment-Stage 1	100,000		100,000					100,000
08707 - Burnside Heights Children's Community Centre	2,000,000				2,000,000			2,000,000
08770 - Buildings - Community Centre / Pavilion Annual Ren	1,114,000		1,114,000					1,114,000
08775 - Taylors Hill West - Multi-purpose Community Centre	500,000	500,000					500,000	-
08836 - Burnside Comm Centre-Stage 2 Incl Seniors Venue	6,000				6,000			6,000
08870 - Scouts Activity Centre - Burnside	500,000	500,000						500,000
08873 - Caroline Springs Leisure Centre Renewal	500,000		500,000					500,000
08874 - Melton North Neighbourhood House	50,000	50,000						50,000
Total Buildings	5,420,000	1,670,000	1,714,000	0	2,036,000	0	500,000	4,820,000
Roads								
03010 - Minor Traffic Control Works	600,000			600,000				600,000
03020 - DDA Works	45,000			45,000				45,000
03022 - Roadside Safety Projects	80,000			80,000				80,000
03080 - Major Traffic Control Works	500,000			500,000				500,000
03110 - Shared/Bicycle Paths Construction Program	800,000		800,000					800,000
03124 - New Footpaths Construction Program	250,000	250,000						250,000
03170 - Annual Resurfacing Periodic Reseals	2,739,948		2,739,948			1,539,948		1,200,000
03250 - Kerb & Channel Rehabilitation	100,000		100,000					100,000
04538 - Boundary and Sinclair Road Blackspot Funding	616,063	616,063						616,063
07110 - Public Lighting	100,000	100,000						100,000
08060 - Walkway concreting at Melton Foodbank	12,000			12,000				12,000
08729 - Roadside Hazard/Safety Improvements Program	100,000			100,000				100,000
08737 - Streetscape Improvements	5,334,800		5,334,800			2,300,000		3,034,800
08782 - Bridge Road	200,000	200,000						200,000
08812 - Mt Cottrell Road Widening (Stage 2)	432,748			432,748				432,748
08825 - Bus Stop Works Program	45,000			45,000				45,000
08837 - Taylors Road & Sinclair Road Intersection	100,000	100,000					100,000	-
08838 - Taylors Rd & City Vista Drv Roundabout	100,000	100,000					100,000	-
08871 - Hume Drive Duplication (Stage 1)	3,545,000				3,545,000	625,000		2,920,000
Total Roads	15,700,559	1,386,063	8,974,748	1,382,000	3,977,748	4,464,948	200,000	11,035,611
Drainage								
03252 - WSUD-Water Sensitive Urban Design Program	380,000				380,000			380,000
08726 - Underground Drainage/Flood Protection Works	100,000			100,000				100,000
08832 - Culverts/Open Channels Construction Program	80,000		80,000					80,000
Total Drainage	560,000	0	80,000	100,000	380,000	0	0	560,000
Bridges								
03196 - Bridgeworks Construction-Westwood Dr Bridge	4,100,000	4,100,000						4,100,000
03197 - Bridgeworks - Pedestrian	250,000	250,000						250,000
08831 - Bridge Rehabilitation Program	220,000		220,000					220,000
Total Bridges	4,570,000	4,350,000	220,000	0	0	0	0	4,570,000
Recreation								
05142 - Hillside Recreation Pavillion	10,000		10,000					10,000
06008 - Sportsground Furniture Renewal Program	60,000		60,000					60,000
08392 - Melton Bowlings Greens Restoration	250,000			250,000				250,000
08415 - Cricket Facilities Improvement Program	50,000		50,000					50,000
08431 - Melton Botanic Gardens Improvements	30,000		30,000					30,000
08615 - Burnside Springs Cricket Club	5,000				5,000			5,000

Melton City Council Draft Budget 2017/18

Capital Works Area	Project Cost 2017/18	Asset Expenditure Class				Funding Source		
		New	Renewal	Upgrade	Expansion	Capital Grants	Developer Contributions & Other Reserves	Net Cost to Council
08692 - Dog off Lead Park Construction	50,000	50,000						50,000
08708 - Arnolds Creek Recreation Res Sports Pavilion & Ova	5,000				5,000			5,000
08710 - Cricket Net Refurbishment Program	120,000		120,000					120,000
08713 - Netball Court Upgrade	250,000			250,000				250,000
08716 - Sports Facilities & Ground Lighting Maintenance Pr	100,000		100,000					100,000
08719 - Caroline Springs Sub Regional Tennis Centre-Design	4,500,000		4,500,000					4,500,000
08727 - Tennis Court Upgrade	208,000		208,000					208,000
08763 - Taylors Hill West PSP-2 Senior Football / Cricket	10,522,075	10,522,075				3,543,914		6,978,161
08790 - Passive Reserve Development Program	909,000			909,000				909,000
08818 - Mount Cottrell Recreation Reserve - Rehabilitation	450,000			450,000				450,000
08829 - Ball Protection Fencing Program - Rehabilitation	42,000			42,000				42,000
08859 - Passive Reserves - Lighting Program	200,000	200,000						200,000
08862 - Court Lights for Kurunjang Tennis Club	10,000	10,000						10,000
08863 - Burnside Recreational Reserve modifications	25,000		10,000	15,000				25,000
08864 - Construction of a double bay horse wash	5,000	5,000						5,000
08872 - Macgherson Park Redevelopment	1,000,000	1,000,000						1,000,000
08876 - Hillside Tennis Club - Pavilion Extension	170,000				170,000			170,000
08878 - Improvements to Kurunjang Reserve	50,000			50,000				50,000
Total Recreation	19,021,075	16,387,075	488,000	1,966,000	180,000	0	3,543,914	15,477,161
Library Books								
02305 - Library Collection	375,000	375,000						375,000
Total Library Books	375,000	375,000	0	0	0	0	0	375,000
Other Assets								
07026 - Capex Program - OWS	40,000			40,000				40,000
07116 - Landscape Improvements Hillside and Burnside	20,000			20,000				20,000
08858 - Melton Botanic Garden Walking Trail	340,900	340,900						340,900
Total Other Assets	400,900	340,900	0	60,000	0	0	0	400,900
FootPaths & Cycleways								
03140 - Footpaths Maintenance/Replacement	1,085,000		1,085,000					1,085,000
03162 - Footpath Extensions	220,000				220,000			220,000
Total FootPaths & Cycleways	1,305,000	0	1,085,000	0	220,000	0	0	1,305,000
Renewal Capital Expenditure								
06004 - Playground Upgrade Program	150,000		150,000					150,000
06006 - Parks Playgrounds and Furniture	100,000		100,000					100,000
06007 - Parks and Reserve Fencing	66,000		66,000					66,000
06009 - Passive Open Space Vegetation Renewal Program	105,000		105,000					105,000
06013 - Synthetic Field Maintenance	115,500		115,500					115,500
06014 - Soft Fall/ Soft Path/Renewal	27,500		27,500					27,500
06016 - Parks & Open Space Lighting Renewal Program	50,000		50,000					50,000
06017 - Irrigation System Renewal Program	210,000		210,000					210,000
06018 - Active Open Space Grass Playing Surface Renewal Pr	100,000		100,000					100,000
06019 - Non Active Open Space Lighting Renewal/Maintenance	52,500		52,500					52,500
07033 - Refurbishment of Public Convenience Program	160,000		160,000					160,000
07034 - Parks and Open Space Structures Renewal Program	100,000		100,000					100,000
07115 - Tree Planting	650,000		650,000					650,000
08789 - Capex Program - Timber Sports Floors	90,000		90,000					90,000
Total Renewal Capital Expenditure	1,976,500	0	1,976,500	0	0	0	0	1,976,500
Public Art Projects								
07826 - Public Art Rehabilitation Program	25,000		25,000					25,000
Total Public Art Projects	25,000	0	25,000	0	0	0	0	25,000
Total Capital works	52,135,034	25,519,038	16,314,248	3,508,000	6,793,748	4,464,948	5,623,914	42,046,172

7. Rates and Charges

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

7. Rates and charges

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 68.4% of the total revenue (excluding non cash items) received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2017/18 the FGRS cap has been set at 2.0%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Melton City community.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate, municipal charge and waste service charge will increase by 2.0% in line with the rate cap. This will raise total rates and charges for 2017/18 of \$104.3 million, including \$2.2 million generated from supplementary rates.

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

Type or class of land	2016/17	2017/18	Change
	cents/\$CIV	cents/\$CIV	
General Rate	0.32487	0.33285	2.5%
Vacant Land	0.48731	0.49928	2.5%
Extractive Industry Land	0.93563	0.95861	2.5%
Commercial/Industrial Developed Land	0.51979	0.53256	2.5%
Commercial/Industrial Vacant Land	0.64974	0.66570	2.5%
Retirement Village Land	0.27614	0.28292	2.5%
Rural Living Land	0.29238	0.29957	2.5%
Rural Land	0.23391	0.23965	2.5%
Urban Growth Land	0.24365	0.24964	2.5%

Note: 2017/18 rate in dollar calculation includes supplementary rate growth for 2016/17

7.2 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 previous financial year

Type or class of land	2016/17	2017/18	Change
	\$	\$	
General Rate	57,702,978	61,037,737	5.8%
Vacant Land	5,049,581	5,164,632	2.3%
Extractive Industry Land	447,053	452,732	1.3%
Commercial/Industrial Developed Land	9,082,494	10,206,818	12.4%
Commercial/Industrial Vacant Land	1,634,767	1,692,868	3.6%
Retirement Village Land	492,348	504,435	2.5%
Rural Living Land	476,847	501,040	5.1%
Rural Land	1,814,367	1,938,141	6.8%
Urban Growth Land	2,877,165	2,947,827	2.5%
Sub-Total	79,577,599	84,446,229	6.1%
Less EER Rebate	(1,750,000)	(1,750,000)	0.0%
Less Pension Rebate	(490,000)	(480,000)	-2.0%
Total net amount to be raised	77,337,599	82,216,229	6.3%

7.3 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

Type or class of land	2016/17	2017/18	Change
General Rate	43,948	45,645	3.9%
Vacant Land	3,588	4,038	12.5%
Extractive Industry Land	7	7	0.0%
Commercial/Industrial Developed Land	2,091	2,182	4.4%
Commercial/Industrial Vacant Land	265	289	9.1%
Retirement Village Land	560	560	0.0%
Rural Living Land	223	228	2.2%
Rural Land	565	568	0.5%
Urban Growth Land	393	393	0.0%
Total number of assessments	51,640	53,910	4.4%

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

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

Type or class of land	2016/17	2017/18	Change
	\$	\$	
General Rate	17,761,783,000	18,337,911,000	3.2%
Vacant Land	1,036,221,000	1,034,416,000	-0.2%
Extractive Industry Land	47,781,000	47,228,000	-1.2%
Commercial/Industrial Developed Land	1,747,324,200	1,916,557,300	9.7%
Commercial/Industrial Vacant Land	251,602,000	254,299,000	1.1%
Retirement Village	178,296,000	178,296,000	0.0%
Rural Living Land	163,089,000	167,253,000	2.6%
Rural Land	775,677,000	808,738,000	4.3%
Urban Growth Land	1,180,842,000	1,180,831,000	0.0%
Total value of land	23,142,615,200	23,925,529,300	3.4%

7.6 The municipal charge under section 159 of the Act compared with the previous financial year

Type of Charge	Per Rateable Property	Per Rateable Property	Change
	2016/17	2017/18	
	\$	\$	
Municipal	139	142	2.2%

7.7 The estimated total amount to be raised by municipal charges compared with the previous financial year

Type of Charge	2016/17	2017/18	Change
	\$	\$	
Municipal	7,177,960	7,655,220	6.6%

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

Waste Service Option	Garbage Service	Green Waste Service	Recycle Service	Per Rateable Property	Per Rateable Property	Change
				2016/17	2017/18	
				\$	\$	
A	120 litre bin	240 litre bin	240 litre bin	313	319	1.9%
B	80 litre bin	240 litre bin	240 litre bin	278	284	2.2%
C	120 litre bin	120 litre bin	240 litre bin	268	273	1.9%
D	80 litre bin	120 litre bin	240 litre bin	233	238	2.1%
E	120 litre bin		240 litre bin	223	227	1.8%
F	80 litre bin		240 litre bin	191	195	2.1%
Extra Bin				136	139	2.2%

All residential properties will be charged a waste service option once an occupancy permit is issued.

7.9 The estimated total amount to be raised for 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	2016/17	2017/18	Change
	\$	\$	
Waste Service –Option A	3,052,689	\$3,274,216	7.3%
Waste Service –Option B	574,070	\$621,676	8.3%
Waste Service –Option C	2,788,808	\$3,028,116	8.6%
Waste Service –Option D	1,196,455	\$1,274,490	6.5%
Waste Service –Option E	2,304,705	\$2,372,377	2.9%
Waste Service –Option F	1,308,732	\$1,324,245	1.2%
Waste Service –Extra bin service	270,096	\$305,383	13.1%
Total	11,495,555	12,200,503	6.1%

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

	2016/17	2017/18	Change
	\$	\$	
Rates and charges after rebates	77,337,599	82,216,229	6.3%
Municipal charge	7,177,960	7,655,220	6.6%
Waste service charge	11,495,555	12,200,503	6.1%
Supplementary rates (including new Waste Services)	2,558,332	2,200,184	-14.0%
Total	98,569,446	104,272,136	5.8%

7.11 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 and Valuer General approval on the general revaluation
- Changes of use of land such that rateable land becomes non-rateable land and vice versa
- Changes of use of land such that residential land becomes business land and vice versa
- Changes to planning zones.

7.12 Differential rates

Rates to be levied

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

Category	Rate %	Cents in the \$ value of C.I.V
General Rate	0.33285%	0.33285 cents in the dollar value of property
Vacant Land	0.49928%	0.49928 cents in the dollar value of property
Extractive Land	0.95861%	0.95861 cents in the dollar value of property
Commercial & Industrial Developed Land	0.53256%	0.53256 cents in the dollar value of property
Commercial & Industrial Vacant Land	0.66570%	0.66570 cents in the dollar value of property
Retirement Village Land	0.28292%	0.28292 cents in the dollar value of property
Rural Living Land	0.29957%	0.29957 cents in the dollar value of property
Rural Land	0.23965%	0.23965 cents in the dollar value of property
Urban Growth Land	0.24964%	0.24964 cents in the dollar value of property

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

Council believe 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.

General Rate

General Rate is any land which does not have the characteristics of:

1. Vacant Land;
2. Extractive Industry Land;
3. Commercial/Industrial Developed Land;
4. Commercial/Industrial Vacant Land;
5. Retirement Village Land;
6. Rural Living Land;
7. Rural Land; or
8. Urban Growth Land.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and

3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Vacant Land

Vacant Land is any land:

1. on which no building with an approved occupancy permit is erected; and
2. located in a precinct structure plan, and with an approved planning permit for residential subdivision; and
3. which does not have the characteristics of:
 - 3.1 Commercial/Industrial Vacant Land;
 - 3.2 Rural Living Land;
 - 3.3 Rural Land; or
 - 3.4 Urban Growth Land.

The objective of this differential is to encourage the development of land for non-commercial and non-industrial purposes, and ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district; and
6. To discourage land banking, and ensure an adequate supply of residential zoned land to the market demand.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

Extractive Industry Land

Extractive Industry Land is any land which is:

1. used primarily for the extraction or removal of stone, including the treatment of stone; and
2. located within a Special Use Zone 1 under the Melton Planning Scheme.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Commercial/Industrial Developed Land

Commercial/Industrial Developed land is any land which:

1. is used or adapted or designed to be used primarily for commercial or industrial purposes; or
2. does not have the characteristics of Extractive Industry Land.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, having regard to the capacity of such land to be used to yield income and the demands such land make on Council's infrastructure. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Commercial/Industrial Vacant Land

Commercial/Industrial Vacant Land is any land:

1. on which no building with an approved occupancy permit is erected; and
 2. which is located within:
 - 2.1 a Business 1 Zone;
 - 2.2 a Comprehensive Development Zone;
 - 2.3 a Mixed Use Zone;
 - 2.4 an Industrial Zone 1;
 - 2.5 an Industrial Zone 3;
 - 2.6 Special Use Zone 4;
 - 2.7 Special Use Zone 3;
 - 2.8 Special Use Zone 6;
 - 2.9 Special Use Zone 7; or
 - 2.10 Urban Growth Zone located in a precinct structure plan, and with an approved planning permit for commercial/industrial use.
- under the Melton Planning Scheme.

The objective of this differential is to encourage the commercial/industrial development and ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services; and
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district; and
6. To discourage land banking, and ensure an adequate supply of commercial/industrial zoned land to the market demand.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

Retirement Village Land

Retirement Village Land is any land which is located within a retirement village land under the Retirement Villages Act 1986.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services;
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district; and
6. Recognition of the services undertaken by the retirement village sector.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Rural Living Land

Rural Living Land is any land which is:

1. two (2) or more hectares but less than ten (10) hectares in area; and
2. located within:
 - 2.1 a Green Wedge A Zone;
 - 2.2 a Green Wedge Zone;
 - 2.3 a Rural Conservation Zone;
 - 2.4 a Farming Zone; or
 - 2.5 Special Use Zone 5.under the Melton Planning Scheme.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and

2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services;
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district; and
6. To assist in the maintenance of rural properties.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Rural Land

Rural Land is any land which is:

1. ten (10) hectares or more in area; and
 2. located within:
 - 2.1 a Green Wedge A Zone;
 - 2.2 a Green Wedge Zone;
 - 2.3 a Rural Conservation Zone;
 - 2.4 a Farming Zone; or
 - 2.5 Special Use Zone 5.
- under the Melton Planning Scheme.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services;
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district;
6. To recognise the impact of urban land speculation on the valuation of farm land; and
7. To encourage agricultural activity.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

Urban Growth Land

Urban Growth Land is any land which is:

1. two (2) or more hectares in area; and
2. located within an Urban Growth Zone under the Melton Planning Scheme in respect of which no precinct structure plan has been approved.

The objective of this differential is to ensure that such rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, having regard to the capacity of such land to be developed (or future developed) and the demands that such land make on Council's infrastructure. These include the:

1. Implementation of good governance and sound financial stewardship; and
2. Construction, renewal, upgrade, expansion and maintenance of infrastructure assets; and
3. Development and provision of health, environmental, conservation, leisure, recreation, youth and family community services; and
4. Provision of strategic and economic management, town planning and general support services;
5. Promotion of cultural, heritage and tourism aspects of Council's municipal district; and
6. Planning & preparation of Precinct Structure Plan.

The types and classes of rateable land within this differential are those having the relevant characteristics described above.

The money raised by the differential rate will be applied to the items of expenditure described in the Budget by Council. The level of the rate for land in this category is considered to provide for an appropriate contribution to Council's budgeted expenditure, having regard to the characteristics of the land.

The geographic location of the land within this differential rate is wherever it is located within the municipal district, without reference to ward boundaries.

The use of the land within this differential rate, in the case of improvement, is any use of land.

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

The types of buildings on the land within this differential rate are all buildings already constructed on the land or which will be constructed prior to the expiry of the financial year.

7.13 Fair Go rates System Compliance

Melton City Council is fully compliant with the State Government's Fair Go Rates System.

Base Average Rates (2016/2017)	\$1,663
Maximum Rate Increase (set by the State Government)	2.00%
Capped Average Rate (2017/2018)	\$1,696
Maximum General Rates and Municipal charges Revenue	\$92,101,633
Budgeted General Rates and Municipal Charges Revenue	\$92,101,449



Budget Analysis (Best Practice)

A Proud Community Growing Together

Page 58



Budget Analysis

The following reports provide detailed analysis to support and explain the budget reports in the previous section.

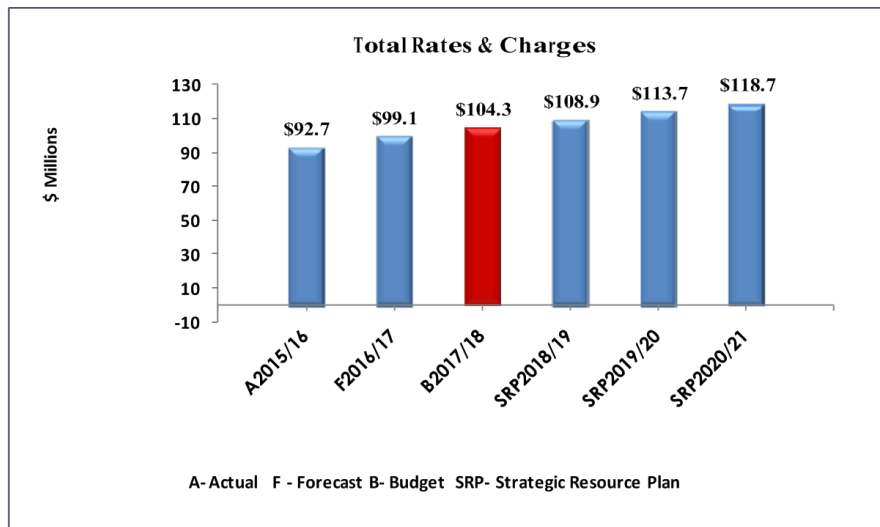
This section includes the following analysis and information:

- 8 Summary of financial position
- 9 Budget influences
- 10 Analysis of operating budget
- 11 Analysis of budgeted cash position
- 12 Analysis of capital budget
- 13 Analysis of budgeted financial position
- 14 Strategic resource plan
- 15 Rating strategy
- 16 Summary of other strategies

8. Summary of financial position

In the following pages key budget information is provided on rate increase, operating result, cash and investments, capital works, financial position, and financial sustainability of the Council. Charts shown illustrate the 2016/17 forecast result, 2017/18 budget projections and the 3 year forward look from the Council's latest 2017/18 to 2020/21 Strategic Resource Plan.

8.1 Total Rates and Charges

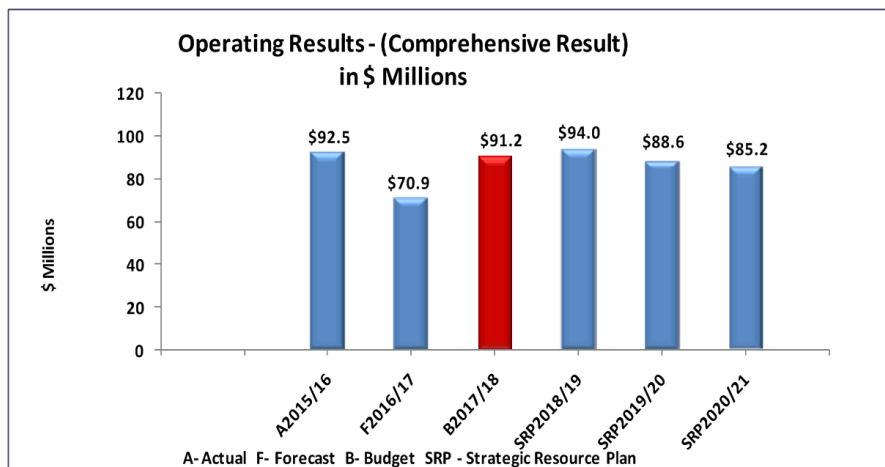


Rates are Council's principal source of income; in 2017/2018 they represent 68.4% of Council's underlying revenue of \$152.4 million, (E xcluding capital and non recurrent grants, cash and non cash developer contributions and non operational asset sales.

The rates and charges will rise by 2.0% in line with the order by the Minister for Local Government on 14 December 2016 under the Fair Go Rates System.

The rate increase of 2.0% will raise total rates and charges of \$104.3 million, after the environmental rebate of \$1.75 million. Total rate revenue includes \$2.2 million generated from supplementary rates. This rate increase has been allocated to maintaining existing service levels, fund a number of new initiatives and the balance is utilised to fund the capital works program. This budget provides for funding of \$52.1 million of capital works in 2017/18 which includes \$29.8 from operations, \$5.5 million from capital grants, \$5.6 million from developer contributions and reserves and \$11.2 million from carry forward from 2016/17.

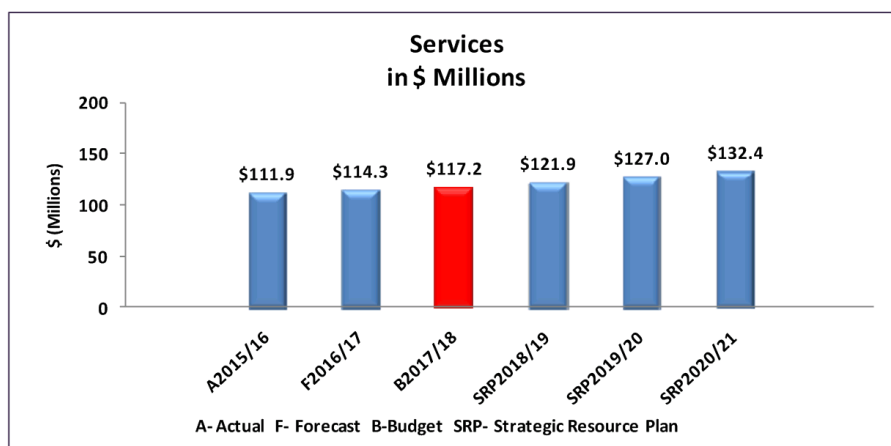
8.2 Operating Result



The projected operating result for the 2017/18 year is a surplus of \$91.2 million, which includes contributed assets of \$72.9 million. The operating surplus is an increase of \$20.3 million from the 2016/17 forecast results. This increase is a combination of net increases in cash and non cash contributed assets partly offset by reduction in capital grants and increases in employee costs, utility expenses and depreciation charge for the 2017/18 year.

The adjusted underlying result, which excludes items such as non-recurrent capital grants and cash and non-cash contributions, is a surplus of \$4.38 million for the year, which is a reduction of \$0.018 million over 2016/17 result – refer to notes 4.1 on Sections 4 and 10.1 on Section 10 for further information on underlying results.

8.3 Services



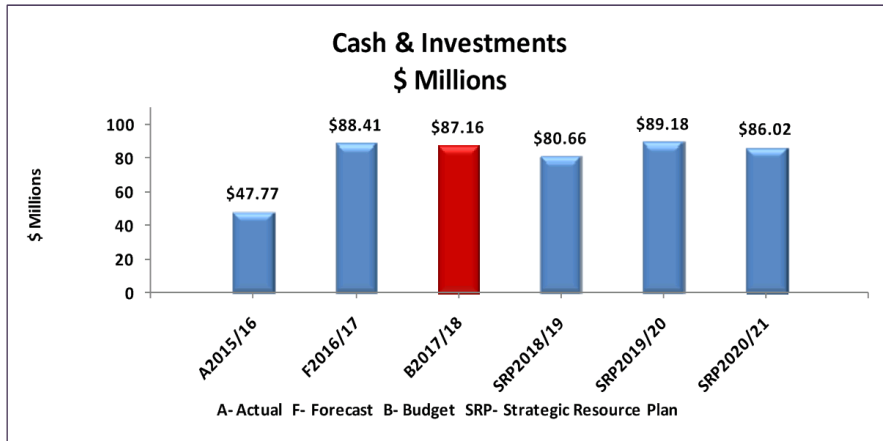
The net cost of services projected to be delivered to the community in 2017/18 is budgeted at \$117.2 million which is an increase of \$2.9 million over 2016/17 forecast. This increase is attributable to the increase in employee costs (\$3.47 million), Utilities (\$0.48 million), maintenance expenditure (\$0.146 million) offset by a reduction in contract & material costs (\$1.19 million),

The steady increase in services costs over the next 3 years is the outcome of, additional services and facilities required as a result of projected increase in the population, continued subdivisional and building activity, all of which are predicted to remain relatively strong in the medium and long term.

For the 2017/18 year, service levels have been maintained, and where necessary expanded, to meet the demands of the community. A number of new activities and initiatives have also been adopted in 2017/18 at a net cost of over \$1.134 million, as detailed in the capital works schedule under Section 6.

A comprehensive list of services provided by the Council is listed under Section 2.

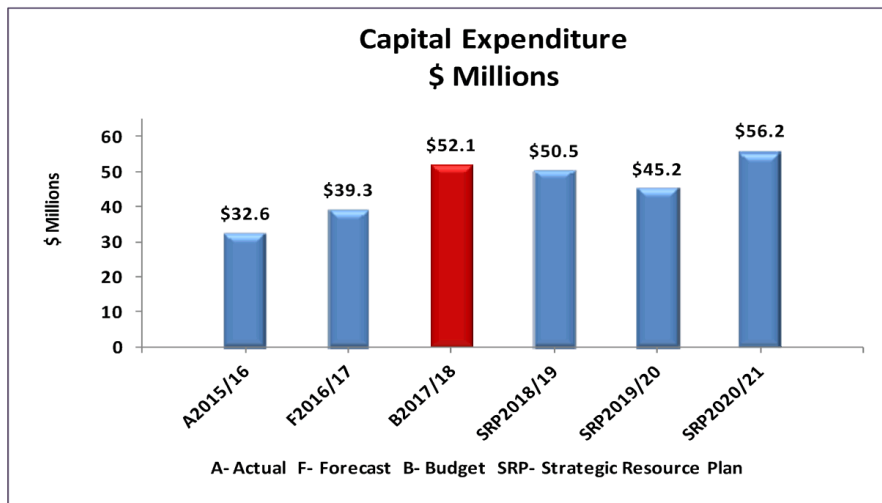
8.4 Cash and Investments



Cash and investments are budgeted at \$87.2 million by the end of 2017/18, which is a reduction of \$1.25 million from the 2016/17 forecast of \$88.4 million. This decrease is attributable to the Council's reduced capital grants in 2017/18 of \$5.46 million compared to 9.34 million in 2016/17 and the budgeted capital expenditure of \$52.1 in 2017/18 (including carry forward works of \$11.3 million) compared to the 2016/17 forecast capital expenditure of \$39.3 million. The Council's cash holdings as at 30th June 2018 are based on the assumption that all necessary loans borrowings (nil in 2017/18) and loan repayments will be processed by the end of the financial year. A significant portion of the Council's cash balances are statutory reserves including developer contributions for specific future capital works and projects, which must be applied in accordance with legislative and contractual requirements and will need to remain cashed up for this reason.

Refer also Section 11 - Analysis of Budgeted Cash Position for further analysis of the cash position.

8.5 Capital Works



A capital works program of \$52.1 million (including \$11.3 million carry forward from 2016/17) has been planned for 2017/18. These works will deliver much needed new and renewal of community infrastructure and other assets to the City.

Total funding for capital works is made up of \$29.77 million (57.1%) from operations, \$5.46 million (10.5%) from capital grants, \$5.62 million (10.8%) from developer contributions and \$11.3 million (21.6%) from carry forward surplus for carry forward works.

The 2017/18 capital works program includes a number of major projects including the following:

	\$ (Millions)
Property & Buildings (\$6.450 million)	
Burnside Heights Children's Community Centre	\$2.000
Community Centre / Pavilion Annual Renewal	\$1.114
Recreation Facilities –Female Change Room Upgrade	\$0.600
Caroline Springs Leisure Centre Renewal Works	\$0.500
Scouts Activity Centre – Burnside	\$0.500
Taylors Hill West Multi-Purpose Comm. Centre Year 1	\$0.500
Land acquisitions and Other	\$1.030
Buildings – Other	\$0.206
Roads (\$15.701 million)	
Streetscape Improvements	\$5.335
Hume Drive Duplication (Stage 1)	\$3.545
Annual Resurfacing Periodic Reseals	\$2.740
Shared/Bicycle Paths Construction Program	\$0.800
Boundary and Sinclair Road Blackspot funding works	\$0.616
Major and Minor Traffic Control Works	\$1.100
Road Works – Other	\$ 1.565
Bridges (\$4.570 million)	
Westwood Drive Bridge	\$4.100
Bridgeworks - Pedestrian	\$0.250
Bridge Rehabilitation Program	\$0.220

Recreation -Open space and other (\$19.021 million)

Taylor's Hill West PSP-2 Senior Football / Cricket	\$10.522
Caroline Springs Sub Regional Tennis Centre-Design	\$4.500
Macpherson Park Redevelopment	\$1.000
Passive Reserve Development Program	\$0.909
Mount Cottrell Recreation Reserve - Rehabilitation	\$0.450
Recreation, Open Space -Other	\$1,640

Drains (\$0.560 million)

Water Sensitive Urban Design Program	\$0.380
Underground Drainage/Flood Protection Works	\$0.100
Culverts/Open Channels Construction Program	\$0.080

Plant and equipment and Library stock (\$2.126 million)

Council vehicle fleet and furniture and equipment	\$1.431
Public Desktop Computer & Corporate Desktop Computer Replacement	\$0.320
Library book purchases	\$0.375

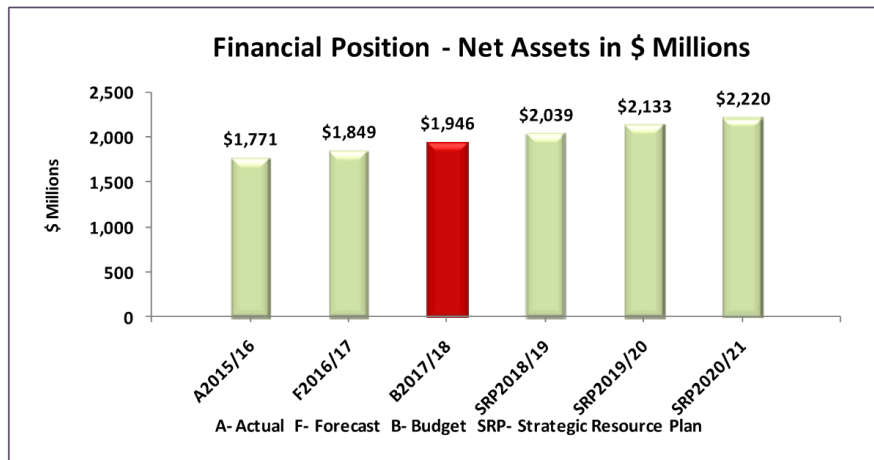
Other infrastructure (\$3.682 million)

Footpaths Maintenance/Replacement and Extensions	\$1.305
Melton Botanic Garden Walking Trail	\$0.341
Tree Planting	\$0.650
Playground Upgrade	\$0.150
Refurbishment of Public Convenience Program	\$0.160
Irrigation System Renewal Program	\$0.210
Passive Open Space Vegetation Renewal Program	\$0.105
Synthetic Field Maintenance	\$0.115
Other Various	\$0.646

The capital expenditure program has been set and prioritised based on a rigorous process of consultation, strategy development and policy settings that has enabled Council to assess needs and develop sound business cases for each project.

A detailed schedule of the 2017/18 capital works program is provided in Section 6 and Analysis of capital Budget and sources of funding in Section 12.

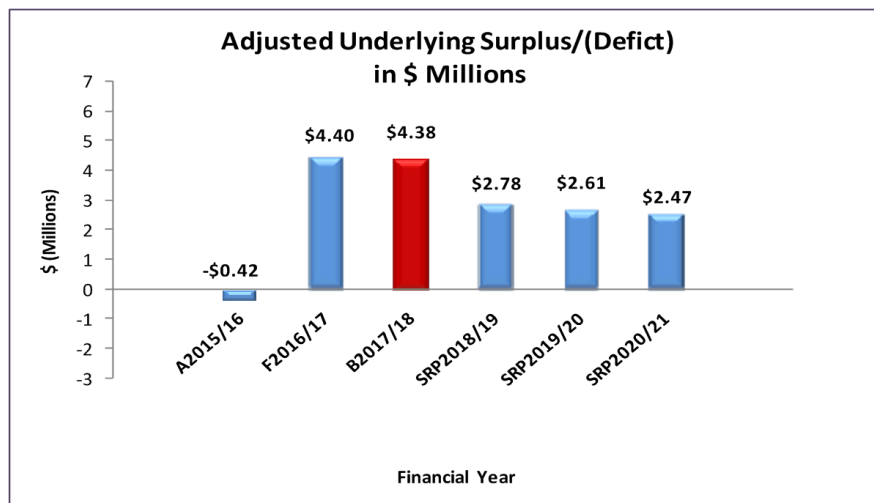
8.6 Financial Position



The City's net assets (i.e. net worth) are expected to increase by \$97.0 million from \$1.849 billion in 2016/17 to \$1.946 billion in 2017/18. The amount of net contributed assets in the noncurrent assets includes \$43.1 million in 2016/17 and \$72.9 million in 2017/18. Increases in non-current assets are shown net of depreciation.

Refer also Section 3 for the Balance Sheet and Section13 for an analysis of the budgeted financial position.

8.7 Financial sustainability



The underlying result which excludes capital grants and contributions and non operational asset sales is a surplus of \$4.38 million for the 2017/18 year, which is a decrease of \$0.018 million from the 2016/17 forecast equivalent. The underlying result is a measure of financial sustainability, as it is not impacted by non-recurring or once-off items of revenues and expenses, which can often mask the operating result.

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 medium to long term, while still achieving the Council's strategic objectives as specified in

the Council Plan. The adjusted underlying results, shows an underlying surplus of \$4.38 million in 2017/18 reducing by \$1.6 million in 2018/19 and stabilising around \$2.5 million during the currency of the latest Strategic Resource Plan.

Refer Section 14 for more information on the Strategic Resource Plan.

8.8 Strategic Objectives

A high level Strategic Resource Plan for the years 2017/2018 to 2020/21 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 medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan.

The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan.

Melton City Council has a strong track record of sound management of the fiscal and physical resources of the community of Melton. Council has a heavy responsibility for the stewardship and governance of the assets entrusted to it by the community and the 2017/18 Budget represents a continuation of those efforts.

9 Budget influences

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

9.1 Snapshot of Melton City Council

Location

The City of Melton is located in Melbourne's outer western suburbs. Spanning approximately 530 square kilometres, bordered by Djerrivarrh Creek and the Wombat State Forest, the City is a combination of urban and rural living. It is located at a comfortable commuting distance from Melbourne, Geelong and Ballarat. The City of Melton is located in the most rapidly growing urban corridor in Australia.

Population growth

The City of Melton is one of the fastest growing municipalities in Australia. In the last decade, the population of the City has increased from more than 86,196 to 138,967. (Source: Australian Bureau of Statistics, Regional Population Growth Australia, 3218.0 and Council's calculations are based on the Australian Bureau of Statistics, Regional Population Growth, Australia, 2014/15).

Currently, the City of Melton is growing at 4.0% per year, almost the double the rate of Greater Melbourne's growth of 2.1% per year. It is the fourth fastest growing local government area in Victoria. (Australian Bureau of Statistics, Regional Population Growth, Australia, 2014/15).

Between 2016 and 2036, the population is projected to more than double, to 319,977, making the City of Melton almost the size of Canberra today. (Source: forecast.id)

Ageing structure

The City of Melton is a young municipality, the median age is 32 (Victorian and Australian median age is 37). (Source: Australian Bureau of Statistics, Census of Population and Housing 2011). More than 70% of residents are 45 years old or younger. The largest age cohorts are: 5-9 years old, of which there are 12,018, residents, and 35-39 years old, of which there are 12,024 residents. Of significance is the emerging age cohort of people aged 65+. Between 2016 and 2036, the 65+ years old will increase by more than three fold, from 11,253 to 35,493. (Source: forecast.id)

Births

In the 2015/16 financial year, 2,318 birth notifications were received in the municipality. (Source: City of Melton Growth Indicators)

Cultural diversity

City of Melton welcomes people from around the world and is enriched by cultural and linguistic diversity. It is the place that more than 30,000 thousands of immigrants have called home. 2011 Census data indicates that ethnic diversity has increased in City of Melton in the last 10 years. The municipality is becoming increasingly culturally diverse City.

People from more than 140 different nations have made their new home in the City of Melton. People born overseas comprised 28% of the total population in City Melton at the 2011 Census. In the City of Melton 22% of people come from countries where English is not the first language.

Housing

City of Melton's population is growing and changing. The families in the City of Melton live in more than 47,000 households. By 2036, there will be more than 110,000 households (an increase of more than 72,000 households) creating a need for additional and more diverse and affordable housing options. (Source: forecast.id)

In the City of Melton, over the next 20 years, the proportion of homes comprising families with children is expected to decrease, while the proportion of one-person and couple only households is expected to increase. (Source: forecast.id) The changing household sizes means that the City of Melton will require more diverse housing types, including medium and higher density housing close to infrastructure and in areas where people wish to live as housing choices are major contributors to people's quality of life, access to employment, services and modes of travel.

Education and occupation

In the past decade, the City of Melton has experienced a steadily improving retention of students in year 12 (along with the Western Region and Interface Councils), up from 40.3% in 2006 to 46.5% in 2011 (Australian Bureau of Statistics, Census of Population and Housing 2011).

The proportion of residents who have non-school qualifications is increasing. Many more residents in 2011 had completed a Bachelor or Higher Degree qualification than in 2006 (10.4% compared with 13.5%). (Source: Australian Bureau of Statistics, Census of Population and Housing 2011).

The occupations of residents have also changed. The proportion of Professionals and Community and Personal Service workers has increased, while a fall has occurred in the proportion of Labourers and related workers.

Budget implications

As a result of the City's rapidly growing and changing demographic profile, there are a number of budget implications in the short and long term as follows:

Population growth

By 2036, there are projected to be more than 318,000 residents in the City of Melton. While population growth has been exponential, this has not translated into adequate / sufficient community services and an increase in public transport provision.

Community Infrastructure

Existing infrastructure provision, including early years services, schools, recreation facilities, health services and public transport, struggle to keep pace with the increased demand that come with rapid and sustained population growth.

Cultural Diversity

The growth in cultural and linguistic diversity means that Council needs to adapt and utilise a variety of media in languages other than English for mass communication with citizens and accesses interpreting services for interpersonal communication with citizens. Council also draws on the abilities of its bilingual staff and actively seeks opportunities to meaningfully connect with new and emerging community

Reducing Rating Structures

In the City of Melton, over 12% of ratepayers are entitled to the pensioner rates rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council has hardship provisions in place but these can impact on cash balances when large volumes of ratepayers are involved.

10. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2017/18 year.

10.0 Budgeted Income Statement

Budgeted Income	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Income Types				
Income				
Rates and charges	10.2.1	99,075	104,277	5,202
Statutory fees and fines	10.2.2	3,029	3,295	266
User fees	10.2.3	9,941	9,984	43
Contributions - monetary	10.2.4	14,051	8,357	-5,694
Contributions - non-monetary assets	10.2.5	43,060	72,953	29,893
Grants - Operating (recurrent)	10.2.6	23,727	24,368	642
Grants - Operating (non-recurrent)		339	281	-58
Grants - Capital (non-recurrent)	10.2.7	9,348	5,465	-3,883
Net gain on disposal of assets	10.2.8	4,576	5,600	1,025
Other income	10.2.9	5,099	4,563	-536
Share of net P/L of assoc. and joint ventures				
Total Income		212,244	239,144	26,901
Expenses				
Employee costs	10.3.1	49,841	53,304	-3,464
Materials and services	10.3.2	59,348	58,307	1,041
Bad and doubtful debts	10.3.3	400	400	
Depreciation and amortisation	10.3.4	25,362	29,417	-4,055
Finance costs	10.3.5	1,322	961	361
Other expenses	10.3.6	5,118	5,602	-484
Total Expenses		141,389	147,991	-6,602
SURPLUS/DEFICIT		70,855	91,153	20,298
Other comprehensive income				
deficit/surplus in future periods				
Net revaluation increment/decrement				
Share of other comprehensive Income of assoc. and Joint vent.				
Items that may be reclassified to surplus or deficit in future periods				
Total				
Total Comprehensive Result		70,855	91,153	20,298

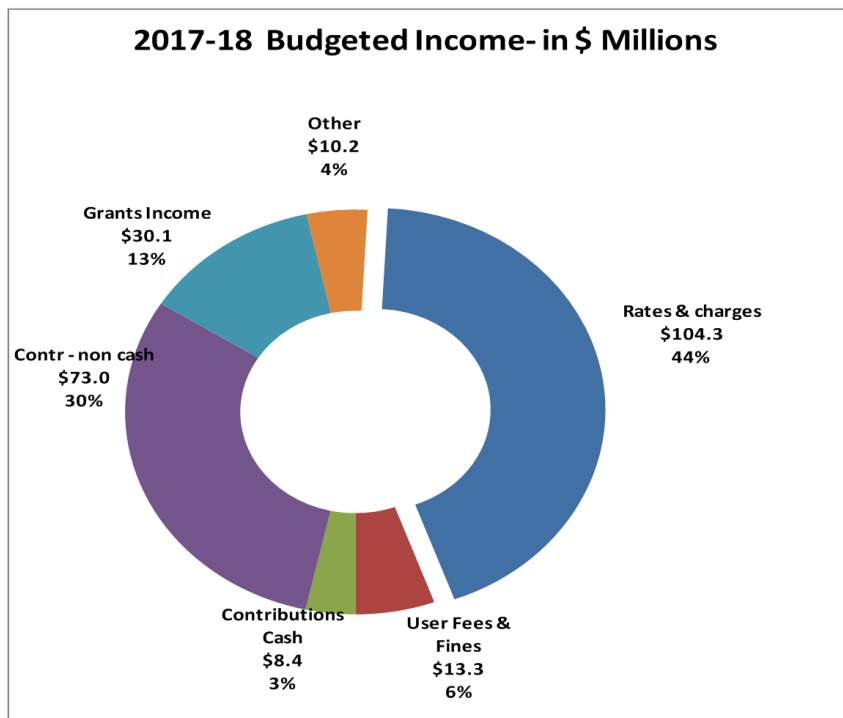
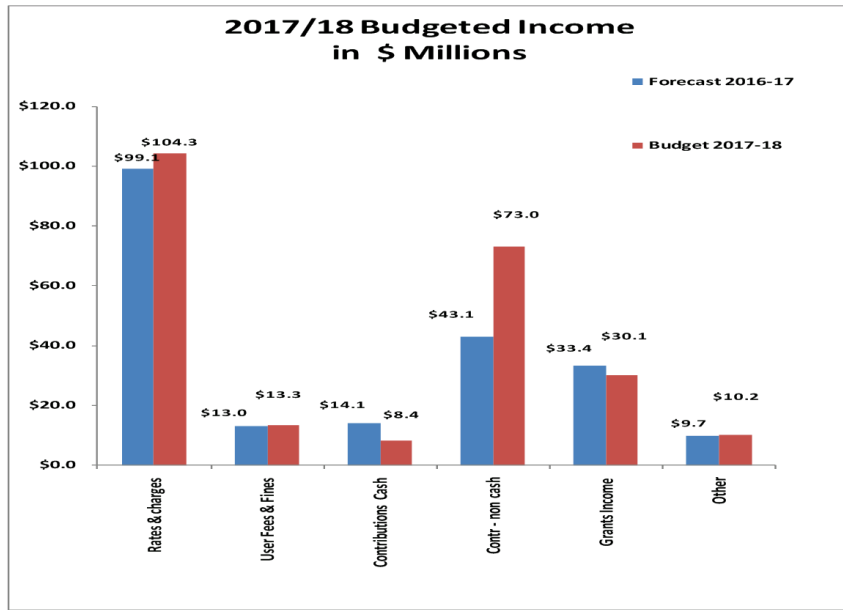
10.1 Budgeted Income Statement – Underlying Surplus/(Deficit)

Adjusted Underlying Surplus/(Deficit)	Note	Forecast	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Total Income		212,244	239,144	26,901
Total Expenses		141,389	147,991	-6,602
Surplus (deficit) for the year		70,855	91,153	20,298
Less				
Grants - Capital Non Recurrent		-9,348	-5,465	3,883
Contributions - Non Monetary Assets		-43,060	-72,953	-29,893
Contributions - Cash		-14,051	-8,357	5,694
Adjusted Underlying Surplus (Deficit)		4,396	4,378	-18

The adjusted underlying result is the net surplus or deficit for the year, adjusted for non-recurrent capital grants, cash and non cash contributions and capital grants from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result.

10.2 Income

Budgeted Income Revenue Types	Note	Forecast	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Rates and charges	10.2.1	99,075	104,277	5,202
Statutory fees and fines	10.2.2	3,029	3,295	266
User fees	10.2.3	9,941	9,984	43
Contributions - cash	10.2.4	14,051	8,357	-5,694
Contributions- Non Monetary Assets	10.2.5	43,060	72,953	29,893
Grants - operating	10.2.6	24,065	24,650	584
Grants - capital	3.3.7	9,348	5,465	-3,883
Net gain on sale of assets	10.2.8	4,576	5,600	1,025
Other income	10.2.9	5,099	4,563	-536
Total		212,244	239,144	26,901



10.2.1 Rates and Charges (\$5.202 million increase)

It is proposed that general rate income be increased by 2.0% plus growth of 4.3% in assessments. The increase amounts to \$5.2 million from 2016/17 forecast of \$99.1 million to \$104.3 million in 2017/18. Supplementary rates are forecast to increase by \$0.200 million from \$2.0million in 2016/17 to \$2.2 million in 2017/18. Information on rates and charges specifically required by the Regulations is included under Section 7 – Rates & Charges.

Section 7. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2017/18.

10.2.2 Statutory fees and fines (\$0.266 million increase)

Statutory fees 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.

Statutory fees are forecast to increase by 8.8% or \$0.266 million compared to 2016/17 forecast. The increase is largely attributable to increase in fees in local laws such as parking fines and other regulatory fees which are in total projected to increase in total by \$0.188 million compared to 2016/17 forecast largely due to elevated level of enforcement and more proactive patrols planned in 2017/18. Other increases projected include town planning, property information requests, revenue collection fees of \$0.080 million and \$0.010 million, and 0.030 million respectively. The overall increase is partly offset by reduction in council election fines compared to 2016/17 which was a Council election year by \$0.040 million. It should be noted that changes in legislated fees are typically advised after Council's budget setting process is complete, with any increases to be included in the revised forecast position for 2017/18, where applicable.

A detailed listing of statutory fees and charges is available on Council's web site and can also be inspected at Council's customer service centres.

10.2.3 User fees (\$0.043 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include subdivision construction supervision fees, transfer station and recyclable procession fees. Other fees and charges in leisure and recreation, community facilities including the provision of human services such as occasional care food services and HACC home care services. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases are in line with the increases in the cost of providing the services or market levels.

User charges are projected to increase by 0.43% or \$0.043 million over 2016/17 forecast. Items contributing to the increase include subdivision construction supervision \$0.160 million, animal registration and food and health act compliance fees 0.064 million, family day care and occasional care in Family Services 0.145 million and property hire income in recreation & leisure services \$0.020 million. The overall increase however is partly offset by projected reduction in fees mainly in Community Care due to the advent of NDIS \$0.163 million, gate takings from transfer station \$0.055 million, property hire income in Community Planning \$0.040 million, cemetery operations \$0.030 and sale of valuation data charges \$0.058 million.

A detailed listing of fees and charges is included in Appendix C.

10.2.4 Contributions - cash (\$5.694 million decrease)

Contributions relate to monies paid by developers in regard to precinct structure plan (PSP) developer contributions, public open space and recreation, drainage and car parking in accordance with planning permits issued for property development. Contributions are projected to decrease by \$5.694 million or 40.5% compared to 2016/17. Developer contributions received varies from year to year, while the contributions received are treated as income in the accounting period they are received, they are nevertheless set aside during the year, in reserve accounts for future capital works.

10.2.5 Developer Contributed Assets -Non Cash Contributions (\$29.9 million increase)

The increase in the projected non cash contributions in 2017/18 are based on the level of major property developments that are currently ongoing in 2016/17 and other projects in 2017/18 are expected to complete by the end of the 2017/18 financial year. Based on current estimates the non cash contributions are projected to increase by \$29.9 million in 2017/18 compared to 2016/17 forecast.

10.2.6 Government Operating Grants Recurrent & Non Recurrent (\$0.583 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.

The level of operating grants is projected to increase by only \$0.583 million or 2.4% compared to 2016/17 forecast. This overall increase however is based mainly on the assumption that in the first year of post indexation freeze in 2017/18, Grants Commission allocation will increase by at least 5.0% due to population growth. While there is no indication from the Commission to make a prediction at this stage, nevertheless this is projected as a reasonable expectation given the indexation freeze over the last three years. The final grants commission allocation however will not be known prior to adoption of the budget. Other increase in grants projected include a significant increase of \$0.272 million in 2017/18 for school crossing program due to change in funding methodology. The level of grants for Community Care & Inclusion is also expected to increase marginally by \$0.062 million or 1.3%. The overall increase is partly offset by reduction in grants for Family & Children programs by \$0.078 million or 2.3% while Community Capacity, Social Planning and Wellbeing and other programs are projected to reduce significantly by \$0.338 million or 46.3% from 2016/17 levels. The reduction in operating grants is a continuing trend which has posed serious challenges for the Council over the years in achieving an underlying surplus and this is further exacerbated by rate capping regime currently in place.

10.2.7 Grants - Capital Non Recurrent (\$3.883 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purpose of funding the capital works program. Overall the level of capital grants is lower than 2016/17 forecast by \$3.883 million or 41.5%. This is mainly due to the fact that significant amounts of one-off capital grants are projected to be received by the end of 2016/17. Unspent component of these grants will be carried forward to 2017/18 to complete the operating and capital programs in 2017/18. Section 5 - "Analysis of Capital Budget" includes a detailed analysis of the grants expected to be received during the 2017/18 year.

Capital grants in 2017/18 are estimated at \$5.46 million this is made up of \$1.54 million for annual resurfacing and periodic reseals, \$2.3 million for streetscapes improvement, \$1.0 million for Taylors Hill West Precinct Structure Plan senior's football/cricket and \$0.625 million for Hume drive duplication (stage 1). It should be noted that most capital grants are considered non-recurrent, i.e. they are funds generally provided to Council to assist in the delivery of specific projects and are only available for a limited period of time. Further, some forecast / budgeted non-recurrent capital grants are estimates only, with funding not yet confirmed. Where Council is unsuccessful in attracting such grants, projects will not proceed until alternative funding sources are identified and funds confirmed.

10.2.8 Net gain on sale of assets (\$1.025 million increase)

Net Gain/Loss on Disposals of Assets	Note	Forecast	Budget	Variance
		2016/17	2017/18	
		\$'000	\$'000	\$'000
Proceeds from Sale of Assets		12,236	12,826	590
Costs of Assets Sold		-7,660	-7,226	435
Net Gain/(Loss) on Disposals of Assets		4,576	5,600	1,025

Proceeds from the sale of Council assets are budgeted at \$12.83 million for 2017/18 of which \$12.45 million relate to income from the sale of Council land assets under developer agreements. Land sales are projected to increase by \$0.570 million compared to 2016/17 forecast of \$11.88 million. The forecast increase in land sales is mainly attributable to the continued improvement in housing market conditions expected in 2017/18, as in 2016/17. Other asset sales include planned cyclical replacement of part of the plant and vehicle fleet of \$0.370 million which is a decrease of \$0.020 million compared to 2016/17 forecast of \$0.350 million. The cost of assets sold represents the written down value of plant and properties including land assets held for resale budgeted to be sold in 2017/18. The written down value of assets sold is forecast to be higher than 2016/17 forecast, resulting in an unfavourable variance of \$0.435 million in 2017/18.

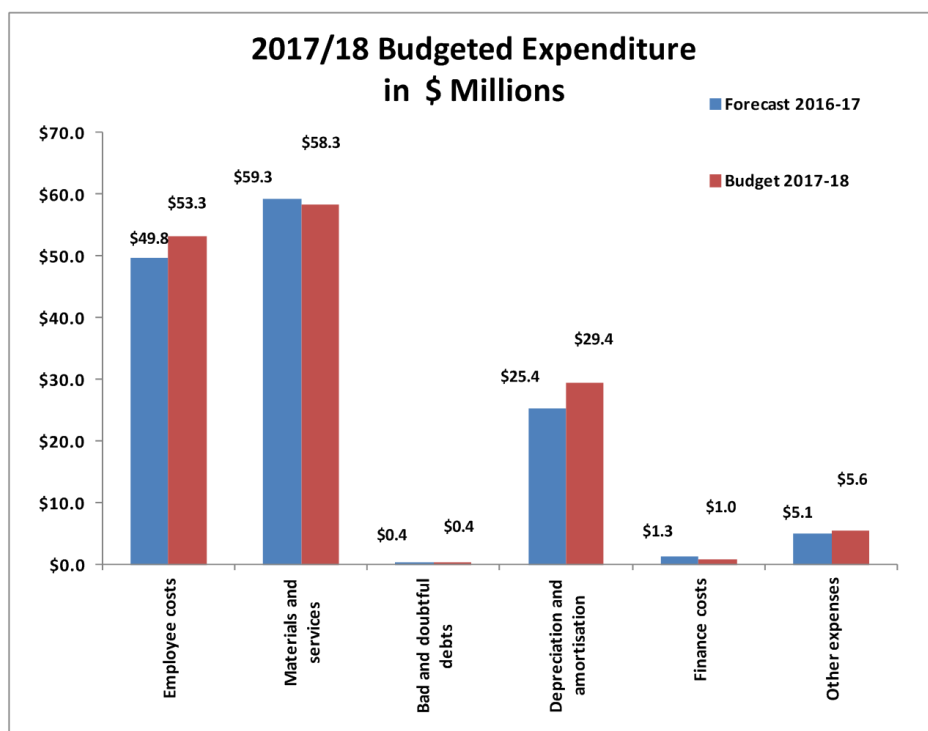
10.2.9 Other Income (\$0.536 million decrease)

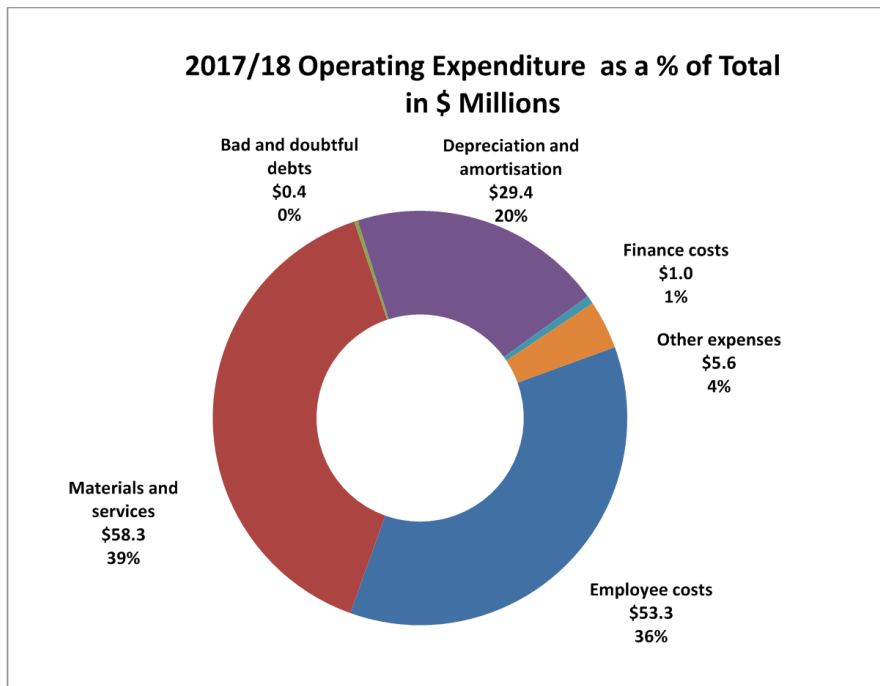
Other income relates to a range of items such as cost recoups, interest revenue on investments and rate arrears and other miscellaneous income items. Other income is forecast to decrease by 10.4% or \$0.535 million compared to 2016/17.

The reduction is mainly due to lower interest income projected in 2017/18 of \$1.490 million compared to \$2.060 million in 2016/17, a reduction of \$0.570 offset by some minor reductions in other miscellaneous income items. Interest income is projected to be lower due to the expectation that \$52.1 million of capital works in 2017/18 will be completed by the end of the year with payments spread evenly over the year and hence lower level of funds available for investment.

10.3 Expenses

Budgeted Expenditure Expenditure Types	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Employee costs	10.3.1	49,841	53,304	3,464
Materials and services	10.3.2	59,348	58,307	-1,041
Bad and doubtful debts	10.3.3	400	400	
Depreciation and amortisation	10.3.4	25,362	29,417	4,055
Finance costs	10.3.5	1,322	961	-361
Other expenses	10.3.6	5,118	5,602	484
Total		141,389	147,991	6,602





10.3.1 Employee Costs (\$3.464 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, annual leave loading, long service leave and employer superannuation, work cover premium etc and payment to contract employees.

Employee costs are forecast to increase by \$3.46 million compared to 2016/17 forecast result. The overall increase in employee costs in 2017/18 relates to a number of key factors:

- The Enterprise Bargaining Agreement (EBA) with wages growth at 2.5% is estimated at around \$1.25 million in 2017/18.
- Increases in staff numbers have been budgeted in 2017/18 resulting largely from the organisation restructure from 2016/17, the full financial impact of which is reflected in 2017/18, enhanced service delivery and a number of new initiative programs approved by Council for implementation in 2017/18. The labour cost component of this increase to service delivery is budgeted at \$0.990 million in 2017/18.
- Reclassifications of existing staff positions, increased hours of service delivery costs, band increases, end of band payments and movements within bands are expected to cost around \$0.747 million.
- Other Increase in employee oncost in 2017/18 amounting to \$0.477 million relates to increase in staff oncost expenses including increases in work cover premium, provision for staff entitlement long service, annual leave and superannuation contributions.

A summary of human resources expenditure categorised according to the organisational structure of Council is included below together with a summary of the number of equivalent full time (FTE) Council staff in relation to the above.

Employee Costs	Budget	Permanent	Permanent	Casuals &
	2017/18	Full-Time	Part-time	Other
	\$'000	\$'000	\$'000	\$'000
Executive Management	2,007	1,789	218	
Corporate Services Management	12,613	9,869	2,536	208
Planning and Development Management	11,258	10,770	447	41
Community Services Management	20,021	12,505	6,367	1,149
Other - Payroll Related Expenses	1,109			1,109
Total	47,008	34,933	9,568	2,507

Employee Numbers EFT (Equivalent Full Time)	Budget	Permanent	Permanent	Casuals
	2017/18	Full-Time	Part-time	
Executive Management	12.2	10.0	2.2	
Corporate Services Management	88.0	60.1	26.4	1.5
Planning and Development Management	168.9	155.5	10.6	2.8
Community Services Management	262.6	137.3	103.5	21.7
Total	531.7	362.9	142.7	26.1

10.3.2 Materials and services (\$1.04 million decrease)

Materials and services include the purchases of consumables and payments to contractors for the provision of services.

Materials and services are forecast to increase by 1.75% or \$1.04 million in 2017/18 compared to 2016/17. The increase is mainly attributable to the decrease in overall expenditure due to 2016/17 election expenses of \$0.514 million not having a corresponding expenditure in 2017/18, hence a favourable variance, reduction in advance income carry forward expenditure compared to 2016/17 of \$0.368 million, reduction in professional advisory expenditure of \$0.354 million, reduction in legal expenses \$0.100 million and other general reduction in discretionary expenses such as planning and design, sponsorship advertising and other of \$0.292 million. The overall reduction of \$ 1.628 million is partly offset by net increase in contract expenditure mainly in waste management, road services, and leisure and property services amounting to \$0.442 million. Other increases include projected increase in maintenance expenditure which has increased from \$4.905 million in 2016/17 to \$5.051 million in 2017/18 resulting in a net increase of \$0.146 million.

10.3.3 Bad and doubtful debts (no change)

Bad and doubtful debts in 2017/18 are projected at the same level as in 2016/17.

10.3.4 Depreciation and Amortisation (\$4.055 million increase)

Depreciation is an accounting measure which attempts to measure the usage of Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of 15.9% or \$4.05 million for 2017/18 is due mainly to the capitalised component of the 2016/17 capital works program and the effect of depreciation and amortisation on the completed capital works in 2017/18. The significant increase in depreciation in 2017/18 is mainly due to significant increase in the valuation of road assets in 2015/16 due to change in the basis of valuation of road assets. The Council's property, plant & equipment including infrastructure asset values are increasing at a very significant rate each year, not only due to increasing levels of capital expenditure and the combined impact of revaluation, but also due to the significant levels of contributed assets transferred over to Council each year from completed development works in the City.

10.3.5 Finance Costs (\$0.361 million decrease)

Borrowing costs relate to interest charged by financial institutions on borrowed funds. Borrowing costs are expected to reduce by \$0.361 million in 2017/18 compared to 2016/17 forecast. Since no new borrowings are planned in 2016/17 or 2017/18, the decrease in finance cost is mainly attributable to the lower level of loans due to principle repayments of \$6.914 million and \$3.380 million in 2016/17 and 2017/18 respectively.

10.3.6 Other Expenditure - Utilities and Communication (\$0.484 million increase)

Utility costs relate to telecommunications, including usage of telephones and other utilities such as water, gas and electricity. Utility costs are forecast to increase by 32.2% or \$0.484 million compared to 2016/17. This is mainly due to some significant increase in costs in data communications such as server hosting \$0.185 million, network communication \$0.024 million due to migration to cloud technology, Electricity \$0.058 million, water \$0.185 million, gas \$0.028 million and other expenditure 0.060 million. Utilities and communication expenditure are expected to escalate due to additional installation and usage charges as a result of number of new facilities coming into full operation in 2016/17 and 2017/18.

11. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017/18 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

Operating activities

Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt

Investing activities

Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment

Financing activities

Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

11.1 Cash Flow Statement

Cash Flow Statement	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Cash flows from operating				
Receipts				
General rates		98,879	104,177	5,298
Grants Income - Operating & Capital		33,414	30,115	-3,299
Interest		2,618	1,830	-788
User charges		12,505	13,454	949
Contributions & Reimbursements		14,051	8,357	-5,694
Other revenue		2,543	2,563	20
Total Receipts		164,010	160,496	-3,514
Payments				
Employee costs		48,804	52,941	-4,137
Contractor payments		41,504	41,928	-425
Other expenses		22,509	23,231	-722
Financing Costs		1,322	961	361
Total Payments		114,138	119,061	-4,922
Net cash provided by operating activities	11.1.1	49,872	41,436	-8,436
Cash flows from investing activities				
Proceeds from sales of property, plant and equipment		12,236	12,826	590
Payments for property, plant and equipment		-39,336	-52,135	-12,799
PSP Rolling Credit payments		-5,000		5,000
Net cash used in investing activities	11.1.2	-32,101	-39,310	-7,209
Cash flows from financing activities				
Finance costs				
Proceeds from borrowings				
Repayment of borrowings		-6,914	-3,380	3,534
Net Cash used in financing activities	11.1.3	-6,914	-3,380	3,534
Net decrease in cash & cash equivalents		10,857	-1,254	-12,111
Cash & equivalents at beginning of year		77,555	88,412	10,857
Cash & equivalents at 30 June	11.1.4	88,412	87,158	-1,254
Represented by:				
Restricted cash and investments				
Cash and Investments in Hand		3,500	3,500	
- Statutory reserves		39,830	43,413	3,583
- Discretionary reserves		45,082	40,245	-4,837
Cash & equivalents at 30 June		88,412	87,158	-1,254

11.1.1 Operating Activities (\$8.436 million decrease)

Cash flow from operating activities refers to the cash generated or used in the normal service delivery functions of Council. The 2017/18 budget for net cash provided by operating activities is \$8.436 million lower than 2016/17 forecast. This represents a decrease in cash receipts of \$3.514 million plus an increase in cash operating expenditure by \$4.922 million.

Decrease in receipts represents the net impact of increase in cash collections from rates and charges (\$5.298 million), Fees and Charges (\$0.949 million) and other revenue (\$0.020 million) offset by

decrease in receipts from grants income (\$3.299 million), developer contributions (\$5.694 million) and interest income (\$0.788 million) resulting in a net reduction of \$3.514 million.

Operating expenditure is higher than 2016/17 forecast by \$4.922 million and this is attributable to projected increases in employee costs of \$4.137 million, plus increase in contractor payments of \$0.425 million and other expenses (utilities) by \$0.722 million. Overall increase is partly offset by \$0.361 million favourable variance in financing costs.

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

Cash Flow Available from Operating Activities	Note	Forecast	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Surplus (deficit) for the year	.	70,855	91,153	20,298
Depreciation	.	25,362	29,417	4,055
Loss/(gain) on Sale of Assets	.	-4,576	-5,600	-1,025
Contributions - Non Monetary Assets	.	-43,060	-72,953	-29,893
Financing Costs	.	1,322	961	-642
Net Movement in Current Assets & Liabilities	.	-31	-1,542	-1,230
Cash Flow available from operating activities		49,872	41,436	-8,436

11.1.2 Investing Activities (\$12.209 million increase)

The large increase in payments for investing activities represents the planned increase in capital works expenditure disclosed in section 6 of this budget report. This includes the total capital expenditure including carry forwards in 2017/18 of \$52.1 million compared to \$39.3 million in 2016/17. Cash receipts from sale of assets are forecast to increase by \$0.590 million compared to forecast due to higher volume of land sales and settlements forecast during 2017/18. A rolling credit payment of \$5.0 million in 2016/17 with no corresponding payment in 2017/18 results in a \$5.0 million favourable variance resulting in a net increase in investing activities of \$12.209 million.

11.1.3 Financing Activities (\$3.354 million decrease)

Financing activities refer to cash generated or used in the financing of Council activities which include borrowings from financial institutions. These activities also include repayment of the principal component of loan repayments for the year.

There are no new borrowings in 2017/18; the variance of \$3.534 million is the difference between repayment of debt maturing in 2016/17 compared to 2017/18, which are \$6.914 million and \$3.380 million respectively resulting in a favourable variance of \$3.534 million.

11.1.4 Cash and Cash Equivalents at end of the year (\$1.254 million decrease)

Overall, total cash and investments are forecast to decrease by \$1.254 million from \$88.412 million at the beginning of 2016/17 to \$87.158 million as at the end of 2017/18, reflecting Council's strategy of using cash and investments to create new and also to renew existing infrastructure. This is consistent with the funding strategy outlined in the Council's Strategic Resource Plan.

A significant portion of the Council's cash balances are statutory reserves representing developer contributions for specific future capital works and projects which must be applied in accordance with legislative and contractual requirements and will need to remain cashed backed for this reason.

11.2 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 estimated cash balance as at 30th June 2018 with restricted and unrestricted balances as shown in the following table.

Restricted and Unrestricted Cash & Investments				
	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Total Cash & Investments		88,412	87,158	-1,254
Restricted Cash & Investments				
- Statutory Reserves	11.3.1	39,830	43,413	-3,583
-Cash to fund carry forward capital works	11.3.2	11,278		11,278
Unrestricted Cash and Investment	11.3.3	37,304	43,745	6,441

11.3.1 Statutory Reserves (\$43.4 million)

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes.

11.3.2 Cash held to fund carry forward capital works (\$nil)

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2017/16 year, it is forecast that \$11.28 million of capital works will be incomplete and have to be carried forward to 2017/18.

There is no carry forward works at 30 June 2018 as it is expected that the capital works budget of \$52.1 million planned in 2017/18 will be fully completed by the end of the year.

11.3.3 Unrestricted cash and investments (\$43.8 million)

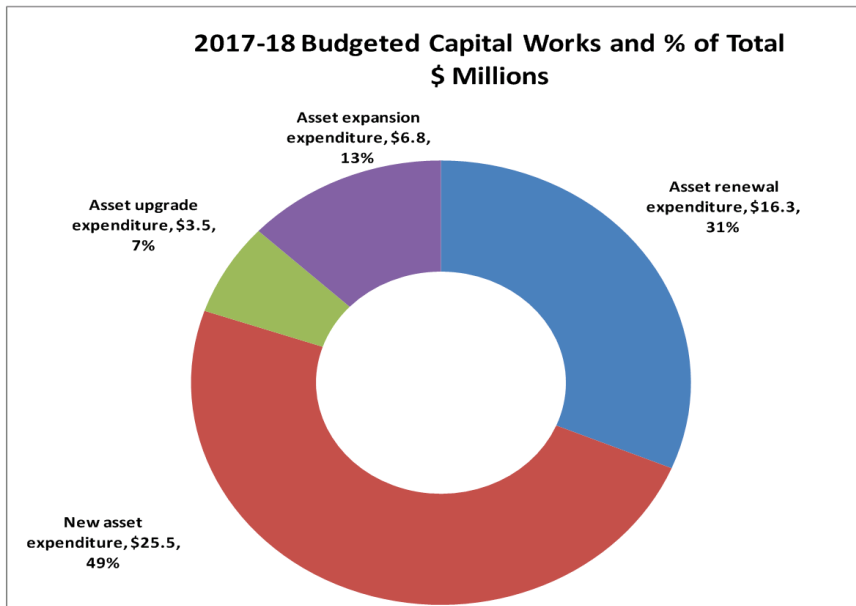
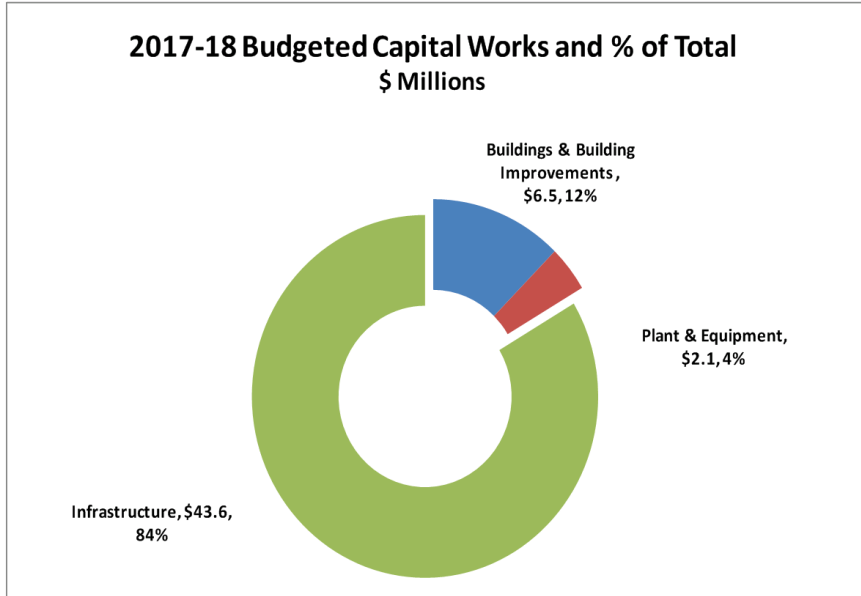
The unrestricted cash and investments are expected to improve by \$6.4 million at balance date.

12. Analysis of Capital Budget

This section analyses the planned capital expenditure budget for the 2017/2018 year and the sources of funding for the capital budget.

12.1 Capital works

Capital Works Expenditure	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Works Carried Forward				
Property		450		-450
Buildings		1,838	1,600	-238
Total property		2,288	1,600	-688
Plant and equipment				
Plant, machinery and equipment				
Computers and telecommunications				
Total plant and equipment				
Infrastructure				
Roads		8,340	3,012	-5,328
Footpaths and cycleways				
Drainage			230	230
Rec, leisure and community facilities		4,829	4,044	-785
Bridges			2,200	2,200
Off street car parks				
Other infrastructure			192	192
Total infrastructure		13,169	9,678	-3,491
Total Works Carried Forward	12.1.1	15,457	11,278	-4,179
New works				
Land		989	1,030	42
Buildings		2,295	3,820	1,525
Building improvements				
Total property	12.1.2	3,283	4,850	1,567
Plant and equipment				
Plant, machinery and equipment		1,100	1,250	150
Furniture & Fittings		185	181	
Computers and telecommunications		362	320	-42
Library books		360	375	15
Total plant and equipment	12.1.3	2,007	2,126	119
Infrastructure				
Roads		12,140	12,689	548
Bridges		317	2,370	2,053
Drainage		866	330	-536
Recreational, leisure and community facilities		682	14,977	14,295
Other infrastructure		4,584	3,515	-1,069
Total infrastructure	12.1.4	18,589	33,881	15,292
Total New Works		23,879	40,857	16,978
Total Capital Works Expenditure		39,336	52,135	12,799
Represented by:				
Asset renewal expenditure		13,937	16,314	2,377
New asset expenditure		15,358	25,519	10,161
Asset upgrade expenditure		5,101	3,508	-1,593
Asset expansion expenditure		4,940	6,794	1,854
Total Capital Works Expenditure	12.1.5	39,336	52,135	12,799



12.1.2 Property & Buildings (\$6.450 million)

The property class comprises land and land improvements, buildings and building improvements. Buildings include community facilities, municipal offices, sports facilities, public conveniences and pavilion

For the 2017/18 year, \$5.214 million will be expended on building and building improvement projects. The more significant projects include Burnside Heights Children's Community Centre (\$2.000 million), Community Centre / Pavilion Annual Renewal (\$1.114 million), Recreation Facilities – Female Change Room Upgrade (\$0.600 million), Caroline Springs Leisure Centre Renewal Works (\$0.500 million), Scouts Activity Centre – Burnside (\$0.500 million), and Taylors Hill West Multi-Purpose Community Centre Year 1 (\$0.500 million)

Land acquisitions (\$1.030 million) and Buildings – Other (\$0.206 million)

12.1.3 Plant and equipment and Library stock (\$2.126 million)

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, and library stock purchases.

For the 2017/18 year, \$2.126 million will be expended on plant, equipment and library stock. The more significant projects include ongoing cyclical replacement of the Council vehicle fleet and furniture and equipment (\$1.431 million), Public Desktop Computer & Corporate Desktop Computer Replacement (\$0.320 million) and library book purchases (\$0.375 million).

12.1.4 Infrastructure (\$43.559 million)

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

The following is a breakdown of infrastructure assets by type. A more detailed listing of the capital works program is included in Section 6 - Capital Expenditure by Asset Expenditure Type.

12.1.4.1 Roads (\$15.701 million)

Roads include local roads, car parks, footpaths, bike paths, bridges and culverts, declared main roads, traffic devices, street lighting and traffic signals.

For the 2017/18 year, \$5.4 million will be expended on road projects. The more significant projects include Streetscape Improvements (5.335 million), Hume Drive Duplication (Stage 1) (\$3.545 million), Annual Resurfacing Periodic Reseals (\$2.740 million), Major and Minor Traffic Control Works (\$1.100 million), Shared/Bicycle Paths Construction Program (\$0.800 million), Boundary and Sinclair Road Black spot funding works (\$0.616 million) and other road works (\$1.565 million).

12.1.4.2 Bridges (4.570 million)

For 2017/18 \$4.570 million will be expended on Bridge works. These include Westwood Dr Bridge (\$4.100 million) and other Bridge works (\$0.470 million).

12.1.4.3 Drains (\$0.560 million)

Drains include drains in road reserves, retarding basins and waterways. For the 2017/18 year (\$0.560 million) will be expended on drainage works and these include Water Sensitive Urban

Design Program (\$0.380 million), Underground Drainage/Flood Protection Works (\$0.100 million), Culverts/Open Channels Construction Program (\$0.080 million).

12.1.4.4 Recreation - Open space and other (\$19.021 million)

Recreation – (Open space) works includes parks, playing surfaces, streetscapes, playground equipment, irrigation systems, trees and public art.

Recreation and open space works budgeted in 2017/18 amounts to \$19.021 million. This includes Taylors Hill West PSP-2 Senior Football / Cricket (\$10.522 million), Caroline Springs Sub Regional Tennis Centre-Design (\$4.500 million), Macpherson Park Redevelopment (\$1.000 million), Passive Reserve Development Program (\$0.909 million), Mount Cottrell Recreation Reserve - Rehabilitation (\$0.450 million), and Recreation, Open Space – Other (\$1,640 million).

12.1.4.5 Other infrastructure (\$3.707 million)

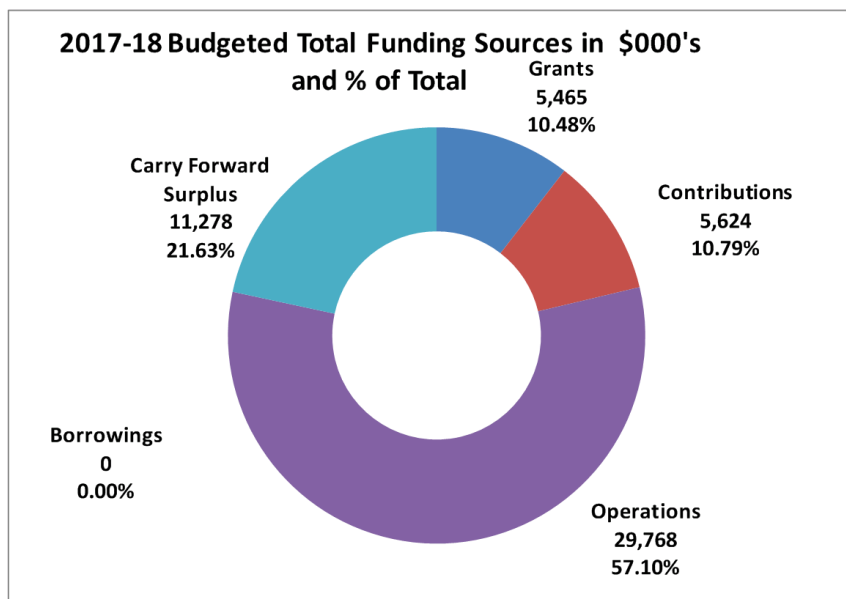
Capital spend on other infrastructure projects include Footpaths Maintenance/Replacement (\$1.305 million) Tree Planting (\$0.650 million), Melton Botanic Garden Walking Trail (\$0.341million), Refurbishment of Public Convenience Program (\$0.160 million), Irrigation System Renewal Program (\$0.210 million), Synthetic Field Maintenance (\$0.115 million), Passive Open Space Vegetation Renewal Program (\$0.105 million), Playground Upgrade (\$0.150 million) and others (0.671 million)

12.1.5 Asset Renewal (\$16.314 million), New Assets (\$25.519 million), Upgrade (\$3.508 million) Expansion (\$6.794 million).

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

12.2 Funding Sources

Sources of Funding	Note	Forecast	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Works carried forward				
Current year funding				
Grants		4,329	7,328	2,999
Developer Contributions and Plant Repl. Res			2,100	2,100
Borrowings				
Council cash				
- operations		11,128	1,850	-9,278
- proceeds on sale of assets				
- reserve cash and investments				
- unrestricted cash and investments				
Total works carried forward	12.2.1	15,457	11,278	-4,179
New works				
Current year funding				
Grants	12.2.2	2,621	5,465	2,844
Developer Contributions and Plant Repl. Res	12.2.3	11,754	5,624	-6,130
Borrowings	12.2.4			
Council cash				
- operations	12.2.5	9,504	29,768	20,264
- proceeds on sale of assets	12.2.6			
- reserve cash and investments				
- unrestricted cash and investments				
Total new works		23,879	40,857	16,978
Total funding sources		39,336	52,135	12,799



12.2.1 Carried forward works (\$11.3 million)

Total capital budget for 2017/18 includes a carry forward capital expenditure from 2016/17 to 2017/18 of \$11.3 million. This amount includes unspent capital expenditure from 2016/17 of \$3.950 million fully funded in that year together with \$7.328 million unspent unbudgeted capital grants received and receivable in 2016/17. Capital projects associated with these funds are also carried forward for completion in 2017/18.

The capital expenditure program of \$52.1 million is expected to be fully expended by the end of the financial year.

The sources of funds for the 2017/18 capital works program are as outlined below

12.2.2 Grants (\$5.465 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Total capital grants of \$5.465 million are expected to be received in 2017/18. It should be noted that some forecast / budgeted capital grants are estimates only, with funding not yet confirmed. Where Council is unsuccessful in attracting such grants, projects will not proceed until alternative funding sources are identified and funds confirmed.

12.2.3 Developer Contributions and Plant Replacement Reserve (\$5.624 million)

Transfer from developer contributions and plant replacement reserves to fund 2017/18 capital works is budgeted at \$5.624 million.

12.2.4 Net Borrowings (\$nil)

No new borrowings are planned for the 2017/18 financial year. Debt redemption of \$3.380 million has been budgeted.

12.2.5 Council Cash - Operations (\$29.8 million)

Funding from Operations amounts to \$29.8 million. Council generates cash from its operating activities which is used as a funding source for the capital works program.

13. Analysis of Budgeted Financial Position

This section analyses the movements in assets, liabilities and equity between 2016/17 forecast and 2017/18 budget.

6.1 Budgeted Balance Sheet

Balance Sheet	Note	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Current assets				
Cash and cash equivalents		88,412	87,158	-1,254
Trade and other receivables		2,958	7,346	4,388
Other Financial assets		2,180	2,190	10
Inventories		25	25	
Non Current Assets held for resale		2,500	3,000	500
Other assets				
Total Current Assets	13.1.1	96,075	99,719	3,644
Non-current assets				
Trade & other Receivables				
Property Plant & Equipment		1,793,160	1,884,336	91,176
Inventories		52	57	4
Investment property		7,000	7,500	500
Intangible assets		4,011	3,684	-327
Other assets		1,410	1,425	15
Total Non Current Assets	13.1.2	1,805,633	1,897,002	91,369
Total Assets		1,901,708	1,996,721	95,013
Current liabilities				
Trade and other payables		14,150	14,400	250
Trust funds & deposits		2,170	2,259	89
Provisions		9,062	9,400	339
Interest-bearing loans and borrowings		3,380	2,826	-554
Other current liabilities				
Total Current Liabilities	13.1.3	28,762	28,886	124
Non-current liabilities				
Provisions		2,202	2,227	25
Interest bearing loans & borrowings		18,773	15,947	-2,826
Other non current liabilities		3,150	3,465	315
Total Non Current Liabilities	13.1.4	24,125	21,639	-2,486
Total Liabilities		52,887	50,525	-2,362
Net Assets		1,848,821	1,946,197	97,376
Equity				
Accumulated surplus		1,044,150	1,135,304	91,154
Asset revaluation reserve		753,324	755,823	2,499
Other reserves		51,347	55,070	3,723
Total Equity	13.1.6	1,848,821	1,946,197	97,376

13.1.1 Current Assets (\$3.644 million increase)

The current assets in 2017/18 are projected to increase by \$3.644 million compared to 2016/17 forecast. This is mainly attributable to the increase in trade and receivables of \$4.388 million and non current assets held for resale of \$0.500 million offset by decrease in cash and equivalents of \$1.254 million expected at the end of the 2017/18. The decrease in cash balance is due to the planned capital works budgeted during the year of \$52.1 million including carry forward works of \$11.3 million from 2016/17. Trade and other receivables are expected to increase by \$4.388 million, this is mainly due to receivables in 2016/17 shown net of rolling credit owing of \$8.64 million at the end of the financial year and is therefore significantly lower than the 2017/18 balance, which includes a rolling credit receivable at year end of \$0.425 million. The current portion of assets held for resale is expected to increase by \$0.500 million and other financial assets are also expected to increase from the 2016/17 forecast levels by \$0.010 million.

13.1.2 Non Current Assets (\$91.369 million increase)

The increase in non-current assets is mainly attributable to increase in property plant and equipment of \$91.176 million, which is the net result of developer-contributed assets of \$72.9 million and the projected capitalised component of the planned capital works program of \$52.1 million in 2017/2018. This is offset by the depreciation of non-current assets for 2017/2018 year of \$29.4 million and written down value of assets disposed during the year through sale of assets. Investment properties are expected to be \$ 0.500 million higher than previous year while intangible assets will be lower by the amortization component charged to operating results in 2017/18.

13.1.3 Current Liabilities (\$0.124 million increase)

The current liabilities (that is, obligations Council must pay within the next year) are expected to increase by \$0.124 million. Amounts owed to suppliers are expected to increase by \$0.250 million. Trust deposits are expected increase by \$0.089 million and provisions for employee entitlements are also expected to increase by \$0.339 million in total compared to 2016/17 forecast. The liability of interest bearing loans is the principal repayment payable within the financial period ending 30 June 2018 and this is expected to be lower by \$0.554 million from 2016/17 balance.

13.1.4 Non Current Liabilities (\$2.362 million decrease)

The increase in noncurrent liabilities (that is, obligations Council must pay beyond the next year) is expected to decrease by \$2.362 million. Non-current component of the employee entitlements provisions is expected to increase by \$0.025 million during the year. The other non-current liabilities refer to items such as maintenance bonds and pre-paid burial rights etc which are expected to increase by \$0.315 million by end of the year. Non current loan borrowings balance at year-end will be lower by \$2.826 million.

13.1.5 Working Capital (\$0.063 million decrease)

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

The unrestricted working capital is expected to decrease by \$0.063 million in 2017/18.

Working Capital	Note	Forecast	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Current Assets		96,075	99,719	3,644
Current Liabilities		28,762	28,886	124
Working Capital		67,313	70,834	3,520
Restricted cash and investment current assets				
- Statutory reserves		-39,830	-43,413	-3,583
- Discretionary reserves				
Unrestricted Working capital		27,483	27,421	-63

13.1.6 Equity (\$97.376 million increase)

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

- Accumulated surplus, which is the value of all net assets, less reserves that have accumulated over time plus the increase in equity (or net assets) which is the net effect of operating surplus for the year plus the net transfer to/from reserves.
- 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. This includes developer contributions reserves set aside for future capital works.

13.2 Key assumptions

In preparing the budgeted balance sheet for the year ended 30 June 2018, it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 96.0% of total rates and charges raised will be collected in 2017/18.
- Trade creditors will be based on total capital and operating expenditure less the written down value of assets sold, depreciation and employee costs.
- Proceeds from the sale of property of \$12.83 million will be received in full in the 2017/18 year.
- Employee entitlements include increments from the Enterprise Bargaining Agreement plus the additional cost associated with the increase in employee numbers for new initiatives approved by Council.
- No new Loan borrowing is envisaged for 2017/18 financial year.
- Total capital expenditure forecast for 2017/18 is \$52.1 million. This figure includes the current estimate of budgeted carry forwards expenditure from 2016/17 of \$11.3 million. Actual carry forwards to 2017/18 works will be ascertained on completion of the annual financial statements for 2016/17 in August 2017. Variations between the budgeted and actual carry forwards will be adjusted in 2017/18 through the quarterly forecast process.
- Total budgeted capital expenditure for 2017/18 of \$52.1 million is expected to be completed by the end of the 2017/18 financial year.



Long Term Strategies

A Proud Community Growing Together

Page 93



LONG TERM STRATEGIES

This section includes the following analysis and information

- 14 Strategic resource plan
- 15 Rating information
- 16 Other long term strategies

14. Strategic Resource Plan

This section includes an extract of the adopted Strategic Resource Plan to provide information on the long term financial projections of the Council.

14.1 Plan development

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

Council has prepared a Strategic Resource Plan (SRP) for the four years 2017/18 to 2020/21 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

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

- Maintain existing service levels
- Achieve a breakeven operating result within five to six years
- Maintain a capital expenditure program of at least around \$50.0 million per annum
- Achieve a balanced budget on a cash basis.

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:

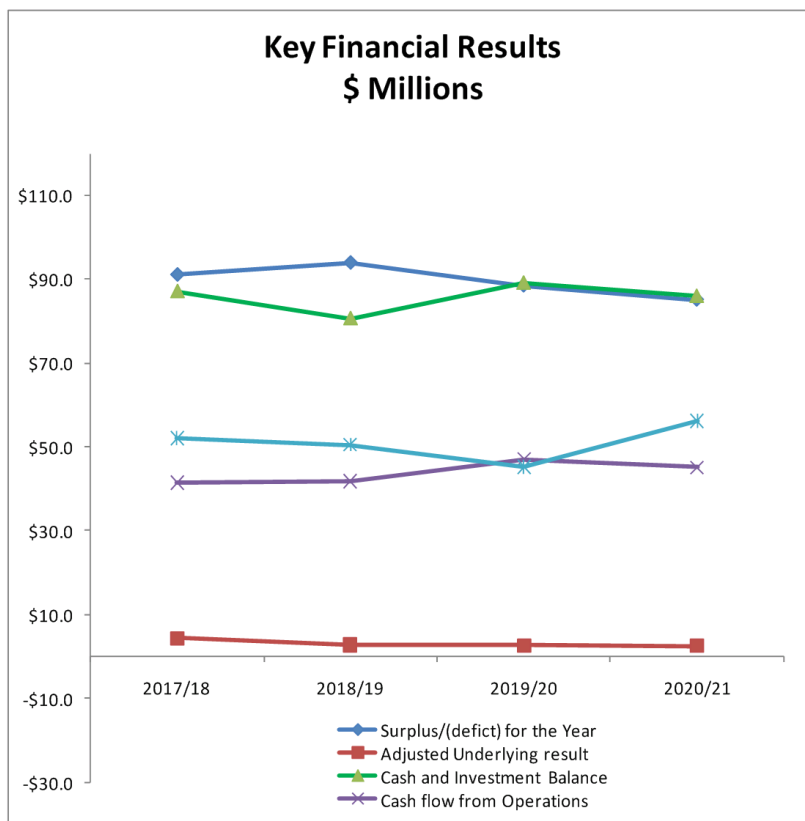
- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

The SRP 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.

14.2 Financial resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2017/18 to 2020/21. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

Financial Resources	Forecast 2016/17	Strategic Resource Plan Budget Projections			
		2017/18	2018/19	2019/20	2020/21
Year Ended 30th June	\$'000	\$'000	\$'000	\$'000	\$'000
Surplus/(deficit) for the year	70,855	91,153	94,034	88,568	85,156
Adjusted underlying result	4,396	4,378	2,783	2,607	2,472
Cash and investment balance	88,412	87,158	80,660	89,180	86,021
Cash flow from operations	49,872	41,436	41,779	47,025	45,110
Capital works expenditure	39,336	52,135	50,475	45,199	56,175



The key outcomes of the SRP are as follows:

- **Financial sustainability (Section 11)** - Cash flow from operations is projected to be in the range of \$41.0 million and above over the four year period. As stated earlier the underlying result is expected to drop from 2018/19 onwards largely due to the fact that operating revenue, in particular rate income due to rate capping and reducing levels of operating grants.
- **Rating levels (Section 15)** – Modest rate increases are forecast over the four years at an average of 2.0% to 2.5% rate in the dollar increase and growth in assessments of 4.4%
- **Service delivery strategy (Section 16)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast in years 2017/18 and 2019/20 largely due to land sales, developer contributions and capital grant revenue being received to fund the annual capital works program.
- **Borrowing strategy (Section 16)** – Borrowings are forecast to reduce from \$18.8 million at the beginning of 2017/18 to \$10.7 million by the end of 2020/21. The Strategic Resource Plan projects a total loan repayment of over \$11.5 million over the four year period. This includes nil borrowings of from 2017/18 to 2020/21.
- **Infrastructure strategy (Section 16)** - Capital expenditure over the four year period will total \$203.9 million at an average of \$51 million per year.

15. Rating information

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy which is available on Council's website.

15.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 68.4% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Melton community.

15.1 Future Rates and Charges

The following table sets out future proposed increases in revenue from rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2017, and the forecast rate increase used for financial planning purposes.

Year	General	Municipal	Avg	Total
	Rate	Charge	Waste	Rates
	Increase	Increase	Service	Raised
	%	%	Charge	\$'000
			Increase	
			%	
2016/17	2.50	2.50	2.50	98,569
2017/18	2.00	2.00	2.00	104,272
2018/19	2.00	2.00	2.00	106,357
2019/20	2.00	2.00	2.00	108,484
2020/21	2.00	2.00	2.00	110,653

15.2 Rating structure

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

- Property values, which form the central basis of rating under the Local Government Act 1989
- A 'user pays' component to reflect usage of waste collection services provided by Council
- A fixed municipal charge per property to cover some of the administrative costs of the 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 commercial 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 commercial properties 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.

The existing rating structure comprises of nine differential rates. These rates are structured in accordance with the requirements of Section 161 'Differential Rates' of the Act. Council also levies a municipal charge and a waste service charge as allowed under the Act.

The following table summarises the rates to be determined for the 2018/18 year. A more detailed analysis of the rates to be raised is contained in Section 7 'Statutory Disclosures'.

Rate type	How applied	2016/17	2017/18	Total Raised \$000's	Change
General Rate	Cents in \$ of CIV	0.32487	0.33285	61,038	2.5%
Vacant Land	Cents in \$ of CIV	0.48731	0.49928	5,165	2.5%
Extractive Industry Land	Cents in \$ of CIV	0.93563	0.95861	453	2.5%
Commercial & Industrial Developed Land	Cents in \$ of CIV	0.51979	0.53256	10,207	2.5%
Commercial & Industrial Vacant Land	Cents in \$ of CIV	0.64974	0.66570	1,693	2.5%
Retirement Village Land	Cents in \$ of CIV	0.27614	0.28292	504	2.5%
Rural Living Land	Cents in \$ of CIV	0.29238	0.29957	501	2.5%
Rural Land	Cents in \$ of CIV	0.23391	0.23965	1,938	2.5%
Urban Growth Land	Cents in \$ of CIV	0.24365	0.24964	2,948	2.5%
Municipal charge	\$ per property	\$139	\$142	7,655	2.2%
Waste service A	\$ per service	\$313	319	3,274	1.9%
Waste service B	\$ per service	\$278	284	622	2.2%
Waste service C	\$ per service	\$268	273	3,028	1.9%
Waste service D	\$ per service	\$233	238	1,274	2.1%
Waste service E	\$ per service	\$223	227	2,372	1.8%
Waste service F	\$ per service	\$191	195	1,324	2.1%
Extra bin	\$ per service	\$136	139	305	2.2%

Council has adopted a formal *Rating Strategy* that contains expanded information on Council's rating structure and the reasons behind its choices in applying the rating mechanisms it has used.

Council proposes that a Council rebate on rates be granted to each pensioner ("eligible recipient" within the meaning of the *State Concessions Act 1986*) of \$70 per annum.

The Budget is complemented by an Environmental Enhancement Program Guidelines. The Guidelines involve a rate rebate generally being available to owners of rateable land located in rural areas. The Guidelines detail eligibility for the rate rebate and proposes that the rebate available to eligible land owners as per the "Guidelines" will be capped to a maximum of \$10,000 per assessment.

In the 2017/18 Rating year the following proposed discount will apply to the rates:

- Rural Living – 25%
- Rural – 50%
- Urban Growth Zone with no Precinct Structure Plan - 25%
- Urban Growth Zone with an approved Precinct Structure Plan -25%

16. Summary of other strategies

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

16.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see Section 8), borrowings was identified as an important funding source for capital works programs. In the past, Council has borrowed strongly to finance large infrastructure projects and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. With Council cash balance now forecast to be \$88.4 million at 30 June 2017 it is relevant to reconsider the issue of borrowings.

Council has decided not to take out any new borrowings from 2017/18 to 2020/21, i.e. during the currency of latest Strategic Resource Plan. Council will utilise cash generated by asset sales to repayment existing debt. It is quite likely that in future years; borrowings will be required to fund future infrastructure initiatives. The following table sets out future loan repayments, finance charges and total loan balances up to 2020/21 based on the forecast financial position of Council as at 30 June 2017.

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

Borrowings	New Borrowings	Principal Paid	Interest Paid	Balance 30 June
Year	\$'000	\$'000	\$'000	\$'000
2016/17		6,914	1,322	22,153
2017/18		3,380	961	18,773
2018/19		2,826	785	15,947
2019/20		2,967	644	12,980
2020/21		2,304	503	10,674

16.2 Precinct Structure Plans Long Term Funding Capacity

In 2010 the Melton North and Taylors Hill West Precinct Structure Plans (PSP's) and Development Contributions Plans (DCP's) were incorporated into the Melton Planning Scheme (the Scheme). The Toolern PSP and DCP were incorporated into the Scheme in 2011. Roc kback North and Diggers Rest PSP's and DCP's in 2012, Toolern Park PSP in 2014 and Paynes Road PSP in 2016. These PSP's have the capacity to deliver approximately 39,250 residential lots and will accommodate a population growth of appropriately 122,000.

The PSP's provide high level roads, infrastructure, active open space, community infrastructure, schools, public transport, housing and employment and also cover other issues relating to biodiversity and heritage.

The seven approved DCP's include infrastructure project costs that total over \$580 million at current indexation levels, with Council required to fund approximately \$50 million. The figure of \$50 million only represents Council's obligation at face value and it should be noted that this is the best case scenario for Council with a number of other factors likely to determine the real future cost to Council. Some of these include:

- Funding infrastructure projects through the Community Infrastructure Levy (CIL). The CIL is charged per dwelling and is triggered to be paid at the building permit stage. It is difficult for Council to forecast the timing and cash flow from the receipt of CIL payments, due to the time lag between a lot being created and having a dwelling constructed on it. There is also a funding gap of over \$6 million (current rates) due to the capped rate of \$900 versus the real cost per dwelling of the infrastructure projects that are increasing annually.
- The DCP anticipates that all contributions will be received by developers to fund the projects over the life of the DCP. However in reality some development fronts maybe a lot slower to eventuate than others, yet the broader population demands will still warrant the provision of infrastructure projects.
- The unfunded liability to Council will further exacerbate with the Metropolitan Planning Authority currently preparing Plumpton, Kororoit, Mount Atkinson, Tarneit Plains and Rockbank PSP with accompanying DCPs expected to be approved in the next 12-18 months. There are also an additional 9 PSP's that are identified, however have not commenced preparation at this stage.
- Based on current consolidation DCP cash flow analysis and project prioritising, Council will be face with cash shortfall implications within the next four years as Reserve funds become exhausted. It is anticipated that the shortfall will reach its peak of over \$116 million to fund projects by 25/26 financial year. This is without incorporating those PSP's in preparation.
- The introduction of a new developer contributions model called the Infrastructure Contributions Plan. The details of the ICP have not yet been finalised so the true cost of implementing, monitoring and reporting on two systems is not yet known.

It is imperative that Council investigate and develop a debt strategy to address the cash flow shortfalls and the unfunded liability to Council in both the short and long term.



Appendices

A Proud Community Growing Together

Page 101



Appendix A
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 2017/18 year.

Melton City Council Draft Budget 2017/18

**Appendix A
 Fees and Charges Schedule 2017/18**

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
City Design Strategy & Environment	Planning Scheme Amendment Fees	For: a) considering a request to amend a planning scheme; and b) taking action required by Division 1 of Part 3 of the Act; and c) considering any submissions which do not seek a change to the amendment; and d) if applicable, abandoning the amendment	Stage 1 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(206 fee units)	\$2,871.60	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		For considering (i) up to and including 10 submissions which seek a change to an amendment and where necessary referring the submissions to a panel; or	Stage 2 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(1021 fee units); or	\$14,232.70	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		For considering (ii) 11 to (and including) 20 submissions which seek a change to an amendment and where necessary referring the submissions to a panel; or	Stage 2 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(2040 fee units); or	\$28,437.60	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		For considering (iii) Submissions that exceed 20 submissions which seek a change to an amendment, and where necessary referring the submissions to a panel; and	Stage 2 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(2727 fee units)	\$38,014.40	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		For b) providing assistance to a panel in accordance with section 158 of the Act; and	Stage 2			A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		c) making a submission to a panel appointed under Part 8 of the Act at a hearing referred to in section 24(b) of the Act; and d) considering the panel's report in accordance with section 27 of the Act; and e) after considering submissions and the panel's report, abandoning the amendment.				A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.
		For: a) adopting the amendment or part of the amendment in accordance with section 29 of the Act; and b) submitting the amendment for approval by the Minister in accordance with section 31 of the Act; and c) giving the notice of the approval of the amendment required by section 36(2) of the Act.	Stage 3 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(32.5 fee units) if the Minister is not the planning authority or nil fee if the Minister is the planning authority	\$453.10	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)	
Community Care	Domestic Assistance	For: a) consideration by the Minister of a request to approve the amendment in accordance with section 35 of the Act; and b) giving notice of approval of the amendment in accordance with section 36(1) of the Act.	Stage 4 *For the first 12 months from commencement of the regulations, the fees for planning scheme amendments will be charged at 50% of the fees set out in regulations	(32.5 fee units) if the Minister is not the planning authority or nil fee if the Minister is the planning authority - This Fee is paid to the Minister	\$453.10	A fee unit value is adjusted each year by the Treasurer's amount and is published in the Government Gazette.	
		High Fee Range (no GST)		Per Hour	\$45.00	\$46.10	
		Medium Fee Range (no GST)		Per Hour	\$9.00	\$9.25	
	Personal Care	Low Fee Range (no GST)			Per Hour	\$5.50	\$5.65
		High Fee Range (no GST)			Per Hour	\$45.00	\$46.10
		Medium Fee Range (no GST)			Per Hour	\$6.30	\$6.45
	Respite	Low Fee Range (no GST)			Per Hour	\$4.40	\$4.50
		High Fee Range (no GST)		In-home	Per Hour	\$45.00	\$46.10
		Medium Fee Range (no GST)		In-home	Per Hour	\$4.40	\$4.50
	Food Services Home Delivered, Centre based inc. functions	Low Fee Range (no GST)			Per Hour	\$3.00	\$3.10
		High Fee Range (no GST)			per Meal	\$25.00	\$25.60
		Medium Fee Range (no GST)			per Meal	\$7.60	\$7.80
	Property Maintenance	Low Fee Range (no GST)			per Meal	\$7.60	\$7.80
		High Fee Range (no GST)		Additional cost for materials	per Hour	\$46.70	\$47.85
		Medium Fee Range (no GST)		Additional cost for materials	per Hour	\$17.70	\$18.15
Social Support (Centre Based)	Low Fee Range (no GST)		Additional cost for materials	per Hour	\$9.50	\$9.75	
	High Fee Range (no GST)			Per Session	\$115.00	\$117.85	
	Medium Fee Range (no GST)			Per Session	\$5.60	\$5.75	
Social Support (Community Based)	Low Fee Range (no GST)			Per Session	\$5.60	\$5.75	
	High Fee Range (no GST)		Outing incl meal		\$88.40	\$90.60	
	Medium Fee Range (no GST)		Outing incl meal		\$21.40	\$21.95	
Volunteer Transport	Low Fee Range (no GST)		Outing incl meal		\$21.40	\$21.95	
	Medium Fee Range (no GST)		Dependent on destination		\$1.40-\$10.30	\$1.45-\$10.55	
	Low Fee Range (no GST)		Outing incl meal		\$1.40-\$10.30	\$1.45-\$10.55	
Support for Carers Program (Community Based)					\$21.40	\$21.95	

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
	CARE Melton Expo	Exhibitor cancellation fee	Fees	New Fee	N/A	\$300.00
	Men's Shed	Per session depending on activity	Fees		\$2.00-\$25.00	\$2.00-\$25.00
	Community Buses	Up to 5 hours	Fees		\$27.60	\$28.30
		Up to 5 hours	Bond		\$176.50	\$180.90
		Daily	Fees		\$55.20	\$56.60
		Daily	Bond		\$176.50	\$180.90
		Overnight (per night)	Fees		\$132.40	\$135.70
	Community Buses Non Compliance	Fuel not replaced and administration costs	Fees	per Litre	\$45.00	\$45.00
		Late cancellation			Full scheduled booking fee	Full scheduled booking fee
		"At Fault" Accident			\$500 and additional \$500 if under age of 25 years	\$500.00
		Internal or external damage			Associated cost	Associated cost
	Seniors Community Centre	Seniors Community Groups per hour Hourly Rental –Long term/on-going	Hire		\$6.80	\$6.80
		Non Seniors Community Groups per hour Hourly Rental –Long term/on-going	Hire		\$9.50	\$9.70
Community Planning	Community Facilities for Hire	Community Room hire - Permanent Community Users		per hour	\$9.50	\$9.70
		Community Room hire - Permanent Community Agency users		per hour	\$12.50	\$12.80
		Community Room hire - Permanent and Casual Commercial Users OR Private function before 5pm		per hour	\$26.00	\$26.60
		Community Room hire - Casual Community User		per hour	\$13.50	\$13.80
		Community Room hire - Casual Community Agency User		per hour	\$17.50	\$17.90
		Community Room hire - Casual User Bond		per hire	\$500.00	\$500.00
		Meeting Room hire (<20 capacity) - Permanent Community Users		per hour	\$8.00	\$8.20
		Meeting Room hire (<20 capacity) - Permanent Community Agency Users		per hour	\$9.50	\$9.70
		Meeting Room hire (<20 capacity) - Permanent and Casual Commercial Users		per hour	\$23.00	\$23.50
		Meeting Room hire (<20 capacity) - Casual Community Users		per hour	\$10.00	\$10.25
		Meeting Room hire (<20 capacity) - Casual Community Agency Users		per hire	\$13.00	\$13.30
		Meeting room hire (<20 capacity) - Casual User Bond		per hire	\$200.00	\$200.00
		Casual User Insurance		per hire	\$26.00	\$26.60
		Function hire after 5pm		per hour	\$54.00	\$55.20
		After Function Hire Clean		per hire	\$108.50	\$110.95
		After Function Hire Inspection		per hire	\$51.00	\$52.15

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Office Hire in Community Facilities		per day	\$48.50	\$49.60
	Melton Community Hall - Auditorium	Day booking (prior to 5pm) - Commercial OR Private function		per hour	\$83.00	\$84.90
		Day booking (prior to 5pm) - Community group/Community agency		per hour	\$48.50	\$49.60
		Evening booking (after 5pm) - Commercial OR Private function		per hour	\$94.00	\$96.10
		Evening booking (after 5pm) - Community group/Community agency		per hour	\$56.00	\$57.25
	Melton Community Hall - Meeting Rooms	Meeting room 1, or 2/3 - Commercial		per hour	\$20.50	\$20.95
		Meeting room 1 or 2/3 - Community group/Community agency		per hour	\$15.00	\$15.35
		Meeting room 1, or 2/3 - Commercial		per day (minimum 5 hours)	\$102.50	\$104.80
		Meeting room 1 or 2/3 - Community group/Community agency		per day (minimum 5 hours)	\$75.00	\$76.70
		Meeting Room 4 - Commercial rate		per hour	\$31.00	\$31.70
		Meeting room 4 - Community group/Community agency		per hour	\$20.50	\$20.95
		Meeting Room 4 - Commercial rate		per day (minimum 5 hours)	\$155.00	\$158.50
		Meeting room 4 - Community group/Community agency		per day (minimum 5 hours)	\$102.50	\$104.80
	Melton Community Hall - Bonds	Bonds: Auditorium		per booking	\$500.00	\$500.00
		Bonds: Meeting rooms		per booking	\$200.00	\$200.00
	Melton Community Hall - Additional Meeting Aids/Resource Charges	PA System/Audio system - (no operator inc. Lectern and Microphone and access to lighting controls) - Commercial OR Private function		All costs flat rate per hire	\$121.00	\$123.70
		PA System/Audio system - (no operator inc. Lectern and Microphone and access to lighting controls) - Community group/Community agency		All costs flat rate per hire	\$71.50	\$73.10
		Staff: Set up / service per officer		per hour	\$44.50	\$45.50
	Caroline Springs Library/Civic Centre	Single meeting room - Commercial		per hour	\$31.00	\$31.70
		Single meeting room - Community group/Community agency		per hour	\$20.50	\$20.95
		Single meeting room - Commercial		per day (minimum 5 hours)	\$155.00	\$158.50
		Single meeting room - Community group/Community agency		per day (minimum 5 hours)	\$102.50	\$104.80
		Double meeting room - Commercial		per hour	\$60.00	\$61.35
		Double meeting room - Community group/Community agency		per hour	\$29.00	\$29.65
		Double meeting room - Commercial		per day (minimum 5 hours)	\$300.00	\$306.75
		Double meeting room - Community group/Community agency		per day (minimum 5 hours)	\$145.00	\$148.25

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Interview Room 1 or 2: Commercial organisation		per hour	\$20.50	\$20.95
		Interview Room 1 or 2: Community group/Community agency		per hour	\$15.00	\$15.35
		Interview Room 1 or 2: Commercial organisation		per day (minimum 5 hours)	\$102.50	\$104.80
		Interview Room 1 or 2: Community group/Community agency		per day (minimum 5 hours)	\$75.00	\$76.70
		ICT Room: Commercial		per hour	\$31.00	\$31.70
		ICT Room: Community group/Community agency		per hour	\$20.50	\$20.95
		ICT Room: Commercial		per day (minimum 5 hours)	\$155.00	\$158.50
		ICT Room: Community group/Community agency		per day (minimum 5 hours)	\$102.50	\$104.80
		Bond (applicable only after hrs)		per booking	\$200.00	\$204.50
		Laptop hire		per hire	\$2.50	\$2.55
		Staff: Set up / service per officer		per hour	\$44.50	\$45.50
		Balam Balam - Commercial rate				
		Balam Balam - Community group/Community agency		per hour	\$87.00	\$88.95
		Balam Balam - Commercial rate		per hour	\$43.50	\$44.50
		Balam Balam - Community group/Community agency		per day (minimum 5 hours)	\$435.00	\$444.80
		Ground floor single meeting room - Commercial		per day	\$217.50	\$222.40
		Ground floor single meeting room - Community group/Community agency		per hour	\$31.00	\$31.70
		Ground floor single meeting room - Commercial		per hour	\$20.50	\$20.95
		Ground floor single meeting room - Commercial		per day (minimum 5 hours)	\$155.00	\$158.50
		Ground floor single meeting room - Community group/Community agency		per day (minimum 5 hours)	\$102.50	\$104.80
		Ground floor double meeting room - Commercial		per hour	\$60.00	\$61.35
		Ground floor double meeting room - Community group/Community agency		per hour	\$29.00	\$29.65
		Ground floor double meeting room - Commercial		per day (minimum 5 hours)	\$300.00	\$306.75
		Ground floor double meeting room - Community group/Community agency		per day (minimum 5 hours)	\$145.00	\$148.25
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Commercial		per hour	\$20.50	\$20.95
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Community group/Community agency		per hour	\$15.00	\$15.35
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Commercial		per day (minimum 5 hours)	\$102.50	\$104.80
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Community group/Community agency		per day (minimum 5 hours)	\$75.00	\$76.70
		First floor training room (Corr, Richards & Cameron) - Commercial		per hour	\$31.00	\$31.70
		First floor training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$20.50	\$20.95

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		First floor training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$155.00	\$158.50
		First floor training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$102.50	\$104.80
		First floor double training room (Corr, Richards & Cameron) - Commercial		per hour	\$60.00	\$61.35
		First floor double training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$29.00	\$29.65
		First floor double training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$300.00	\$306.75
		First floor double training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$145.00	\$148.25
		First floor triple training room (Corr, Richards & Cameron) - Commercial		per hour	\$64.00	\$65.44
		First floor triple training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$37.50	\$38.35
		First floor triple training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$320.00	\$327.20
		First floor triple training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$187.50	\$191.70
		Butler AV room - Commercial		per hour	\$37.50	\$38.35
		Butler AV room - Community group/Community agency		per hour	\$18.50	\$18.90
		Butler AV room - Commercial		per day (minimum 5 hours)	\$187.50	\$191.70
		Butler AV room - Community group/Community agency		per day (minimum 5 hours)	\$92.50	\$94.60
		Laptop hire		per hire	\$2.50	\$2.55
		Class Fees				Fees set at minimum of 75% of tutor costs
Neighbourhood House Programs		Casual Community Room Hire - Community group		per hour	\$13.50	\$13.80
		Casual Community Room Hire - Community agency		per hour	\$17.50	\$17.90
		Permanent & Casual Commercial Room Hire		per hour	\$26.00	\$26.60
		Permanent Community Room Hire - Community group		per hour	\$9.50	\$9.70
		Permanent Community Room Hire - Community agency		per hour	\$12.50	\$12.80
		Seniors Community Groups - Permanent		Hire		
		Community Room hire - Permanent Community Users (other than Seniors groups)		Per hour	\$6.80	\$6.95
		Community Room hire - Permanent Community Agency users (other than Seniors groups)		per hour	\$9.50	\$9.70
		Community Room hire - Permanent and Casual Commercial Users OR Community Room hire (other than Seniors groups)		per hour	\$12.50	\$12.80
		Private function before 5pm (other than Seniors groups)		per hour	\$26.00	\$26.60
		Community Room hire - Casual Community User (other than Seniors groups)		per hour	\$13.50	\$13.80
		Community Room hire - Casual Community Agency User (other than Seniors groups)		per hour	\$17.50	\$17.90
		Community Room hire - Casual User Bond/Private function bond		per hire	\$500.00	\$500.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Private function - Seniors Rate		per hire	\$220.00	\$224.95
		Function hire after 5pm (other than Seniors groups)		per hour	\$54.00	\$55.20
		Casual User Insurance		P/L hrs	\$31.00	\$26.60
Compliance	Building Lodgement Fees	Request for building permit information 926 (1), (2), & (3)	Regulation	per Information	As Per Regulations	As Per Regulations
		Consent/discretion Requirements (Reg. 408 - 431)	Part 4 Siting	per Inspection	As Per Regulations	As Per Regulations
		Affected Owners Written Consultation Fee			\$110.00	\$115.00
		Lodgement of fees for Class 1 & 10 > \$5,000		Per Lodgement	As Per Regulations	As Per Regulations
		Lodgement fees for all other classes		Per Lodgement	As Per Regulations	As Per Regulations
		Council consent/discretion	Non - Siting	Per Lodgement	As Per Regulations	As Per Regulations
		Matrars (Reg. 310, 513, 515, 604, 801, 802, & 806)		Per Lodgement	As Per Regulations	As Per Regulations
		Domestic Building Plans Search Fee (non - refundable)		Per Lodgement	As Per Regulations	As Per Regulations
		Commercial Building Plans Search Fee (non - refundable)		Per Lodgement	\$88.00	\$90.00
		Copy of Building Permit Form			\$172.00	\$175.00
		Copies of plans (Maximum of 10 A3's) must also include search fee			\$11.00	\$11.00
		Copies of A1 Plans (each)			\$48.00	\$50.00
		Copies of occupancy permits must also include search fee		per copy	\$5.00	\$5.00
		Copies of Building Insurance certificate include search fee		per permit	\$24.00	\$25.00
		Copies of Soil Report must also include search fee		Per Certificate	\$24.00	\$25.00
		Copies of Structural Computations must also include search fee			\$48.00	\$50.00
		Domestic Building Work Value of Works < \$50,000			\$71.00	\$75.00
		Domestic Building Work Value of Works \$50,001 < \$100,000		Per Item	\$3,300.00	\$3,300.00
		Domestic Building Work Value of Works \$100,001 < \$250,000		Per Item	\$3,800.00	\$3,800.00
		Domestic Building Work Value of Works \$250,001 < \$500,000		Per Item	\$4,300.00	\$4,300.00
		For two Storey domestic building work additional fee		Per Item	\$4,800.00	\$660.00
		Relocated Dwelling		Per Item	\$660.00	\$6,200.00
		Commercial Building Work < 500 sq. M.		Per Item	\$5,500.00	\$5,500.00
		Sheds, verandahs, Pergolas, Carport, Masks, etc		Per Item	\$4,300.00	\$4,300.00
		Fences		Per Item	\$1,000.00	\$1,000.00
		Retaining Walls		Per Item	\$1,300.00	\$1,300.00
		Re-stump		Per Item	\$2,200.00	\$2,200.00
		Swimming Pooling including fence		Per Item	\$2,200.00	\$2,200.00
		Demolition		Per Item	\$2,000.00	\$2,000.00
		Temporary Structures and Special Use Permits		Per Item	\$2,000.00	\$2,000.00
				Per Item	\$670.00	\$700.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Illegal Building works		Per Item		125% of permit fee
	Building Inspections	Building Inspection		Per inspection	\$165.00	\$170.00
		Compliance Certificate		per	\$220.00	\$225.00
	Health - Food Act Premises	Class 1			\$650.00	\$690.00
		Class 2			\$640.00	\$660.00
		Class 3			\$320.00	\$330.00
		Class 2 & Class 3 Premises (Sporting Body)		Require FSP	25% of annual fee	25% of annual fee
		Short term Mobile / Temporary Food Premises >3 months			25% of annual fee	25% of annual fee
		Registration Renewal Fee reduced by 25% per quarter (calendar year)		% of registration	25%	25%
		Water Transport Vehicles - class 3 fee per vehicle			\$320.00	\$330.00
		Application fee for plan assessment			\$320.00	\$320.00
		Transfer of Registration		% of registration	50.00%	50.00%
		Transfer Inspection - within 5 days			\$310.00	\$330.00
		Transfer Inspection - Within 24 hrs			\$620.00	\$640.00
		Hairdressers one off registration			\$160.00	\$170.00
	Health Act premises	Health Act Premises			\$160.00	\$170.00
		Registration Fee reduced by 25% per quarter (calendar year)		% of registration	25%	25%
		Application fee for plan assessment			\$270.00	\$290.00
		Transfer of Registration		% of registration	50.00%	50%
		Transfer Inspection - within 5 days			\$160.00	\$170.00
		Transfer Inspection - Within 24 hrs			\$310.00	\$330.00
	Caravan Parks	Caravan Parks		Fixed Statutory Fee	As Per Regulations	As Per Regulations
		Caravan Park Transfer		% of registration	50.00%	50.00%
	Waste Water	Septic Tank Application			\$520.00	\$550.00
		Septic Tank Alteration			\$420.00	\$440.00
	Prescribed Accommodation	Prescribed Accommodation Premises - Up to 5 people		5 or more people	\$170.00 plus \$17.00 per additional person over 5	\$180.00 plus \$18.00 per additional person over 5
		Prescribed Accommodation Premises - rooming houses Up to 4 people		4 or more people	\$170.00 plus \$17.00 per additional person over 4	\$180.00 plus \$18.00 per additional person over 4
	General Inspection	General Inspection Fee			\$110.00	\$125.00
	Late Fees	Late Fee - applies when registration fees are not submitted by the due date.		% of registration fee	50.00%	50.00%

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
	Local Laws - Animal Registrations (Registration fees are fixed by Council in accordance with s.15 Domestic Animals Act 1994)	Unsterilized Dog - Full Fee			\$120.00	\$124.00
		Unsterilized Cat - Full Fee (Only Animals Register prior to Aug 2011 or exemption)			\$82.00	\$88.00
		Sterilized Dog - Reduced Fee			\$40.00	\$42.00
		Sterilized Cat - Reduced Fee			\$26.00	\$28.00
		Microchipped dog (Registered Prior to 10th April 2013)			\$44.00	\$50.00
		Microchipped Cat (Registered prior to 10th April 2013)			\$30.00	\$32.00
		Dog kept for breeding by Domestic Animal Business				
	Microchipped Discount was discontinued under the Domestic Animals Act 1994 from 11 April 2013.	Cat kept for breeding by Domestic Animal Business			\$90.00	\$94.00
		Approved Applicable Obedience Trained Dog			\$45.00	\$50.00
		Unsterilized Working Dog - Livestock			\$40.00	\$44.00
		Sterilized Working Dog - Livestock			\$90.00	\$94.00
	Please note: The State Government receives a payment for each registered Dog, Cat and Domestic Animal Business with Council. Currently the amount is \$3.50 per Dog, \$2.00 per Cat and \$10.00 per Domestic Animal	Dangerous Dog - Guard Dog Non-Residential Premises			\$40.00	\$42.00
		Declared Restricted Breed Dog			\$120.00	\$140.00
		Declared Dangerous Dog			\$220.00	\$240.00
		Declared Menacing dog			\$220.00	\$240.00
		Dog > 10 years old			\$220.00	\$240.00
		Cat > 10 years old			\$40.00	\$42.00
		FCC, CV or Approved Applicable Organisation Registered Cat			\$26.00	\$28.00
		VCA or Approved Applicable Organisation Registered Dog			\$26.00	\$28.00
		Pro-rata Registrations < 9months > 6months (Only for adopted, pups and transfers)			\$40.00	\$42.00
		Pro-rata Registrations < 6months > 3months (Only for adopted, pups and transfers)			80.00%	80.00%
		Pro-rata Registrations < 3months > 1months (Only for adopted, pups and transfers)			60.00%	60.00%
					40%	40.00%

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Diseased Dog or Cat Refund <12 months > 9 months	Reimbursement		50%	\$50.00
		Diseased Dog or Cat Refund <9 months > 6 months	Reimbursement		25%	\$25.00
		Dog or Cat Surrender Fee			\$80.00	\$80.00
		Microchip			\$80.00	\$80.00
		Animal Trap Hire - Deposit	Dog		\$60.00	\$65.00
		Animal Trap Hire - Deposit	Cat		\$25.00	\$30.00
		Impounded Animal (dog / cat) - Release Fee**	Dog		\$70.00	\$75.00
		Impounded Animal (dog / cat) - Release Fee**	Cat		\$35.00	\$35.00
		Adoption Cost for Animal (Male dog) - Does not include registration fee	Dog		\$390.00	\$300.00
		Adoption Cost for Animal (Female dog) - Does not include registration fee	Dog		\$350.00	\$360.00
		Adoption Cost for Animal (Female cat) - Does not include registration fee	Cat		\$200.00	\$240.00
		Adoption Cost for Animal (Male cat) - Does not include registration fee	Cat		\$230.00	\$210.00
		Impounded Animal (dog / cat) - Daily Fee***	Dog		\$13.00	\$13.00
		Impounded Animal (dog / cat) - Daily Fee***	Cat		\$11.00	\$11.00
		Registration of premises to Conduct DAB			\$140.00	\$150.00
		Renewal of registration of DAB			\$70.00	\$75.00
		Transfer of DAB to new premises			\$140.00	\$150.00
		Impounded Livestock - Release Fee (each animal)*			\$45.00	\$50.00
		Impounded Livestock - Daily Fee (each animal)**			\$13.00	\$13.00
		Impounded Vehicle - Small - Release Fee			\$55.00	\$55.00
		Impounded Vehicle - Large - Release Fee			\$160.00	\$180.00
		Impounded Vehicle Heavy - Release Fee			\$240.00	\$260.00
		Impounded Vehicle - Daily Fee			Costs incurred by council for Towing & Storage	Costs incurred by council for Towing & Storage
		Impounded Shopping Trolleys - Release Fee (per Trolley)			\$18.00	\$20.00
		Impounded Shopping Trolleys			\$80.00	\$80.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
	General Local Law Application Fee	Permit Application Fee (includes charity bin, display of goods, advertising board/A-frame, shipping container, caravan, unregistered vehicle etc)			\$90.00	\$95.00
	Permit Amendment Fee	Amendment of an existing permit			\$40.00	\$45.00
	Keeping of birds & animals	Permit Renewal Fee (Bi-Yearly) multiple animals			\$60.00	\$75.00
		Multiple Animal Permit Amendment Fee		New Fee		\$40.00
	Use of Council Land - Roads	Permit Application Fee			\$90.00	\$95.00
		Rent per day			\$30.00	\$35.00
		Bond			\$30.00	\$35.00
	Use of Council Land Footpath/Naturestrip	Permit application Fee for Placement of Tables & Chairs etc			\$90.00	\$95.00
		Annual Renewal Fee			\$90.00	\$95.00
		Outdoor eating - per table (in addition to application fee & renewal fee)			\$27.00	\$28.00
		Outdoor eating - per chair (in addition to application fee & renewal fee)			\$12.00	\$13.00
		Food Van Sites			\$200 - \$1200	\$220 - \$1300
		Street Trader (Roadside)			\$220.00	\$250.00
		Rubbish Skip			\$27.00	\$28.00
		Rubbish Skip (Monthly)			70.00/Month + 12.00/Skip/ Location	75.00/Month + 13.00/Skip/ Location
		Rubbish Skip (Yearly)			585.00/Annum + 12.00/Skip/ Location	600.00/Annum + 13.00/Skip/ Location
		Hoarding Permit Application Fee			\$160.00	\$180.00
		Occupation of Nature Strip			\$5.00/M2/Week	\$5.00/M2/Week
		Site hut on Nature Strip			\$80.00	\$85.00
		Parking Bay for Construction Activities			\$55.00	\$60.00
		Bond			\$55.00	\$60.00
	Use of Council Land - Circuses	Permit Application Fee			\$90.00	\$95.00
		Rent per day			\$200.00	\$210.00
		Bond			\$3,100.00	\$3,200.00
	C. Cemetery - Right of Interment (Gazetted Fee as of 1 July)	Right of Interment - Lawn Beam (Plaque/Headstone Section)			\$1,385.00	\$1,385.00
		Right of Interment - Monumental			\$1,440.00	\$1,440.00
		Right of Interment - Lawn Beam Stillborn			\$505.00	\$505.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Right of Interment - Lawn Beam Child (1-5yrs)			\$745.00	\$745.00
		Right of Interment - Lawn Beam Child (6-10yrs)			\$815.00	\$815.00
		Right of Interment Pre-need - Lawn Beam (Plaque/Headstone Section)			\$1,495.00	\$1,495.00
		Right of Interment Pre-need - Monumental			\$1,600.00	\$1,600.00
		Right of Interment - Agonias Tree Memorial (Multiple)			\$1,440.00	\$1,440.00
		Right of Interment - Agonias Standard Rose Memorial (Double)			\$1,855.00	\$1,855.00
		Right of Interment - Rose Garden/Garden Beds (Single)			\$505.00	\$505.00
		Right of Interment - Rose Garden/Garden Beds (Double)			\$960.00	\$960.00
		Right of Interment - Niche Wall (single)			\$480.00	\$480.00
		Right of Interment - Red & White Rose Gardens			\$2,595.00	\$2,595.00
		Right of Interment - Garden Memorial (Bluestone/Beam edge)			\$505.00	\$505.00
		Right of Interment - Garden Memorial (Rock/Boulder)			\$560.00	\$560.00
		Interment Fee - Sinking Grave 1.8m deep (Single) / 2.2m (Double)			\$1,235.00	\$1,235.00
		Interment Fee - Sinking Grave 2.2m (Double) Section 15 Only			\$1,530.00	\$1,530.00
		Interment Fee - Sinking Grave 1.8m (Single) Section 15 Only			\$1,380.00	\$1,380.00
		Interment Fee - Sinking Grave 2.7m deep (Triple)			\$1,520.00	\$1,520.00
		Interment Fee - Stillborn			\$420.00	\$420.00
		Interment Fee - Child (1-5yrs)			\$470.00	\$470.00
		Interment Fee - Child (6-10yrs)			\$590.00	\$590.00
		Interment Fee - Additional - Oversize Casket/Coffin (greater than 650mm wide or 2050mm long)			\$230.00	\$230.00
		Interment Fee - Additional - Inaccessible grave (Full or partial hand digging required)			\$590.00	\$590.00
		Interment Fee - Reopen (Plaque/Headstone Section)			\$1,235.00	\$1,235.00
		Interment Fee - Reopen (Monumental - no cover)			\$1,465.00	\$1,465.00
		Interment Fee - Reopen (Monumental - chip top)			\$1,985.00	\$1,985.00
		Interment Fee - Reopen (Monumental - ledger)			\$470.00	\$470.00
		Interment Fee - Additional - Removal of ledger/monument			\$325.00	\$325.00
		Interment Fee - Services outside prescribed hours 10.00am to 4.00pm Monday to Friday			\$610.00	\$610.00
		Interment Fee - Services on Saturday, Sunday & Public Holidays			\$205.00	\$205.00
		Interment Fee - Cremated remains into a grave site			\$205.00	\$205.00
		Interment Fee - Cremated remains into a garden memorial			\$120.00	\$120.00
		Interment Fee - Cremated remains into a wall memorial			\$190.00	\$190.00
		Interment Fee - Cremated Remain - Scattering of Cremated Remains			\$190.00	\$190.00

**C. Cemetery - Interments
(Gazetted Fee as of 1 July)**

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
	C. Cemetery - Other Fees (Gazetted Fee as of 1 July)	Exhumation Fee (as authorised)			\$4,455.00	\$4,455.00
		Lift & Reposition				\$2,980.00
		Removal of ashes (Niche Wall)			\$90.00	\$90.00
		Copy of Certificate of Right of Interment			\$35.00	\$35.00
		Record Search Fee (per hour or part thereof)			\$35.00	\$35.00
		Cancellation of order to dig grave			\$245.00	\$245.00
		Late arrival Fee (in excess of 30 minutes)			\$140.00	\$140.00
		Attendance for Ashes Interment			\$150.00	\$150.00
		Niche Wall (ashes only) Wall Bud Vase - screwed connection			\$110.00	\$110.00
		Sand or special material for backfilling			\$200.00	\$200.00
		Location Probing			\$240.00	\$240.00
		Memorial permit fee for additional inscription work	Subject to Gazetteal 1 July 2009		\$70.00	\$70.00
		Memorial permit fee for minor renovation work - single grave			\$115.00	\$115.00
		Memorial permit fee for major renovation work - single grave			\$150.00	\$150.00
		Memorial permit fee for new headstone and base with existing foundation for a single grave			\$140.00	\$140.00
		Memorial permit fee for new headstone and base without existing foundation for a single grave			\$150.00	\$150.00
		Memorial permit fee for new monument with existing foundation for a single grave			\$170.00	\$170.00
		Memorial permit fee for new monument with existing foundation - additional contiguous grave forming the same monument			\$55.00	\$55.00
		Memorial permit fee for new monument without existing foundation for a single grave			\$190.00	\$190.00
		Memorial permit fee for new monument without existing foundation - additional grave forming the same monument			\$70.00	\$70.00
		Memorial permit fee for crypt shutters for an above ground grave			\$105.00	\$105.00
		Memorial permit fee for supply of approved products from an external supplier			\$160.00	\$160.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier to an in ground cremation memorial (excludes \$145 for concrete rest/spacing block)			\$105.00	\$105.00
		Memorial permit fee for affixing, installing or placing bronze externally supplied plaque and/or granite panel or other base by cemetery			\$105.00	\$105.00
		Memorial permit fee for supply of concrete rest, spacing block or other necessary base when affixing bronze externally supplied plaque and/or granite panel or other base by cemetery			\$105.00	\$105.00
		Memorial permit other fee for weekend or public holiday access (for memorial installation with prior approval)			\$115.00	\$115.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Memorial permit other fee for weekend or public holiday access (for memorial installation with prior approval)			\$210.00	\$210.00
		Memorial permit fee for major renovation work - additional contiguous grave forming the same monument			\$44.00	\$44.00
		Memorial permit fee for new headstone and base with existing foundation - additional contiguous grave forming the same monument			\$44.00	\$44.00
		Memorial permit fee for new headstone and base without existing foundation - additional grave forming the same monument			\$44.00	\$44.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier to an above ground cremation memorial (excludes \$145 for concrete res/spacing block)			\$44.00	\$44.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier on a lawn grave or beam (excludes \$145 for concrete res/spacing block)			\$44.00	\$44.00
		Memorial permit fee for additional inspection for Monument Completion Certificate			\$110.00	\$110.00
		Memorialisation - Vase			\$35.00	\$35.00
		Copy or re-issue of certificate previously issued, e.g. cremation or interment deed, Right of Interment.			\$35.00	\$35.00
		Fee charged to cover the costs associated with providing the information, copies or extracts from cemetery trust records.			\$35.00	\$35.00
Engineering Services		Engineering Civil Plan Checking	Statutory - 0.75% of value of work	Per Item	0.75%	0.75%
		Engineering Civil Construction Supervision	Statutory - 2.5% of value of work	per Information	2.50%	2.50%
		Engineering Landscape Plan Checking	Statutory - 0.75% of value of work	Per Item	0.75%	0.75%
		Engineering Landscape Construction Supervision	Statutory - 2.5% of value of work	per Information	2.50%	2.50%
		Property Information	Statutory	per Item	Prescribed	Prescribed
		Build over easements	Non Statutory	per Item	\$55.00	\$55.00
		Drainage Asset Information Request	Non Statutory	per Item	Prescribed	Prescribed
Families Youth & Housing		Centre Days				
	Vacation Care program	Excursions	Maximum		\$65.00	\$67.00
		Incursions	Minimum		\$30.00	\$30.00
		Late Pickup Fee	\$5.00 for the first five minutes late and \$1 per minute per child thereafter	per child per minute	\$5.00	\$5.00
		Late Enrolment Fee	Fee charged for a late enrolment	per booking	\$20.00	\$20.00
	Occasional Care	3 hour session	Comparative with other services	2 or more children	\$24.00	\$24.00
		3 hour session	Comparative with other services	per child	\$24.00	\$24.00
		3.5 hour session	Comparative with other services	per child	\$28.00	\$28.00
		3.5 hour session	Comparative with other services	2 or more children	\$28.00	\$28.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		4 hour session	Comparative with other services	per child	\$32.00	\$32.00
		4 hour session	Comparative with other services	2 or more children	\$32.00	\$32.00
		Orientation session	Comparative with other services	per child per 15 minutes	\$9.00	\$9.00
		Late pick up fee	To address parents turning up late		\$10.00	\$10.00
	Pre School Enrolment	Administration Levy for enrolling in Kindergarten	Kindergarten Administration Fee for 2014 enrolment	per child	\$25.00	\$27.00
		Family Day Care fees	Fee range covers individual fee setting. Maximum fee covers public holidays	per hour per child	Fee Range \$6.00 - \$12.10	Range \$6.20 - \$21.30
	Family Day Care	Administration Levy	per hour per child nil capping	per Hour	\$1.65	\$1.85
		Educator Levy	per hour per child nil capping	per Hour	\$0.20	\$0.25
	Housing Services	Community Housing Properties	Minimum			
		Land information certificates	Statutory Fee	Per Certificate	\$25.40	As per regulations
	Rates	Land Information certificates same day service (in addition to statutory fee)	Last Reviewed 2012	Per Certificate	\$40.00	\$45.00
		Interest on outstanding rates	Penalty Interest rate approved by the minister		9.50%	As set by Attorney-General
		Discretionary Address details for fencing contractors	Last reviewed 2013		\$25.00	\$25.00
		Supplementary valuations City West water -	Last reviewed 2015		\$25.00	\$27.00
		Copy of Previous years Rates & Valuation Notice	Last Reviewed 2009	per request	\$15.00	\$15.00
		Rate History search	Last Reviewed 2015	per hour	\$50.00	\$50.00
		State Revenue Office Supplementary valuations	Last Reviewed 2016		\$9.74	\$9.05
	Other	Dishonoured Payment (Cheque, Direct debits) - Administration fee	Last reviewed 2009		\$15.00	\$15.00
		Water charges from stand pipe	Last reviewed 2009	per Kilo Litre	\$5.00	\$5.00
		Charge for late library item returns	Accrues daily to maximum of \$2.00 per item	Per item per day	\$0.20	\$0.20
	Overdue Fines	Item replacement charges	Replacement cost for lost, damaged or stolen library item as indicated on the library's database	Per item	Range	Range
	Lost, Damaged and Stolen Items	Replacement of membership card	Replacement cost per lost, damaged or stolen library card	Per item	\$2.00	\$2.10
	Membership	Inter-Library Loan requests	Library passes on any charges levied by the lending library to customers	Per item	\$16.50	\$16.50
	Requests	Black and white A4		Per page	\$0.20	\$0.20
	Photocopying or Printing	Black and white A3		Per page	\$0.40	\$0.40
		Colour A4		Per page	\$1.00	\$1.00
		Colour A3		Per page	\$2.00	\$2.00
	Faxing at Caroline Springs Library	Receiving or sending fax to a local or interstate number	10 pages or part	First 10 pages + for each additional page	\$2.00 + 10c	\$4.00 + \$0.40c

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)	
		Sending ISD	2 pages or part	First 2 pages + for each additional page	\$10.00 + \$1.00	\$10.00 + \$1.50	
	Community programs	Per person for some events and programs		Per session	\$5.50	\$2.00 to \$15.00	
	Bags	Library Bags		Per bag	\$1.50	\$1.60	
	Earphones	Basic earphones	Provided to internet users	Per set	\$1.50	\$1.60	
	USBs	8g	Provided to internet users	Per USB	\$8.00	\$8.20	
	Book Clubs	Annual charge for book club membership.		Per person	\$50.00	\$50.00	
Recreation & Youth	Recreation Reserves - Grass Fields	Seasonal Use - local sporting clubs	Includes pavilion & ground use	per unit	\$369.00	\$382.00	
		Casual users from outside the municipality		per hour	\$24.00	\$25.00	
		Commercial Use - Coaching and Academies		Per hire	\$200.00	\$205.00	
		Commercial Use - Personal Trainers	up to 20 persons	per hire	\$100.00	\$105.00	
		Seasonal Use - local sporting clubs	Includes pavilion & ground use				
		Recreation Reserves - Synthetics Fields & Equestrian Arena	City of Melton Schools and clubs		per unit	\$369.00	\$382.00
			Casual users from outside the municipality	Ground use only	per hour	\$24.00	\$24.50
			Commercial Use	Coaches up to 4 Courts	per month	\$70.00	\$72.00
		Hard Courts - Tennis and Netball	Casual users from outside the municipality				
			Casual users from outside the municipality		per unit	\$300.00	\$325.00
			Sports Lighting	Pending availability	per hour	\$11.50	\$12.00
			Seasonal use - local sporting clubs	Includes pavilion & ground use	per unit	\$369.00	\$382.00
		Athletics Facilities	Casual use/training - local schools and clubs	Day	per hour	\$45.00	\$46.00
			Casual use/training - local schools and clubs	Evening	per hour	\$55.00	\$56.00
			Casual use/training - from outside the municipality (including schools PT and coaches)	Day	per hour	\$68.00	\$70.00
			Casual use/training - from outside the municipality (including schools, PT and coaches)	Evening	per hour	\$78.00	\$80.00
			School Carnivals - local schools	Day (max 6 hrs booking)	per event	\$275.00	\$280.00
			School Carnivals - local schools	Evening (max 3hrs)	per event	\$165.00	\$170.00
			School Carnivals - users from outside the municipality	Day (max 6 hrs booking)	per event	\$360.00	\$370.00
			School Carnivals - users from outside the municipality	Evening (max 3hrs)	per event	\$215.00	\$220.00
		Carnivals - Association/Combined schools, regional	Day (max 6 hrs booking)	per event	\$400.00	\$410.00	
		Carnivals - Association/Combined schools, regional	Evening (max 3hrs)	per event	\$235.00	\$240.00	
		Bond for hire	Refundable- New Fee	per booking	\$0.00	\$50.00	
		Cleaning after Pavilion Hire	New Fee	per event	\$0.00	\$110.00	
		Standard equipment hire (core equipment)	Day (max 6 hrs booking)	per event	\$180.00	\$184.00	

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
	Melton Indoor Recreation Centre	Standard equipment hire (core equipment)	Evening (max 3hrs)	per event	\$110.00	\$112.00
		Court 1: Show Court: courtside seating Capacity - 300	Commercial Organisation Fee		\$64.00	\$66.00
		Court 1: Show Court: courtside seating Capacity - 300	Community Group Fee	per hour	\$38.50	\$39.50
		Court 2 & 3: Booking per hour		per hour	\$64.00	\$66.00
		Court 2 & 3: Booking per hour	Community Group Fee	per hour	\$38.50	\$39.50
		General Purpose Room Capacity - 80: Booking per hour	Commercial Organisation Fee	per hour	\$49.50	\$51.00
		General Purpose Room Capacity - 80: Booking per hour	Community Group Fee	per hour	\$31.00	\$32.00
		Creche Capacity - 80: Booking per hour	Community Group Fee	per hour	\$49.50	\$51.00
		Creche Capacity - 80: Booking per hour		per hour	\$31.00	\$32.00
		Bonds		per booking	\$1,000.00	\$1,000.00
		Bonds	Community Group Fee	per booking	\$500.00	\$500.00
	Caroline Springs Leisure Centre	Court 1: Show Court: courtside seating Capacity - 300	Commercial Organisation Fee	per hour	\$64.00	\$66.00
		Court 1: Show Court: courtside seating Capacity - 300	Community Group Fee	per hour	\$38.50	\$39.50
		Court 2 & 3: Booking per hour	Commercial Organisation Fee	per hour	\$64.00	\$66.00
		Court 2 & 3: Booking per hour	Community Group Fee	per hour	\$38.50	\$39.50
		Café (meetings / hire): Booking Per Hour	Commercial Organisation Fee	per hour	\$53.00	\$54.50
		Café (meetings / hire): Booking Per Hour		per hour	\$34.00	\$35.00
		Events / Functions: Monday - Friday (5pm - 12am - 7hrs)	Commercial Organisation Fee	per booking	\$620.00	\$640.00
		Events / Functions: Monday - Friday (5pm - 12am - 7hrs)	Community Group Fee	per booking	\$373.00	\$384.00
		Events / Functions: Saturday, Sunday and public holidays (10am - 12am = 2hrs)	Commercial Organisation Fee	per booking	\$1,100.00	\$1,100.00
		Events / Functions: Saturday, Sunday & public holidays (10am - 12am = 2hrs)	Community Group Fee	per booking	\$685.00	\$705.00
		Events / Functions: Bonds	Community Group Fee	per booking	\$1,100.00	\$1,100.00
		Events / Functions: Bonds	Community Group Fee	per booking	\$550.00	\$566.00
Operations	Asset Protection	Asset protection permits	Non Statutory	per Permit	\$130.00	\$135.00
		Work Within Road Reserve Permit	Statutory Fee Units as Per the Road Management Act. Fee unit set by state.	Number of fee units dependent on works	State Fee Units	State Fee Units
		Car or station wagon load	Non Statutory		\$20.00	\$20.00
		Van or Utility			\$40.00	\$40.00
		Small trailer	Non Statutory		\$40.00	\$40.00
		Small trailer heaped load	Non Statutory		\$70.00	\$70.00
		Small trailer high sided	Non Statutory		\$80.00	\$80.00
		Large trailer (Tandem)	Non Statutory		\$65.00	\$65.00

Melton City Council Draft Budget 2017/18

Department	Program	Description	Comments	Unit of Measure	2016/17 (Prices includes GST if applicable)	2017/18 (Prices includes GST if applicable)
		Large trailer (Tandem) heaped load	Non Statutory		\$90.00	\$90.00
		Large trailer (Tandem) high sided	Non Statutory		\$140.00	\$140.00
		Mattresses	Non Statutory		\$30.00	\$30.00
		Bulk Rubbish	Non Statutory		\$100.00	\$100.00
		Rock or Rubble	Non Statutory		\$100.00	\$100.00
		Car tyres	Non Statutory - 2.00 surcharge if tyre is still on rim.		\$10.00	\$10.00
		Light truck tyres	Non Statutory - 2.00 surcharge if tyre is still on rim.		\$15.00	\$15.00
		Truck to 1100m	Non Statutory - 2.00 surcharge if tyre is still on rim.		\$30.00	\$30.00
Planning		Extension of time	Discretionary fees		\$130.00	\$133.25
		Secondary Consent Applications	Discretionary fees		\$160.00	\$162.50
		Certificate of compliance	Discretionary fees		\$147.00	\$306.70
		Development plan approval	New Non-discretionary fee		\$180.00	\$184.50
		Precinct plan approval	Discretionary fees		\$480.00	\$492.00
		Request to vary precinct plan approval	Discretionary fees		\$200.00	\$205.00
		Property enquiries & searches	Discretionary fees		\$120.00	\$123.00
		Researching existing use right or non-conforming use right	Discretionary fees		\$180.00	\$184.50
		Copy of planning permit (with associated plans)	Discretionary fees - Residential		\$55.00	\$56.40
		Copy of planning permit (with associated plans)	Discretionary fees - Other		\$105.00	\$107.60
		Demolition Consent (Form 29A)	Discretionary fees		\$65.00	\$66.60
		Amend/End a Section 173 Agreement	Discretionary fees		\$540.00	\$620.30
		Advertising of planning application - up to 10 notices	New Non-discretionary fee		\$70.00	\$71.75
		Advertising of planning application - over 10 notices	Discretionary fees		\$6 per additional notice	\$6.15
		Advertising Sign	Discretionary fees		\$11.00	\$11.90
		Planning Controls	Discretionary fees		\$70.00 or planning controls and a copy of permit and plans (\$125.00 residential and \$175.00 for other)	\$71.75 or planning controls and a copy of permit and plans (\$126.15 residential and \$179.40 for other)
		Change of Use Only	Application Type		\$1,240.70	\$1,240.70

Appendix B

Budget Processes

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

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

The 2017/18 budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, and Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2018 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during October 2016 to January 2017. A consolidated budget is then prepared and various iterations are considered by Council at informal briefings during February and March. A 'proposed' draft budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 day's notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its internet 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.

To assist interested persons to understand the budget and make a submission if they wish, Council undertook a Community Engagement process including public information sessions. The Community Engagement for the 2017/18 budget was held at Melton Library Learning Hub and Caroline Springs Library on 4 of February and was very widely publicised across the municipality. This process was well received and supported by the community. A number of rate payers and members of community groups turned out to meet the Councillors and officers providing positive feedback and written submissions in person and through the Council website. These submissions were reviewed and considered in formulating the budget.

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 26 June 2017 and a copy submitted to the Minister by 30 June 2016. The key dates for the budget process are summarised below:

The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers prepare operating and capital budgets	October 2016 –January 2017
2. Community Engagement Sessions	4 February 2017
3. Council considers budgets at informal briefings	February /March 2017
4. Proposed budget submitted to Council for approval	03 April 2017
5. Budget available for public inspection and comment	04 April to 3 May 2017
6. Submissions period closes (28 days)	3 May 2017
7. Submissions considered by S ec 223 Advisory Committee of Council	6 June 2017
8. Council Adopt 2017/18 Budget and Strategic Resource Plan	26 June 2017
9. Copy of adopted budget submitted to the Minister	30 June 2017

End of Report



Melton City Council
Strategic Resource Plan 2017/2018 to 2020/2021

A Proud Community Growing Together



Table of Contents

	Pages
EXECUTIVE SUMMARY	1
 PROJECTED FINANCIAL OUTCOMES	
Financial Performance	2
Financial Position	4
Cash Flow	4
Capital Expenditure.....	5
Borrowing.....	6
Non Financial Resources	7
Assumptions	9
 APPENDIX A: BUDGETED STANDARD STATEMENTS	
Budgeted Comprehensive Income Statement	12
Budgeted Balance Sheet	13
Budgeted Statement of Cash Flows.....	14
Budgeted Capital Works Statement	15
Budgeted Statement of Changes in Equity	16
Budgeted Statement of Human Resources	17

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

1.0 EXECUTIVE SUMMARY

The key elements of Melton City Council's Strategic Planning Framework are our Council Plan, Strategic Resource Plan and the Annual Budget. In accordance with The Local Government Act 1989, and the Local Government (Planning and Reporting Regulations 2014 (the Regulations). The Strategic Resource Plan must be reviewed and adopted by Council by 30 June 2017.

The Strategic Resource Plan provides direction in future service planning and is a critical tool in identifying and managing Council's financial risks. The Plan informs Council decision-making in areas such as service levels, infrastructure management, rating strategy and investment targets, and then reflects the future impact of those decisions. The Plan also provides the long term, prudent and 'sustainable' financial framework within which Council will develop, consider and adopt the 2017/18 Budget.

Within this report there are some specific projects detailed (i.e. Capital Works over the next four years on page 14. It should be noted however; that this financial strategy does not attempt to set in concrete any item in particular; rather, it provides a financial framework that shows the amount of funds Council will have at its discretion over a period. It is in this way that financial modeling can be undertaken as project costs are firmed and submitted to the annual budget process.

Council, in adopting a long-term financial strategy (and carrying out regular reviews) is ensuring financial resources are available over the long term. It also reinforces the Council's ability to renew the required infrastructure and fund new capital works, plus adequately resource the business plans contained in the Council Plan enabling the overarching Council vision to become a reality.

Strong financial management has become a necessary ingredient for Local Government and in particular for Melton City Council which is currently in an environment of rapid growth with increasing demand for facilities and services for the growing community. In facing this challenge, Melton City Council will be confronted with some difficult decisions regarding revenue streams particularly rating, borrowing limits, increasing costs and the desire for new and refurbished facilities which will also impact on expenditures over the next few years.

The Strategic Resource Plan is based on the following key objectives:

- To build community wealth through the achievement of operating surpluses growth in cash reserves;
- To continue to deliver high quality services to the community;
- To minimize net borrowing in the medium and long term;
- Council capital works program funding from internally generated funds and moderate net new borrowings during the currency of this Strategic Resource Plan;
- To maximise returns on Council's investments;
- To maintain a responsible and sustainable asset management program; and
- Early delivery of infrastructure to growth areas.

In turn, specific financial goals have been established to support management and Council decision making, and to track progress against objectives.

These goals are:

- Sustain underlying surplus from annual operations during the currency of this Strategic Resource Plan;
- Maintain a balanced, annual cash budget;
- Target a minimum of \$80.0 million and above in cash and investment reserves including developer contributions reserve funds held for future capital works;
- Maintain a minimum working capital of \$3.5 million; and
- Maintain growth in net assets.

The Strategic Resource Plan is not a static document, but is reviewed at least annually as part of Council's strategic planning and budget process and is updated to reflect changing internal and external circumstances.

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

2.0 FINANCIAL PERFORMANCE

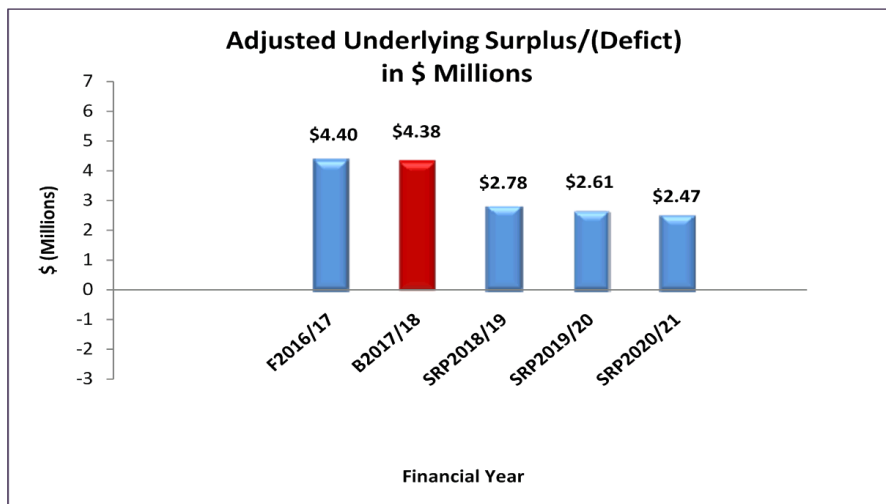
Financial performance refers to the net outcome of all revenues and expenditure from Council's operating activities during a financial year. It is presented in the Budgeted Income Statement in terms of both an underlying surplus or deficit and also a comprehensive result.

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

It should however be noted that land sales revenue is considered operational income in the computation of underlying result. This is because Melton is a joint developer in the Atherstone property development and land sales income is a regular component of the Melton's total operational revenue and will continue to remain so in the next 15 to 20 years.

The council is in a period of rapid growth and while this is expected to extend well into the next decade, the magnitude and pace of the projected growth poses significant challenges to Council.

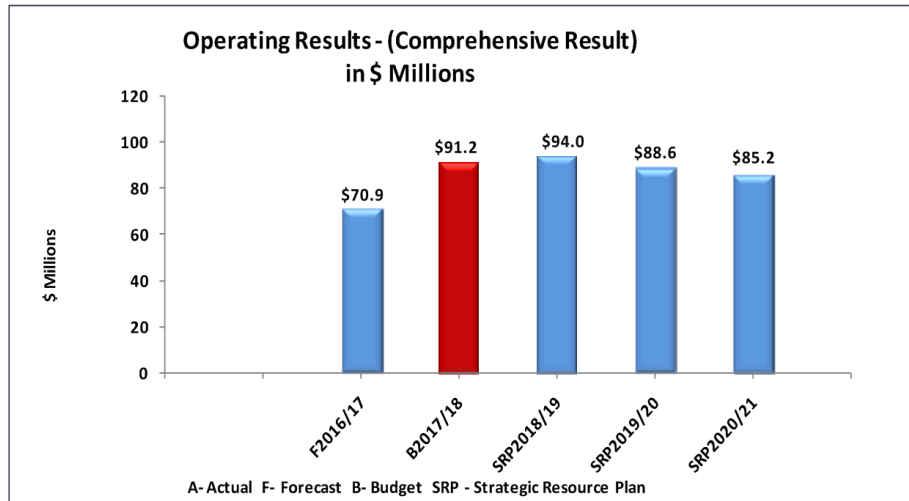
The adjusted underlying results, shows an underlying surplus of \$4.38 million in 2017/18 reducing and stabilizing around \$2.5 million during the currency of the latest Strategic Resource Plan. The higher underlying results in 2016/17 and 2017/18 are a result of growth in revenue and Council holding costs constrained.



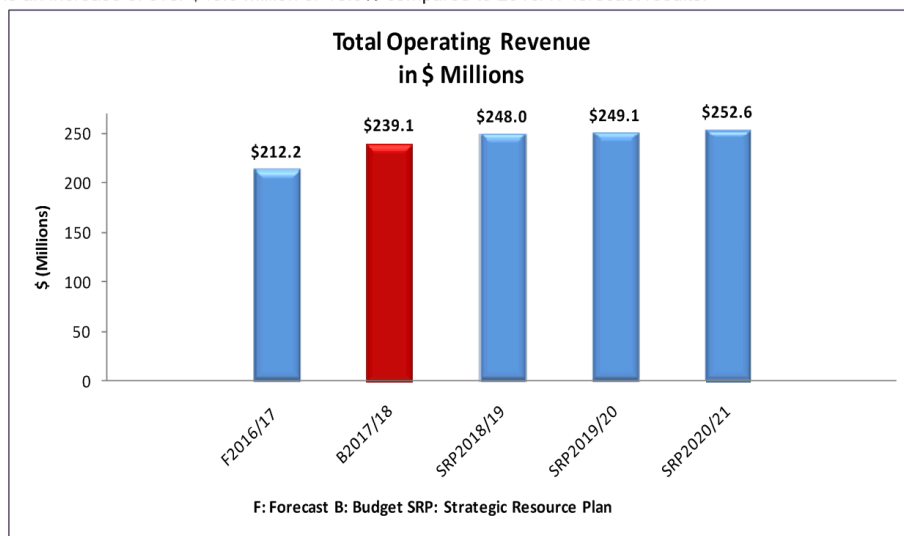
Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

The comprehensive surplus is the total after accounting for both operating and non operating items. These include gain/loss on sale of assets, capital grants and contributed assets.

Council’s comprehensive surplus is projected to increase from a forecast surplus of \$70.9 million in 2016/17 to \$85.2 million by 2020/21.



Total revenue is projected to increase from a forecast \$212.2 million in 2016/17 to \$252.6 million by 2020/21. This is an increase of over \$40.0 million or 18.9% compared to 2016/17 forecast results.



Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

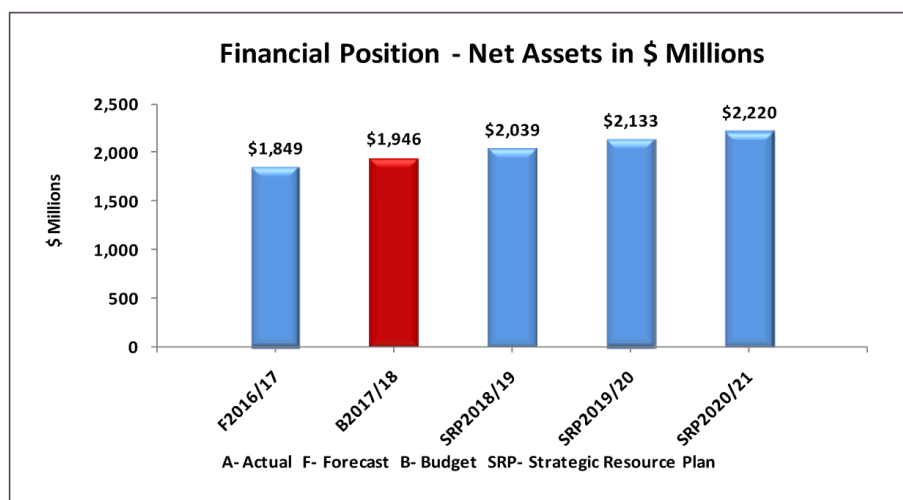
Other assumptions built in for revenue and operating expenditure are discussed in detail under Section 8, Assumptions on Pages 9 to 11.

3.0 FINANCIAL POSITION

Financial Position refers to a “snap shot” of all assets (what Council owns) and Liabilities (what Council owes) at the end of the financial year. It is presented as the Budgeted Balance Sheet and the reported net assets (i.e. Assets less liabilities), representing the net worth, or value of Council.

The Current (Liquidity) Ratio (or Current assets over Current Liabilities) measures the liquidity situation of Council, or our ability to meet short term (less than twelve months) financial obligations. Throughout the planning period, Council’s liquidity ratio exceeds the target ratio between of 2.5 to 3.0.

Council’s net assets will increase in value from a forecast \$1.849 billion in 2016/17 to \$2.22 billion by 30 June 2021. This is a net increase of \$371 million reflecting the net outcome of annual capital expenditure, contributed assets, asset disposals, depreciation including the impact of asset revaluations.

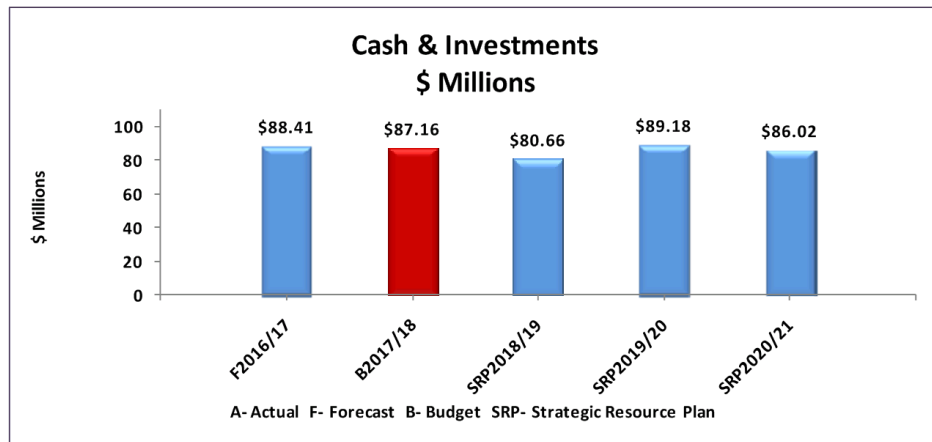


4.0 CASH FLOW

Cash flow refers to the inflows and outflows of cash during the financial year in the performance of all activities. The Budgeted Cash Flow Statement presents this information in three main areas – operating activities (i.e. normal receipts and payments from operations), investing activities (addition and disposal of non current assets) and financing activities (loan borrowings and repayments). The statement explains the reasons for movement in cash reserves between the start and end of year.

The Council cash holding during the planning period is illustrated in the attached chart. Cash and equivalents at end of the year depends heavily on the level of capital expenditure budgeted in each year. The projected balances are based on the assumption that the Capital expenditure budgeted for the year will be completed before the end of the financial year.

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021



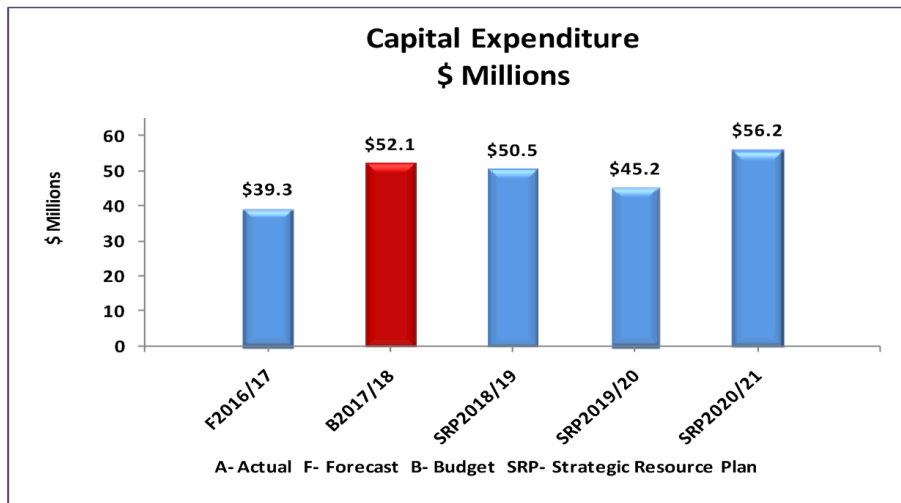
The 2016/2017 Strategic Resource Plan is framed around having sufficient cash reserves to cover restricted assets which are primarily developer contributions, construction retentions, maintenance bonds and also a working capital limit of \$3.5 million to meet day to day needs. Cash and Investment balances in the planning period are projected to be in a strong position around the \$85 - \$90 million mark by 2020/21. It is worth noting that this is after delivering a average annual capital works program of \$51.0 million (total over 4 years of \$203.6 million) and repayments of existing loans of \$11.4 million, with no new borrowing over the planning period. This is however based number of projection such the demand for housing will be strong over the next four years and will deliver land sales revenue from Council's joint development of \$ 41.7 million, capital grants from state and federal sources of \$27.2 million and also \$42.0 million cash contributions from developers. These estimates while quite significant are nevertheless based on the continuing trend the Council has experienced over the last few years.

5.0 CAPITAL EXPENDITURE

Capital expenditure refers to Council's expenditure in constructing, renewing, expanding or upgrading its physical assets (infrastructure, facilities etc.) to meet the community's service needs. Capital expenditure is added to Council's non-current assets value on the Statement of Financial Position at the end of the financial year, and represents a significant component of council's annual cash outflows.

Council's Strategic Resource Plan ensures that a significant proportion of cash flow from operating activities is directed to the capital works program over the next 4 years.

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

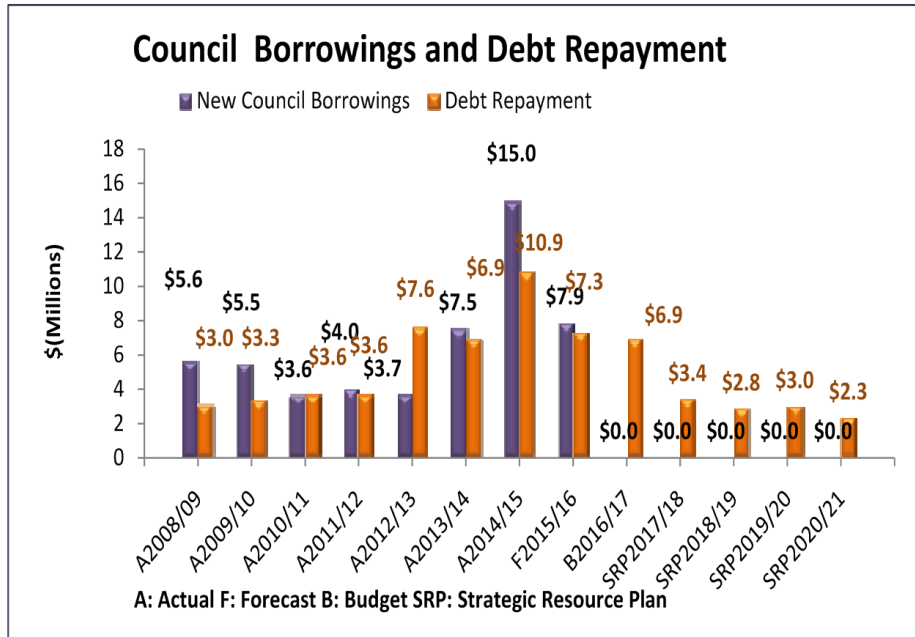


The forecasted capital expenditure in 2016/17 is \$39.3 million. An extensive capital works program of over \$203.6 million is proposed over the next 4 year period, from 2017/2018 to 2020/21. The 2017/18 Capital expenditure of \$52.1 million includes carry forward works of \$11.3 from 2016/17. Excluding this amount from the capital works over the 4 years amounts to an average capital expenditure of around \$51.0 million each year. The capital works program is funded from general rate revenue, developer contributions, capital contributions, and asset sales.

6.0 Borrowings

There is no new borrowing planned in 2016/17 to deliver a capital works program of \$39.3 million by the end of the current financial year. No new borrowings are envisaged for the period from 2017/18 to 2020/21 in this strategic resource plan. The Council also plans to repay \$11.4 million of maturing debt from internally generated funds. This is in line with the Council's borrowing strategy to restrict borrowing to refinancing maturing debt and to marginally increase net borrowing if necessary, to principally bridge funding gap to finance capital expenditure.

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

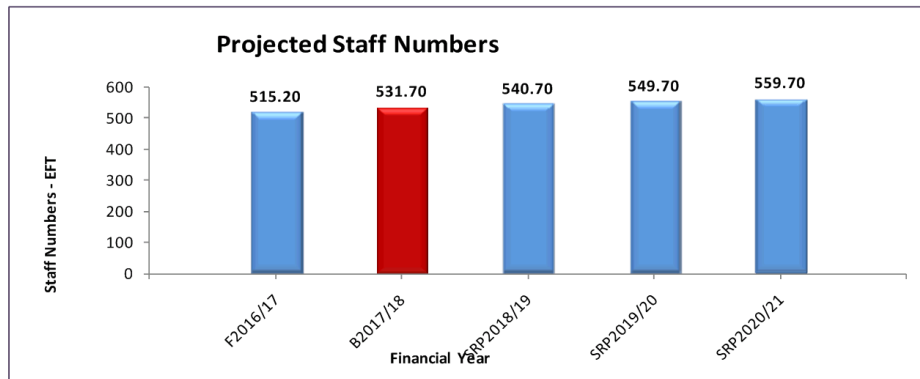


7.0 NON FINANCIAL RESOURCES

In determining the long term financial strategy, the Council has paid due consideration to the need for increasing the level of non financial resources each year such as additional staff numbers, plant, furniture and equipment, facilities and infrastructure that are required to service the growing demand for services in the planning period.

Budgeted Statement of Human Resources	Forecast 2016/17 \$'000	Strategic Resource Plan			
		Budget 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Staff Expenditure					
Executive Management	1,505	1,693	1,774	1,863	1,956
Corporate Services Management	9,326	9,619	10,076	10,580	11,109
Planning and Development Management	15,976	17,429	18,256	19,169	20,128
Community Services Management	23,034	24,563	25,730	27,016	28,367
Total Staff	49,841	53,304	55,836	58,628	61,559

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021



Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

8.0 ASSUMPTIONS

Factors applied in the development of the financial forecasts are summarised below:

8.1 Cash Flow

For cash flow projection purposes, collection of revenues and payment of accounts are assumed to hold a pattern similar to previous years and close to 100% of the amount accrued in the year.

8.2 Consumer Price Index (CPI)

Consumer Price Index (CPI) over the planning period is projected at rates shown in the table below:

	2017/18	2018/19	2019/20	2020/21
CPI (projected)	2.0%	2.25%	2.5%	2.5%

8.3 Rates & Charges Income

Rates & charges Income are projected to increase during the next four years based on rate increases and growth in assessments as follows:

	2017/18	2018/19	2019/20	2020/21
General Rate Increase	2.0%	2.25%	2.25%	2.25%
Growth in Assessments	4.35%	4.4%	4.4%	4.4%

8.4 User Fees & Charges

Other fees and charges are expected to increase as per below.

	2017/18	2018/19	2019/20	2020/21
Other Fees & Charges	3.5%	3.25%	3.5%	3.5%

8.5 Developer Contributions

Developer cash and non cash contributions are projected as follows.

	2017/18	2018/19	2019/20	2020/21
Cash Contributions(\$ Millions)	8.4m	12.5m	12.8m	8.5m
Non Cash Contributions(\$ Millions)	\$72.9m	\$69.8m	\$67.3m	\$67.5m

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

8.6 Grants and Capital Contributions

Grants incomes are as outlined below.

	2017/18	2018/19	2019/20	2020/21
Grants Commission	\$14.03m	\$14.49m	\$15.0m	\$15.53m
Operating Grants	\$10.61m	\$10.96m	\$11.34m	\$11.74m
Capital Grants (\$ Millions)	\$5.5m	\$9.0m	\$5.9m	\$6.8m

8.7 Proceeds from Asset Sales

Significant asset sales revenue has been assumed for the planning period going forward. This includes property sales revenue from joint development agreements entered into by the Council, which will have significant positive cash flow impact on the Council finances over the long term. Asset sales figures shown below also includes sale of Council fleet.

	2017/18	2018/19	2019/20	2020/21
Assets Sales (\$ Millions)	\$12.82m	\$9.02m	\$9.66m	\$10.21m

8.8 Interest on Investments

Investment income is based on projected cash & investment balances available for investment each year. It is recognised that investment income will be based on the average cash funds available throughout the year for investment. This may vary significantly from the end of year cash balance at balance date shown in the Budgeted Cash Flow Statement and the Budgeted Balance Sheet. Investment income is grouped under other revenue in the operating statement.

	2017/18	2018/19	2019/20	2020/21
Interest income (\$ Millions)	\$1.71m	\$1.76m	\$1.81m	\$1.86m

8.9 Employee Costs

	2017/18	2018/19	2019/20	2020/21
EBA	2.5%	2.5%	2.5%	2.5%
Staff Oncosts	20%	20%	20%	20%

	2017/18	2018/19	2019/20	2020/21
Employee Numbers (EFT)	531.7	540.7	549.7	559.7

8.11 General Expenditure

Specific cost forecasts have been used for significant non-discretionary expenditure items in 2016/17, where such information is presently available. The remaining general operating expenditure items are projected to increase as outlined below:

	2017/18	2018/19	2019/20	2020/21
Materials and Services	-1.75%	3.2%	3.5%	3.5%

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

8.12 Capital Expenditure

The Capital works expenditure projections are based on Council's draft 10 year capital works program, reflecting works carried forward, committed future works, asset refurbishment works, plant replacement program and planned major projects.

	2017/18	2018/19	2019/20	2020/21
Capital Expenditure (\$ Millions)	\$52.13m	\$50.47m	\$45.20m	\$56.17m

8.13 Borrowing

	2017/18	2018/19	2019/20	2020/21
Total New Borrowings (\$ Millions)	nil	nil	nil	nil
Total Repayment (\$ Millions)	\$3.38m	\$2.83m	\$2.97m	\$2.30m

8.14 Cost of Assets Sold

Projected cost of assets sold year-by-year is based on the level of asset sales. The impact of asset revaluation is reflected in the written down value of assets sold.

	2017/18	2018/19	2019/20	2020/21
Written Down Value of Assets Sold (\$ Millions)	\$7.22m	\$5.14m	\$5.51m	\$5.82m

8.15 Depreciation

The Depreciation charges for the year take into account the impact of capital expenditure, disposals, contributed assets and expected asset life during for the planning period.

	2017/18	2018/19	2019/20	2020/21
Depreciation & Amortization (\$ Millions)	\$29.42m	\$30.89m	\$32.43m	\$34.05m

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

1.0 Budgeted Comprehensive Income Statement

For the year ending 30 June

Budgeted Comprehensive Income Statement Year Ended 30th June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		Budget 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Income					
Rates and charges	99,075	104,277	108,865	113,655	118,656
Statutory fees and fines	3,029	3,295	3,402	3,521	3,645
User fees	9,941	9,984	10,308	10,669	11,042
Contributions - monetary	14,051	8,357	12,463	12,811	8,445
Contributions - non-monetary assets	43,060	72,953	69,819	67,280	67,469
Grants - Operating (recurrent)	23,727	24,368	25,160	26,041	26,953
Grants - Operating (non-recurrent)	339	281	290	301	311
Grants - Capital (non-recurrent)	9,348	5,465	8,970	5,870	6,770
Net gain on disposal of assets	4,576	5,600	3,880	4,154	4,390
Other income	5,099	4,563	4,826	4,795	4,887
Share of net P/L of assoc. and joint ventures					
Total Income	212,244	239,144	247,984	249,097	252,568
Expenses					
Employee costs	49,841	53,304	55,836	58,628	61,559
Materials and services	59,348	58,307	60,177	62,258	64,411
Bad and doubtful debts	400	400	410	420	431
Depreciation and amortisation	25,362	29,417	30,888	32,432	34,054
Finance costs	1,322	961	785	644	503
Other expenses	5,118	5,602	5,854	6,147	6,454
Total Expenses	141,389	147,991	153,950	160,529	167,412
Surplus/(Deficit)	70,855	91,153	94,034	88,568	85,156
Other comprehensive income					
Items that will not be reclassified to surplus or deficit:					
Net revaluation increment/decrement					
Share of other comprehensive income of assoc. and joint vent.					
Items that may be reclassified to surplus or deficit in future periods					
Total Comprehensive Result	70,855	91,153	94,034	88,568	85,156

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

2.0 Budgeted Balance Sheet
 For the year ending 30 June

Balance Sheet As at 30 June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		Budget Projections 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Current assets					
Cash and cash equivalents	88,412	87,158	80,660	89,180	86,021
Trade and other receivables	2,958	7,346	12,381	17,755	26,046
Other Financial assets	2,180	2,190	2,200	2,210	2,220
Inventories	25	25	25	25	25
Non Current Assets held for resale	2,500	3,000	3,250	3,500	4,000
Other assets					
Total current assets	96,075	99,719	98,516	112,670	118,312
Non-current assets					
Trade & other Receivables					
Property Plant & Equipment	1,793,160	1,884,336	1,976,597	2,054,368	2,133,241
Inventories	52	57	60	63	66
Investment property	7,000	7,500	7,500	8,000	8,500
Intangible assets	4,011	3,684	3,357	3,030	2,703
Other assets	1,410	1,425	1,440	1,450	1,475
Total non-current assets	1,805,633	1,897,002	1,988,954	2,066,910	2,145,985
Total Assets	1,901,708	1,996,721	2,087,470	2,179,580	2,264,297
Current liabilities					
Trade and other payables	14,150	14,400	14,600	14,800	15,000
Trust funds & deposits	2,170	2,259	2,314	2,368	2,422
Provisions	9,062	9,400	9,682	9,973	10,272
Interest-bearing loans and borrowings		2,826	2,967	2,306	2,402
Other current liabilities	3,380				
Total Current Liabilities	28,762	28,886	29,563	29,446	30,096
Non-current liabilities					
Provisions	2,202	2,227	2,073	2,073	2,023
Interest bearing loans & borrowings	18,773	15,947	12,980	10,674	8,272
Other non current liabilities	3,150	3,465	3,742	4,042	4,365
Total non current liabilities	24,125	21,639	18,795	16,789	14,660
Total Liabilities	52,887	50,525	48,358	46,235	44,756
Net Assets	1,848,821	1,946,197	2,039,112	2,133,345	2,219,541
Equity					
Accumulated surplus	1,044,150	1,135,304	1,229,337	1,317,905	1,403,061
Asset revaluation reserve	753,324	755,823	757,482	759,353	759,353
Other reserves	51,347	55,070	52,293	56,086	57,127
Total Equity	1,848,821	1,946,197	2,039,112	2,133,345	2,219,541

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

3.0 Budgeted Statement of Cash Flows

For the year ending 30 June

Budgeted Statement of Cash Flows As at 30 June	Forecast 2016/17 \$'000	Strategic Resource Plan Projections		
		Budget Projections 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Cash flows from operating				
Receipts				
General rates	98,879	104,177	108,565	113,305
Grants Income - Operating & Capital	33,414	30,115	34,421	32,212
Interest	2,618	1,830	2,035	2,156
User charges	12,505	13,454	9,360	14,090
Contributions & Reimbursements	14,051	8,357	12,463	12,811
Other revenue	2,543	2,563	696	2,677
Total Receipts	164,010	160,496	167,539	177,251
Payments				
Employee costs	48,804	52,941	55,708	58,338
Contractor payments	41,504	41,928	43,155	44,713
Other expenses	22,509	23,231	26,112	26,531
Financing Costs	1,322	961	785	644
Total Payments	114,138	119,061	125,761	130,226
Net cash provided by operating activities	49,872	41,436	41,779	47,025
Cash flows from investing activities				
Proceeds from sales of property, plant and equipment	12,236	12,826	9,024	9,660
Payments for property, plant and equipment	-39,336	-52,135	-50,475	-45,199
PSP Rolling Credit Payments	-5,000		-4,000	
Net cash used in investing activities	-32,101	-39,310	-45,451	-35,539
Cash flows from financing activities				
Finance costs				
Proceeds from borrowings				
Repayment of borrowings	-6,914	-3,380	-2,826	-2,967
Net Cash used in financing activities	-6,914	-3,380	-2,826	-2,967
Net decrease in cash & cash equivalents	10,857	-1,254	-6,498	8,519
Cash & equivalents at beginning of year	77,555	88,412	87,158	80,660
Cash & equivalents at 30 June	88,412	87,158	80,660	89,180

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

4.0 Budgeted Capital Works Statement

For the year ending 30 June

Budgeted Statement of Capital Works For the years ending	Forecast 2016/17 \$'000	Strategic Resource Plan Projections			
		2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
30th June					
Property					
Land	1,439	1,030			
Total Land	1,439	1,030			
Buildings & Building Improvements					
Buildings	4,133	5,420	8,926	12,165	29,476
Building Improvements					
Total Buildings	4,133	5,420	8,926	12,165	29,476
Total Property	5,571	6,450	8,926	12,165	29,476
Plant and equipment					
Plant, machinery and equipment	1,100	1,250	1,250	1,250	1,250
Fixtures, fittings and furniture	185	181	150		
Computers and telecommunications	362	320	320	320	320
Library books	360	375	375	375	375
Total Plant and Equipment	2,007	2,126	2,095	1,945	1,945
Infrastructure					
Roads	20,480	15,701	16,608	12,969	18,070
Bridges	317	4,570	1,770	770	370
Drainage	866	560	330	310	310
Recreational, leisure and community facilities	5,511	19,021	17,674	14,039	3,422
Other infrastructure	4,584	3,707	3,072	3,001	2,582
Total infrastructure	31,758	43,559	39,454	31,089	24,754
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175
Represented by:					
Asset renewal expenditure	13,937	16,314	12,935	15,099	14,985
New asset expenditure	15,358	25,519	32,479	27,420	30,005
Asset Upgrade expenditure	5,101	3,508	3,343	2,529	2,920
Asset expansion expenditure	4,940	6,794	1,718	151	8,265
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175
Represented by:					
Grants Income	2,621	5,465	8,970	5,870	6,770
Developer Contributions	11,754	5,624	12,292	10,125	8,197
Funded from Operating Surplus	9,504	29,768	29,213	29,204	41,208
Funded From carry Forward Surplus	15,457	11,278			
Total capital works expenditure	39,336	52,135	50,475	45,199	56,175

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

5.0 Budgeted Statement of Changes in Equity
 For the year ending 30 June

Budgeted Statement of Changes in Equity For the years ending	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Year Ended 30th June 2018				
Balance at beginning of the financial year	1,848,821	1,044,150	753,324	51,347
Interest Income	850			850
Comprehensive result	91,153	91,153		
Net asset revaluation Increment/(decrement)	2,500		2,500	
Other PSP related Transfers				
Transfers to reserves	9,597			9,597
Transfers from Reserves	-6,724			-6,724
Balance at end of Financial Year	1,946,197	1,135,303	755,824	55,070
Year Ended 30th June 2019				
Balance at beginning of the financial year	1,946,197	1,135,303	755,824	55,070
Interest Income	878			878
Comprehensive result	94,034	94,034		
Net asset revaluation Increment/(decrement)	1,658		1,658	
Impairment losses on revalued assets	-4,000			-4,000
Other PSP related Transfers				
Transfers to reserves	13,737			13,737
Transfers from Reserves	-13,392			-13,392
Balance at end of Financial Year	2,039,112	1,229,337	757,482	52,293
Year Ended 30th June 2020				
Balance at beginning of the financial year	2,039,112	1,229,337	757,482	52,293
Interest Income	898			898
Comprehensive result	88,568	88,568		
Net asset revaluation Increment/(decrement)	1,871		1,871	
Transfers to reserves	14,121			14,121
Transfers from Reserves	-11,225			-11,225
Balance at end of Financial Year	2,138,345	1,317,905	759,353	56,086
Year Ended 30th June 2021				
Balance at beginning of the financial year	2,138,345	1,317,905	759,353	56,086
Interest Income	546			546
Comprehensive result	85,156	85,156		
Net asset revaluation Increment/(decrement)				
Other PSP related Transfers				
Transfers to reserves	9,792			9,792
Transfers from Reserves	-9,297			-9,297
Balance at end of Financial Year	2,219,541	1,403,061	759,353	57,127

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

6.0 Budgeted Statement of Human Resources

For the year ending 30 June

Budgeted Statement of Human Resources	Strategic Resource Plan				
	Forecast 2016/17	Budget 2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Executive Management	1,505	1,693	1,774	1,863	1,956
Corporate Services Management	9,326	9,619	10,076	10,580	11,109
Planning and Development Management	15,976	17,429	18,256	19,169	20,128
Community Services Management	23,034	24,563	25,730	27,016	28,367
Total Staff	49,841	53,304	55,836	58,628	61,559

Budgeted Statement of Human Resources	Strategic Resource Plan				
	Forecast 2015/16	Budget 2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Employee Costs - Operating	49,841	53,304	55,836	58,628	61,559
Employee Costs - Capital					
Total Staff Costs	49,841	53,304	55,836	58,628	61,559
Total Staff Numbers (EFT)	515.2	531.7	540.7	549.7	559.7

Melton City Council – Strategic Resource Plan 2017/2018 to 2020/2021

Budgeted Statement of Human Resources	Strategic Resource Plan				
	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000
Staff Expenditure					
Executive Management	12.0	12.2	13.2	13.2	13.2
Corporate Services Management	87.6	88.0	90.0	92.0	94.0
Planning and Development Management	174.5	168.9	171.9	174.9	178.9
Community Services Management	241.2	262.6	265.6	269.6	273.6
Total Staff	515.2	531.7	540.7	549.7	559.7

End of Report