



Cardinia Shire Council
Budget 2015-16

Cardinia Shire Council

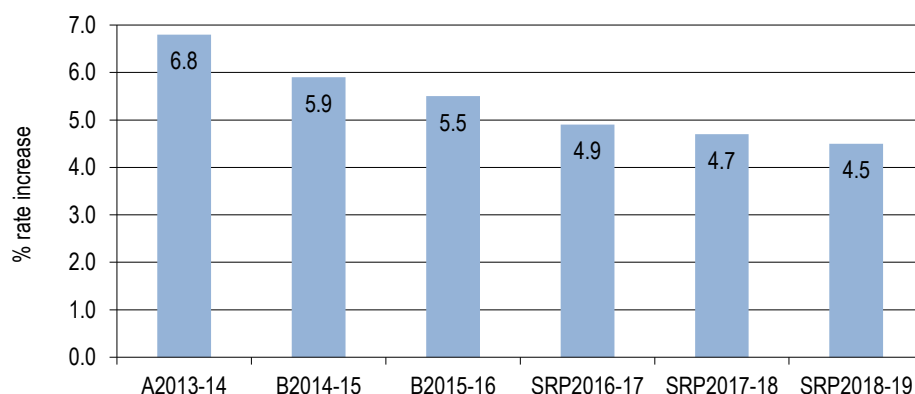
Budget 2015-16

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Chief Executive Officer's summary

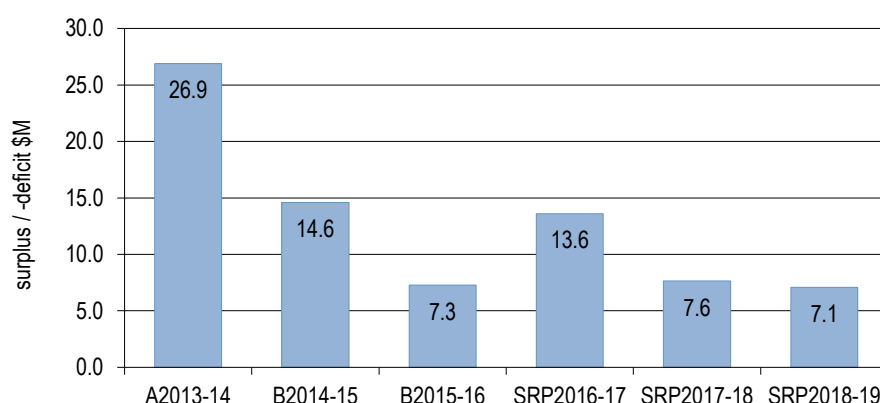
Council has prepared a Budget for the 2015-16 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase & operating result of the Council.

1. Rates



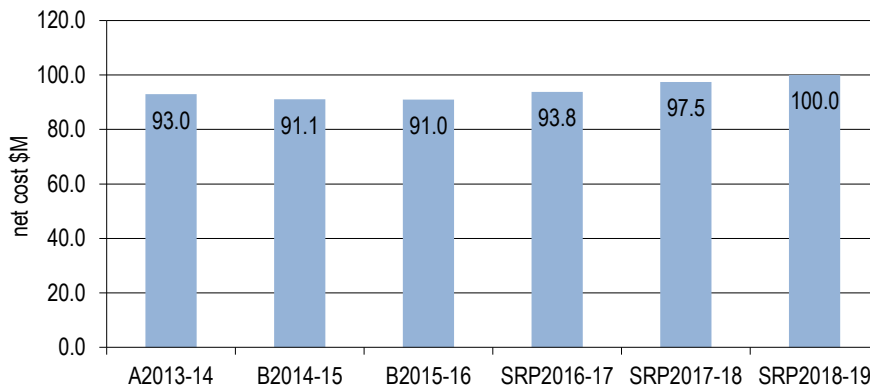
In line with the Strategic Resource Plan published as part of the 2014-15 Budget, general rates are to increase by 5.5% for the 2015-16 year. This raises total rates of \$61.9m, including \$831k generated from supplementary rates. This rate increase is in the Council's strategic resource plan in Section 8. (The rate increase for the 2014-15 year was 5.9%)

2. Result



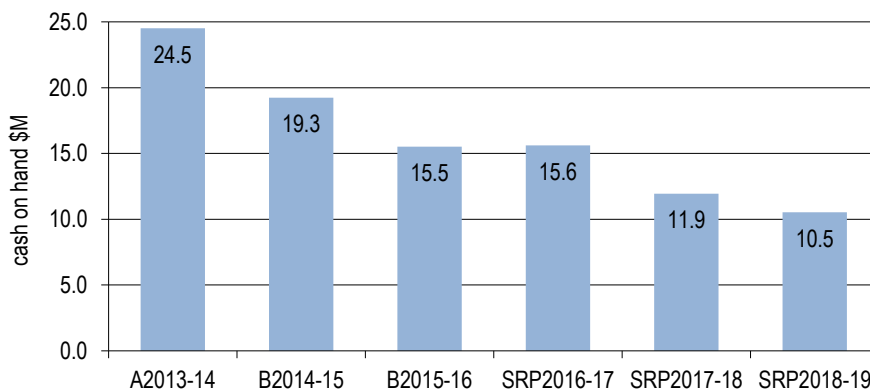
The adjusted underlying result, which excludes cash and non-cash contributions by developers, and capital grants and contributions, is a surplus of \$1.0m, which is an improvement of \$3.2m on 2014-15. A total of \$1.9m is budgeted for cash and non-cash developer contributions (2014-15 \$11.6m), capital grants and contributions total \$4.3m (2014-15 \$4.3m), and net gain from sale of assets total \$0.0m (2013-14 \$858k). (Refer to Section 4, Analysis of operating budget, for further information).

3. Services



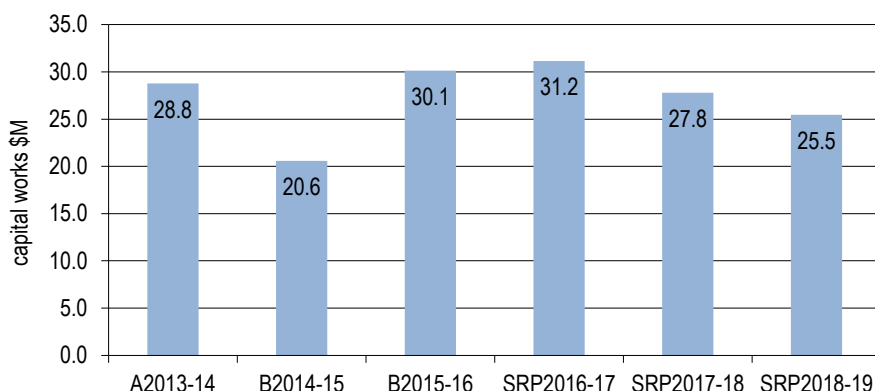
The net cost of services delivered to the community for the 2015-16 year is expected to be \$91.0m which is a decrease of \$142k on 2014-15. The main areas contributing to the decrease are employee costs and borrowing costs, but have been partly offset by depreciation expense which is forecast to increase. Council's decision to pass Outside School Hours Care back to the schools to manage has had a significant impact on expenditure, as well as income. Other service levels have generally been maintained at the same standards as in 2014-15. (The budgeted net cost for the 2014-15 year is \$91.1m).

4. Cash and investments



The balance of cash and investments at 30 June 2016 is expected to be \$15.5m, which is \$3.7m lower than the budgeted balance at 30 June 2015. The decrease over the five year period is mainly due to drawdown of Developer Contribution Plan (DCP) funds. (The cash and investments balance as at 30 June 2015 is budgeted to be \$19.3m).

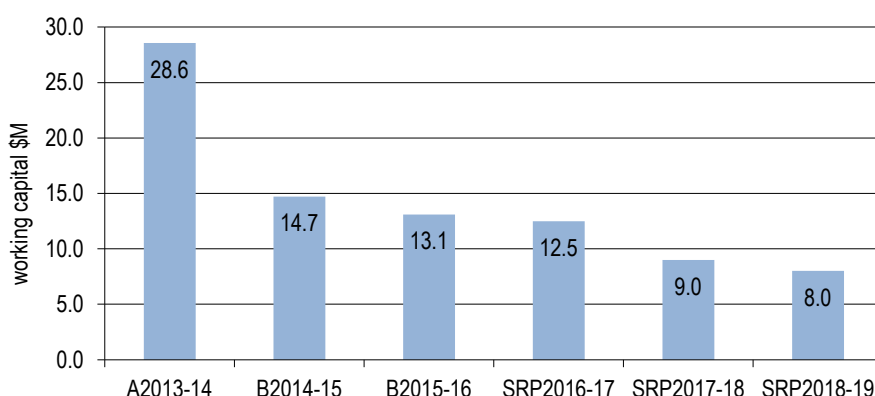
5. Capital works



The capital works program for the 2015-16 year is expected to be \$30.1m, which is a \$9.5m increase on 2014-15. Funding for the proposed program is \$15.8m from Council operations, \$6.1m from external contributions, \$4.3m from loan funds, and the balance of \$3.9m from government grants. The capital expenditure program has been set and prioritised to enable Council to assess the needs and develop sound business cases for each project. (The budgeted amount for the 2014-15 year was \$20.6m).

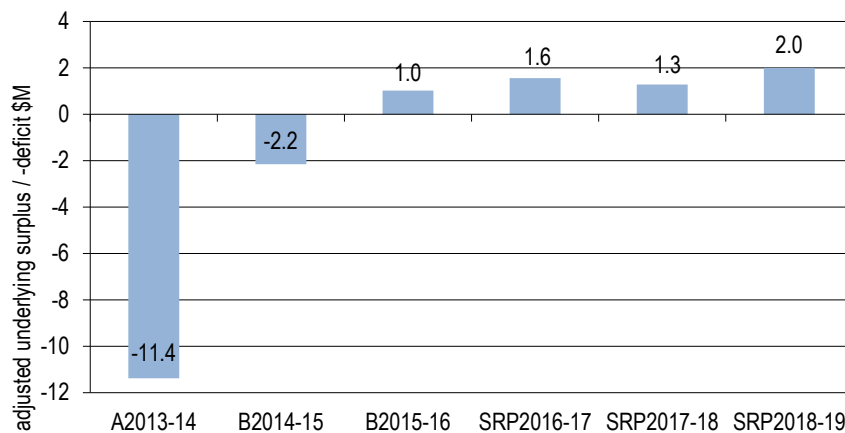
The major projects included in the proposed budget include Officer Secondary College stadium and Community Hub, Hub at Emerald, IYU Recreation Reserve (regional soccer facility), Lang Lang sporting facilities, Arena kindergarten, Heatherbrae Recreation Reserve, and the Emerald netball facility. The asset renewal program includes the annual renewal programs for the major infrastructure assets (roads, footpaths, bridges, and drains) plus a number of other projects.

6. Financial position



Total equity (net assets) are forecast to be \$663.7m as at 30 June 2016, which is an increase of \$11.8m. (Total equity (net assets) is budgeted to be \$651.9m as at 30 June 2015). Working capital (net current assets) is forecast to be \$13.1m, down from \$14.7m budgeted in 2014-15. The decrease over the five year period is related to the drawdown of DCP funds as depicted in item 4 Cash and investments.

7. Financial sustainability



A high level Strategic Resource Plan for the years 2016-17 to 2018-19 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 result, which is a measure of financial sustainability, shows the budget returning to a surplus in 2015-16, with a trend of increasing surpluses over the subsequent years.

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

Garry McQuillan
Chief Executive Officer

Budget processes

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

The preparation of the budget starts with Officers beginning to prepare the operating component of the annual budget during August, and the capital component during September. The Senior Management Team (SMT) discuss the draft budgets at a series of meetings from October to December. A Councillor planning and budgeting workshop with SMT and Officers is held during December. A draft consolidated budget is then prepared and various iterations are considered by Council at briefings during February and March. A 'proposed' budget is prepared in accordance with the Act and submitted to Council in March for approval 'in principle' in April. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers begin preparing the operating budget	August
2. Officers begin preparing the capital budget	September
3. Senior Management Team (SMT) discuss draft budgets	Oct to Dec
4. Councillor planning and budget workshop with SMT and Officers	December
5. Council considers draft budgets at informal briefings	Feb & Mar
6. Proposed budget submitted to Council for approval	March
7. Public notice advising intention to adopt budget	April
8. Budget available for public inspection and comment	April
9. Submissions period closes (28 days)	May
10. Submissions considered by Council	June
11. Budget and submissions presented to Council for adoption	June
12. Copy of adopted budget submitted to the Minister	July

I. Linkage to the Council Plan

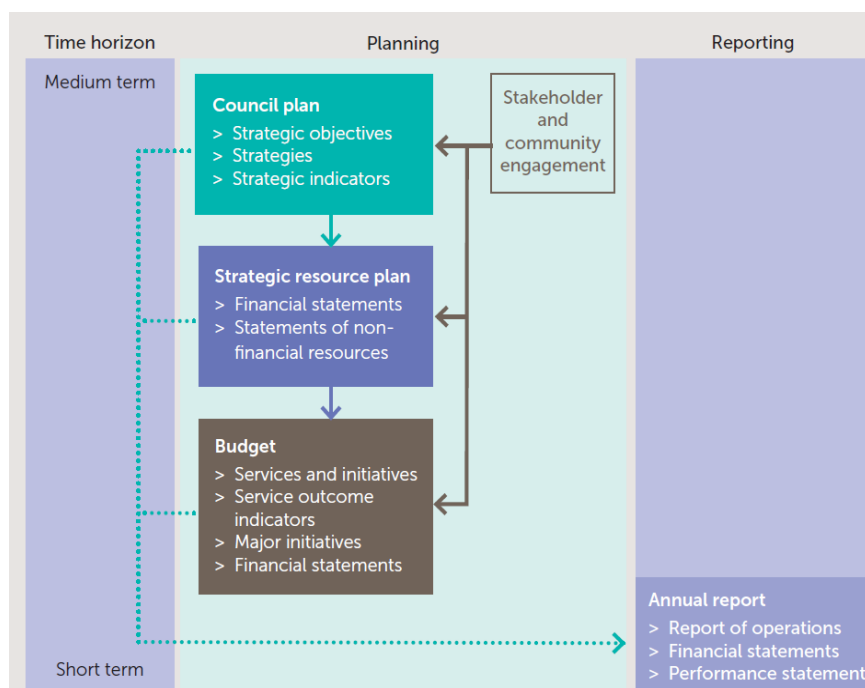
This section describes how the Annual Budget links to the achievement of the Council plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Vision), medium term (Council Plan) and short term (Annual Budget) and then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

I.1 Strategic planning and accountability framework

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

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

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



Source: Department of Transport, Planning and Local Infrastructure

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

I.2 Our purpose

Our Vision:

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

Our Values

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

2. Services, initiatives & service performance indicators

This section provides a description of the activities and initiatives to be funded in the Budget for the 2015-16 year and how these will contribute to achieving the strategic objectives specified in the Council Plan. It also includes a number of initiatives, major initiatives and service performance outcome indicators.

2.1 Strategic Objectives

The Council delivers activities and initiatives under 62 major service categories. Each contributes to the achievement of the Council's Vision as set out in the Council Plan. In addition, Council has identified five Strategic Objective Areas for the 2015-16 year, which are an integral part of achieving the Council Plan. The Annual Budget converts these activities and initiatives into financial terms to ensure that there are sufficient resources for their achievement. The following table lists the Strategic Objectives as described in the Council Plan.

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

2.2 Strategic Objective 1: Our People

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Aquatic & Recreation Facilities	Develop and maintain high quality aquatic and dry recreation venues to encourage high level of participation at all facilities, and work in partnership with service providers to ensure the provision of high quality, well managed facilities and services.	(605)

Children's Services	Provide support and resources for children's services in the municipality and advocate on their behalf, support the inclusion of children with additional needs and culturally and linguistically diverse backgrounds in mainstream children's services, assist with the future planning of children's services in Cardinia, and advocate for the provision of infrastructure with government departments. To implement externally funded projects including the Preschool Field Officer and Best Start.	(220)
Community Recreation	Maximise opportunities for local residents to participate in recreation by ensuring people with special needs are included in the planning and delivery of community recreation facilities and services, supporting reserve committees of management in managing and improving facilities, supporting sport-recreation clubs to provide-improve recreational opportunities, and promote healthy lifestyles and participation in sport and recreation activities.	(1,022)
Community Resilience, and Community, Risk & Emergency Management	Minimise Council's exposure to risk and ensure protection of Council assets and timely reinstatement in the event of incidents.	(475)
Compliance Services	Compliance Services was formed with the bringing together of the following areas: Local Laws, Health, and Planning Enforcement. Services provide to the community include animal management, enforcement of Local Laws, management of school crossing, immunisation for adults and children through public sessions and school programs, investigation of complaints about situations which can affect the health and wellbeing of the public and work with food premises business owners providing advice on food safety.	(813)
Emerald Lake Park - Business Management	Support the value of the park to the community of Cardinia and Victoria by effectively managing the park's commercial and recreational visitor services, coordinating the park's marketing and promotion, increasing park usage, optimising park revenues, and attracting funding for park improvements.	96
Health	To minimise environmental problems within the community and as far as practicable to ensure food safety within the community.	(737)
Health Promotion	Council's role in ensuring the health and wellbeing of residents focuses on improving outcomes in relation the social determinants of health framework. These determinants have been identified by the World Health Organization (WHO) as critical for wellbeing, and include food security, social inclusion and support, employment and transport (WHO Europe 2003). The cornerstone of Council's health promotion program is the Municipal Public Health and Wellbeing Plan (MPHWP) which identifies the most significant health and wellbeing issues in the Shire and outlines future actions to address these priorities over a four-year period. The plan is a requirement of the Public Health and Wellbeing Act 2008 and was developed through the analysis of local data, broad community consultation and current State Government health priorities.	(620)
Infectious Diseases Control	To increase the community's immunity to preventable infectious diseases and to increase the rate of immunisation against vaccine preventable diseases.	(198)

Library	Council's Library program services the Pakenham and Emerald Libraries, and provides for a mobile library service to other townships within the Shire.	(1,825)
Maternal & Child Health	Promote healthy outcomes for children from birth to school age and their families, by providing a comprehensive and focused approach to managing physical, emotional and-or social factors affecting them in their community.	(1,123)
Recreation Planning	Provide assets and infrastructure that improve the quality of life and are sustainable, and ensure young people of the Shire are provided with access to a range of support services, and social, cultural, and recreational opportunities.	(219)
Youth Services	Provide quality services, events and programs for young people and their families. Seek the opinions of Cardinia's young people in relation to personal and community issues and aspirations. Encourage community leadership and volunteer initiatives that strengthen youth support networks and individuals.	(771)

Major Initiatives

Support implementation of joint challenge family violence project to implement mentor/mentee program.
Design and commence construction of the civil and pavilion for the Pepi's Land Netball Facility.
Finalise land purchase of James Bathe Reserve.
Conduct a full review of Municipal Fire Management Plan and annual document review and update of Municipal Emergency Management and Municipal Flood emergency and Relief and Recovery Plan.

Initiatives

Facilitate joint activities with other agencies to deliver programs that increase parenting capacity, provide early learning opportunities and support vulnerable families whilst developing an evidence base through evaluation of outcomes for children in accordance with Child and Family Plan 2014-16.
Finalise the development of the 2015-19 Positive Ageing strategy by July 2015 and provide annual report relating to progress on key actions.
Undertake playground upgrades at Garfield Rec Reserve, Rotary Park on the corner of 14 Mile Rd and Berwick St (Garfield) , Hosking Park (Pakenham), Redwood Rd Reserve (Gembrook).
Review joint prevention and early intervention approaches as a result of bi-annual youth survey and evaluate outcomes.
Identify need for new schools annually and advocate to the Victorian government and local MPs for the allocation of funding in the State budget.
Undertake a focused advocacy campaign on post compulsory and vocational training with major political parties as a lead up to the Federal election in 2016.
Support Neighbourhood Houses and U3A's to deliver a range of training opportunities at a local level.
Deliver the Streets Ahead program in 12 Schools, implement 1 new "stop and drop" zone and deliver 4 Let's Get Moving programs in Growth areas.
Develop the annual action plan by November 2015 and complete an annual review of the Municipal Public Health and Wellbeing Plan by February 2016.

Officer Secondary College Indoor Stadium - Complete construction.
Comely Banks Reserve (Officer) - Finalise land ownership.
Pepi's Land (Emerald) Masterplan - Complete northern activity trail and exercise stations including viewing areas.
Deep Creek Reserve (Pakenham) master plan - design development. Undertake earthworks and drainage using contributed fill.
Heatherbrae Recreation Reserve (Officer) - construct stage 1 of pavilion.
Implement the priority program for upgrade of netball facilities within the Shire - construct stage 1 of new pavilion at Bunyip Recreation Reserve.
Design and construct extension to the Cardinia Reserve Pavilion to make it comply with Councils Facility Standards.
Incorporate Crime Prevention through Environmental Design (CPTED) principles into the design of new buildings and public spaces.
Work with and participate on behalf of Cardinia Shire Council and its communities at Regional and State level on relevant emergency management and Safer Community initiatives; Regional Emergency Management Committees; Dandenong Ranges Landscape Strategy; State Impact Assessment Working Group; Justice Reference Committee; and Regional Correctional Forums and Committees.
Liaise with Internal stakeholders, Victoria Police, State Government and the community on issues related to improving public safety.
Work with Council business units and external agencies to scope the development of a Municipal Heatwave Plan.
Work with the lead Fire Agency to ensure Structural Fire considerations are factored into the full review of the Municipal Fire Management Plan.
Ensure Council is directly involved in the exercise management of the; Municipal Flood Emergency Plan; Municipal Fire Management Plan; and Emergency Traffic Modelling.
Ensure at least one element of Cardinia's Municipal Emergency Management Plan and The Municipal Relief and Recovery Plan is exercised for currency yearly.
Scope and draft Cardinia Shires Fuel Management Framework.
Continue to develop strong relationships with service providers to enhance advocacy efforts and ensure young people in Cardinia have services that are responsive to the needs and diversity and there is a skilled youth workforce.
Work with external agencies and community to connect to the work of the Regional Management Forum, Better Connections, Better Outcomes project, and the Area Partnership for Vulnerable Children, Young People and Families - and identify strategies that will strengthen community resilience and reduce incidents of family violence and children/young people becoming vulnerable.
Arena Children's Centre (Officer) - continue construction of facility that commenced in 2014-15.
Henry Road (Pakenham) - Stage 2 Regional Soccer Facility. Construct synthetic playing surface as identified in master plan.
Design sporting facility for Lang Lang, and construct access road, preliminary earth works and services to the site.

Service Performance Outcome Indicators

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

2.3 Strategic Objective 2: Our Community

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Communications	Facilitate effective communication between Cardinia Council, the community and other stakeholders.	(762)

Cardinia Culture Centre	Provide the Cardinia community with a high quality venue for community, civic, cultural, social, business, and entertainment events and services. Attract regional use of the venue and its services and experiences. Contribute to the cultural development of the Shire.	(52)
Community Facilities	Administration of community facilities.	(11)
Cultural Development	Facilitate and support opportunities for participation in a diverse range of artistic and cultural pursuits.	(119)
Community Services Management	To provide leadership and community partnerships that create, sustain and enhance connected, inclusive and engaged communities that value diversity and healthy lifestyles. To manage and support community services business unit in the effective and efficient delivery of programs across the municipality. To provide evidenced based best practice in community services delivery in Cardinia.	(814)
Community Strengthening Management & Programs	To develop and strengthen the capacity of local not-for-profit community organisations to meet community needs using an integrated community strengthening approach. To plan and advocate for adequate and appropriate services for the Aged and other socially excluded groups and the wider community within the municipality. Support and maintain effective communication channels between Cardinia Council and Cardinia's communities. Support local community organisations to contribute to the community's benefit. Involve the community in improving quality of life in Cardinia.	(1,283)
Events	Provide Support for seven key events per year, including Australia Day Events and volunteer ceremonies and others.	(85)
Grants and Subsidy	Provide a range of grants that enhance or support community groups.	(463)

Major Initiatives

Implement actions identified in the Access & Inclusion Action Plan adopted in 2014 including initiating a volunteer matching program to provide people of all abilities with the opportunity to volunteer at local sporting clubs.
Upgrade pathways and walking tracks across the shire in accordance with the footpath program including footpaths in Henry Street (Pakenham), Beaconsfield Avenue (Beaconsfield), sections of pathways adjoining developments (Princes Highway) and others.

Initiatives

Deliver public art at prominent sites across Shire - Central Ward.
Council to provide support to deliver an event during cultural diversity week and an annual "Taste of Faith" to promote their activities and engage with new community members.
Deliver a community leadership initiative in one community - Ranges Ward Review and plan for training to meet identified local needs to develop and support local leadership.
Implement the Diversity Action Plan including delivery of "Taste of Harmony" event and work in partnership with community service organisations to deliver an annual Refugee Week event.
Community Arts Facility - Design the facility.
Develop respectful and meaningful relationships with the local Aboriginal community to further progress our commitments in the Reconciliation Action Plan 2015-18 adopted in 2014-15.

2.4 Strategic Objective 3: Our Environment

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Asset Management	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	(662)
Bridges	To maintain the bridge network in order to provide the safe travel of vehicles and pedestrians. To enable the preservation of the network at an acceptable standard.	(231)
Building Management	To administer and enforce building legislation within the Shire.	(3,217)
Cleansing	To ensure that parks, reserves and roads are maintained free of litter and to maintain public conveniences in a hygienic condition.	(428)
Development	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	217
Development Services and Development Contribution Plans	To administer and enforce the aims and objectives of the Cardinia Planning Scheme.	(1,084)
Domestic Waste Water	To ensure that domestic water is disposed of in accordance with the State Environment Protection Policy, Environment Protection Act and Cardinia Council policy.	(92)
Drainage Maintenance	To maintain the drainage infrastructure in order to protect both the road asset and private property and ensure a safe road network in all weather conditions.	(1,971)
Emerald Lake Park - Operations	To provide a safe, enjoyable environment for users of the park, while improving facilities and service levels and reducing ratepayer subsidy.	(311)
Emergency Management	To work in collaboration with relevant agencies to continuously improve the Municipal Emergency Management Plan. To facilitate planning to ensure Cardinia Shire Council remains at the forefront of Emergency Management. Develop Council's capacity and capability to undertake its mandated Emergency Management roles and responsibilities.	(218)
Engineering Services and Infrastructure Services	To ensure that council's strategic and corporate objectives in relation to assets and infrastructure are effectively implemented.	(2,065)
Environment Maintenance & Programs	Facilitate the on-going maintenance of natural and cultural resources in the Shire.	(279)
Environment Management	To facilitate sound environmental management of natural and cultural resources within the Cardinia shire. To lead Council and the community towards an environmentally sustainable future.	(599)

Footpaths & Street Furniture (Depot)	To maintain the street furniture, footpaths and shared path network while ensuring safety and accessibility to residents and visitors.	(623)
General Garbage Charge	To deliver efficient and cost effective waste disposal to the community.	(0)
Landscape Development	To maintain and enhance the landscaping under Council's control.	(43)
Operations Management	To efficiently and effectively manage Cardinia Council's operational activities whilst ensuring compliance with the road management act and other relevant legislation.	(874)
Parks & Gardens Operations	Maintain Council's parks, wet lands, garden beds, street and road-side trees and playgrounds to an aesthetically pleasing and safe standard to enable maximum utilisation by the community.	(5,441)
Planning Policy & Projects	To administer and enforce the aims and objectives of the Cardinia Planning Scheme.	(289)
Sealed Roads & Bridges	To maintain the sealed road network & bridges in order to provide safe travel for vehicles - pedestrians and to enable the preservation of the network at an acceptable standard.	(949)
Strategic Planning	Develop and maintain a sound planning policy framework to provide for the sustainable development of the natural and built environment in the Shire.	(1,107)
Unsealed Roads	To maintain the unsealed road network in order to provide safe travel of vehicles - pedestrians and to enable the preservation of the network at an acceptable standard.	(1,928)
Waste Management and Green	To ensure the efficient and effective collection, removal and disposal of waste within the Municipality. To provide services that encourage diversion of waste from landfill and resource recovery.	160
Weed Management	To manage current weed populations in an effective manner across the Shire's open space and road reserve network, with a long term aim to reach eradication.	(192)

Major Initiatives

Implement Emerald Lake Park Vegetation Management Plan using grant funding – stage 4 works including; Weed removal in the south eastern bushland areas and revisiting areas that have already been treated; revegetation with native species in treated areas; community Education; and implementation of the Pest Management Plan including the monitoring and treated foxes, Indian Mynas & wasps.
Reduce landfill volumes from kerbside pick ups by undertaking initiatives including the provision of 80L garbage bins, subsidised compost bins, eWaste service and continuation of green waste collection together with pursuing the implementation of the green waste recycling facility.
Complete planning scheme amendments for the Pakenham East Precinct Structure Plan.
Review Emerald & Cockatoo Township Strategies Finalise Nar Nar Goon Township Strategy Commence preparation of Tynong Township Strategy.
Lang Lang Bypass - Commence construction of Stage 1.
Emerald Community Hub - Complete the community consultation , finalise facility design, undertake associated tender process and commence construction.

Initiatives

As part of the Council buildings plan, improve accessibility to kindergartens and deliver other priority projects 2015-16 works include: Beaconsfield Upper Kindergarten; Homegarth Kindergarten (Pakenham); and Bunyip Kindergarten.
Depot Masterplan - Commence Stage 3 - Establishment of first and second floor office space in former laundry building to cater for Operational staff and construction of under-cover canopy between existing amenities block and new administration centre.
Implement a program of resurfacing of playing surfaces at recreation reserve - Gembrook - drainage & irrigation.
McGregor Road (Pakenham) - Construct McGregor Road rail crossing and intersection upgrade, subject to successful advocacy for external funding.
Implement the 2015-18 road safety strategy including undertaking consultation across the Shire as part of the Victorian Government Speed Review Program.
Wadsley Ave (Pakenham) - Road and Drainage Scheme - Stage 2 - Continuation of Council declaration phase and road construction.
Consult and undertake the statutory process for the construction of a special charge scheme for O'Sullivan's Road, Hill Street & Peet Street (Pakenham).
Moody Street (Koo Wee Rup) special charge scheme - Road and Drainage Scheme road construction.
Investigate possible links for multi use trails between Garfield and Bunyip.
Advocate to Public Transport Victoria for increased bus services along arterial routes to railway stations and activity centres.
Continue to support the South East Council's Climate Change Alliance (formally the Western Port Greenhouse Alliance) through membership and participating in relevant projects in 2015-16.
To continue the implementation of the Aspirational Energy Transition Plan with such projects as the Decorative street lighting retrofit with energy efficient lighting.
Liaise with and support schools in the areas of waste minimisation, litter and recycling.
In partnership with Waste Management Group advocate alternative waste technologies and resource recovery technologies rather than sending waste to landfill for 2015-16.
To commence implementation of the Integrated Water Management Plan including undertaking actions to reduce the impact of unsealed roads on adjoining water ways and bays.
Reduce off site septic discharges by advocating to water authorities to complete the backlog sewer program and mandate property connection in 2015-16.
Review Municipal Strategic Statement in the context of the revised State Planning Policy framework.
Introduce schedules for the new residential zones.
Implement approved structure plans for the growth area.
Implement the Westernport Urban Strategy and Gembrook Land Use Strategy.
Implement actions identified in Equestrian Strategy adopted in 2013-14 including Aqueduct Trail car/float parking and investigate Dickie Road connection.
Establish environmental sustainability demonstration projects for 2015-16 including the Beaconsfield Community Centre.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

2.5 Strategic Objective 4: Our Economy

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Economic Development	Increase local employment opportunity, economic prosperity, and community amenity through encouragement and support for sustainable business development and sustainable new investment.	(422)
Sustainable Communities Management	Provide co-ordinated and strategic leadership to the Sustainable Communities business unit, including co-ordination of strategy development in each area of operation, and ensure effective management and operation of the business unit.	(258)

Major Initiatives

Prepare amendment to incorporate the Pakenham Structure Plan into the Cardinia Planning Scheme and commence car parking strategy for Pakenham Town Centre.
Implement actions from the Tourism Strategy adopted in 2014 including creation of marketing and branding guidelines .
Advocate to the government and stakeholders on economic and employment priorities in Casey Cardinia region.

Initiatives

Develop conceptual framework for Officer South Precinct.
Finalise planning scheme amendment to incorporate Pakenham South Precinct Structure Plan into the Cardinia Planning Scheme.
Identify and advocate on infrastructure issues to support the business community and facilitate investment.
Review the Casey Cardinia Attracting Employment and Investment Strategy
Advocate for easier access to markets via regional food plan and enabling infrastructure including airports, Bunyip food belt and Port of Hastings, Thompsons Rd extension.
Finalise Officer town Centre Urban Design Framework.
Work with Southern Regional Development Australia, Department of State Development, Business and Innovation, Melbourne South East and Casey Cardinia investment strategy to advocate for our region.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Economic Development	Economic activity	Change in number of businesses (Percentage change in the number of businesses with an ABN in the municipality)	[Number of businesses with an ABN in the municipality at the end of the financial year / less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x 100

2.6 Strategic Objective 5: Our Governance

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Corporate Management	Provide leadership and direction to Council staff to ensure Council's vision and Council plans and decisions are achieved.	(2,118)
Finance Management and Corporate Financials	Ensure balanced budget outcomes and prudent management of debt and asset management, for a sustainable financial environment recognising inter-generational responsibility.	2,783
Depreciation	Wear and tear of Council's non-currents assets over their useful life.	(16,996)
Governance	Promote Council activities in a positive way, develop policy as required, and monitor compliance with legislative requirements.	(170)
Mayor & Councillors	Effectively resource the operations of the elected Council.	(916)

Major Initiatives

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

Initiatives

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

Service Performance Outcome Indicators

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

2.7 Corporate Expenditure and Revenue

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

Programs

Program	Program Objective	Net Surplus (Deficit) \$'000
Customer Service	Provide customer service that is responsive to residents and is solution focused.	(1,038)
Fleet & Workshop	Maintain a plant fleet in an efficient manner, whilst minimising Council's costs, to deliver the standards agreed to by Council. NB - this is an internally generated revenue. Throughout each program's expenses, is the offsetting fleet expenditure.	1,033
Information Services and Egap	Provide the technological support to Council business units to improve their efficiency in delivery of Council services. Ensure Council's permanent and temporary corporate information is properly classified and stored to enable ease of access by staff, and to minimise Council's risk in the event of any litigation or fire.	(4,131)

Organisation Development	Provide services that are responsive to organisational needs, ensure legislative compliance, and support the development of a competent, flexible, and focused workforce committed to 'The Cardinia Way'.	(1,743)
Performance & Innovation	Provide consistent integrated business planning processes ensuring actions align to the key directions of Council, monitor the effectiveness of these plans and associated service delivery through corporate performance and business activity monitoring, and build a culture of innovation through a continued focus on analysis, improvement and change implementation.	(448)
Purchasing	Ensure councils procurement is managed in a sustainable manner to achieve the best outcome for Cardinia Shire.	(45)
Rates & Property Services	Manage Cardinia's rateable properties and provide a responsive, solution focused service to rate queries.	60,926
Rental Properties	Provide access to affordable housing for the aged and disabled.	(7)
Risk, Health & Safety	Minimise Council's exposure to risk and ensure Council staff have received the appropriate training and are operating in a safe workplace.	(1,083)

2.8 Performance Statement

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

2.9 Reconciliation with budgeted operating result

	Net Surplus (Deficit) \$'000
1. Our People	(8,532)
2. Our Community	(3,590)
3. Our Environment	(22,227)
4. Our Economy	(679)
5. Our Governance	(17,417)
Total activities & initiatives	(52,444)
Rates less non attributable areas	53,464
Surplus for the year	1,021

3. Budget influences

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

3.1 Snapshot of Cardinia Shire Council

Cardinia Shire is located to the south-east of metropolitan Melbourne. Its largest town is Pakenham, which is 55 kilometres from the Melbourne CBD. New Shire Offices have recently been completed in the nearby township of Officer, and staff moved in during November 2014.

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

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

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

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

3.2 External influences

In preparing the 2015-16 budget, a number of external influences have been taken into consideration because they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- Cost Shifting - this occurs where Local Government provides a service to the community on behalf of the State or Federal Government. Over time the funds received by Local Governments do not increase in line with real cost increases. An example of this is Maternal & Child Health, where the level of payment received by Council from the State Government does not reflect the real Cost of providing the service to the community.
- Rate Capping - The Victorian State Government has announced that Local Government rates will be capped from 2016-17. Depending on the level at which rates are capped, Council may need to undertake a review of services that are provided to the community with the aim of reducing the level of rate payer subsidy for services undertaken by Local Government on behalf of the State and Federal Governments.
- Councils across Australia raise approximately 3% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.

- Carbon Tax - the carbon price repeal legislation received Royal Assent on 17 July 2014, effective from 1 July 2014. Councils are expected to account for the carbon price refunds received and unused carbon price revenue collected in a transparent way. The Australian Competition and Consumer Commission has recently suggested that Councils use the money collected for the Carbon Tax on projects or infrastructure benefiting their communities or by accounting for this additional money by setting their future fees and charges lower than they would otherwise have been. This has been reflected in the reduction of the garbage charge for 2015-16.
- Fire Services Property Levy - this will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

3.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have an impact on the preparation of the 2015-16 budget. These include;

- Continued increase in Council's allocation for renewal of existing assets; and
- Council entering into a new Enterprise Bargaining Agreement from 1 July 2015.

3.4 Budget Principles

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

- Existing fees and charges to be increased in line with market levels;
- Grants to be based on confirmed funding levels;
- New revenue sources to be identified where possible;
- Service levels to be maintained at 2014-15 levels;
- Aim to use less resources with an emphasis on innovation and efficiency;
- Real savings in expenditure and increases in revenue identified in 2014-15 to be preserved; and
- Operating revenues and expenses from completed 2014-15 capital projects to be included.

3.5 Long term strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include the Strategic Resource Plan for 2016-17 to 2018-19 (section 8), Rating information (section 9) and Future borrowings (section 10).

4. Analysis of operating budget

This section analyses the operating budget including expected income and expenses of the Council for the 2015-16 year.

4.1 Budgeted income statement

	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Total income	4.2	105,715	98,260	-7,455
Total expenses	4.3	-91,128	-90,986	142
Surplus (deficit) for the year	4.1.1	14,587	7,274	-7,313
Grants – capital	4.2.6	-3,389	-3,943	-554
Capital contributions - monetary	4.2.7	-894	-385	509
Development levies - monetary	4.2.8	-1,600	-825	775
Capital contributions - non-monetary	4.2.9	-10,000	-1,100	8,900
Net gain on sale of assets	4.2.10	-858	0	858
Adjusted underlying result	4.1.2	-2,154	1,021	3,175

4.1.1 Surplus for the year (\$7.313 million decrease)

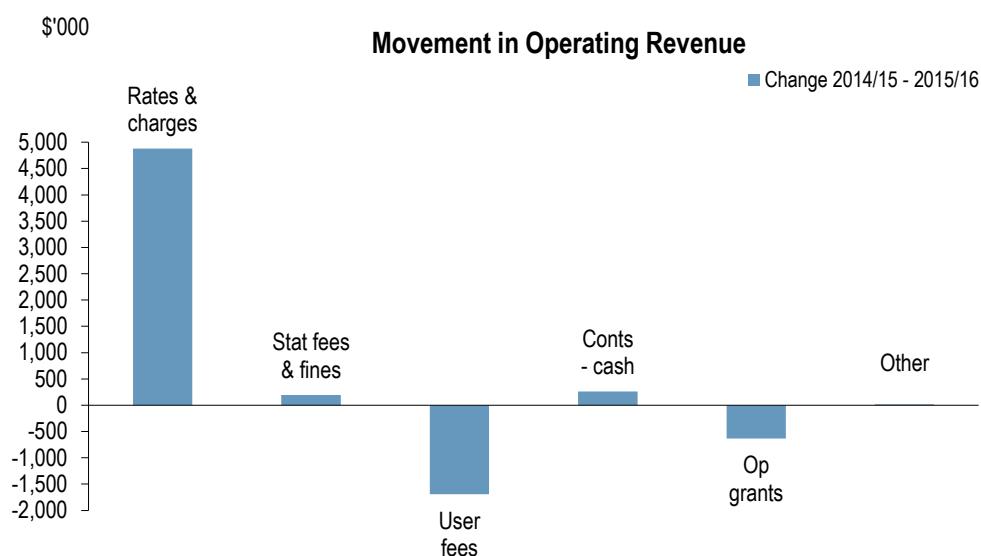
The projected result for the year, before adjusting for capital and other once-off items, is a surplus of \$7.3m, which is \$7.3m lower than in 2014-15.

4.1.2 Adjusted underlying result (\$3.175 million increase)

The adjusted underlying result is the net surplus or deficit for the year adjusted for capital grants, contributions of non-monetary assets and other once-off adjustments. It removes the impact of non-recurring or once-off items of revenues and expenses. The adjusted underlying result for the 2015-16 year is a surplus of \$1.0m which is an improvement of \$3.2m from the 2014-15 year.

4.2 Income

Income types	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Rates and charges	4.2.1	67,274	72,153	4,879
Statutory fees and fines	4.2.2	2,711	2,906	195
User fees	4.2.3	3,964	2,275	-1,689
Contributions - monetary	4.2.4	77	337	261
Grants - operating	4.2.5	12,034	11,401	-633
Grants - capital	4.2.6	3,389	3,943	554
Capital contributions - monetary	4.2.7	894	385	-509
Development levies - monetary	4.2.8	1,600	825	-775
Capital contributions (non-cash)	4.2.9	10,000	1,100	-8,900
Net gain on sale of assets	4.2.10	858	0	-858
Other income	4.2.11	2,913	2,934	20
Total income		105,715	98,260	-7,455



Source: Appendix A

4.2.1 Rates and charges (\$4.879 million increase)

The rate increase on current properties is proposed to be 5.5%, which is 0.4% lower than last year's increase of 5.9%. Rates make up 66.2% of Council's operating revenue, compared to 64.3% in 2014-15.

The residential garbage charge on individual properties is proposed to decrease by \$5.30, from \$233.50 to \$228.20, mainly due to the repeal of the carbon tax. The garbage charge covers the costs of the contract fees for collection, recycling and disposal and the state government levy. The green waste charge is proposed to stay at the same level as 2014-15, which is \$129.00. The combined garbage and green waste charges make up 10.9% of Council's operating revenue, compared to 11.4% last year.

4.2.2 Statutory fees and fines (\$0.195 million increase)

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

Revenue from statutory fees and fines are forecast to increase by 7.2% or \$195k compared to 2014-15. The increase is mainly attributed to Development fees (design checking and supervision fees) and Animal Control fines and fees, but have been partly offset in decreases in other areas including Local Laws fines and Planning fees.

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

4.2.3 User fees (\$1.689 million decrease)

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

Revenue from user fees is projected to decrease by 42.6% or \$1.689m from 2014-15. The main area contributing to the decrease is Outside School Hours Care due to Council's decision to pass this service back to the schools to manage.

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

4.2.4 Contributions - monetary (\$0.261 million increase)

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

Revenue from contributions is projected to increase by \$261k or 340.5% over 2014-15. This is primarily due to an increase in Native Vegetation and Engineering contributions.

4.2.5 Grants - operating (\$0.633 million decrease)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is expected to decrease by 5.3% or \$633k compared to 2014-15. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below:

Operating grant funding types and source	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Victoria Grants Commission	9,037	9,179	142
Families & Children	43	10	-33
Community Health	140	0	-140
Corporate	70	25	-45
<i>Recurrent - State Government</i>			
Best Start program	112	109	-2
Community Health	847	208	-639
Community Safety	45	45	0
Disability	132	135	2
Emergency Management	37	107	69
Environment & Heritage	194	210	16
Families & Children	154	140	-14
Local Infrastructure	6	6	0
Maternal & Child Health	954	941	-13
Community Strengthening	31	0	-31
Recreation	77	118	41
School Crossing Supervisors	155	170	15
<i>Total Recurrent Grants</i>	12,034	11,401	-633
Total Operating Grants	12,034	11,401	-633

4.2.6 Grants - capital (\$0.554 million increase)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Budgeted capital grants have increased by 16.4% or \$554k compared to 2014-15. The major grants budgeted are \$2.3m Roads to Recovery funding, \$812k for the Officer Community Hub, and \$720k from the Victoria Grants Commission for local roads funding. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below:

Capital grant funding types and source	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Victoria Grants Commission	740	720	-20
Roads to Recovery	1,191	2,342	1,151
Total Recurrent Grants	1,931	3,061	1,130
<i>Non-Recurrent - State Government</i>			
Local Infrastructure	1,078	812	-266
Recreation	380	70	-310
Total Non-Recurrent Grants	1,458	882	-576
Total Capital Grants	3,389	3,943	554

4.2.7 Capital contributions - monetary (\$0.509 million decrease)

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

Capital contributions are projected to decrease by \$509k or 56.9% from 2014-15. All budgeted contributions in 2015-16 relate to special charge schemes.

4.2.8 Development levies - monetary (\$0.775m decrease)

Development levies are monies paid by developers and landowners and includes community infrastructure levies, public open space levies, and developer levies. These levies are projected to decrease by \$775k or 48.4% from 2014-15.

4.2.9 Capital contributions - non-monetary (\$8.9m decrease)

Non-cash capital contributions are infrastructure assets in new developments (roads, drains, footpaths) contributed by developers. These contributions are expected to decrease by \$8.9m or 89.0% from 2014-15.

4.2.10 Net gain on sale of assets (\$0.858m decrease)

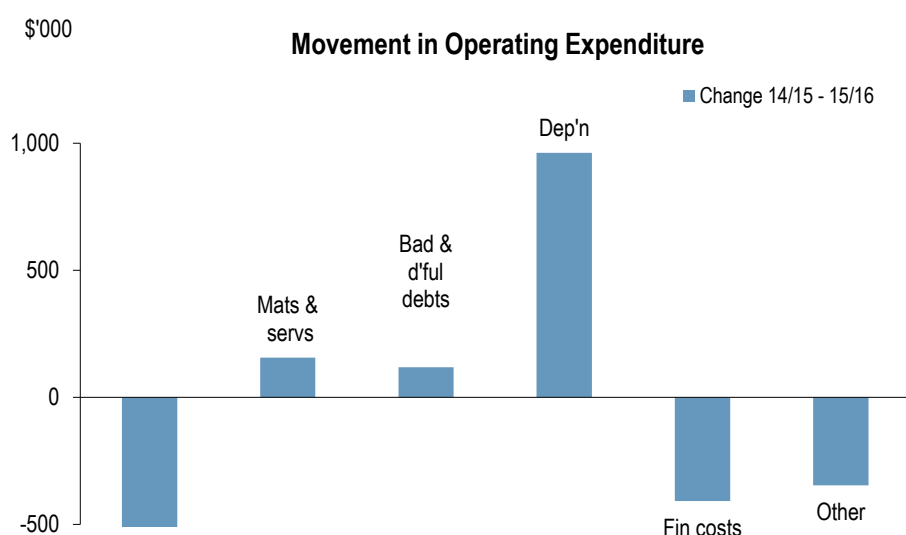
Net proceeds from the sale of Council assets are forecast to decrease by \$858k or 100.0% from 2014-15. The 2015-16 figure indicates sale proceeds equal the written down value of the assets sold.

4.2.11 Other income (\$0.020 million increase)

Other income relates to a range of items such as cost recoveries and other miscellaneous income items, and also includes interest revenue on investments. Other income is forecast to increase by 0.7% or \$20k compared to 2014-15.

4.3 Expenses

Expense types	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Employee costs	4.3.1	30,568	29,942	-626
Materials and services	4.3.2	37,305	37,461	156
Bad and doubtful debts	4.3.3	48	168	119
Depreciation and amortisation	4.3.4	16,033	16,996	962
Borrowing costs	4.3.5	4,591	4,183	-408
Other expenses	4.3.6	2,583	2,237	-346
Total expenses		91,128	90,986	-142



Source: Appendix A

4.3.1 Employee costs (\$0.626 million decrease)

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

Employee costs are expected to decrease by \$626k or 2.0% compared to 2014-15. The main area contributing to the decrease is Outside School Hours Care due to Council's decision to pass this service back to the schools to manage. This decrease has been partly offset by increases due to:

- Full year effect of new staff appointed during 2014-15,
- An EBA increase, and
- Staff increment movements.

Overall, total EFT has reduced from 330.0 in 2014-15 to 311.7 in 2015-16. This reduction has been mainly due to a number of factors including Outside School Hours Care, the cessation of Government funding for an externally funded program, and alternative models of service delivery.

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

Division	Comprises		
	Budget	Permanent	Permanent
	2015-16	Full Time	Part Time
	\$'000	\$'000	\$'000
Chief Executive Officer	2,513	2,325	188
Assets & Services	8,531	7,746	785
Corporate Services	5,246	4,299	947
Community Wellbeing	6,539	4,362	2,176
Planning & Development	4,634	3,516	1,118
Total permanent staff expenditure	27,463	22,248	5,215
Casuals and other expenditure	1,634		
Total expenditure	29,096		

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

Division	Comprises		
	Budget	Permanent	Permanent
	2015-16	Full Time	Part Time
	EFT	EFT	EFT
Chief Executive Officer	18.2	16.0	2.2
Assets & Services	102.4	93.1	9.4
Corporate Services	56.3	44.5	11.8
Community Wellbeing	64.9	43.0	21.9
Planning & Development	51.4	37.0	14.4
Total permanent staff	293.2	233.6	59.6
Casuals and other	18.5		
Total EFT	311.7		

4.3.2 Materials and services (\$0.156 million increase)

Materials and services include the purchases of consumables, payments to contractors for the provision of services, and utility costs. Materials and services are forecast to increase by \$156k or 0.4% compared to 2014-15. This is as a result of a general CPI increase, increases in costs due to the increase in population of the Shire, and the resultant increase in the number of facilities provided and services required by the additional population.

The major increase is in external contracts, which are forecast to increase by 4.9% or \$914k compared to 2014-15. The main contracts contributing to this increase are waste (\$420k in total - this includes hard and green waste, putrescible disposal, green waste bin, and garbage and recycling collection), health (\$119k), and library (\$117k).

The increase in contracts has been partly offset by decreases elsewhere, including Outside Schools Hours Care.

4.3.3 Bad and doubtful debts (\$0.119 million increase)

Bad and doubtful debts are projected to increase by 246.1% or \$119k from 2014-15. Most of this increase is within the Animal Control activity, and relates to fees and fines.

4.3.4 Depreciation and amortisation (\$0.962 million increase)

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

The increase of 6.0% or \$962k over 2014-15 is mainly due to an increase in the value of Council's assets from completed capital works projects and developer contributed assets.

4.3.5 Borrowing costs (\$0.408 million decrease)

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

The decrease relates to receiving favourable rates of interest on recent loans, and is in line with current loan agreements and the interest on the new loan to be drawn down in July 2015.

4.3.6 Other expenses (\$0.346 million decrease)

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

Other expenses are forecast to decrease by 13.4% or \$346k compared to 2014-15. The major decrease is within the waste management area relating to garbage and compost bin rebates.

5. Analysis of budgeted cash position

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

5.1 Budgeted cash flow statement

	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Cash flows from operating activities	5.1.1			
<i>Receipts</i>				
Rates and charges		66,070	70,540	4,470
Statutory fees and fines		2,711	2,906	195
User fees		5,654	4,791	-863
Grants - operating		12,034	11,401	-633
Grants - capital		3,389	3,943	554
Contributions - monetary		77	337	260
Development levies - monetary		2,494	1,210	-1,284
Interest income		1,140	733	-407
Other income		1,773	2,201	428
		95,342	98,063	2,721
<i>Payments</i>				
Employee costs		-30,192	-29,566	626
Materials and services		-37,220	-39,515	-2,295
		-67,412	-69,081	-1,669
Net cash provided by operating activities		27,930	28,981	1,052
Cash flows from investing activities	5.1.2			
Payments for property, plant and equipment		-43,237	-30,120	13,117
Proceeds from sales of property, plant & equip		1,908	2,481	573
Net cash used in investing activities		-41,329	-27,639	13,690
Cash flows from financing activities	5.1.3			
Finance costs		-4,591	-4,183	408
Proceeds from borrowings		24,000	4,250	-19,750
Repayment of borrowings		-5,244	-5,135	109
Net cash used in financing activities		14,165	-5,068	-19,233
Net change in cash and cash equivalents		766	-3,726	-4,492
Cash and cash equivalents at start of year		18,485	19,251	766
Cash and cash equivalents at end of year	5.1.4/5.2	19,251	15,525	-3,726

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

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

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

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

5.1.1 Operating activities (\$1.052 million increase)

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

	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Surplus (deficit) for the year	14,587	7,274	-7,313
Depreciation	16,033	16,996	962
Loss (gain) on sale of assets	-858	0	858
Net movement in assets and liabilities	-1,832	4,711	6,543
Cash flows available from operating activities	27,930	28,981	1,052

5.1.2 Investing activities (\$13.690 million decrease)

Investing activities refer to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property, equipment, etc. The decrease in net cash used in investing activities is primarily due to the the 2014-15 figure including the purchase of the new Civic Centre, partly offset by an increase in the costs of the Capital Works program.

5.1.3 Financing activities (\$19.233 million decrease)

Financing activities refer to cash generated or used in the financing of Council functions and include borrowings from financial institutions. These activities also include repayment of the principal and interest components of loan repayments for the year. The variance is primarily due to the 2014-15 figure including the loan for the new Civic Centre.

5.1.4 Cash and cash equivalents at end of the year (\$3.726 million decrease)

Overall, total cash and investments is forecast to decrease by \$3.7m from \$19.3m to \$15.5m as at 30 June 2016. This is mainly due to the progression of the Cardinia Rd Developer Contribution Plan of which Council is holding significant cash reserves on behalf of developers.

5.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2016 it will have cash and investments of \$15.5m, which has been restricted as follows:

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

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

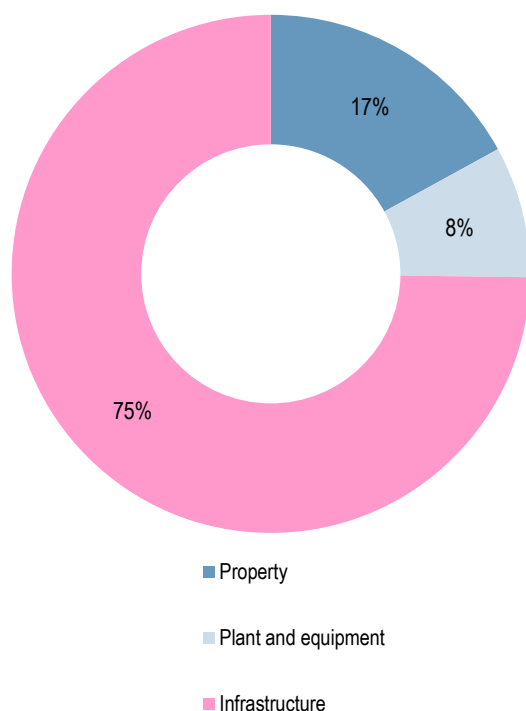
6. Analysis of capital budget

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

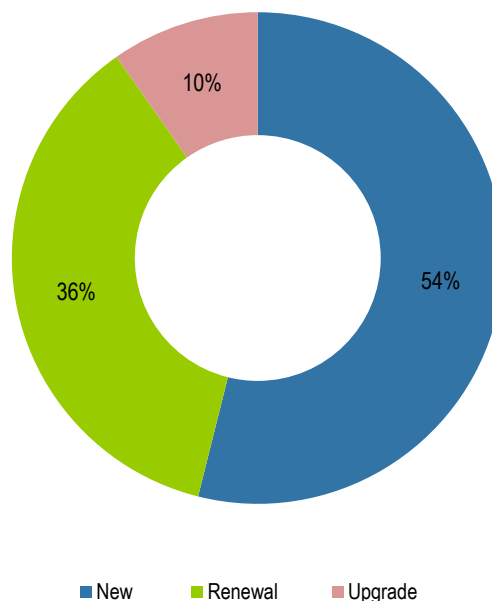
6.1 Capital works

Capital works areas	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
New works				
Property	6.1.1			
Land		-350	4,202	4,552
Buildings		980	920	-60
Total Property		630	5,122	4,492
Plant and equipment	6.1.2			
Plant, machinery and equipment		2,008	2,071	63
Computers and telecommunications		450	400	-50
Total Plant and equipment		2,458	2,471	13
Infrastructure	6.1.3			
Roads		6,833	5,542	-1,291
Bridges		600	600	0
Footpaths and cycleways		1,496	1,268	-228
Drainage		280	300	20
Recreation, leisure & community facilities		5,480	13,243	7,763
Parks, open space and streetscapes		1,860	995	-865
Off street car parks		190	200	10
Other infrastructure		755	380	-375
Total Infrastructure		17,493	22,528	5,034
Total new works		20,582	30,121	9,539
Represented by:				
New	6.1.4	6,130	16,235	10,105
Renewal	6.1.4	9,814	10,951	1,136
Upgrade	6.1.4	4,637	2,935	-1,702
Total capital works		20,582	30,121	9,539

Budgeted new capital works 2015-16



Budgeted total capital works 2015-16



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

6.1.1 Property (\$4.492 million increase)

Property includes buildings and land.

For the 2015-16 year, \$920k will be expended on building projects. These projects are \$620k for general building works (including disability access works), and \$300k for the Purton Road depot development.

The land amount consists of strategic purchases required for the ongoing growth within the municipality. Previously this amount was more than offset by cash receipts from land sales.

6.1.2 Plant & Equipment (\$0.013 million increase)

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

For the 2015-16 year, \$2.5m will be expended on plant and equipment. The more significant projects include \$2.0m for ongoing cyclical replacement of the plant and vehicle fleet and \$400k for upgrade and replacement of information technology.

6.1.3 Infrastructure (\$5.034 million increase)

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

For the 2015-16 year, the major projects include Officer Secondary College stadium and Community Hub \$2.2m, Hub at Emerald \$1.5m, and continuing works on the Regional Soccer Facility \$1.4m. Also included are the annual roads renewal program totalling \$4.9m, special charge schemes of \$590k, and community capital works and minor equipment grants totalling \$550k.

Other projects include Lang Lang sporting facilities, Arena kindergarten, Heatherbrae Recreation Reserve, and the Emerald netball facility.

6.1.4 New Assets (\$10.105 million increase), Asset Renewal (\$1.136 million increase), and Asset Upgrade (\$1.702 million decrease).

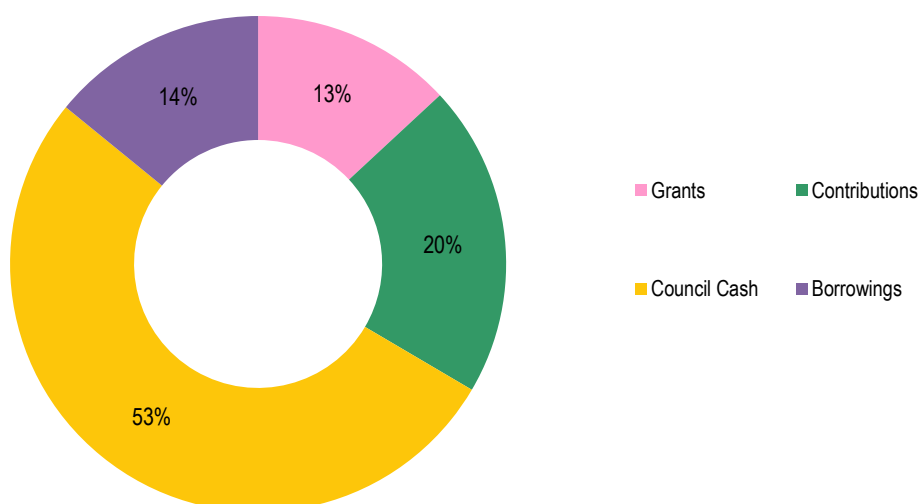
A distinction is made between expenditure on new assets and expenditure on asset renewal and upgrades. Expenditure on asset renewal is expenditure on an existing asset, which improves the service potential or the life of the asset. Expenditure on new assets does not have any element of expansion/upgrade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

For the 2015-16 year, \$16.2m will be spent on new assets, \$11.0m on asset renewals, and \$2.9m on asset upgrades.

6.2 Funding sources

Sources of funding	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Grants	6.2.1	3,389	3,943	554
Contributions	6.2.2	1,724	6,138	4,414
Council Cash	6.2.3	11,469	15,789	4,320
Borrowings	6.2.4	4,000	4,250	250
		20,582	30,121	9,539

Budgeted total funding sources 2015-16



Source: Appendix A

6.2.1 Grants (\$0.554 million increase)

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

For the 2015-16 year, Government grants total \$3.9m. These are \$3.1m for roads resealing, resheeting, and pavement renewals, \$812k for Officer Community Hub, and \$70k for recreation reserves lighting and power upgrades.

6.2.2 Contributions (\$4.414 million increase)

Contributions include all monies community sources for the purposes of funding the capital works program, plus developer and community infrastructure levies. It is forecast that \$6.1m will be funded from these sources in 2015-16.

Special Charge Scheme contributions total \$385k, Developer Infrastructure levies total \$5.2m and Community Infrastructure levies total \$550k.

6.2.3 Council Cash (\$4.320 million increase)

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$13.8m will be generated from operations to fund the 2015-16 capital works program. Additionally, \$1.4m of sales and trade-in revenue from land and plant, and \$650k from reserve funds have been forecast.

6.2.4 Borrowings (\$0.250m increase)

A loan of \$4.3 million is budgeted in 2015-16 to partly fund the Capital Works program, which is an increase of \$250k from 2014-15. Overall debt is being reduced to repayments being greater than the new borrowings.

7. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2014-15 and 2015-16.

7.1 Budgeted balance sheet

	Ref	Budget 2014-15 \$'000	Budget 2015-16 \$'000	Variance \$'000
Current assets	7.1.1			
Cash and cash equivalents		19,251	15,525	-3,726
Trade and other receivables		12,175	11,757	-418
Inventories		33	33	0
Non-current assets classified as held for sale		11,698	11,698	0
Other assets		816	816	0
Total current assets		43,973	39,829	-4,144
Non-current assets	7.1.3			
Investments in associates		883	883	0
Property, infrastructure, plant and equipment		697,555	709,299	11,744
Total non-current assets		698,438	710,182	11,744
Total assets		742,412	750,011	7,599
Current liabilities	7.1.2			
Trade and other payables		14,707	12,340	2,367
Trust funds and deposits		3,916	3,916	0
Provisions		4,888	4,888	0
Interest-bearing loans and borrowings		5,746	5,579	167
Total current liabilities		29,257	26,723	2,534
Non-current liabilities	7.1.4			
Provisions		1,048	1,048	0
Interest-bearing loans and borrowings		60,256	58,531	1,725
Total non-current liabilities		61,305	59,579	1,725
Total liabilities		90,562	86,303	4,259
Net assets		651,850	663,708	11,858
Equity	7.1.5			
Accumulated surplus		444,018	462,224	18,206
Reserves		207,832	201,484	-6,348
Total equity		651,850	663,708	11,858

Source: Appendix A

7.1.1 Current Assets (\$4.144 million decrease)

Cash and cash equivalents are forecast to decrease by \$3.7m, as detailed in Section 5 - Analysis of budgeted cash position. Additionally, trade and other receivables, which includes rates, infringement and sundry debtors, are forecast to decrease by \$418k.

7.1.2 Current Liabilities (\$2.534 million decrease)

Current liabilities are those obligations Council must pay within the next year. These liabilities are budgeted to decrease by \$2.5m, due to decreases in trade and other payables (creditors), and interest-bearing loans and borrowings.

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

7.1.3 Non-Current Assets (\$11.744 million increase)

Non-current assets are expected to increase by \$11.7m during the 2015-16 year. This is entirely in property, infrastructure, plant and equipment, and is due to the net result of the capital works program plus contributed assets, less depreciation, and less written down value of assets sold.

7.1.4 Non-Current Liabilities (\$1.725 million decrease)

Non-current liabilities (that is, obligations Council must pay beyond the next year) are expected to decrease by \$1.7m, as a result of a decrease in interest-bearing loans and borrowings, which is in line with current loan agreements.

7.1.5 Equity (\$11.858 million increase)

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

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

7.2 Key assumptions

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

- Repayment of loan principal to be \$5.1m, and;
- Total capital expenditure to be \$30.1m.

8. Strategic resource plan and financial performance indicators

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

8.1 Plan development

Council has prepared a proposed budget for 2015-16 and a Strategic Resource Plan (SRP) for the years 2016-17 to 2018-19 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next three years.

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

- Service Delivery Strategy
- Financial sustainability
- Infrastructure strategy
- Borrowing Guidelines

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

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

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

8.2 Financial resources

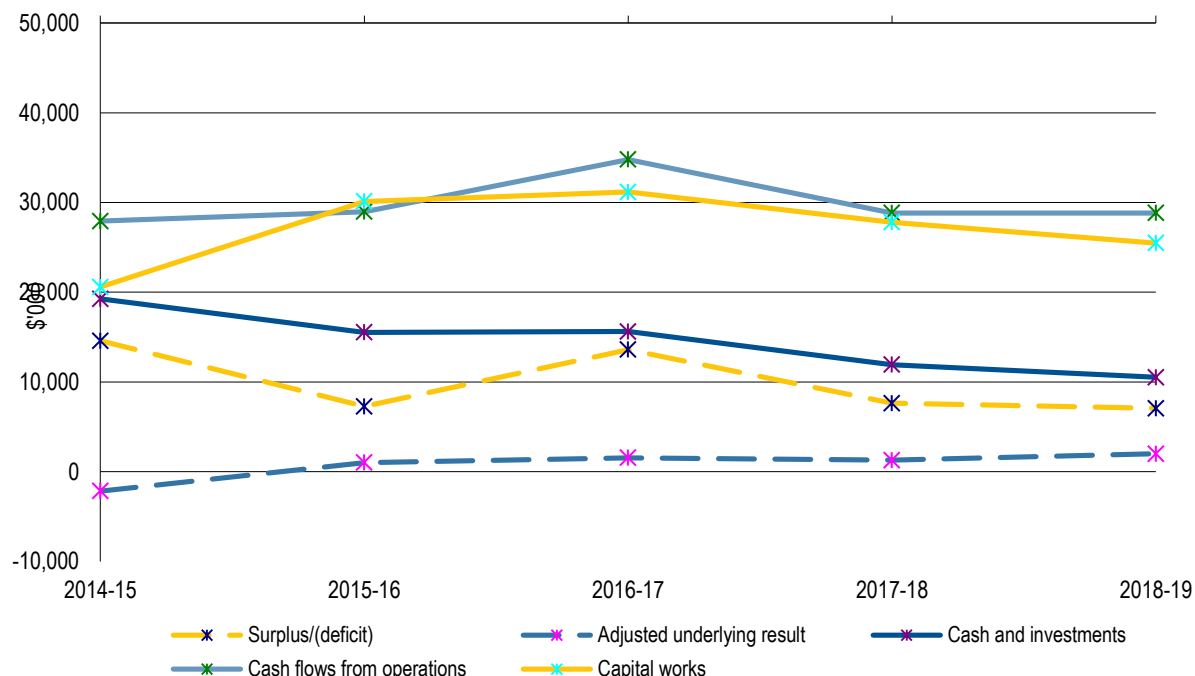
The following table summaries the key financial results for the next four years as set out in the 2015-16 proposed budget and SRP for years 2016-17 to 2018-19. Appendix A includes a more detailed analysis of the financial resources to be used over the four year period.

	Strategic Resource Plan					Trend
	Budget	Budget	Projections			
	2014-15	2015-16	2016-17	2017-18	2018-19	
	\$'000	\$'000	\$'000	\$'000	\$'000	
Surplus/(deficit)	14,587	7,274	13,598	7,632	7,064	o
Adjusted underlying result	-2,154	1,021	1,557	1,280	1,999	+
Cash and investments	19,251	15,525	15,616	11,935	10,519	-
Cash flows from operations	27,930	28,981	34,786	28,826	28,826	o
Capital works	20,582	30,121	31,168	27,795	25,474	o

Key to Forecast Trend:

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

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



The key outcomes of the Plan are as follows:

Financial sustainability (section 5) - Cash and investments is forecast to decrease over the four year period from \$14.4m to \$9.3m, due to a drawdown of Developer Contribution Plan (DCP) funds.

Rating strategy (section 9) – A rate of increase of 5.5% is budgeted in 2015-16, with a 4.9% increase in 2016-17, 4.7% in 2017-18, and a 4.5% increase in 2018-19.

Service delivery – Service levels have been maintained throughout the four year period. Significant surpluses are budgeted throughout the four year period. Excluding the effects of non-operating items such as capital contributions, the adjusted underlying result is a return to surplus in 2015-16, with a trend of increasing surpluses over the subsequent years. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result.

Borrowing guidelines (Appendix E) – Borrowings are forecast to reduce from \$64.1m to \$56.5m over the four year period. This includes new borrowings of \$4.3m in 2015-16.

Infrastructure - Capital expenditure over the four year period will total \$114.6m at an average of \$28.6m.

8.3 Key financial indicators

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

Indicator	Measure	Notes	Budget 2014-15	Budget 2015-16	Strategic Resource Plan Projections			Trend
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-2.4%	1.1%	1.6%	1.3%	2.0%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	150.3%	149.0%	144.7%	131.9%	128.5%	-
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	98.1%	88.9%	83.1%	76.2%	69.5%	+
Loans and borrowings	Interest and principal repayments / rate revenue		14.4%	12.7%	12.7%	12.6%	12.3%	+
Indebtedness	Non-current liabilities / own source revenue		79.8%	74.2%	68.8%	62.7%	57.4%	+
Asset renewal	Asset renewal expenditure / depreciation	4	61.2%	64.4%	63.2%	56.8%	60.2%	o
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	75.6%	78.4%	78.9%	79.2%	79.7%	-
Rates effort	Rate revenue / property values (CIV)		0.4%	0.5%	0.5%	0.5%	0.5%	o
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$2,534	\$2,500	\$2,508	\$2,538	\$2,539	o
Expenditure level	Specific purpose grants expended / Specific purpose grants received		100.0%	100.0%	100.0%	100.0%	100.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,427	\$1,486	\$1,533	\$1,576	\$1,616	+
Workforce turnover	No. of resignations & terminations / average no. of staff							

Key to Forecast Trend:

+ Forecast improvement in Council's financial performance-financial position indicator

o Forecasts that Council's financial performance-financial position indicator will be steady

- Forecast deterioration in Council's financial performance-financial position indicator

Notes to indicators

1. Adjusted underlying result - An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance expected over the period, with a surplus forecast in 2015-16 and a trend of increasing surpluses over the subsequent years.

2. Working Capital - The proportion of current liabilities represented by current assets. Working capital is forecast to decrease over the four year period. Current liabilities remain relatively stable, whilst current assets reduce primarily due to a drawdown in Developer Contribution Plan (DCP) cash.

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

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

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

8.4 Non-financial resources

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resources requirements for the 2015-16 budget year and SRP years of 2016-17 to 2018-19 is shown below and further detail is included in section 4.3.1 of this budget. A statement of Human Resources is included in Appendix A.

Indicator	Strategic Resource Plan				
	Budget 2014-15	Budget 2015-16	Projections		
			2016-17	2017-18	2018-19
Staff expenditure					
Salaries and oncosts	29,448	29,096	29,945	31,490	32,747
Staff numbers					
Employee numbers	330.0	311.7	314.7	317.2	320.2

9. Rating information

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

9.1 Strategy development

In developing the Strategic Resource Plan (referred to in Section 8.), rates and charges were identified as a critical source of revenue, accounting for 78.4% (75.7% in 2014-15) of the operating revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly given the frequency of general revaluations, and, more recently, a change in the rate burden as a result of significant movements in valuations.

9.2 Current year rate increase

It is predicted that 2015-16 operating position will be significantly impacted by the stagnation of government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve ongoing operating surpluses as set out in the Strategic Resource Plan. The \$15.8m contribution from operations toward capital investment for the 2015-16 year is required to meet the capital investment required for achieving the Capital Works Program set out in the Strategic Resource Plan.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, general rates are proposed to increase by 5.5% in 2015-16 (5.9% in 2014-15), raising a total rate of \$61.9m, including \$831k generated from supplementary rates. The following table sets out future proposed rate increases based on the forecast financial position of Council as at 30 June 2015.

Year	Increase %
2015/16	5.5
2016/17	4.9
2017/18	4.7
2018/19	4.5

9.3 Rating structure

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

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

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

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

Having reviewed the various valuation bases for determining the property value component of rates, Council has determined to apply a Capital Improved Value (CIV) basis on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change that basis, but Council does review its rating structure every four years.

10. Future borrowings

The borrowing guidelines are outlined in Appendix E.

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

Council has a budgeted loan liability of \$66.0m (at 30 June 2015), and the costs to service these loans is approximately \$4.4 million (for the year ending 30 June 2015). This level of indebtedness was built between 2000 and 2005, subsequently, successive Councils have endeavoured to maintain and/or reduce the absolute debt. The strategic decision to purchase the new Civic Centre resulted in the drawdown of an additional \$20.0m loan. The continuing pressures placed on Council have limited Council's ability to effectively reduce the debt although the growth of this debt has been managed to reduce the overall percentage of debt servicing and redemption costs to rate revenue. The Debt guidelines in Appendix E set out the future strategy for Council to manage this debt and over time to bring the total debt in line with guidelines established by the Municipal Association of Victoria and the Auditor General's Office.

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

	2014-15 \$'000	2015-16 \$'000
Total amount borrowed as at 30 June of the prior year	47,246	64,995
Total amount to be borrowed	24,000	4,250
Total amount projected to be redeemed	(5,244)	(5,135)
Total amount proposed to be borrowed as at 30 June	66,002	64,110

Council's borrowings for 2015-16 are proposed to be \$4.3m to partly fund the 2015-16 Capital Works program. In 2014-15, \$24.0m was borrowed, of which \$20.0m was for the purchase of the new Civic Centre in Officer and \$4.0m was to partly fund the 2014-15 Capital Works program.

Financial pressures for the 2015-16 budget include:

1. Continued commitment of \$13.9m to renew and upgrade the Shire's infrastructure in the capital works program.
2. To ensure intergenerational equity in funding the acquisition, renewal or construction of assets, Council recognises that it may need to resort to the prudent use of loan borrowings.
3. Growth within the Shire and the increasing contract costs to regularly maintain the increased number of parks and gardens, buildings and other infrastructure.

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

Appendices

The following appendices include voluntary and statutory disclosures of information which provide support for the analysis contained in sections 1 to 10 of this report.

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

The contents of the appendices are summarised below:

Appendix	Nature of information
A	Financial statements
B	Rates and charges
C	Capital works program
D	Fees and charges schedule
E	Borrowing Guidelines

Appendix A

Financial statements

This appendix presents information in regard to the Budgeted Financial Statements and Statement of Human Resources. The budget information for the years 2015/16 to 2018/19 has been extracted from the Strategic Resource Plan.

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

The appendix includes the following budgeted information:

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

Comprehensive Income Statement

For the four years ending 30 June 2019

	Budget	Budget	Strategic Resource Plan		
	2014-15	2015-16	Projections		
	\$'000	\$'000	2016-17	2017-18	2018-19
			\$'000	\$'000	\$'000
Income					
Rates and charges	67,274	72,153	75,216	78,242	81,275
Statutory fees and fines	2,711	2,906	2,990	3,047	3,141
User fees	3,964	2,275	2,508	2,572	2,639
Grants - Operating	12,034	11,401	11,688	11,980	12,280
Grants - Capital	3,389	3,943	2,071	3,730	2,369
Contributions - monetary	77	337	84	84	84
Development levies - monetary	2,494	1,210	8,842	1,466	1,511
Contributions - non-monetary	10,000	1,100	1,128	1,156	1,185
Interest income	1,140	733	652	442	346
Net gain/(Loss) on disposal of property, infrastructure, plant & equipment	858	0	0	0	0
Other income	1,773	2,201	2,221	2,388	2,275
Total Income	105,715	98,260	107,400	105,107	107,104
Expenses					
Employee costs	30,568	29,942	30,844	32,419	33,706
Materials and services	37,305	37,461	38,536	39,880	40,866
Bad & doubtful debts	48	168	172	176	180
Depreciation and amortisation	16,033	16,996	17,921	18,819	19,289
Borrowing costs	4,591	4,183	4,154	3,981	3,771
Other expenses	2,583	2,237	2,175	2,201	2,227
Total Expenses	91,128	90,986	93,802	97,475	100,040
Surplus/(deficit) for the year	14,587	7,274	13,598	7,632	7,064
less Capital income & other abnormals	(16,741)	(6,253)	(12,040)	(6,352)	(5,064)
Adjusted underlying result	(2,154)	1,021	1,557	1,280	1,999

Balance Sheet

For the four years ending 30 June 2019

	Budget	Budget	Strategic Resource Plan		
	2014-15	2015-16	Projections		
	\$'000	\$'000	2016-17	2017-18	2018-19
			\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	19,251	15,525	15,616	11,935	10,519
Trade and other receivables	12,175	11,757	12,275	12,751	13,042
Inventories	33	33	33	33	33
Non-current assets classified as held for sale	11,698	11,698	11,698	11,698	11,698
Other assets	816	816	816	816	816
Total current assets	43,973	39,829	40,438	37,233	36,108
Non-current assets					
Investments in associates and joint ventures	883	883	883	883	883
Property plant and equipment	697,555	709,299	721,467	729,449	734,628
Total non-current assets	698,438	710,182	722,350	730,332	735,511
Total assets	742,412	750,011	762,788	767,564	771,620
Current liabilities					
Trade and other payables	14,707	12,340	12,726	12,357	12,113
Trust funds and deposits	3,916	3,916	3,916	3,916	3,916
Provisions	4,888	4,888	5,218	5,570	5,946
Interest Bearing Loans and Borrowings	5,746	5,579	6,082	6,386	6,132
Total current liabilities	29,257	26,723	27,942	28,230	28,107
Non-current liabilities					
Provisions	1,048	1,048	1,090	1,134	1,179
Interest Bearing Loans and Borrowings	60,256	58,531	56,449	53,263	50,331
Total non-current liabilities	61,305	59,579	57,540	54,397	51,511
Total liabilities	90,562	86,303	85,482	82,627	79,618
Net assets	651,850	663,708	677,306	684,937	692,001
Equity					
Accumulated Surplus	444,018	462,224	476,739	486,738	496,202
Reserves	207,832	201,484	200,567	198,199	195,799
Total equity	651,850	663,708	677,306	684,937	692,001

Statement of Changes in Equity

For the four years ending 30 June

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2016				
Balance at beginning of the financial year	656,434	449,372	182,745	24,317
Surplus/(deficit) for the year	7,274	7,274	0	0
Transfer to reserves	0	(825)	0	825
Transfer from reserves	0	6,403	0	(6,403)
Balance at end of the financial year	663,708	462,224	182,745	18,739
2017				
Balance at beginning of the financial year	663,708	462,224	182,745	18,739
Surplus/(deficit) for the year	13,598	13,598	0	0
Transfer to reserves	0	(842)	0	842
Transfer from reserves	0	1,759	0	(1,759)
Balance at end of the financial year	677,306	476,739	182,745	17,822
2018				
Balance at beginning of the financial year	677,306	476,739	182,745	17,822
Surplus/(deficit) for the year	7,632	7,632	0	0
Transfer to reserves	0	(859)	0	859
Transfer from reserves	0	3,227	0	(3,227)
Balance at end of the financial year	684,937	486,739	182,745	15,454
2019				
Balance at beginning of the financial year	684,937	486,739	182,745	15,454
Surplus/(deficit) for the year	7,064	7,064	0	0
Transfer to reserves	0	(877)	0	877
Transfer from reserves	0	3,277	0	(3,277)
Balance at end of the financial year	692,001	496,203	182,745	13,054

Statement of Cash Flows

For the four years ending 30 June 2019

	Budget 2014-15 \$'000 Inflows (Outflows)	Budget 2015-16 \$'000 Inflows (Outflows)	Strategic Resource Plan Projections		
			2016-17 \$'000 Inflows (Outflows)	2017-18 \$'000 Inflows (Outflows)	2018-19 \$'000 Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	66,070	70,540	74,960	77,989	81,021
Statutory Fees and fines	2,711	2,906	2,990	3,047	3,141
User Fees	5,654	4,791	2,247	2,350	2,602
Grants - operating	12,034	11,401	11,688	11,980	12,280
Grants - capital	3,389	3,943	2,071	3,730	2,369
Contributions - monetary	77	337	84	84	84
Development levies - monetary	2,494	1,210	8,842	1,466	1,511
Interest received	1,140	733	652	442	346
Other receipts	1,773	2,201	2,221	2,388	2,275
Employee costs	(30,192)	(29,566)	(30,472)	(32,023)	(33,285)
Materials and services	(37,220)	(39,515)	(40,496)	(42,626)	(43,517)
Net cash provided by operating activities	27,930	28,981	34,786	28,826	28,826
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(43,237)	(30,120)	(31,161)	(27,795)	(25,474)
Proceeds from sale of property, infrastructure, plant and equipment	1,908	2,481	2,200	2,150	2,190
Net cash used in investing activities	(41,329)	(27,639)	(28,961)	(25,645)	(23,284)
Cash flows from financing activities					
Finance costs	(4,591)	(4,183)	(4,154)	(3,981)	(3,771)
Proceeds from Borrowings	24,000	4,250	4,000	3,200	3,200
Repayment of Interest Bearing Loans & Borrowings	(5,244)	(5,135)	(5,579)	(6,082)	(6,386)
Net cash provided by (used in) financing activities	14,165	(5,068)	(5,734)	(6,863)	(6,957)
Net change in cash & cash equivalents	766	(3,726)	91	(3,682)	(1,415)
Cash & cash equivalents at beginning of year	18,485	19,251	15,525	15,616	11,935
Cash & cash equivalents at end of year	19,251	15,525	15,616	11,935	10,519

Statement of Capital Works

For the four years ending 30 June 2019

	Budget	Budget	Strategic Resource Plan Projections		
	2014-15	2015-16	2016-17	2017-18	2018-19
	\$'000	\$'000	\$'000	\$'000	\$'000
New works					
Property					
Land	-350	4,202	150	450	250
Buildings	980	920	1,140	1,160	1,260
Total Property	630	5,122	1,290	1,610	1,510
Plant and equipment					
Plant, machinery and equipment	2,008	2,071	2,450	2,220	2,410
Computers and telecommunications	450	400	400	410	460
Total Plant and equipment	2,458	2,471	2,850	2,630	2,870
Infrastructure					
Roads	6,833	5,542	10,690	5,923	6,027
Bridges	600	600	600	700	700
Footpaths and cycleways	1,496	1,268	1,330	2,122	2,510
Drainage	280	300	300	315	330
Recreation, leisure and community facilities	5,480	13,243	13,153	12,475	9,692
Parks, open space and streetscapes	1,860	995	370	1,370	1,125
Off street car parks	190	200	175	230	240
Other infrastructure	755	380	410	420	470
Total Infrastructure	17,493	22,528	27,028	23,555	21,094
Total new works	20,582	30,121	31,168	27,795	25,474
Represented by:					
New asset expenditure	6,130	16,235	12,053	12,964	10,325
Asset renewal expenditure	9,814	10,951	11,325	10,682	11,604
Asset upgrade expenditure	4,637	2,935	7,790	4,149	3,546
Total capital works	20,582	30,121	31,168	27,795	25,474

Statement of Human Resources

For the four years ending 30 June 2019

	Budget	Budget	Strategic Resource Plan		
	2014-15	2015-16	Projections		
	\$'000	\$'000	2016-17	2017-18	2018-19
			\$'000	\$'000	\$'000
Staff expenditure					
Salaries and Oncosts - operating	29,448	29,096	29,945	31,490	32,747
Total staff expenditure	29,448	29,096	29,945	31,490	32,747
Staff numbers	EFT	EFT	EFT	EFT	EFT
Employees	330.0	311.7	314.7	317.2	320.2
Total staff numbers	330.0	311.7	314.7	317.2	320.2

Appendix B

Rates and charges

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

1. Rates and charges

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

Type or class of land	2014-15 \$/CIV	2015-16 \$/CIV	Change %
Base Rate	0.003419	0.003607	5.5%
Agricultural Land	0.002564	0.002705	5.5%
Urban Rate	0.003624	0.003823	5.5%
Urban Vacant Land	0.007864	0.008297	5.5%
Urban Commercial and Industrial	0.004958	0.005231	5.5%
Urban Agricultural Land	0.002906	0.003066	5.5%
Lakeside Residential	0.003693	0.003896	5.5%
Lakeside Vacant Land	0.007966	0.008404	5.5%
Rate concession for cultural and recreational land	25%	25%	0.0%

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

Type or class of land	2014-15 \$	2015-16 \$
Base Rate	22,245,762	23,962,568
Agricultural Land	2,446,974	3,217,067
Urban Rate	19,873,588	21,594,800
Urban Vacant Land	3,814,001	3,922,196
Urban Commercial and Industrial	4,640,604	4,925,126
Urban Agricultural Land	401,906	166,551
Lakeside Residential	2,984,516	3,185,366
Lakeside Vacant Land	115,591	92,487
Cultural and Recreational Land	66,958	22,668
Supplementary	580,000	830,700
Total amount to be raised by general rates	57,169,900	61,919,530

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

Type or class of land	2014-15	2015-16
	#	#
Base Rate	14,148	14,397
Agricultural Land	928	1,152
Urban Rate	15,180	16,065
Urban Vacant Land	1,754	1,177
Urban Commercial and Industrial	1,239	1,217
Urban Agricultural Land	26	17
Lakeside Residential	2,315	2,341
Lakeside Vacant Land	53	30
Cultural and Recreational Land	7	5
Total	35,650	36,401

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

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

Type or class of land	2014-15	2015-16
	\$	\$
Base Rate	6,506,511,500	6,643,268,500
Agricultural Land	954,265,000	1,189,295,000
Urban Rate	5,483,670,000	5,648,180,000
Urban Vacant Land	485,013,500	472,752,000
Urban Commercial and Industrial	936,068,000	941,582,500
Urban Agricultural Land	138,295,000	54,325,000
Lakeside Residential	808,260,000	817,575,000
Lakeside Vacant Land	14,510,000	11,005,000
Cultural and Recreational Land	26,115,000	8,380,000
Total	15,352,708,000	15,786,363,000

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

Type of Charge	Per Rateable Property 2014-15 \$	Per Rateable Property 2015-16 \$	Change %
Garbage Charge	233.50	228.20	-2.3%
Green Waste Charge	129.00	129.00	0.0%

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

Type of Charge	2014-15 \$	2015-16 \$
Garbage Charge	8,137,238	7,971,026
Green Waste Charge	1,967,250	2,262,918
Total amount to be raised by charges	10,104,488	10,233,944

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

Type of Charge	2014-15 \$	2015-16 \$
General Rates	57,169,900	61,919,530
Garbage Charge	8,137,238	7,971,026
Green Waste Charge	1,967,250	2,262,918
Rates & Charges	67,274,388	72,153,474

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

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

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

2. Differential rates

2.1 Rates to be levied

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

Type or class of land	2014-15 cents/\$CIV	2015-16 cents/\$CIV
Base Rate	0.3419	0.3607
Agricultural Land	0.2564	0.2705
Urban Rate	0.3624	0.3823
Urban Vacant Land	0.7864	0.8297
Urban Commercial and Industrial	0.4958	0.5231
Urban Agricultural Land	0.2906	0.3066
Lakeside Residential	0.3693	0.3896
Lakeside Vacant Land	0.7966	0.8404
Cultural and Recreational Land	0.2564	0.2705

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

2.2 Base Rate

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

Agricultural Land

Urban Land

Urban Vacant Land

Urban Commercial and Industrial

Urban Agricultural Land

Lakeside Residential

Lakeside Vacant Land

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.3 Agricultural Land

Agricultural Land is any rateable land:

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

Objective:

The objective of the rate is to:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.4 Urban Land

Urban Land is any land:

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

Urban Vacant land

Urban Commercial and Industrial

Urban Agricultural Land

Lakeside Residential

Lakeside Vacant Land

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.5 Urban Vacant Land

Urban Vacant Land is any land:

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

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

2.6 Urban Commercial and Industrial Land

Urban Commercial and Industrial Land is any land:

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

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.7 Urban Agricultural Land

Urban Agricultural Land is any rateable land:

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

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.8 Lakeside Residential

Lakeside Residential Land is any land:

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

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2014-15 financial year.

2.9 Lakeside Vacant Land

Lakeside Vacant Land is any land:

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

Objective:

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

Use and Level of Differential Rate:

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

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

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the relevant Planning Scheme.

Planning Scheme Zoning:

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

Appendix C

Capital works program

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

The capital works projects are grouped by class and include new works for 2015-16.

Capital works program

For the year ending 30 June 2016

New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PROPERTY									
Land									
Cash Receipts - Joint Venture/Land sales	- 1,100	- 1,100						- 1,100	
Land Acquisition - James Bathe Recreation Reserve	5,302	5,302					4,003	99	1,200
Total Land	4,202	4,202	-	-	-	-	4,003	- 1,001	1,200
Buildings									
Buildings	520		520					520	
Disability Access Works	100		100					100	
Purton Road Depot Masterplan	300			300				300	
Total Buildings	920	-	620	300	-	-	-	920	-
TOTAL PROPERTY	5,122	4,202	620	300	-	-	4,003	- 81	1,200

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment									
Plant replacement	2,021		2,021					2,021	
Community Grants - Minor Equipment	50	50						50	
Total Plant, Machinery and Equipment	2,071	50	2,021	-	-	-	-	2,071	-
Computers and Telecommunications									
IT Strategy	350			350				350	
GIS Strategy	50			50				50	
Total Computers and Telecommunications	400	-	-	400	-	-	-	400	-
TOTAL PLANT AND EQUIPMENT	2,471	50	2,021	400	-	-	-	2,471	-

Capital Works Area	Project cost	Asset expenditure type				Summary of funding sources			
	\$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
INFRASTRUCTURE									
Roads									
Traffic management devices	100	100						100	
Resealing	1,210		1,210			510		700	
Reseal Preparation	400		400					400	
Unsealed Road Resheeting	900		900			210		690	
Pavement Renewals	2,342		2,342			2,342			
Wadsley Avenue, Pakenham	190			190			130	60	
Moody Street, Koo Wee Rup	400			400			255	145	
Total roads	5,542	100	4,852	590	-	3,061	385	2,095	-
Bridges									
Bridges - replacement/upgrade	600		600					600	
Total Bridges	600	-	600	-	-	-	-	600	-
Footpaths and Cycleways									
Pedestrian & Bicycle strategy - shared path linkages	200	200						200	
Footpaths	600	600						600	
Equestrian Trails strategy implementation	50	50						50	
Concrete footpaths	278		278					278	
Gravel pathway resheeting	90		90					90	
Asset Renewal Equestrian Trails	50		50					50	
Total Footpaths and Cycleways	1,268	850	418	-	-	-	-	1,268	-
Drainage									
Drainage replacement	300		300					300	
Total Drainage	300	-	300	-	-	-	-	300	-

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Recreational, Leisure and Community Facilities									
Officer Secondary College stadium	1,406	1,406						586	820
Officer Community Hub	812	812				812			
Hub at Emerald	1,500	1,500						1,200	300
Public Toilets	180	180						180	
Cardinia art facility	250	250						250	
Arena double kindergarten - open January 2017	1,200	1,200					1,200		
Heatherbrae Recreation Reserve pavilion	1,000	1,000					550		450
Regional Soccer Facility (IYU Recreation Reserve)	1,430	1,430						70	1,360
Recreation Res. Development - Holm Park Rd	150	150						30	120
Lang Lang Sporting Facilities	1,300	1,300						1,300	
Recreation Reserve lighting and power upgrade - Cardinia	180	180				70		110	
Emerald Netball Pavillion/Courts	1,145	1,145						1,145	
Cardinia Recreation Reserve Pavillion	655		655					655	
Cardinia Cultural Centre	50		50					50	
Golf Club Capital Expenditure - Relating to Purchase Price	250		250					250	
BMX Facility Asset renewal	30		30					30	
Netball/Tennis courts	100		100					100	
Asset Renewal Netball Facilities	300		300					300	
Recreation reserve resurfacing	350		350					350	
Swimming facilities	80		80					80	
Public Art Program	5		5					5	
Community Grants	500			500				500	
Township Strategy Implementation	150			150				150	
Resurface Bowling Green - Cockatoo	180			180				180	
SRV Minor Grants matching funding	40			40				40	
Total Recreation, Leisure and Community Facilities	13,243	10,553	1,820	870	-	882	1,750	7,561	3,050

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Parks, Open Space and Streetscapes									
Implementation of Pepi's Land Strategy	100	100						100	
New playgrounds and recreation facilities for young people	100	100						100	
Tree planting program	50	50						50	
Playgrounds	120		120					120	
Deep Creek Reserve	500			500				500	
Open Space Program	125			125				125	
Total Parks, Open Space and Streetscapes	995	250	120	625	-	-	-	995	-
Off Street Car Parks									
Carpark resealing	200		200					200	
Total Off Street Car Parks	200	-	200	-	-	-	-	200	-
Other Infrastructure									
Installation of new lighting	80	80						80	
Environmental projects	150	150						150	
Priority Works	150			150				150	
Total Other Infrastructure	380	230	-	150	-	-	-	380	-
TOTAL INFRASTRUCTURE	22,528	11,983	8,310	2,235	-	3,943	2,135	13,399	3,050
TOTAL NEW CAPITAL WORKS 2015/16	30,121	16,235	10,951	2,935	-	3,943	6,138	15,789	4,250
Summary									
PROPERTY	5,122	4,202	620	300	-	-	4,003	- 81	1,200
PLANT AND EQUIPMENT	2,471	50	2,021	400	-	-	-	2,471	-
INFRASTRUCTURE	22,528	11,983	8,310	2,235	-	3,943	2,135	13,399	3,050
TOTAL CAPITAL WORKS	30,121	16,235	10,951	2,935	-	3,943	6,138	15,789	4,250

Appendix D

Fees and charges schedule

This appendix presents the fees and charges of a statutory and non-statutory nature which will be charged in respect to various goods and services provided during the 2015-16 year.

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Community Services					
Aged Services					
Mecwacare Pakenham provide Home & Community Care (HACC) services in Cardinia Shire. Contact them on 5941-5454 for current fees and charges. These services include Home Care, Personal Care, Respite Care, Home Maintenance, Meals on Wheels, and Planned Activity Groups.					
MCH Service					
Breast Pump Kit Purchase - single	No	Yes	\$30.00	\$31.00	3.3%
Breast Pump Kit Purchase - double	No	Yes	\$40.00	\$42.00	5.0%
Services Central					
Casual Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$36.00	\$0.00	-100.0%
Casual Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$72.00	\$0.00	-100.0%
Casual Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$46.00	\$0.00	-100.0%
Casual Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$92.00	\$0.00	-100.0%
Casual Room Hire - Activity Room Half Day Rate	Yes	Yes	\$51.00	\$0.00	-100.0%
Casual Room Hire - Activity Room Full Half Day Rate	Yes	Yes	\$102.00	\$0.00	-100.0%
Regular Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$21.50	\$0.00	-100.0%
Regular Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$43.00	\$0.00	-100.0%
Regular Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$27.50	\$0.00	-100.0%
Regular Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$55.00	\$0.00	-100.0%
Regular Room Hire - Activity Room Half Day Rate	Yes	Yes	\$31.00	\$0.00	-100.0%
Regular Room Hire - Activity Room Full Day Rate	Yes	Yes	\$61.00	\$0.00	-100.0%
Note - Half Day - up to and including 4 hours, Day - 4 to 8 hours					
Regular Rates - 6 or more consecutive bookings					
My Place					
Casual Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$36.00	\$37.00	2.8%
Casual Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$72.00	\$74.00	2.8%
Casual Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$46.00	\$47.50	3.3%
Casual Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$92.00	\$95.00	3.3%
Casual Room Hire - Activity Room Half Day Rate	Yes	Yes	\$51.00	\$52.50	2.9%
Casual Room Hire - Activity Room Full Half Day Rate	Yes	Yes	\$102.00	\$105.00	2.9%
Regular Room Hire - Consulting Room Half Day Rate	Yes	Yes	\$21.50	\$22.00	2.3%
Regular Room Hire - Consulting Room Full Day Rate	Yes	Yes	\$43.00	\$44.50	3.5%
Regular Room Hire - Meeting Room Half Day Rate	Yes	Yes	\$27.50	\$28.50	3.6%
Regular Room Hire - Meeting Room Full Day Rate	Yes	Yes	\$55.00	\$56.50	2.7%
Regular Room Hire - Activity Room Half Day Rate	Yes	Yes	\$31.00	\$32.00	3.2%
Regular Room Hire - Activity Room Full Day Rate	Yes	Yes	\$61.00	\$63.00	3.3%
Note - Half Day - up to and including 4 hours, Day - 4 to 8 hours					
Regular Rates - 6 or more consecutive bookings					
Children's Centres					
Private/for profit organisations:					
Community room half day	Yes	Yes	\$70.00	\$72.00	2.9%
Committee room half day	Yes	Yes	\$31.00	\$32.00	3.2%
ECIS room (half room) half day	Yes	Yes	\$51.00	\$53.00	3.9%
Consult room - half day	Yes	Yes	\$36.00	\$37.00	2.8%
Community room full day	Yes	Yes	\$140.00	\$144.00	2.9%
Committee room full day	Yes	Yes	\$62.00	\$64.00	3.2%
ECIS room (half room) full day	Yes	Yes	\$102.00	\$105.00	2.9%
Consult room full day	Yes	Yes	\$72.00	\$74.00	2.8%
Not for profit organisations:					
Community Room half day	Yes	Yes	\$49.00	\$51.00	4.1%
Committee Room half day	Yes	Yes	\$22.00	\$22.50	2.3%
ECIS room (half room) half day	Yes	Yes	\$35.00	\$52.50	50.0%
Consult room half day	Yes	Yes	\$25.00	\$26.00	4.0%
Community room full day	Yes	Yes	\$98.00	\$100.00	2.0%
Committee room full day	Yes	Yes	\$44.00	\$45.00	2.3%
ECIS room (half room) full day	Yes	Yes	\$70.00	\$72.00	2.9%
Consult room full day	Yes	Yes	\$50.00	\$52.00	4.0%

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Community groups:					
Community room half day	Yes	Yes	\$17.00	\$18.00	5.9%
Committee room half day	Yes	Yes	\$8.00	\$9.00	12.5%
ECIS room (half room) half day	Yes	Yes	\$13.00	\$14.00	7.7%
Community room full day	Yes	Yes	\$34.00	\$35.00	2.9%
Committee Room full day	Yes	Yes	\$16.00	\$17.00	6.3%
ECIS room (half room) full day	Yes	Yes	\$26.00	\$27.00	3.8%
Kindergarten Central Enrolment	No	Yes	\$25.00	\$25.00	0.0%
Rates & Property Services					
Land information certificates (statutory fee)	No	No	\$20.00	\$20.00	0.0%
Late payment of rates administration fee	No	Yes	\$30.00	\$35.00	16.7%
Sales Data (Valuers)	Yes	Yes	\$85.00	\$85.00	0.0%
Information Services					
Fees - FOI (statutory fees applicable under FOI Act):					
Application Fee	No	No	\$25.70	\$25.70	0.0%
Search Charge per hour or part thereof	No	No	\$20.00	\$20.00	0.0%
Supervision Charge per quarter hour	No	No	\$5.00	\$5.00	0.0%
Photocopy charge	No	No	\$0.20	\$0.20	0.0%
IT - Geographic Information System maps					
Setup fee per map	Yes	Yes	\$50.00	\$50.00	0.0%
A3 Plotter (per map)	Yes	Yes	\$17.00	\$17.50	2.9%
A2 (per map)	Yes	Yes	\$25.00	\$26.00	4.0%
A1 (per map)	Yes	Yes	\$38.00	\$39.00	2.6%
A0 (per map)	Yes	Yes	\$55.00	\$57.00	3.6%
IT - Plan printing charges (per copy)					
PLAN OF SUBDIVISION (A3)	Yes	Yes	\$4.50	\$4.60	2.2%
SHIRE PLAN (AO)	Yes	Yes	\$32.00	\$33.00	3.1%
A4 PHOTOCOPIES	Yes	Yes	\$0.80	\$0.80	0.0%
Multiple Copies (10+)	Yes	Yes	\$0.80	\$0.80	0.0%
A1 SIZE PLAN	Yes	Yes	\$11.00	\$11.50	4.5%
A0 SIZE PLAN	Yes	Yes	\$21.00	\$21.50	2.4%
Development & Compliance Services					
Public Health and Wellbeing Act Premises (PHWBA)					
Registration of hairdressers, beauty parlours, etc.	No	Yes	\$150.00	\$154.50	3.0%
Skin Penetration	No	Yes	\$150.00	\$154.50	3.0%
Registration renewal of prescribed accommodation (4-10 persons)	No	Yes	\$150.00	\$154.50	3.0%
Registration renewal of prescribed accommodation (11-20 persons)	No	Yes	\$227.00	\$233.50	2.9%
Registration renewal of prescribed accommodation (21-30 persons)	No	Yes	\$309.00	\$318.00	2.9%
Registration renewal of prescribed accommodation (more than 30 persons)	No	Yes	\$391.00	\$402.50	2.9%
Registration renewal of prescribed accommodation (Hotel/Motel)	No	Yes	\$150.00	\$154.50	3.0%
Registration renewal of prescribed accommodation (bed & breakfast)	No	Yes	\$150.00	\$154.50	3.0%
Prescribed Accommodation	No	Yes	N/A	N/A	
Colonic Irrigation	No	Yes	\$150.00	\$154.50	3.0%
Two or more activities conducted on the premises by the same proprietor	No	Yes	\$227.00	\$233.50	2.9%
Transfer of Registration (Health Act premises)	No	Yes	50% Annual Fee	50% Annual Fee	
Caravan Parks	No	No	\$12.84 per fee unit	TBA	
*NOTE: - Transfer of Registration currently 5 fee units	No	No	\$64.20	TBA	
Food Act Registered Premises					
* Up to 5 employees					
Class 1 (includes one routine inspection and assessment of audit)	No	Yes	\$487.00	\$501.50	3.0%
Class 2 (includes one routine inspection and compliance check)	No	Yes	\$487.00	\$501.50	3.0%
Class 3 (includes one routine inspection)	No	Yes	\$155.00	\$159.50	2.9%
Fee for inspections in addition to routine inspection - rate per hour.	Yes	Yes	\$78.00	\$80.00	2.6%
Audit fees - rate per hour.	Yes	Yes	\$78.00	\$80.00	2.6%
* For each additional effective full-time employee greater than 5.	No	Yes	\$25.00	\$25.50	2.0%
School Canteens					
* Not for Profit (same as Class 3)	No	Yes	\$109.00	\$112.00	2.8%
* Privately run - calculated according to Class of premises	No	Yes			
Transfer of Registration (Food Act premises)	No	Yes	\$183.00	\$188.00	2.7%
Food Act Premises Establishment Fee	No	Yes	50% Annual Fee	50% Annual Fee	
Maximum Fee (greater than 75 effective full time employees)	No	Yes	\$2,151.00	\$2,215.50	3.0%
Class 1 and 2 (Temporary Food Premises)	No	Yes	\$57.00	\$58.50	2.6%
Class 3 (Temporary Food Premises)	No	Yes	\$37.00	\$38.00	2.7%
Infringements (Food Act 184 and Public Health & Wellbeing Act 2008) as prescribed by State Government	No	No			
PHWBA and Food Act					

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Pre application Site Consultation.	Yes	Yes	\$78.00	\$80.00	2.6%
After 1st July the Registration Fee will be 50% of the annual fee (plus the establishment fee).	No	Yes	50% Annual Fee	50% Annual Fee	
Inspection requests from Solicitors or proposed proprietors	Yes	Yes	\$135.00	\$139.00	3.0%
Late fee for Registration- All premises (after 31st December)	No	Yes	50% Annual Fee	50% Annual Fee	
Sale of sharps containers	Yes	Yes	\$27.00	\$28.00	3.7%
Head lice lotions (*not taxable if supply is on prescription)	Yes	Yes	\$14.50	NA	
Septic Tanks					
Installation permits (new)	No	Yes	\$336.00	\$346.00	3.0%
Permit for Alteration	No	Yes	\$169.00	\$174.00	3.0%
Septic Tank consent report	No	Yes	\$45.00	\$46.00	2.2%
Septic Tank Plan Search Fee	No	Yes	\$46.00	\$47.00	2.2%
Reissue Septic permit	No	Yes	\$35.00	\$36.00	2.9%
Infringements (Septic tanks) currently 5 penalty units as prescribed by State Government	No	No	\$721.00	TBA	
Regulatory Services - Animal Control					
Dog registration	No	Yes	\$106.00	\$109.00	2.8%
Cat registration	No	Yes	\$106.00	\$109.00	2.8%
Reduced Fee Dog - (microchipped, sterilised, 10 years of age plus, working dog)	No	Yes	\$32.00	\$33.00	3.1%
Reduced Fee Cat - (microchipped, sterilised, 10 years of age plus)	No	Yes	\$31.00	\$32.00	3.2%
Member Canine Assoc (unsterilised)	No	Yes	\$32.00	\$33.00	3.1%
Reduced Fee Unsterilised Dog - Pensioner	No	Yes	\$53.00	\$54.50	2.8%
Reduced Fee Unsterilised Cat - Pensioner	No	Yes	\$53.00	\$54.50	2.8%
Reduced Fee Sterilised Dog - Pensioner	No	Yes	\$16.00	\$16.50	3.1%
Reduced Fee Sterilised Cat - Pensioner	No	Yes	\$16.00	\$16.50	3.1%
Domestic animal businesses - Licence to operate breeding establishment	No	Yes	\$435.00	\$448.00	3.0%
Animal Register inspection fees	No	Yes	\$33.00	\$34.00	3.0%
Hire of cat traps	Yes	Yes	\$29.00	\$30.00	3.4%
Hire of anti barking collars (citronella collars)	Yes	Yes	\$57.00	\$59.00	3.5%
Bonds/deposits on anti barking collars, cat traps, and possum traps	No	Yes	\$61.00	\$63.00	3.3%
Animal Release Fee - Cat - day one	No	No	\$122.00	\$125.00	2.5%
Animal Release Fee - Dog - day one	No	No	\$122.00	\$125.00	2.5%
Animals - Excess numbers permit	No	Yes	\$70.00	\$72.00	2.9%
Animal-related fines	No	No	As prescribed by State Government legislation	As prescribed by State Government legislation	
Animals - Excess numbers	No	Yes	\$70.00	\$72.00	2.9%
Animals – Grazing on nature strips	No	Yes	\$147.00	\$151.00	2.7%
Animals – Fence off nature strip for grazing	No	Yes	\$147.00	\$151.00	2.7%
Impound fee (small and large animals)	No	No	\$41.00	\$42.50	3.7%
Sustenance large animal	No	No	\$12.50	\$13.00	4.0%
Sustenance small animal	No	No	\$9.50	\$10.00	5.3%
Labour (business hours / out-of-business hours)	No	Yes	\$63.00 / \$89.00	\$65.00 / \$92.00	
Stock Transportation	Yes	No	Fees as charged by contractor	Fees as charged by contractor	
Regulatory Services - Local Laws					
Local Law Fines	No	Yes	As per CSCs adopted Local Laws	As per CSCs adopted Local Laws	
Parking Fines	No	No	As prescribed by Road Rules Victoria	As prescribed by Road Rules Victoria	
Copies of any local laws	No	Yes	\$26.00	\$27.00	3.8%
Charity bins	No	Yes	\$64.00	\$66.00	3.1%
Advertising Signs - A Frames	No	Yes	\$147.00	\$151.00	2.7%
Advertising Signs - Real Estate Auction Boards (3 months)	No	Yes	\$192.00	\$198.00	3.1%
Advertising Signs, Flags overhanging roads-3 metres (3 months)	No	Yes	\$192.00	\$198.00	3.1%
Camping and Caravans (per month)	No	Yes	\$147.00	\$151.00	2.7%
Footpath - Display goods (per item)	No	Yes	\$147.00	\$151.00	2.7%
Footpath - Table and Chairs - Fee per table	No	Yes	\$46.00	\$47.50	3.3%
Footpath - Table and Chairs - Fee per chair	No	Yes	\$29.00	\$30.00	3.4%
Footpath - Windbreaker screen	No	Yes	\$173.00	\$178.00	2.9%
Rubbish Containers - Skips on public land per day	No	Yes	\$46.00	\$47.50	3.3%
Commercial Bins Business use eg. restaurants, businesses in CBD per month	No	Yes	\$147.00	\$151.00	2.7%
Heavy Vehicle – on land under 0.8ha (2 acres)	No	Yes	\$147.00	\$151.00	2.7%
Liquor - Consumption/Possession – within 500 metres of licensed premises	No	Yes	\$147.00	\$151.00	2.7%
Recreational Vehicles	No	Yes	\$147.00	\$151.00	2.7%
General Permit	No	Yes	\$147.00	\$151.00	2.7%
Mobile Crane/Tower	No	Yes	\$147.00	\$151.00	2.7%
Roadside Trading (Highway Sites by Tender) - per year	No	Yes	Subject to tender	Subject to tender	
Roadside Trading (Highway Sites by Tender) - per day	No	Yes	Subject to tender	Subject to tender	

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Street Stalls (inc. sausage sizzles) (No charge applicable to Community Groups) per day	No	Yes	\$45.00	\$46.50	3.3%
Vegetation/Firewood - removal/destruction per application	No	Yes	\$89.00	\$91.50	2.8%
Abandoned Vehicle Release	Yes	Yes	\$253.00	\$261.00	3.2%
Impounded Item Release	Yes	Yes	\$126.00	\$130.00	3.2%
General Local Laws Fines	No	Yes	As per CSCs Local Laws	As per CSCs Local Laws	
Release of impounded recreational vehicle/monkey bike - First Offence	Yes	Yes	\$290.00	\$299.00	3.1%
Release of impounded recreational vehicle/monkey bike - Holding Fee - First Offence	Yes	Yes	\$347.00	\$357.00	2.9%
Release of impounded recreational vehicle/monkey bike - Second Offence	Yes	Yes	\$290.00	\$299.00	3.1%
Release of impounded recreational vehicle/monkey bike - Holding Fee - Second Offence	Yes	Yes	\$696.00	\$717.00	3.0%
Building					
Note that Council charge the maximum statutory fee as set out in the Building Regulations 2006					
Lodgement Fee (cost of building work \$5,000 or more)	No	No	\$36.40	\$37.40	2.7%
Property Information	No	No	\$48.60	\$49.90	2.7%
Copies of Plans	No	Yes	\$91.00	\$93.70	3.0%
Copies of Documents	No	Yes	\$38.00	\$39.10	2.9%
Council Consent/Siting dispensation	No	No	\$244.00	\$250.60	2.7%
Council Consent/Building over easement dispensation	No	No	\$244.00	\$250.60	2.7%
Council Consent/Land liable to flood/inundation dispensation	No	No	\$244.00	\$250.60	2.7%
Council Consent/Protection of the Public	No	No	\$244.00	\$250.60	2.7%
Extension of Building Permit	No	Yes	\$93.00	N/A	
Building Inspection	No	Yes	\$155.00	\$159.00	2.6%
Heritage/Demolition Consent	No	No	\$60.90	\$62.55	2.7%
Removal of Housing Order (Housing Act)	No	Yes	\$203.00	N/A	
Temporary Public Structure Siting	No	Yes	\$205.50	\$211.00	2.7%
Occupancy Permits - Place of Public Entertainment	No	Yes	\$385.00	\$396.50	3.0%
Community Infrastructure Levy - Pakenham	No	Yes	\$614.00	TBA	
Community Infrastructure Levy - Cardinia Rd & Officer	No	Yes	\$900.00	TBA	
Trust System (Hoarding Deposits)	No	Yes	\$200.00 per 15m	\$200.00 per 15m	
Planning					
Note that Council charge the maximum statutory fee as set out in the Building Regulations 2006					
For a declaration by the Council as to whether a matter specified on a permit to be carried out to the "satisfaction of the Council" has in fact been completed:-	No	No	\$102.00	TBA	
Applications for Permits					
1 An application for use only.	No	No	\$502.00	TBA	
An application to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is:					
2 > \$10,000 < \$100,000	No	No	\$239.00	TBA	
3 > \$100,001	No	No	\$490.00	TBA	
An application to develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:					
4 <= \$10,000	No	No	\$102.00	TBA	
5 > \$10,001 - \$250,000	No	No	\$604.00	TBA	
6 > \$250,001 - \$500,000	No	No	\$707.00	TBA	
7 > \$500,001 - \$1,000,000	No	No	\$815.00	TBA	
8 > \$1,000,001 - \$7,000,000	No	No	\$1,153.00	TBA	
9 > \$7,000,001 - \$10,000,000	No	No	\$4,837.00	TBA	
10 > \$10,000,001 - \$50,000,000	No	No	\$8,064.00	TBA	
11 > \$50,000,001	No	No	\$16,130.00	TBA	
12 An application to subdivide an existing building.	No	No	\$386.00	TBA	
13 An application to subdivide land into two lots	No	No	\$386.00	TBA	
14 To effect a realignment of a common boundary between lots or to consolidate two or more lots	No	No	\$386.00	TBA	
15 An application to subdivide land	No	No	\$781.00	TBA	
16 An application to remove a restriction (within the meaning of the Subdivision Act 1988) over land if the land has been used or developed for more than 2 years before the date of the applications in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction.	No	No	\$249.00	TBA	
17 An application to create, vary or remove a restriction within the meaning of the Subdivision Act 1988; or to create or remove a right of way	No	No	\$541.00	TBA	
18 To create, vary or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in a Crown grant	No	No	\$404.00	TBA	

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Request for planning scheme amendment	No	No	\$798.00	TBA	
Consideration of submissions to a planning scheme amendment	No	No	\$798.00	TBA	
Adoption of a planning scheme amendment	No	No	\$524.00	TBA	
Consideration of request to approve a planning scheme amendment	No	No	\$798.00	TBA	
Plan of subdivision (certification)	No	No	\$100 plus \$20 per lot	TBA	
Planning Enquiries	No	Yes	\$74.00	\$76.00	2.7%
Provide a copy of an endorsed plan	No	Yes	\$57.00	\$59.00	3.5%
Extension of time to planning permit	No	Yes	\$85.00	\$88.00	3.5%
Voluntary amendment permit and or plan	No	Yes	\$124.00	\$128.00	3.2%
Advertising Fee (up to 20 notices)	No	Yes	\$83.00	\$85.00	2.4%
Advertising Fee (over 20 notices)	No	Yes	\$140.00	\$144.00	2.9%
Planning Certificate	No	No	\$18.20	TBA	
Planning Certificate (Priority)	No	Yes	\$55.00	\$57.00	3.6%
Sign	Yes	Yes	\$28.00	\$29.00	3.6%
Applications for Amendments to Permits					
1 An application to amend a permit to use the land if that amendment is to change the use for which the land may be used.	No	No	\$502.00	TBA	
2 An application to amend a permit (other than a permit to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot) - (a) to change the statement of what the permit allows; or (b) to change any or all of the conditions which apply to the permit; or (c) in any way not otherwise provided for in this regulation.	No	No	\$502.00	TBA	
An application to amend a permit (other than a permit to subdivide land) to - (a) develop land for a single dwelling per lot; or (b) use and develop land for a single dwelling per lot; or (c) undertake development ancillary to the use of the land for a single dwelling per lot - if the estimated cost of any additional development to be permitted by the amendment is:					
3 >10,000 - 100,000	No	No	\$239.00	TBA	
4 >\$100,000	No	No	\$490.00	TBA	
5 An application to amend a permit to develop land, other than - (a) a permit to undertake development ancillary to the use of the land for a single dwelling per lot where the total estimated cost of the development originally permitted and the additional development to be permitted by the amendment is not more than \$10,000; or (b) a permit to subdivide land - if the estimated cost of any additional development to be permitted by the amendment is \$10,000 or less.	No	No	\$102.00		
6 An application (other than a Class 3 or Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$10,000 and not more than \$250,000.	No	No	\$604.00	TBA	
7 An application (other than a Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$250,000 and not more than \$500,000.	No	No	\$707.00	TBA	
8 An application (other than a Class 4 application) to amend a permit if the estimated cost of any additional development to be permitted by the amendment is more than \$500,000.	No	No	\$815.00	TBA	
9 An application to amend a permit to - (a) subdivide an existing building; or (b) subdivide land into 2 lots; or (3) effect a realignment of a common boundary between lots or to consolidate 2 or more lots.	No	No	\$386.00	TBA	
Certificates of compliance	No	No	\$147.00	TBA	
				TBA	
Request to amend an application for a permit after notice of the application has been given for every class of application (other than a Class 4 application) set out in the table 'Applications for Permits'.	No	No	\$102.00	TBA	
Request to amend an application to amend a permit after notice of the application has been given for every class of application (other than a Class 5 application) set out in the table 'Applications for Amendments to Permits'.	No	No	\$102.00	TBA	
Community Risk & Emergency Management					
Fire Prevention					
Fail to Comply with a Notice (Fire Prevention Notice)	No	Yes	\$1,476.00	TBA	
Sustainable Communities					
Beaconsfield Community Complex					
Please phone 8768 4400 for the current hire rates					
Cardinia Cultural Centre					
Banquet Room (incl. Lakeview & Dance rooms)					
4 hours - Standard	Yes	Yes	\$600.00	\$620.00	3.3%

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
8 hours - Standard	Yes	Yes	\$1,050.00	\$1,080.00	2.9%
Expo rate (10 hours+) - Standard	Yes	Yes	\$1,500.00	\$1,550.00	3.3%
4 hours - Community Group	Yes	Yes	\$520.00	\$530.00	1.9%
8 hours - Community Group	Yes	Yes	\$910.00	\$920.00	1.1%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$1,300.00	\$1,320.00	1.5%
Lakeview Room					
4 hours - Standard	Yes	Yes	\$320.00	\$330.00	3.1%
8 hours - Standard	Yes	Yes	\$560.00	\$580.00	3.6%
Expo rate (10 hours+) - Standard	Yes	Yes	\$800.00	\$825.00	3.1%
4 hours - Community Group	Yes	Yes	\$280.00	\$280.00	0.0%
8 hours - Community Group	Yes	Yes	\$490.00	\$495.00	1.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$700.00	\$705.00	0.7%
Dance Room					
4 hours - Standard	Yes	Yes	\$300.00	\$310.00	3.3%
8 hours - Standard	Yes	Yes	\$525.00	\$540.00	2.9%
Expo rate (10 hours+) - Standard	Yes	Yes	\$750.00	\$770.00	2.7%
4 hours - Community Group	Yes	Yes	\$260.00	\$265.00	1.9%
8 hours - Community Group	Yes	Yes	\$455.00	\$460.00	1.1%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$650.00	\$655.00	0.8%
Gallery Room					
4 hours - Standard	Yes	Yes	\$180.00	\$185.00	2.8%
8 hours - Standard	Yes	Yes	\$315.00	\$325.00	3.2%
Expo rate (10 hours+) - Standard	Yes	Yes	\$450.00	\$465.00	3.3%
4 hours - Community Group	Yes	Yes	\$152.00	\$160.00	5.3%
8 hours - Community Group	Yes	Yes	\$266.00	\$275.00	3.4%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$380.00	\$390.00	2.6%
Seminar Room					
4 hours - Standard	Yes	Yes	\$160.00	\$165.00	3.1%
8 hours - Standard	Yes	Yes	\$280.00	\$290.00	3.6%
Expo rate (10 hours+) - Standard	Yes	Yes	\$400.00	\$410.00	2.5%
4 hours - Community Group	Yes	Yes	\$140.00	\$140.00	0.0%
8 hours - Community Group	Yes	Yes	\$245.00	\$250.00	2.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$350.00	\$355.00	1.4%
Workshop Room					
4 hours - Standard	Yes	Yes	\$60.00	\$60.00	0.0%
8 hours - Standard	Yes	Yes	\$105.00	\$110.00	4.8%
Expo rate (10 hours+) - Standard	Yes	Yes	\$150.00	\$155.00	3.3%
4 hours - Community Group	Yes	Yes	\$52.00	\$52.00	0.0%
8 hours - Community Group	Yes	Yes	\$91.00	\$91.00	0.0%
Expo rate (10 hours+) - Community Group	Yes	Yes	\$130.00	\$130.00	0.0%
Theatre					
5 hr Rehearsal/Performance fee - Standard	Yes	Yes	\$1,269.00	N/A	
5 hr Rehearsal/Performance fee - Local Dance School or Theatre Group	Yes	Yes	\$1,084.00	N/A	
5 hr Rehearsal/Performance fee - Community Group	Yes	Yes	\$932.00	N/A	
Rehearsal per hour (includes 1 tech) - Commercial	Yes	Yes	N/A	\$180.00	
Rehearsal per hour (includes 1 tech) - Community Group	Yes	Yes	N/A	\$165.00	
Rehearsal per hour (includes 1 tech) - Not for Profit	Yes	Yes	N/A	\$140.00	
Performance per hour (includes 1 tech) - Commercial	Yes	Yes	N/A	\$230.00	
Performance per hour (includes 1 tech) - Community Group	Yes	Yes	N/A	\$215.00	
Performance per hour (includes 1 tech) - Not for Profit	Yes	Yes	N/A	\$190.00	
Pakenham Hall					
Community Hall, Supper Room & Kitchen - Standard - per hour	Yes	Yes	\$80.00	\$82.00	2.5%
Community Hall - Standard - per hour	Yes	Yes	\$60.00	\$62.00	3.3%
Supper Room - Standard - per hour	Yes	Yes	\$50.00	\$52.00	4.0%
Kitchen - Standard - per hour	Yes	Yes	\$50.00	\$52.00	4.0%
Community Hall & Kitchen - Standard - per hour	Yes	Yes	\$70.00	\$72.00	2.9%
Community Hall & Supper Room - Standard - per hour	Yes	Yes	\$65.00	\$67.00	3.1%
Supper Room & Kitchen - Standard - per hour	Yes	Yes	\$60.00	\$62.00	3.3%
Community Hall, Supper Room & Kitchen - Community Group - per hour	Yes	Yes	\$64.00	\$66.00	3.1%
Community Hall - Community Group - per hour	Yes	Yes	\$48.00	\$50.00	4.2%
Supper Room - Community Group - per hour	Yes	Yes	\$40.00	\$42.00	5.0%
Kitchen - Community Group - per hour	Yes	Yes	\$40.00	\$42.00	5.0%
Community Hall & Kitchen - Community Group - per hour	Yes	Yes	\$56.00	\$58.00	3.6%
Community Hall & Supper Room - Community Group - per hour	Yes	Yes	\$52.00	\$54.00	3.8%
Supper Room & Kitchen - Community Group - per hour	Yes	Yes	\$48.00	\$50.00	4.2%
Emerald Lake Park					
Parking - per hour	Yes	Yes	\$2.00	NA	
Parking - all day	Yes	Yes	\$6.00	\$6.00	0.0%
Parking - group rate for booked events	Yes	Yes	\$4.00	NA	
Shelter Hire - Lions Den	Yes	Yes	\$137.00	\$141.00	2.9%
Shelter Hire - Messmate	Yes	Yes	\$87.00	\$89.00	2.3%
Shelter Hire - Boatshed	Yes	Yes	\$60.00	\$62.00	3.3%

Description	GST Applies	Set by Council	Total Fee 2014/15 incl. GST (if applicable)	Total Fee 2015/16 incl. GST (if applicable)	% Change 14/15 to 15/16
Shelter Hire - Poolside	Yes	Yes	\$60.00	\$62.00	3.3%
Shelter Hire - Lakeside	Yes	Yes	\$60.00	\$62.00	3.3%
Amphitheatre Hire - Gus Ryberg	Yes	Yes	\$277.00	\$285.00	2.9%
Amphitheatre Hire - Bunerong	Yes	Yes	\$207.00	\$213.00	2.9%
Amphitheatre Hire - Carl Stemp	Yes	Yes	\$207.00	\$213.00	2.9%
Amphitheatre Hire - The Pines	Yes	Yes	\$83.00	\$85.00	2.4%
Amphitheatre Hire - The Gums	Yes	Yes	\$207.00	\$213.00	2.9%
Lakeside Function Room	Yes	Yes	\$189.00	\$195.00	3.2%
Kooweerup Community Complex					
Please phone 5997-9679 for the current hire rates					
Council Managed Recreation Reserves					
Lakeside Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,167.00	\$1,212.00	3.9%
O'Neil Road Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,167.00	\$1,212.00	3.9%
Don Jackson Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,167.00	\$1,212.00	3.9%
Holm Park Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,167.00	\$1,212.00	3.9%
Holm Park Recreation Reserve netball courts - full year	Yes	Yes	\$540.00	\$562.00	4.1%
Heatherbrae Recreation Reserve oval (Seasonal use 6 months, summer and winter)	Yes	Yes	\$1,167.00	\$1,212.00	3.9%
Heatherbrae Recreation Reserve netball courts - full year	Yes	Yes	\$540.00	\$562.00	4.1%
Holm Park Community Room	Yes	Yes	\$25 per hour Non Community group \$12.50 per hour Community group	\$25 per hour Non Community group \$12.50 per hour Community group	
Environment & Engineering					
Engineering Services					
Asset protection fee	No	Yes	\$233.00	\$240.00	3.0%
Asset protection bond	No	Yes	\$910.00	\$940.00	3.3%
Inspection fees	No	Yes	\$79.00	\$81.37	3.0%
Road opening permits - works conducted on, or any part of, the roadway, shoulder, or pathway (minor works)	No	No	\$144.36	\$144.36	0.0%
Road opening permits - works not conducted on, or any part of, the roadway, shoulder, or pathway	No	No	\$63.00	\$63.00	0.0%
Garbage Collection/Waste Disposal					
Residential Garbage (1 x 120L garbage bin and 1 recycling bin)	No	Yes	\$233.50	\$228.20	-2.3%
Residential Garbage (1 x 80L garbage bin and 1 recycling bin)	No	Yes	\$203.50	\$198.20	-2.6%
Commercial Waste service	Yes	Yes	\$275.00	\$269.00	-2.2%
Green Waste Service	No	Yes	\$129.00	\$129.00	0.0%
Additional Residential Recycling Service	No	Yes	\$46.00	\$47.50	3.3%
Additional Residential Garbage Bin (120 litre bin only)	No	Yes	\$216.00	\$211.00	-2.3%
Additional Commercial Garbage Bin	Yes	Yes	\$238.00	\$235.00	-1.3%
Additional Commercial Recycling Bin	Yes	Yes	\$50.00	\$52.00	4.0%
Additional Bundled Branch option - Green and Hard Waste service (being trialled)	No	Yes	\$60.00	\$65.00	8.3%
Litter and Waste Amenity Charge	No	Yes		\$114.00	
Community Event Bin Service	Yes	Yes		\$57.00	
Waste for Events - trailer hire	Yes	Yes		\$140.00	
Asset Management					
Supervision of private works	No	Yes	2.5% of E.C.	2.5% of E.C.	
Design checking	No	Yes	0.75% of E.C.	0.75% of E.C.	
Stormwater discharge points	No	Yes	\$30.00	\$31.00	3.3%
Drainage Levy	No	Yes	Set in line with Melbourne Water Area Drainage Levies	Set in line with Melbourne Water Area Drainage Levies	
Sale of standard drawings	Yes	Yes	\$148.00	\$152.00	2.7%
Sale of specification documents	Yes	Yes	\$148.00	\$152.00	2.7%

Appendix E

Borrowing guidelines

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

1. Intent

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

2. Scope

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

2.2 These borrowings will include funds borrowed:

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

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

3. Objectives

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

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

4. Policy Principles

4.1 Borrowing Purposes

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

4.2 Repayments and Repayment Ability

- a. Borrowings will be undertaken for capital works only where the interest and debt principal repayments can be serviced and relevant financial ratios and measures are maintained within approved targets;
- b. If sufficient cash resources are available, Council may further consider repaying instalment(s) in advance;
- c. Council will continue to discharge this debt in the shortest possible time subject to overall budgetary constraints; and
- d. New loans will be taken up only if the subsequent increase in debt servicing payments allows the total debt servicing ratio to remain within corporate targets.
- e. Council will not enter into any financing arrangements which involve the repayment of interest only unless that interest is at least matched by income generated from the asset being financed;
- f. The term of the Borrowing or Other Financial Accommodation shall be set having due regard to the Economic Life of the asset being acquired or constructed. The Maximum repayment for new and existing borrowings be set at 20 years for major long-life infrastructure assets and for capital works except for Community and Social infrastructure where no commercial revenue streams apply – theses will be generally over a five (5) year term or determined on a case by case basis.

4.3 Borrowing Sources

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

5. Schedule of borrowings

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

- \$4.25m for 2015-16;
- \$4.0m for 2016-17;
- \$3.2m for 2017-18; and
- \$3.2m for 2018-19.

6. Controls

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

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

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

6.3 Table of Maximum Debt

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

Total Debt as a % of Rate & Charges Revenue	Target	Period for Achievement
> 100%	Proposed New Borrowing Rejected*	
85%, < 100%	85%	2 Years
66%, < 85%	66%	5 Years
66%, < 50%	50%	9 Years
40%, < 50%	Review Debt Strategy	Not applicable