



Melton City Council Budget 2016/2017



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Mayor's Foreword



I am pleased to present Melton City Council's 2016/2017 Budget to you.

This budget shows our continued commitment to responsible and responsive governance and we aim to have the financial capacity to continue to deliver high quality services and infrastructure to our community into the future.

The 2016/2017 Budget has been framed in the face of increasing external financial pressures imposed by other levels of government, such as the State Government's rate capping regime of 2.5 per cent rates and the Federal Government's freezing of indexation of grants commission funding. Also there is the continued impact of the reducing level of State and Federal operating grants and the State Government's landfill levy introduced in previous years.

We aim to be a sustainable Council which is responsive to community needs, whilst providing value to all ratepayers.

In 2016/2017 we are committed to ongoing delivery of services to the City of Melton community with a budget of \$110 million for service delivery. We will also continue to invest in new and renewal infrastructure projects for a total of \$50.7 million, including roads (\$21.6 million), buildings (\$11.4 million), bridges (\$4.9 million), recreational, leisure and community facilities (\$5.1 million), footpaths and cycle ways (\$2.3 million) and other infrastructure.

The more significant projects in the 2016/2017 Budget include: 5 McKenzie Street Redevelopment stage 1 (\$2.35 million), Melton Council Office Space Development (\$6.62 million), Community Centre/Pavilion Annual Renewal (\$1.208 million), plant, equipment and library stock (\$1.965 million), Abey Road – Toolern Creek to Ferris Road (\$5.5 million), streetscape improvements including Melton Town Centre Redevelopment (\$4.44 million), annual resurfacing periodic reseals (\$3.0 million), Mt Cottrell Road widening stage 2 (\$3.49 million), Minns Road construction (\$1.829 million), Minns Road construction Gisborne to Croxton (\$0.9 million), Westwood Dr Bridge (\$2.4 million) and Abey Road Bridge (\$2.2 million), Taylors Hill West PSP – 2 senior football/cricket (\$1.728 million), Bridge Road Regional Playspace (\$0.9 million), Caroline Springs Sub Regional Tennis Centre – Design (\$0.25 million), footpath maintenance/replacement (\$1.46 million), tree planting (\$0.5 million) and shared/bicycle paths construction (\$0.8 million).

As always, community consultation has been an important part of this budget process.

Thank you to all the residents and community groups who shared their ideas and visions for our City during the budget engagement sessions held earlier this year.

Cr Kathy Majdlik (MBA/MEI/GAICD)

Mayor

Melton City Council

Executive summary

Council has prepared a Budget for 2016/17 which is aligned to the vision in the Council Plan 2017/20. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community and do this within the rate increase mandated by the State Government.

As part of delivering this 2016/17 budget the Council has also updated its Strategic Resource Plan for the planning period from 2016/17 to 2019/20. This Strategic document demonstrates the financial capacity of Council to continue to deliver high quality services and infrastructure to our community into the future. The Budget shows how Council provides the resources necessary to continue delivering services and, in particular, to achieve the vision and outcomes of the Council Plan.

The 2016/17 Budget has been framed in the face of increasing external financial pressures imposed by other levels of government, namely the State Government's rate capping regime of 2.5% rates under the Fair Go Rates System, Federal government's freezing of indexation of grants commission funding for 3 years from 2014/15. The impact of this measure on Council revenues in 2016/17 is an estimated reduction of around \$0.560 million bringing the total reduction over the period of the indexation freeze to about \$1.68 million. In addition there is the continuing impact of other measures such as the reducing level of state and federal operating grants and the state government's land-fill levy introduced in previous years. These measures are expected to add significant cost pressures to the operating and capital expenditure in 2016/17 and the forward years. In addition there are other external influences such as lower asset sales due to a downturn in the housing and construction industry, higher employee costs, utilities and operating expenditure, including additional operating expenditure for new buildings and facilities completed in the previous years. Notwithstanding these challenges the 2016/17 Budget shows the continued commitment to responsible and responsive governance. It demonstrates sound stewardship of the community's assets and aims to maintain a sustainable Council which is responsive to community needs, whilst providing value to all ratepayers.

This Budget projects a surplus of \$67.3 million for 2016/17 (Surplus excluding non cash contributions is \$16.7 million), however it should be noted that the adjusted underlying result is a surplus of \$3.1 million, after adjusting for capital grants and monetary and non monetary contributions (refer to Sections 10 and 10.1 for further details).

1. Key things we are funding

- 1) Ongoing delivery of services to the Melton City community funded by a budget of \$110.7 million. These services are summarised in Section 2.6.
- 2) Continued investment in Infrastructure assets (\$50.7 million) for new and renewal works in 2016/17. This includes roads (\$21.6 million); buildings (\$11.4 million) bridges (\$4.9 million); drainage (\$0.530 million); recreational, leisure and community facilities (\$5.1 million); plant equipment and furniture (1.3 million); library books (\$0.360 million); Footpaths and Cycleways (\$2.3 million); other infrastructure (\$3.21 million). The Statement of Capital Works can be found in Section 3 and further details on the capital works budget is also provided in Sections 6 and 12.

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

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

Strategic Objective 2: Families & Children

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

Strategic Objective 3: Community Care & Inclusion

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

Strategic Objective 4: Information Technology – Migration to Cloud Technology

- 8) Technological change brings along both challenges and opportunities. “Cloud” computing is one such technology that if used appropriately can improve organisational capacity as well as improve budget certainty due to the reduction in future operating and capital expenditure spikes associated with technology asset renewal and maintenance. In the current year Council is investing approximately \$0.370 million to improve its technology platform.

2. The Rate Rise

- a. The average rate per property will rise by 2.5% in line with the order by the Minister for Local Government on 14 December 2015 under the Fair Go Rates System.
- b. Key drivers
 - i. To fund ongoing service delivery – business as usual in a climate of reducing total revenue.
 - ii. To fund the increase in the level of infrastructure needs of the growing city population and the resultant impact this has on the operating costs in 2016/17 and future years
 - iii. To cope with growth in the population of Melton residents balanced with greater service demands from residents.
 - iv. To cope with cost shifting from the State Government (refer **Section 5- Page 7**)
 - v. To cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant and
 - vi. To cope with the continuing impact of the reducing level of state and federal operating grants.
- c. This will be a revaluation year. Valuations will be as per the General Revaluation dated 1 January 2016 (as amended by supplementary valuations).
- d. Council has chosen not to make any changes to the existing rate differential. In aggregate, total rates and charges will increase by 5.9% compared to 2015/16. This will be achieved by reducing the rate in the dollar to offset the 10.2% increase in property valuations across the municipal district following the general revaluation.
- e. Refer to Sections 7 and 15 for further Rates and Charges details.

3. Key Statistics

- Total Revenue: \$205.2 million (2015/16 forecast = \$219.6 million)
- Total Revenue (Excluding non cash revenue) \$154.6 million (2015/16 forecast = \$164.4 million)
- Total Expenditure: \$137.9 million (2015/16 forecast = \$129.7 million)
- Accounting Result: Surplus \$67.3 million (2015/16 forecast = \$89.9 million)

(Note: Based on total income of \$205.2M which includes capital grants, cash and non cash contributions of \$64.2 million- Refer to Income Statement in Section 3)

- Underlying operating result: Surplus of \$3.1 million (2015/16 forecast = surplus of \$4.9m)

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

- Cash result: \$13.8 million deficit (2016/17 forecast = \$19.5m surplus)

(Refer Statement of Cash Flows in Section 3)

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

- Total Capital Works Program of \$50.7 million which includes carry forward works of \$15.5 from 2015/16. The total capital works program is funded as follows:
 - \$20.83 million from Council operations (rates funded)
 - \$11.75 million from developer contributions
 - \$2.62 million from capital grants
 - \$15.5 million from carry forward surplus

4. Budget Influences

4.1 External Influences

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

- The Victorian State Government has introduced a cap on rate increases from 2016/17. The cap for 2016/17 has been set at 2.5%.
- State-wide CPI is forecast to be 2.5% for the 2016/17 year.
- The Victorian Wage Price Index is projected to be 3.25% in 2016/17.
- EBA increase has been built into the employee cost in 2016/17 at 2.5%. Council negotiated the last EBA effective from 1 July 2013 with wages growth linked to productivity at 3.5% per annum for a 3-year period. This agreement terminates on 30th June 2016. Council must renegotiate a new Collective Agreement by the end of 2015/16 financial year for commencement on 1 July 2016. The EBA increase of 2.5% does not include the cost of progression of staff through the various levels of the relevant award, nor does it cover cost of new staff.
- The Victorian Grants Commission and Local Roads funding is on an indexation freeze since 2014/15, however this is subject to an increase due to population growth. This has been allowed at a modest increase from 2015/16 levels in 2016/17. The impact of indexation freeze on the 2016/17 budget is estimated at \$0.560 million compared to the prior year.
- Costs associated with building materials and constructions are forecast to increase higher than CPI and this is particularly salient in the local government environment.
- Receipt of capital works funding of \$2.62 million for various capital projects including \$1.942 million for the Mt Cottrell road widening stage 2 project, and \$0.680 million for annual resurfacing and reseals and streetscape improvement program. 2015/16 forecast result projects a total of \$14.8 million in capital grants, any unspent component of these grants will be carried forward to 2016/17 for completion of the works.
- Increases of 3.3% (or \$2.02 per tonne) in the levy payable to the State Government upon disposal of waste into landfill, resulting in additional waste tipping costs. The levy has increased from \$9 per tonne in 2008/09 to \$60.52 per tonne in 2016/17 (572% increase in 8 years) and has added costs in excess \$1.1 million to Council's waste management service.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. More information and examples are shown in the section below.
- After number of years of downturn in the housing and building industry. There are early signs of some recovery and if this is sustained, will be beneficial to Council's financial position particularly because Melton is a joint partner in the Atherstone development.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of the all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

4.2 Internal influences

- Higher employee costs from the EBA increases resulting in additional ongoing employee costs in 2016/17 and also the projected increase in staff numbers to support new initiative programs approved by Council for 2016/17. The Council does not foresee an unfunded superannuation call in the short-term, hence the employee oncosts component in 2016/17 will be set at 20%, similar to 2015/16.
- Total budgeted revenue includes a conservative estimate of receipts from land sales from development agreements entered into by Council. There are early signs of improvement in the

housing market conditions for 2016/17 and beyond, hence the land sales forecast in the out years is projected to increase at a moderate phase to 2019/20.

4.3 Budget principles

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

- Existing fees and charges to be increased by a minimum of 3.5% in line with local government growth index except where statutory limitations apply.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2015/16 levels, with the aim to use less resources with an emphasis on innovation and efficiency. Any departure of growth in service levels justified through business case process.
- Salaries and wages are projected to increase in line with Enterprise Bargaining Agreement (EBA), estimated at 2.5% and growth in staff numbers.
- New initiatives or new employee proposals which are not cost neutral to be justified through a business case
- Contract labour and consultancy to be minimised.
- Real savings in expenditure and increases in revenue identified in 2015/16 to be preserved in 2016/2017.
- Operating revenues and expenses arising from capital projects completed in 2015/16 to be included in the operating results for 2016/2017

5. Cost Shifting

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

Type 1: Cost Shifting for Specific Services

Examples:

1. Library Services - \$1.8 million from 2011/12 to 2016/17
2. Maternal and Child Health - \$0.404 million for 2015/16
3. School Crossing Supervision - \$0.388 million from 2011/12 to 2016/17

Type 2: Loss of funding in General

Examples:

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

Type 3: Statutory fee that prohibits full cost recovery

Examples:

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

Type 4: Levies

Examples:

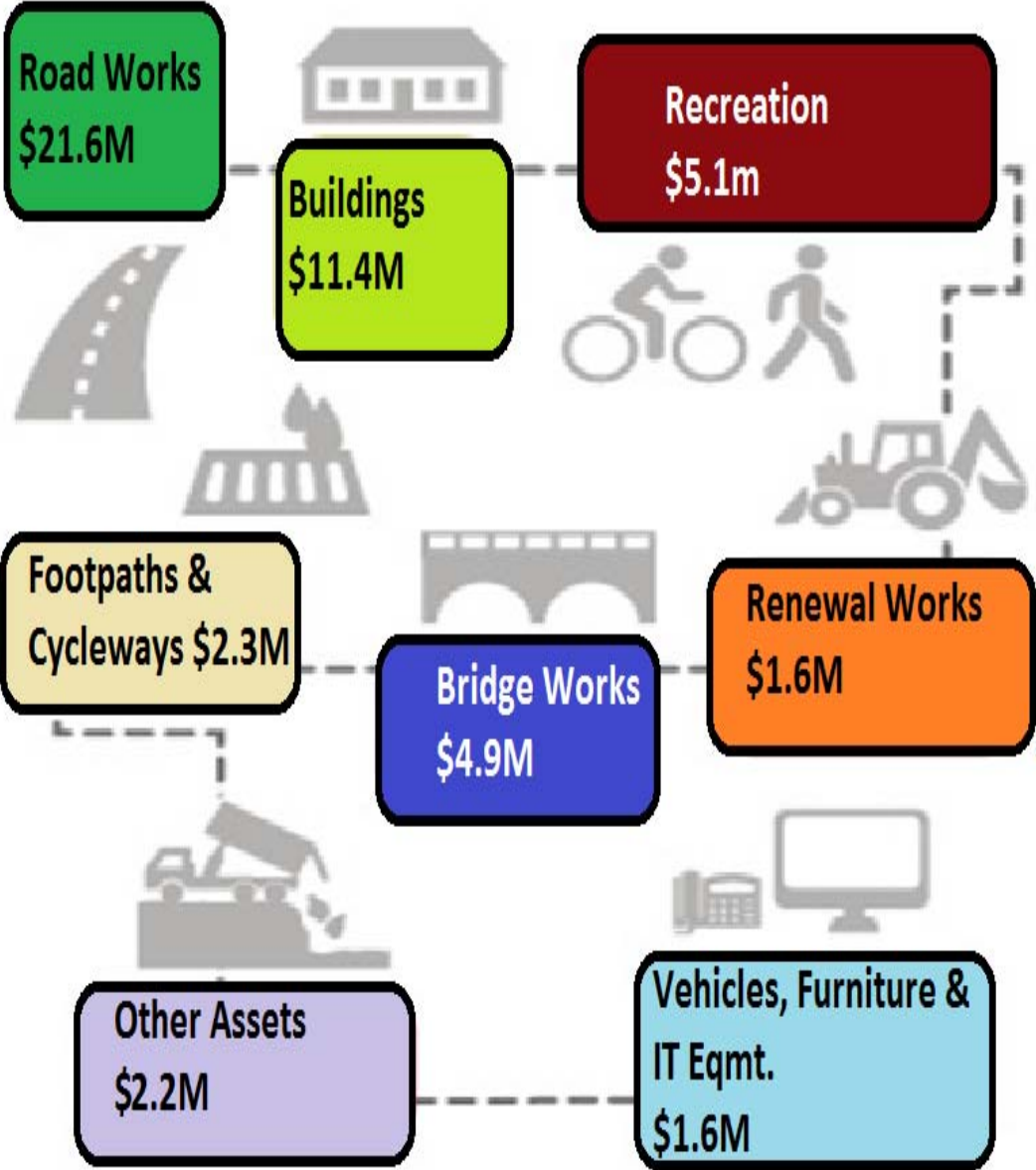
8. State Government landfill levy has increased from \$9 per tonne in 2008/09 to \$60.52 per tonne in 2016/17. The increase from 2015/16 to 2016/17 is conservatively estimated at \$0.100 million.
9. Total landfill levy for Melton City Council is estimated at \$1.1 million for the 8 years from 2008/09 to 2016/17.
10. The impact of Animal Registration Levy is estimated at \$0.268 million from 2011/12 to 2016/17

Type 5: Statutory requirements lead to increased costs

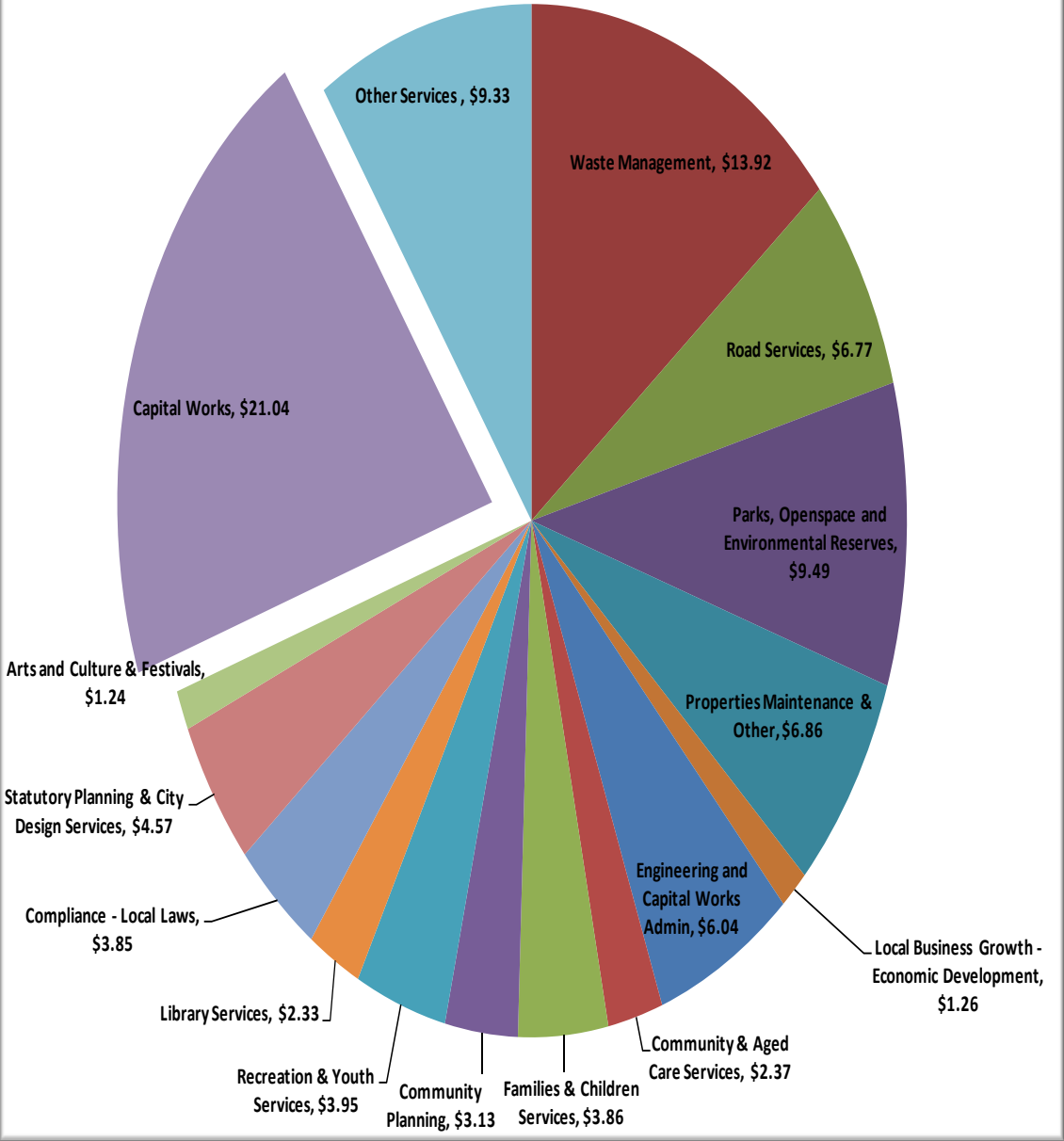
Examples:

11. Line clearance (cutting back tree branches around power lines) is approximately \$0.250 million from 11/12 to 2016/17.
12. State Emergency Services (SES). Council currently matches the state contribution dollar for dollar and is under no obligation to do so. Total co-contributions by Council for the last 10 years are estimated at \$0.142 million.

CAPITAL WORKS PROGRAM



How Is The Rates Revenue Allocated to Services Net Cost of Services per \$100 Rates



6. Population Growth

City of Melton's growth

2016 136,587	2026 207,256	2036 315,908
------------------------	------------------------	------------------------

- City of Melton is one of the fastest growing municipalities in Australia.
- In the last decade, the population of the City of Melton has increased from 80,595 to 136,587. During the last ten years the City of Melton has been growing at around 6.5 per cent annually.
- Between 2014-2015, the Melton City grew by 5,114 people.
- The total population at 30 March 2016 was 136,587.

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

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

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

Melbourne is the fastest-growing capital

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

City of Melton's rapid growth

City of Melton's ERP reached 132,752 at 30 June 2015, increasing by 5,114 people or 4.0% since 30 June 2014 (Australia 1.4% and Victoria 1.7%). This compared with a growth rate of 4.0% in 2013-14.

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

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

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

Between 2016 and 2036, the City of Melton population is projected to increase by a further 150% to 315,908, making it almost the size of Canberra today, growing at an average annual rate of 4.21%.

Source:

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



Budget Reports

Budget Reports

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

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

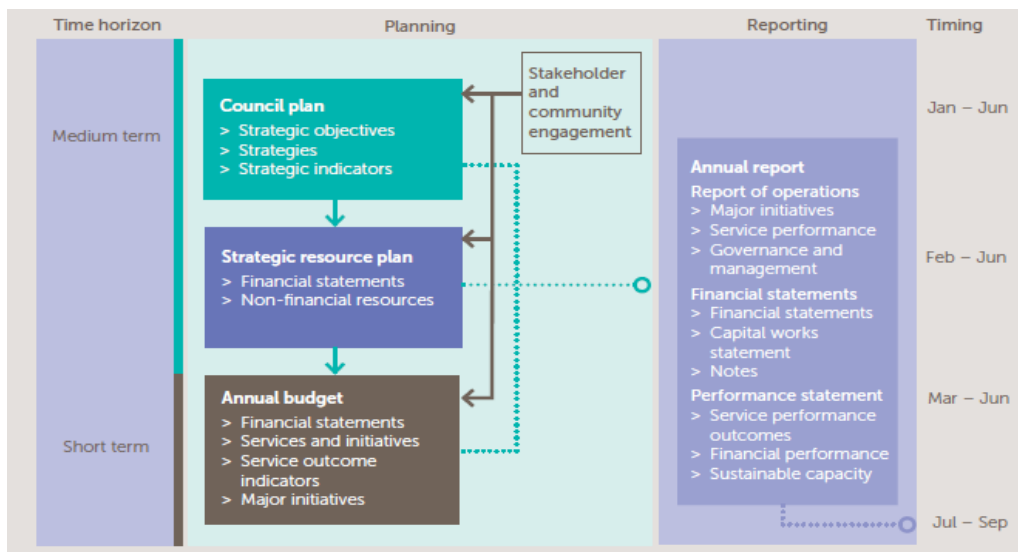
- 1 Links to Council Plan
- 2 Services and service indicators
- 3 Financial statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

1 Linkage to the Council Plan

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

1.1 Planning and accountability framework

This section provides a description of the services and initiatives to be funded in the Budget for the 2016/17 year and how these will contribute to achieving the strategic objectives outlined in the Council Plan. It also describes a number of major initiatives, initiatives and service performance outcome indicators for key areas of Council's operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Council Plan, the Budget and the Annual Report is shown below.



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

1.2 Our purpose

Our vision

A Proud Community Growing Together.

Our mission

Support the growth, wellbeing and aspirations of our community through leadership, excellence and inclusion.

Our values

Continuous Improvement

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

Recognition

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

Accountability

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

Fairness

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

Teamwork

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

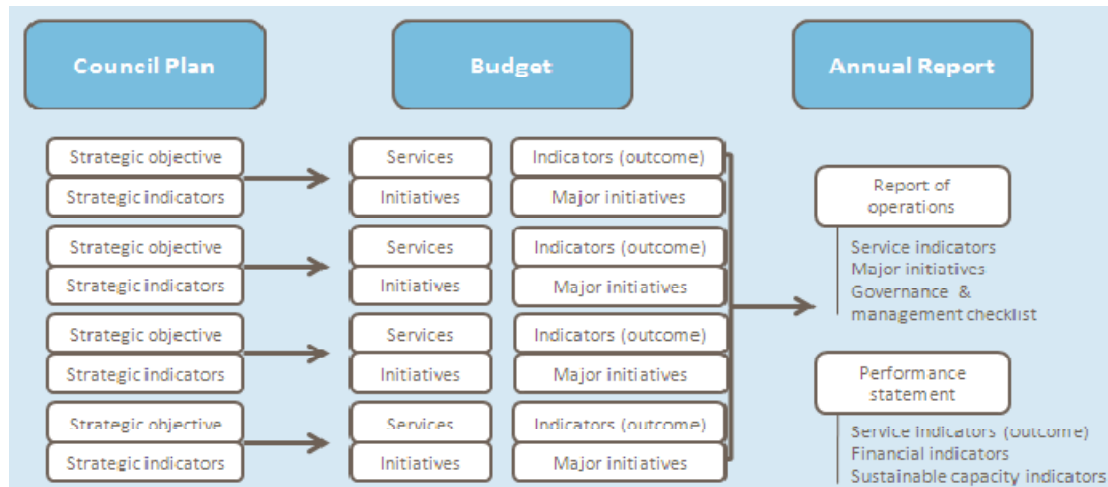
1.3 Strategic Outcomes

Council delivers services and initiatives across 19 Business Units. Each Business Unit contributes to the achievement of one or more of the four Strategic Outcomes as established in the Council Plan for the 2013-17 years. The following table exhibits the four Strategic Themes and Outcomes as described in the Council Plan.

Theme /Strategic Outcome	Description
1. Managing our growth: A clear vision to connect and develop a sustainable City	<p>Lead the development of a well-connected community through managing the responsible development of new physical, social and economic infrastructure to meet the needs of our residents. Protect and enhance our existing assets and ensure a balance between development and the conservation of the natural environment.</p> <p>Work in partnership to create a sense of place through the appearance and function of our natural and urban environment. Encourage local pride and enhance the image and perception of the City as an attractive place to live, work and invest.</p>
2. A well governed and leading organisation: Operating with innovation, transparency, accountability and sustainability	<p>Provide strategic leadership and work in collaboration to better engage, represent and communicate with our diverse community. Ensure that our services and facilities are efficient, effective and appropriate to seek the best outcomes for our community. Manage the municipality in an innovative, responsible and financially sustainable manner that meets the needs and aspirations of current and future communities.</p>
3. Diverse, confident and inclusive communities: A culturally rich, active, safe and connected City	<p>Through a range of services, support a strong, diverse and motivated community that is connected through access to a range of cultural, lifelong learning and leisure activities. Create a City where people feel safe, and feel a sense of belonging and community pride.</p>
4. Community health and wellbeing: A City of people leading healthy and happy lives	<p>Partner with relevant agencies and organisations to develop solutions and opportunities for healthy communities. Enhance the community's health and wellbeing, and promote social inclusion through engagement across all community sectors. Improve quality of life through education, support positive behaviour change in healthy lifestyles and encourage our community to be physically active.</p>

2. Activities, initiatives and service performance indicators

This section provides a description of the services to be funded in the Budget for the 2016/17 year and how these will contribute to achieving the strategic outcomes and strategic objectives specified in the Council Plan as set out in Section 1. It also includes the Council Plan Strategic Indicators and Local Government Performance Service Indicators and describes the major initiatives funded in this budget.



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

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

Initiatives are Council Priority projects to be undertaken during the 2016-17 financial year.

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

2.1 Strategic Outcome 1: Managing our growth: A clear vision to connect and develop a sustainable City.

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Capital Projects	Capital Projects is responsible for the planning, design and construction of a complex suite of new civil and community infrastructure within an operational framework delivering a works program via project management processes and controls. The unit's primary responsibility is to achieve the timely programming and roll-out of Council's capital projects.	1,856
		-
		1,856
Economic Development and Advocacy	Economic Development and Advocacy undertakes a range of initiatives and projects to enhance the economic growth of the City as well as advocate to various levels of Government on key advocacy priorities for the City.	1,398
		(52)
		1,346
Engineering Services (2)	Provision of design for capital works, traffic management planning, built assets management, civil and landscape infrastructure planning, and geographic information systems.	6,130
		(2,000)
		4,130
City Design, Strategy and Environment (1)	Provision of strategic planning and administration of the Melton Planning Scheme, environmental planning and management, environmental education programs, urban design and landscape architecture for assessment of planning permits, design and delivery of council assets and facilities.	3,065
		-
		3,065
Planning	Provision of assessment of planning and subdivision proposals under the relevant planning and subdivision legislation. Services provided include the assessment of Planning and Subdivision Applications, pre-application consultation, planning advice, post permit approvals, issue of Statements of Compliance, and collection, monitoring and reporting of development contributions.	1,992
		(530)
		1,462

Initiatives

1. Develop the **Integrated Water Cycle Management Plan** to set the direction for how Council more efficiently manages its water use and stormwater runoff. (\$30,000 net cost).

2. **Creation of speed hump across Inglewood Road in Burnside Heights**. (funded within Traffic Management Device Program budget)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory Planning	Decision making	Council planning decisions upheld at VCAT	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100

2.2 Strategic Outcome 2: A Well Governed and Leading Organisation: Operating with innovation, transparency, accountability and sustainability.

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Compliance	Administer general local laws enforcement, planning enforcement, building services, environmental health (Food Safety & Immunisation programs), animal management , parking enforcement and school crossings.	6,112
		(2,930)
		3,182
Customer Engagement	Provision of inbound call handling and counter services, communication strategies, civic functions and governance , events, arts and cultural activities.	4,596
		(387)
		4,210
Finance	Provision of financial services to both internal and external customers including the management of Council's finances, raising and collection of rates and charges and property valuation.	3,772
		(13,544)
		(9,771)
Information Services	Information Services provides leadership, support and improvement capability in the area of information and technology so that the organisation can deliver effective services.	5,021
		-
		5,021
Operations	Provision of waste management and cleaning services that include kerbside waste, recycling and organics collection, street and footpath sweeping services, litter collection, graffiti removal and the operation of the Melton Recycling Facility. Maintenance of our parks, open spaces, trees, property, drainage and roads . Emergency management planning and business continuity planning.	40,421
		(3,748)
		36,673
People and Culture	Provision of human resources, learning and development payroll, industrial relations, injury management, occupational health & safety, risk management and health & wellbeing initiatives.	2,059
		(11)
		2,048
Executive and Councillors	This area of governance includes the Mayor, Councillors, Chief Executive Officer and Executive Management Team and associated support which cannot be easily attributed to the direct service provision areas.	3,859
		(70)
		3,789
Legal services	Provision of a range of internal legal advice to Council in all relevant areas of law and report on all legal matters across Council. Process freedom of information requests and protected disclosure. Provision of Procurement, Fleet Management, Contract Services, Internal Audit services.	1,156
		(8)
		1,149

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
Roads	Satisfaction	Satisfaction with sealed local roads	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.
Animal Management	Health and safety	Animal management prosecutions	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100
Waste Collection	Waste Diversion	Kerbside collection waste diverted from landfill	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

2.3 Strategic Outcome 3: Diverse, confident and inclusive communities: A culturally rich, active, safe and connected City.

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Families and Children's Services (4)	Provision of services for children 0-12 years and their families. Programs include Maternal and Child Health , Child Care services, Kindergarten enrolment, playgroup and children's programs, family parenting programs, family support services, preschool field officer program, best start program and housing support (to vulnerable individuals and families). The service also facilitates Council's Early Years Partnership committee delivering Melton's Municipal Early Years Plan.	8,924
		(5,101)
		3,823
Community Care & Inclusion	Provision of a range of respite, centre based, Home and Community Care services for the aged, disabled and their carers including home delivered and centre based meals, personal care, transport, dementia care, home maintenance, housing support, senior citizen clubs, respite care and volunteer coordination.	7,252
		(4,903)
		2,350
Libraries (3)	Provision of public library services including collections, programs and activities from two library locations, online and via home library services to promote reading, learning and literacy.	3,232
		(925)
		2,307

Initiatives

3. **Provision of additional Seniors Technology Training from libraries and community centres.** (Nil net cost- funded within existing service budget)

4. Develop the **2017-2021 Municipal Early Years Learning Plan.** (Nil net cost- funded within existing service budget)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by Culturally and linguistically Diverse(CALD) people	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Maternal and Child Health(MCH)	Participation	Participation in the MCH service	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Libraries	Participation	Active library members	[Number of active library members / municipal population] x100

2.4 Strategic Outcome 4: Community health and wellbeing: A City of people leading healthy and happy lives Services

Services

Business Unit	Definition	Expenditure (Revenue) Net Cost \$'000
Recreation and Youth (5-11)	Provision of leisure and aquatic centres, sports infrastructure, reserves, youth support services and youth programs through Melton and Taylors Hill Youth Centres. The service also provides advice to Council on open space planning, sport development, leisure needs and access to recreation activities.	5,357
		(1,450)
		3,907
Community Planning (12-18)	Council's Community Planning Services plans, promotes and supports a more inclusive, engaged, sustainable, healthier, learned and safer community. This is delivered through the provision of strategic planning, policy development, and program delivery services in the functions of Council planning, social research, social planning, community infrastructure planning, health and wellbeing, community safety, road safety and active travel, violence prevention, community capacity development, community engagement, policy management, corporate planning and performance reporting, community funding, neighbourhood houses, community facilities management, and community learning planning and programs.	4,492
		(1,394)
		3,098

Major Initiatives - Council Priority Projects

5.Replacement of artificial bowling greens at Reserve Road Melton. (\$200,000 net cost)

Initiatives

6.Replace three Caroline Springs tennis court surfaces. Repair area around stormwater inlets to stop mulch and rubbish coming onto the tennis courts. (Nil net cost -Tennis Works Program Budget.)

7.Develop Diggers Rest Recreation Reserve Masterplan as identified in the approved Diggers Rest Precinct Structure Plan. (\$50,000 net cost).

8.MacPherson Park Directions Review: Develop a Directions Paper for Council's regional active open space MacPherson Park. (\$50,000 net cost).

9.Lighting Upgrade at MacPherson Park (Funded within existing Sports ground lightning renewal program)

10. Contribution to works at the Melton Pistol Club, pending successful State government grant application (\$8,000 net cost)

11. Support Friends of the Melton Botanic Gardens (\$50,000 net cost)

12. Facilitate the Community Vision. (Nil net cost- funded within existing service budget)

13. Develop the 2017-21 Council Plan. (Nil net cost- funded within existing service budget)

14. Develop the 2017-21 Municipal Public Health and Wellbeing Plan. (Nil net cost- funded within existing service budget)

15. Erection of Storage and Signage Shed for Melton Historical Society. (\$2,240 net cost)

16. Public Showing of ANZAC Film 'Melton ANZAC's remember them' on Anzac Day. (Nil net cost- funded within existing service budget.)

17. Support the Combined Churches Caring Melton Food Bank who distribute food and material aid to Melton residents. (\$15,000 per year for three years)

18. Support Australian Community Logistics, who redistribute food to vulnerable people in our community, to establish a place of operation within Caroline Springs. (\$10,000 per year for three years.)

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities	Number of visits to aquatic facilities / Municipal population

2.5 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on in the Performance Statement which is prepared at the end of the year as required by Section 132 of the Act and included in the 2016/17 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in Section 8) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the Report of Operations.

2.6 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
1: Managing our Growth: A clear vision to connect and develop a sustainable City	11,859	14,441	(2,582)
2: A well Governed and Leading Organisation: Operating with innovation, transparency, accountability and sustainability	46,298	66,996	(20,698)
3. Diverse, Confident and Inclusive Communities: A culturally rich, active, safe and connected City	8,479	19,408	(10,929)
4. Community Health and Wellbeing: A City of people leading healthy and happy lives	7,006	9,850	(2,844)
Total services and initiatives	73,644	110,695	(37,053)
Other non-attributable	-39,295		
Deficit before funding sources	34,349		
Funding sources:			
Rates & charges	-99,025		
Capital grants	-2,621		
Total funding sources	-101,646		
Surplus for the year	-67,297		

3. Financial statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2017/18 to 2019/20 has been extracted from the Strategic Resource Plan.

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

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

3.1 Comprehensive Income Statement

For the four years ending 30 June 2020

Budgeted Comprehensive Income Statement Year Ended 30th June	Forecast 2015/16 \$'000	Strategic Resource Plan Projections			
		Budget Projections			
		2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Income					
Rates and charges	92,448	98,575	103,996	109,717	115,752
Statutory fees and fines	2,655	2,697	2,737	2,779	2,820
User fees	9,397	9,603	9,939	10,287	10,647
Contributions - monetary	15,009	11,007	11,795	5,000	6,000
Contributions - non-monetary assets	55,195	50,592	63,000	62,700	62,500
Grants - Operating (recurrent)	22,700	22,688	23,596	24,539	25,521
Grants - Operating (non-recurrent)	325	344	353	361	370
Grants - Capital (non-recurrent)	14,881	2,621	7,541	5,895	6,023
Net gain on disposal of assets	2,597	2,794	1,815	1,851	1,888
Other income	4,432	4,311	4,419	4,529	4,642
Share of net P/Lof assoc. and joint ventures					
Total Income	219,639	205,232	229,191	227,658	236,163
Expenses					
Employee costs	46,709	49,579	51,562	53,625	55,770
Materials and services	53,537	56,053	59,136	62,388	65,820
Bad and doubtful debts	400	400	420	441	463
Depreciation and amortisation	23,727	25,517	26,538	27,599	28,703
Finance costs	1,499	1,322	1,715	1,513	1,600
Other expenses	3,829	5,064	5,317	5,583	5,862
Total Expenses	129,701	137,935	144,688	151,149	158,218
Surplus/(Deficit)	89,938	67,297	84,503	76,509	77,945
Other comprehensive income					
Items that will not be reclassified to surplus or deficit:					
Net revaluation increment/decrement					
Share of other comprehensive Income of assoc. and Joint vent.					
Items that may be reclassified to surplus or deficit in future periods					
Total Comprehensive Result	89,938	67,297	84,503	76,509	77,945

3.2 Balance Sheet

For the four years ending 30 June 2020

Balance Sheet As at 30 June	Strategic Resource Plan Projections				
	Forecast	Budget			
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Current assets					
Cash and cash equivalents	67,261	53,508	64,740	69,367	59,277
Trade and other receivables	10,206	11,136	11,315	11,421	12,527
Other Financial assets	5,156	-5,802	-4,259	-2,597	-1,248
Inventories	105	105	95	95	95
Non Current Assets held for resale	300	450	1,250	1,500	1,750
Other assets	2,350	2,000	2,200	2,300	2,400
Total current assets	85,378	61,397	75,342	82,086	74,800
Non-current assets					
Trade & other Receivables					
Property Plant & Equipment	1,428,375	1,508,644	1,582,139	1,648,131	1,727,096
Inventories	130	143	150	157	165
Investment property	7,000	7,500	7,500	8,000	8,500
Intangible assets	4,338	4,011	3,684	3,357	3,030
Other assets	1,410	1,425	1,440	1,450	1,475
Total non-current assets	1,441,253	1,521,722	1,594,912	1,661,095	1,740,266
Total Assets	1,526,631	1,583,119	1,670,254	1,743,181	1,815,066
Current liabilities					
Trade and other payables	18,353	12,213	11,840	11,820	12,203
Trust funds & deposits	1,753	1,933	2,189	1,996	2,103
Provisions	7,287	7,574	7,801	8,035	8,276
Interest-bearing loans and borrowings	6,905	3,373	2,820	2,965	2,303
Other current liabilities	75	75	71	68	64
Total Current Liabilities	34,373	25,168	24,722	24,884	24,950
Non-current liabilities					
Provisions	2,202	2,227	2,073	2,073	2,023
Interest bearing loans & borrowings	22,162	18,790	15,970	13,005	10,702
Other non current liabilities	3,500	3,800	3,694	3,892	3,843
Total non current liabilities	27,864	24,817	21,737	18,970	16,568
Total Liabilities	62,237	49,985	46,459	43,854	41,518
Net Assets	1,464,394	1,533,134	1,623,795	1,699,328	1,773,548
Equity					
Accumulated surplus	971,642	1,038,939	1,123,442	1,199,951	1,277,896
Asset revaluation reserve	454,193	455,393	456,893	458,393	459,893
Other reserves	38,559	38,802	43,460	40,984	35,759
Total Equity	1,464,394	1,533,134	1,623,795	1,699,328	1,773,548

3.3 Statement of Changes in Equity

For the four years ending 30 June 2020

Budgeted Statement of Changes in Equity For the years ending	Total	Accumulated	Revaluation	Other
	\$'000	Surplus	Reserve	Reserves
Year Ended 30th June 2017				
Balance at beginning of the financial year	1,464,394	971,642	454,193	38,559
Interest Income	850			850
Comprehensive result	67,297	67,297		
Net asset revaluation Increment/(decrement)	1,200		1,200	
Other PSP related Transfers				
Transfers to reserves	12,247			12,247
Transfers from Reserves	-12,854			-12,854
Balance at end of Financial Year	1,533,134	1,038,939	455,393	38,802
Year Ended 30th June 2018				
Balance at beginning of the financial year	1,533,134	1,038,939	455,393	38,802
Interest Income	878			878
Comprehensive result	84,503	84,503		
Net asset revaluation Increment/(decrement)	1,500		1,500	
Impairment losses on revalued assets				
Other PSP related Transfers				
Transfers to reserves	13,069			13,069
Transfers from Reserves	-9,289			-9,289
Balance at end of Financial Year	1,623,795	1,123,442	456,893	43,460
Year Ended 30th June 2019				
Balance at beginning of the financial year	1,623,795	1,123,442	456,893	43,460
Interest Income	898			898
Comprehensive result	76,509	76,509		
Net asset revaluation Increment/(decrement)	1,500		1,500	
Transfers to reserves	6,310			6,310
Transfers from Reserves	-9,684			-9,684
Balance at end of Financial Year	1,699,328	1,199,951	458,393	40,984
Year Ended 30th June 2020				
Balance at beginning of the financial year	1,699,328	1,199,951	458,393	40,984
Interest Income	923			923
Comprehensive result	77,945	77,945		
Net asset revaluation Increment/(decrement)	1,500		1,500	
Other PSP related Transfers	-1,000			-1,000
Transfers to reserves	7,347			7,347
Transfers from Reserves	-12,495			-12,495
Balance at end of Financial Year	1,773,548	1,277,896	459,893	35,759

3.4 Statement of Cash Flows

For the four years ending 30 June 2020

Budgeted Statement of Cash Flows As at 30 June	Strategic Resource Plan Projections				
	Forecast	Budget			
	2015/16	2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
Cash flows from operating					
Receipts					
General rates	92,687	97,675	104,700	109,617	114,652
Grants Income - Operating & Capital	37,906	25,653	31,490	30,795	31,914
Interest	1,850	1,710	1,758	1,807	1,858
User charges	11,715	12,280	13,555	13,016	13,415
Contributions & Reimbursements	15,009	11,007	10,295	5,000	6,000
Other revenue	2,565	2,601	2,674	3,749	3,326
Total Receipts	161,732	150,927	164,472	163,985	171,165
Payments					
Employee costs	47,132	49,268	51,489	53,391	55,579
Contractor payments	34,291	35,511	33,065	35,680	43,721
Other expenses	31,888	27,745	32,888	35,141	31,339
Total Payments	113,311	112,524	117,442	124,212	130,640
Net cash provided by operating activities	48,421	38,402	47,030	39,773	40,525
Cash flows from investing activities					
Proceeds from sales of property, plant and equipment	6,211	6,736	5,841	6,946	8,252
Payments for property, plant and equipment	-31,944	-50,665	-37,060	-38,265	-54,061
PSP Rolling Credit Payments	-2,284				-1,000
Net cash used in investing activities	-28,017	-43,930	-31,219	-31,319	-46,809
Cash flows from financing activities					
Finance costs	-1,499	-1,322	-1,205	-1,007	-841
Proceeds from borrowings	7,850				
Repayment of borrowings	-7,262	-6,905	-3,373	-2,820	-2,965
Net Cash used in financing activities	-911	-8,227	-4,578	-3,827	-3,806
Net decrease in cash & cash equivalents	19,493	-13,754	11,233	4,627	-10,090
Cash & equivalents at beginning of year	47,768	67,261	53,508	64,740	69,367
Cash & equivalents at 30 June	67,261	53,508	64,740	69,367	59,277

3.5 Statement of Capital Works

For the four years ending 30 June 2020

Budgeted Statement of Capital Works For the years ending 30th June	Forecast 2015/16 \$'000	Strategic Resource Plan Projections			
		Budget			
		2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000
Property					
Land	243	450			
Total Land	243	450			
Buildings & Building Improvements					
Buildings	5,685	11,448	4,824	6,154	34,259
Building Improvements					
Total Buildings	5,685	11,448	4,824	6,154	34,259
Total Property	5,928	11,898	4,824	6,154	34,259
Plant and equipment					
Plant, machinery and equipment	1,100	1,100	1,250	1,250	1,250
Fixtures, fittings and furniture	55	185	150	150	
Computers and telecommunications	318	320	320	320	320
Library books	200	360	375	375	375
Total Plant and Equipment	1,673	1,965	2,095	2,095	1,945
Infrastructure					
Roads	7,841	21,618	13,449	15,308	9,889
Bridges	820	4,930	770	370	370
Drainage	1,925	530	330	330	390
Recreational, leisure and community facilities	11,325	5,107	9,996	10,910	4,207
Other infrastructure	2,432	4,617	5,597	3,099	3,001
Total infrastructure	24,343	36,802	30,141	30,016	17,857
Total capital works expenditure	31,944	50,665	37,060	38,265	54,061
Represented by:					
Asset renewal expenditure	6,146	14,220	10,402	10,740	15,173
New asset expenditure	21,561	25,672	18,778	19,389	27,393
Asset Upgrade expenditure	3,477	4,948	3,619	3,737	5,280
Asset expansion expenditure	760	5,825	4,261	4,399	6,215
Total capital works expenditure	31,944	50,665	37,060	38,265	54,061
Represented by:					
Grants Income	6,146	14,220	10,402	10,740	15,173
Developer Contributions	21,561	25,672	18,778	19,389	27,393
C/f	3,477	4,948	3,619	3,737	5,280
Asset expansion expenditure	760	5,825	4,261	4,399	6,215
Total capital works expenditure	31,944	50,665	37,060	38,265	54,061

3.6 Statement of Human Resources

For the four years ending 30 June 2020

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

Budgeted Statement of Human Resources	Forecast 2015/16	Strategic Resource Plan			
		Budget			
		2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Employee Costs - Operating	46,709	49,579	51,562	53,625	55,770
Employee Costs - Capital					
Total Staff Costs	46,709	49,579	51,562	53,625	55,770
Total Staff Numbers					
Employees (EFT)	484.6	494.6	506.6	519.6	534.6
Total Staff Numbers (EFT)	484.6	494.6	506.6	519.6	534.6

Budgeted Statement of Human Resources	Forecast 2015/16	Strategic Resource Plan			
		Budget			
		2016/17	2017/18	2018/19	2019/20
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff Expenditure					
Executive Management	1,068	1,114	1,158	1,204	1,253
Corporate Services Management	10,882	12,192	12,680	13,187	13,714
Planning and Development Management	12,447	13,206	13,734	14,284	14,855
Community Services Management	22,313	23,068	23,990	24,950	25,948
Total Staff	46,709	49,579	51,562	53,625	55,770

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

Employee Numbers EFT (Equivalent Full Time)	Budget	Permanent	Permanent	Casuals
	2016/17	Full-Time	Part-time	
Executive Management	18.6	15.3	3.3	
Corporate Services Management	136.0	92.9	40.8	2.4
Planning and Development Management	106.5	98.0	6.7	1.8
Community Services Management	233.5	122.1	92.1	19.3
Total	494.6	328.3	142.8	23.5

4. Financial performance indicators

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

Financial Performance Indicators	Measure	Notes	Strategic Resource Plan Projections					Trend +/-
			Forecast 2015/16	Budget 2016/17	2017/18	2018/19	2019/20	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	4.1	3.6%	2.2%	4.2%	6.2%	8.3%	+
Liquidity								
Working Capital	Current assets / current liabilities	4.2	248.4%	243.9%	304.8%	329.9%	299.8%	o
Unrestricted cash	Unrestricted cash / current liabilities		55.3%	1.5%	52.8%	97.5%	87.3%	o
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4.3	31.4%	22.5%	18.1%	14.6%	11.2%	+
Loans and borrowings	Interest and principal repayments / rate revenue		9.5%	8.3%	4.9%	3.9%	3.9%	+
Indebtedness	Non-current liabilities / own source revenue		25.0%	21.0%	17.7%	14.7%	12.2%	+
Asset renewal	Asset renewal expenditure / depreciation	4.4	25.9%	55.7%	39.2%	38.9%	52.9%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	4.5	68.7%	69.9%	70.8%	71.2%	71.6%	-
Rates effort	Rate revenue / property values (CIV)		0.0044034	0.0042595	0.0043628	0.0041844	0.0042860	o
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$2,511	\$2,567.3	\$2,589	\$2,601	\$2,618	+
Expenditure level	Specific purpose grants expended / Specific purpose grants received		89.3%	95.6%	88.6%	92.1%	90.0%	o
Revenue level	Residential rate revenue / No. of residential assessments		\$1,210	\$1,250.4	\$1,236	\$1,222	\$1,208	+
Workforce turnover	No. of resignations & terminations / average no. of staff		13.9%	14.0%	14.0%	14.0%	14.0%	+

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

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Notes to indicators

4.1 Adjusted underlying result

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

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

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

The underlying result for 2016/17 at \$3.1 million is lower than 2015/16 forecast by \$1.8m. This is mainly attributable to the reducing level of operating revenue under rate capping regime and lower state and federal operating grants not keeping pace with the increase in operating expenditure due to increasing cost of service delivery. The indicator however is expected to improve significantly during the term of the current Strategic Resource Plan mainly due to the increasing level of land sales income based on the assumption that there will be a significant turn-around in the housing construction sector in Melton in the medium and long term.

4.2 Working capital

The proportion of current liabilities represented by current assets. Working capital is forecast to increase in 2016/17 year due to improved cash reserves to fund the capital program. The trend in later years is also expected improve steadily due to increasing levels of land sales revenue.

4.3 Loan and borrowings compared to rates

This indicator measures the level of Council's total debt as a percentage of rate revenue. The ratio improves significantly due to Council decision not to acquire new borrowing in 2016/17 and also to use the land sales revenue to retire existing debt and fund capital expenditure.

4.4 Asset renewal

This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and will require future capital expenditure to renew assets back to their existing condition. The trend indicates Council's renewal expenditure (renewal plus upgrade) is lower than the annual depreciation charge. While this is a useful indicator, however depreciation is an accounting measure and may not always represent asset consumption on an annual basis and care should be used in its interpretation.

4.5 Rates concentration

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

5. Other budget information (required by the Regulations)

This section presents other budget related information required by the Regulations

This section includes the following statements and reports:

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

5.1 Grants - operating (\$0.007 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to increase by only \$0.007 million compared to 2015/16 forecast. The level of grants for Community Care Inclusion and Family & Children programs are expected to be lower by 2.7% and 5.0% respectively compared to 2015/16 forecast, the overall reduction is offset by the projected increase in the Grants Commission funding due to population growth. 2016/17 is the final year of the grants commission indexation freeze. The reduction in operating grants is a continuing trend further exacerbated by the freeze in the grants commission income in the last 2 years.

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

Grants by Funding Types	Forecast	Budget	Variance
	2015/16	2016/17	
	\$'000	\$'000	\$'000
Recurrent Grants			
Grants Commission	13,082	13,369	287
Community Care & Inclusion			
Ageing Well & Diversity	1,091	1,242	151
Community Participation & Engagement	382	377	-5
Home Based Services and Other	2,988	2,769	-219
Family & Children			
Early Childhood Programs	242	167	-75
Early Years Partnership	292	297	5
Family Services	691	691	
Housing Services	341	344	3
Maternal Childhealth Services	1,483	1,398	-85
Social Planning and Welbeing and other			
Compliance			
School Crossing Supervisors	180	185	5
Immunisation and Other	83	102	19
Other Programs			
Youth & Youth Support	285	293	8
Library Services	830	830	
Community Capacity & Other	294	356	62
Neighbourhood Support	111	114	3
Social Planning & Welbeing	90	138	48
Road Safety Education	120	76	-44
Other	250	209	-41
Non Recurrent			
Waste Management	150		-150
Environmental and Other	40	75	35
Other			
Total	23,025	23,032	7

5.2 Grants - capital (\$12.260 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants is lower than 2015/16 forecast by \$12.26 million or 82.4%. This is mainly due to the fact that significant levels of one-off capital grants were received in the 2015/16. Unspent component of these grants will be carried forward to 2016/17 to complete the operating and capital programs in 2016/17. Section 6. "Analysis of Capital Works"

includes a more detailed breakdown of the grants and contributions expected to be received during the 2016/17 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Non Recurrent Grants	Note	Forecast 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Total Non Recurrent Capital Grants				
Land				
Buildings		2,300		-2,300
Roads		3,733	2,540	-1,193
Public Open Space		4,609	81	-4,528
Recreation		3,517		-3,517
Plant & Machinery				
Draingae		722		-722
Footpaths				
Total Non Recurrent Grants		14,881	2,621	-12,260

5.3 Statement of Borrowings

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

No new borrowings are envisaged in 2016/17. Council strategy in the current Strategic Resource Plan is to utilise land sales revenue to retire debt.

	2015/16 \$(000'S)	2016/17 \$(000'S)
Total amount borrowed as at 30 June of the Prior Year	28,480	29,068
Total amount to be borrowed	7,850	
Total amount projected to be redeemed	7,262	6,905
Total loan balance as at 30 June	29,068	22,163

6. Detailed list of Capital Works

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

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

New works for 2016/17

Works carried forward from the 2015/16 year.

2016-17 New and Carried forward Capital Works

ID	PROJECT	DESCRIPTION OF PROJECT	Total Project Cost 2016/2017	Reserve / DCP Funding 2016/2017	Grant Funding 2016/2017	Carry Forwards from 2015/16	Net Council Funding 2016/2017	Capital	Operating
	1. New Capital Works for 2016-17								
5001	Abey Road Bridge Construction	Construct bridge over Toolern Creek	2,200,000	2,200,000			-	2,200,000	
5002	Taylor's Hill West PSP - Sporting ovals & courts	Taylor's Hill West PSP - 2 senior football / cricket ovals, tennis & netball courts	1,427,926	1,427,926			-	1,427,926	
5008	Library Collection Acquisitions	To enable the delivery of various learning Communities strategies and activities and ensure sufficient resources are available for the community to meet growth and increasing demand within the community.	360,000				360,000	360,000	
5009	Greigs Road (West)	Construct kerb and seal shoulders at cutting	255,000				255,000	255,000	
5015	Taylor's Hill West PSP - Pavilion	Pavilion for playing fields & tennis	200,000	200,000			-	200,000	
5018	Footpath Replacement Program	Replacement of footpaths across the municipality based on condition audits	1,460,000				1,460,000	1,460,000	
5019	Plant & Machinery	Purchase of Plant & Machinery	1,100,000	1,100,000			-	1,100,000	
5020	Sealed Road Resurfacing and Rehabilitation Program	To be determined from Asset System	3,000,000		600,000		2,400,000	3,000,000	
5021	Building Components Annual Renewal Program	Replacement of building components at failure or planned end of life	1,208,000				1,208,000	1,208,000	
5022	Shared Paths Construction Program	Construction of Shared Paths across the municipality	800,000				800,000	800,000	
5023	Passive Reserve Development Program	Development of Reserves around the Municipality	695,000				695,000	695,000	
5024	Street Tree Planting Beautification Program	Planting and establishment of new street trees across the municipality.	500,000				500,000	500,000	
5025	Traffic Management Devices Construction Program	Construction of Traffic Management Devices across the municipality	500,000				500,000	500,000	
5026	Major Traffic Management Upgrade Program	Construction of Major Traffic Management Devices across the Municipality	300,000				300,000	300,000	
5027	Footpath Construction Program	Construction of New Footpaths across the municipality	250,000				250,000	250,000	
5028	Pedestrian Bridge Construction Program	Construction of Pedestrian Bridges across the municipality	250,000				250,000	250,000	
5029	Tennis Court Upgrade Program	Upgrades to renew surfaces and meet Aust Standards	208,000				208,000	208,000	
5030	Irrigation System Renewal Program	Renewal of existing irrigation systems within parks and open spaces across the municipality based on hierarchy and condition audit	200,000				200,000	200,000	
5031	Playground Replacement Program	Replacement of existing playgrounds within parks and open spaces across the municipality based on condition audit	100,000				100,000	100,000	
5032	Street Lighting Improvement Program	Installation of new public lighting across the municipality	150,000				150,000	150,000	
5033	Water Sensitive Urban Design Construction Program	Construction of Water Sensitive Urban Design treatments across the municipality	150,000				150,000	150,000	
5034	Netball Court Upgrade Program	Netball Court Upgrade Program across the municipality	135,000				135,000	135,000	
5035	Open Space Fencing Renewal Program	Renewal of Fencing around Open Space Reserves	120,000				120,000	120,000	
5036	Active Open Space Lighting Renewal Program	Active Open Space Lighting Renewal Program - Year 1 Audit & renewal/maintenance program of existing park (active rec) lighting for sporting fields	50,000				50,000	50,000	
5037	Parks and Open Space Furniture & Fixture Renewal Program	Renewal of existing furniture (benches, tables, BBQs, seats, bins) within parks and open spaces across the municipality based on condition audit	61,500				61,500	61,500	
5038	Parks and Open Space Structures Renewal Program	Renewal of existing building structures within parks and open spaces across the municipality based on condition audit	100,000				100,000	100,000	
5039	Active Open Space Grass Playing Surface Renewal Program	Renewal of existing grass playing surfaces within active open space reserves across the municipality based on condition audit	20,000				20,000	20,000	
5040	Passive Open Space Vegetation Renewal Program	Renewal of existing vegetation (garden beds, grasses) within passive open space reserves across the municipality based on condition audit	100,000				100,000	100,000	
5041	Roadside Hazard/Safety Improvements Program	removal and protection of roadside hazards across the municipality	100,000				100,000	100,000	
5042	Softfall and Softpath Renewal Program	Renewal of existing parks and open space softfall (ground material surrounding play equipment) and softpath (crushed rock walking paths) across the municipality based on condition audit	25,000				25,000	25,000	
5043	Sports Ground Lighting - New Installation Program	Installation of new sports ground lighting to Aust Standards	100,000				100,000	100,000	
5044	Sports Floor Renewal and Maintenance Program	Renewal of sports floors across the municipality	30,000				30,000	30,000	
5045	Underground Drainage/Flood Protection Works Program	Construction of Underground Drainage/Flood Protection Works across the municipality	100,000				100,000	100,000	
5046	Cricket Net and Run Up Refurbishment Program	Refurbishment of Cricket Nets and development of Run Up areas across the municipality	94,000				94,000	94,000	

ID	PROJECT	DESCRIPTION OF PROJECT	Total Project Cost 2016/2017	Reserve / DCP Funding 2016/2017	Grant Funding 2016/2017	Carry Forwards from 2015/16	Net Council Funding 2016/2017	Capital	Operating
5047	Bus Stop Works Program	Construction of improvements to bus stops across the municipality	45,000				45,000	45,000	
5048	Bridge Rehabilitation Program	Rehabilitation works to Bridges across the municipality as identified through condition audits	80,000				80,000	80,000	
5049	Culverts/Open Channels Construction Program	Construction of Culverts/Open Channels across the municipality	80,000				80,000	80,000	
5050	Road Safety Around Schools Program	Construction of works to improve road safety around schools across the municipality	80,000				80,000	80,000	
5051	Synthetic Field Maintenance Program	Renewal of Synthetic Fields	105,000				105,000	105,000	
5052	Kerb and Channel Renewal Program	Renewal of Kerb and Channel across the municipality	95,800				95,800	95,800	
5053	Sportsground Furniture Renewal Program	Renewal of furniture at sports grounds	42,000				42,000	42,000	
5054	DDA Works Program	Construction of DDA works across the municipality	40,000				40,000	40,000	
5055	Occupant Evacuation System Program	Retrofit to Existing Multi Occupied Facilities	40,000				40,000	40,000	
5056	Cricket Pitch Replacement Program	Replacement of Cricket pitches across the municipality	38,000				38,000	38,000	
5057	Asbestos Removal Program	Removal of Asbestos from Council Buildings across the municipality	26,500				26,500	26,500	
5058	Office Furniture - Replacement		150,000				150,000	150,000	
5059	Minns Rd Construction	Blackknight Way to Coburns Road	1,829,614	1,518,580			311,034	1,829,614	
5060	Mt Cottrell Rd Widening & Construction - Greigs Road West to Boundary Road	Griegs Road West to Change of Seal	3,490,188		1,940,610		1,549,578	3,490,188	
5061	Caroline Springs Recreation Reserve Tennis Complex (Year 1)	New pavilion and 12 court regional tennis facility (including lighting for 8 courts).	250,000				250,000	250,000	
5063	Bridge Road	Upgrade to Bridge Road to match Toolern entrance/gateway	560,000				560,000	560,000	
5067	Coburns Road Footpath	Coburns Road upgrade (from rural to urban standard) between southern boundary of PSP (eastern side) and Minns Road	78,500	78,500			-	78,500	
5068	Taylors Road & City Vista Drive Roundabout	Roundabout at southern entry City Vista Drive –construction - Taylors Hill West PSP	28,566	28,566			-	28,566	
5071	Refurbishment of Public Convenience Program	Refurbishment of Public Convenience Facilities across the Municipality	160,000	0			160,000	160,000	
5109	Abey Road: Toolern Creek to Ferris Road	Abey Road: Toolern Creek to Ferris Road. Upgrade of existing 2-lane sealed/ unsealed road to provide 2-lane carriageway of divided secondary arterial road (38 metre road reserve, length 2,160 metres) *Interim layout* Purchase land to increase reserve with from 19m to 38m for 270 metres east of Toolern Creek (ultimate). Includes offset cost for tree removal and EVC	5,500,000	5,200,000			300,000	5,500,000	
5245	Retail Activity Centre Signage	Branding and signage for Melton and Caroline Springs town centres	125,000	0	0		125,000	125,000	
5248	West Melton Recreation Reserve - Court conversion	Convert 2 tennis courts for use as multi-sport courts	45,000	0	0		45,000	45,000	
5249	Burnside Community Centre - Stage 2 Landscaping	Design & construct open space area between centre and passive reserve	150,000	0	0		150,000	150,000	
5250	Ball Protection Fencing Program	Erect ball protection fencing at end of grounds as identified by audit	40,000	0	0		40,000	40,000	
5255	Westwood Drive bridge	Construction of Bridge over Kororoit Creek	2,400,000	0	0		2,400,000	2,400,000	
5260	Non Active Open Space Lighting Renewal/Maintenance Program	Renewal and maintenance program of existing park lighting across the municipality based on condition audit	50,000	0	0		50,000	50,000	
5262	Mount Cottrell Recreation Reserve - Rehabilitation Works	Rehabilitation works required by EPA Management Plan	200,000	0	0		200,000	200,000	
5269	Corporate Desktop computer replacement program	Replacement of corporate desktop computers based on Asset Management Plan	210,000	0	0		210,000	210,000	
5270	Public Desktop computer replacement program	Replacement of public desktop computers (libraries etc) based on Asset Management Plan	110,000	0	0		110,000	110,000	
5271	Creebank Place Flood Protection Works	Upgrade outfall drain to mitigate local flooding in Creebank Place area	200,000	0	0		200,000	200,000	
5272	Caroline Springs Library Civic	Furniture replacement - Tables and chairs in the public area of the library, as well as Teen Gaming area refurbishment	16,000	0	0		16,000	16,000	
5273	Melton Library & Learning Centre	Furniture replacement - damaged furniture, including tables and chairs in the public area of the library	19,000	0	0		19,000	19,000	
5274	Rehabilitation of former landfill site - Shakamaker Drive	Rehabilitation of former landfill site	300,000	0	0		300,000	300,000	
5275	Taylors Road & Sinclair Road intersection	Design, acquisition of land & construction of intersection upgrade works - Project to be funded through Plumpton & Kororoit PSP's	50,000	0	0		50,000	50,000	
5277	Minns Road Construction (Gisborne-Melton Rd to Croxton Dr)	Construction of Minns Road to rural sealed road standard between Gisborne-Melton Rd and Croxton Drive	900,000	0	0		900,000	900,000	
5278	Melton Town Centre Streetscape Renewal	Renewal of streetscape in Melton town centre (Pride of Melton Project)	327,000	0	80,000		247,000	327,000	

ID	PROJECT	DESCRIPTION OF PROJECT	Total Project Cost 2016/2017	Reserve / DCP Funding 2016/2017	Grant Funding 2016/2017	Carry Forwards from 2015/16	Net Council Funding 2016/2017	Capital	Operating
5279	Event Site Infrastructure Works	Construction of permanent infrastructure to support events / festivals at Melton & Caroline Springs	30,000	0	0		30,000	30,000	
5280	Public Art Rehabilitation Program	Rehabilitation of public art installations & pieces	15,000				15,000	15,000	
5281	Atherstone Playspace	Construction of playspace in Toolern	750,000				750,000	750,000	
	Total Capital Works Program	TOTALS	35,005,593	11,753,571	2,620,610	0	20,631,412	35,005,593	0
	New Initiatives for 2016/17								
	Community Engagement and Other Proposals								
752	Storage and Signage Shed - Melton Historical Society	Erection of shed for storage and signage for items in the barn.	2,240				2,240	2,240	
754	Various works at the Melton Pistol Club	Urgent construction of crushed rock entrance road to the club for member access and emergency services ,Additional steelwork to contain bullets in ranges 2 & 3 Disability access, paths etc	8,000				8,000		8,000
768	Friends of the Melton Botanic gardens	Program to develop the MBG brings community pride, health benefits, sense of well-being through visiting the garden and interacting with the garden developments. Walkers, joggers, cyclists use the garden - nature play with family day-care. Involvement of community groups in planting. Schools and groups more involved. Disability groups involved in activities.	50,000				50,000		50,000
777	Replace artificial bowling greens	Replacement of artificial bowling greens at Reserve road Melton. Council has correspondence in hand regarding the replacement. Council has already given club commitment to replacing of greens,	200,000				200,000	200,000	
788	Combined Churches Caring MeltonFood Bank		3,000				3,000		3,000
780	Australian Community Logistics		10,000				10,000		10,000
	Community Health Project	\$400K allocation to be split over 2 years	200,000				200,000		200,000
	Total Community Engagement and Other Proposals		473,240	0	0	0	473,240	202,240	271,000
	Officer Staff Initiatives								
352	Diggers Rest Recreation Reserve Master Plan	As identified in the approved Diggers Rest Precinct Structure Plan, this includes an additional 2 hectares of active open space, an indoor active recreation facility, a new pavillion, an additional 2 tennis courts and an upgrade of the existing active open space.	50,000				50,000		50,000
732	Integrated Water Cycle Management Plan(IWCMP)	Sets the direction for how Council more efficiently manages its water use and stormwater run off.	30,000				30,000		30,000
737	MacPherson Park Masterplan	This will demonstrate a planned, staged and agreed vision for the regional park.	50,000				50,000		50,000
	Total Officer/Staff New Initiatives		130,000	0	0	0	130,000	0	130,000
	Total New Initiatives for 2016/17		603,240	0	0	0	603,240	202,240	401,000
	Total New Capital Works for 2016-17		35,608,833	11,753,571	2,620,610	0	21,234,652	35,207,833	401,000
	2. Works Carry Forward from the 2015/16 Year								
3733	Land Acquisition-Bridge Road		450,000			450,000		450,000	
8705	5 McKenzie St. Redevelopment-Stage 1		2,350,000			2,350,000		2,350,000	
8716	Sports Facilities & Ground Lighting Maintenance Program		50,000			50,000		50,000	
8737	Streetscape Improvements		4,116,765			4,116,765		4,116,765	
8759	Melton Council Office Space Development		6,620,000			6,620,000		6,620,000	

ID	PROJECT	DESCRIPTION OF PROJECT	Total Project Cost 2016/2017	Reserve / DCP Funding 2016/2017	Grant Funding 2016/2017	Carry Forwards from 2015/16	Net Council Funding 2016/2017	Capital	Operating
8761	Melton Civic Centre Redevelopment - Year 1(Design)		1,170,000			1,170,000		1,170,000	
8763	Taylors Hill West PSP-2 Senior Football / Cricket		300,000			300,000		300,000	
8783	Resale Centre Expansion INCL Car Park		100,000			100,000		100,000	
8811	Toolern Hub 6 - Bridge Road Reserve - Athletics Facility		150,000			150,000		150,000	
8848	Atherstone Play Space		150,000			150,000		150,000	
	Total Works Carried forward from the 2015/16 Financial Year		15,456,765	0	0	15,456,765		15,456,765	0
	S-223 Submissions								
Sub-007	Refurbishment of Kitchen Facilities at Melton Equestrian Park	\$30k has been approved by Council and this will be funded from the Maintenance/Community funding budget during the year							
	Submissions approved on the Budget adoption night								
Sub-009	Melton Centrals Football Netball Club	\$15K to be allocated to improve bare earth areas between the pavilion and grassed surfaces							
Sub-011	Melton Centrals Football Club	Works to be done to improve access to oval / Melton Centrals Cricket - \$15K to be allocated for fencing & bollards							
	2016-17 Total Capital Works Program Including New Works and Carried forward Works From 2015-16		51,065,598	11,753,570	2,620,610	15,456,765	21,234,652	50,664,598	401,000

6. 2 Capital expenditure by Asset Expenditure Types

For the Year ending 30 June 2017

Capital Works Area	Project Cost 16/17	Asset Expenditure Class				Funding Sources				Net Cost To Council
		New	Renewal	Upgrade	Expansion	Capital Grants	Developer Contributions & Other Reserves	Borrowings	Carry Forward from 15/16	
Vehicles - Capital Cost										
Plant Purchases/Replacement	1,100,000		1,100,000				1,100,000			0
Total Vehicles - Capital Cost	1,100,000	0	1,100,000	0	0	0	1,100,000	0	0	0
Furniture										
Office Furniture	150,000		150,000							150,000
Melton Library	19,000		19,000							19,000
Caroline Springs Library	16,000		16,000							16,000
Total Furniture	185,000	0	185,000	0	0	0	0	0	0	185,000
IT Equipment										
Corporate Desktop Computer Replacement	210,000		210,000							210,000
Public Desktop Computer Replacement	110,000		110,000							110,000
Total IT Equipment	320,000	0	320,000	0	0	0	0	0	0	320,000
Land										
Land Acquisition-Bridge Road	450,000	450,000							450,000	0
Total Land	450,000	450,000	0	0	0	0	0	0	450,000	0
Buildings										
5 McKenzie St. Redevelopment-Stage 1	2,350,000	2,350,000							2,350,000	0
Melton Council Office Space Development	6,620,000	6,620,000							6,620,000	0
Melton Civic Centre Redevelopment - Year 1(Design)	1,170,000	1,170,000							1,170,000	0
Buildings - Community Centre / Pavilion Annual Renewal	1,208,000		1,208,000							1,208,000
Resale Centre Expansion INCL Car Park	100,000				100,000				100,000	0
Total Buildings	11,448,000	10,140,000	1,208,000	0	100,000	0	0	0	10,240,000	1,208,000
Roads										
Minor Traffic Control Works	500,000			500,000						500,000
DDA Works	40,000			40,000						40,000
Roadside Safety Projects	80,000			80,000						80,000
Major Traffic Control Works	300,000		300,000							300,000
New Footpaths Construction Program	250,000	250,000								250,000
Annual Resurfacing Periodic Reseals	3,000,000		3,000,000			600,000				2,400,000
Kerb & Channel Rehabilitation	95,800			95,800						95,800
Abey Road- Toolern Creek to Ferris Road	5,500,000	5,500,000					5,200,000			300,000
Public Lighting	150,000	150,000								150,000
Roadside Hazard/Safety Improvements Program	100,000			100,000						100,000
Streetscape Improvements	4,443,765		4,443,765			80,000			4,116,765	247,000
Greigs Road (West)	255,000				255,000					255,000
Minns Rd Construction	1,829,614				1,829,614		1,518,580			311,034
Bridge Road	560,000	560,000								560,000
MT Cottrell Road Widening (Stage 2)	3,490,188				3,490,188	1,940,610				1,549,578
Bus Stop Works Program	45,000			45,000						45,000
Minns Road Construction (Gisborne to Croxton)	900,000			900,000						900,000
Taylors Road & Sinclair Road Intersection	50,000	50,000								50,000
Taylors Rd & City Vista Drv Roundabout	28,566	28,566					28,566			0
Total Roads	21,617,933	6,538,566	7,743,765	1,760,800	5,574,802	2,620,610	6,747,146	0	4,116,765	8,133,412
Drainage										
WSUD-Water Sensitive Urban Design Program	150,000				150,000					150,000
Underground Drainage/Flood Protection Works	100,000			100,000						100,000
Culverts/Open Channels Construction Program	80,000	80,000								80,000
Creebank PJ Flood Protection Works	200,000			200,000						200,000
Total Drainage	530,000	80,000	0	300,000	150,000	0	0	0	0	530,000
Bridges										
Bridgeworks - Pedestrian	250,000			250,000						250,000
Bridgeworks Construction-Westwood Dr Bridge	2,400,000	2,400,000								2,400,000
Abey Road Bridge Construction	2,200,000	2,200,000					2,200,000			0
Bridge Rehabilitation Program	80,000		80,000							80,000
Total Bridges	4,930,000	4,600,000	80,000	250,000	0	0	2,200,000	0	0	2,730,000
Recreation										
Sportsground Renovations	42,000		42,000							42,000
Willows Historical Park	2,240			2,240						2,240
Melton Bowling Club's Green Restoration	200,000			200,000						200,000
Cricket Facilities Improvement Program	38,000		38,000							38,000
Cricket Net Refurbishment Program	94,000		94,000							94,000
Netball Court Upgrade	135,000			135,000						135,000
Sports Facilities & Ground Lighting Maintenance Program	150,000	150,000						50,000		100,000
Caroline Springs Sub Regional Tennis Centre-Design	250,000	250,000								250,000

Capital Works Area	Project Cost 16/17	Asset Expenditure Class				Funding Sources				Net Cost To Council
		New	Renewal	Upgrade	Expansion	Capital Grants	Developer Contributions & Other Reserves	Borrowings	Carry Forward from 15/16	
Tennis Court Upgrade	208,000		208,000							208,000
Taylors Hill West PSP-2 Senior Football / Cricket	1,727,925	1,727,925					1,427,925		300,000	0
Passive Reserve Development Program	695,000			695,000						695,000
Taylors Hill West PSP - Pavilion	200,000	200,000					200,000			0
Toolem Hub 6 - Bridge Road Reserve - Athletics Facility	150,000	150,000							150,000	0
Mount Cottrell Recreation Reserve - Rehabilitation	200,000			200,000						200,000
West Melton Recreation Reserve - Court Conversion	45,000			45,000						45,000
Ball Protection Fencing Program	40,000			40,000						40,000
Event Site Infrastructure Works	30,000			30,000						30,000
Atherstone Play Space	900,000	900,000							150,000	750,000
Total Recreation	5,107,165	3,377,925	382,000	1,347,240	0	0	1,627,925	0	650,000	2,829,240
Library Books										
Library Collection	360,000	360,000								360,000
Total Library Books	360,000	360,000	0	0	0	0	0	0	0	360,000
Other Assets										
City Promotion	125,000	125,000								125,000
Capex Program - Occupant Warning System(OWS)	40,000			40,000						40,000
Rehabilitation of Landfill Site - Shakamaker Drv	300,000			300,000						300,000
Burnside Community Centre - Stage 2 Landscaping	150,000			150,000						150,000
Total Other Assets	615,000	125,000	0	490,000	0	0	0	0	0	615,000
FootPaths & Cycleways										
Footpaths Maintenance/Replacement	1,460,000		1,460,000							1,460,000
Shared/Bicycle Paths Construction Program	800,000			800,000						800,000
Coburns Road Footpath	78,500		78,500				78,500			0
FootPaths & Cycleways	2,338,500	0	1,538,500	800,000	0	0	78,500	0	0	2,260,000
Renewal Capital Expenditure										
Playground Upgrade Program	100,000		100,000							100,000
Parks Playgrounds and Furniture	61,500		61,500							61,500
Parks and Reserve Fencing	120,000		120,000							120,000
Passive Open Space Vegetation Renewal Program	100,000		100,000							100,000
Synthetic Field Maintenance	105,000		105,000							105,000
Soft Fall/ Soft Path Renewal	25,000		25,000							25,000
Parks & Open Space Lighting Renewal Program	50,000		50,000							50,000
Irrigation System Renewal Program	200,000		200,000							200,000
Active Open Space Grass Playing Surface Renewal Pr	20,000		20,000							20,000
Non Active Open Space Lighting Renewal/Maintenance	50,000		50,000							50,000
Capex Program - Asbestos Removal	26,500		26,500							26,500
Refurbishment of Public Convenience Program	160,000		160,000							160,000
Parks and Open Space Structures Renewal Program	100,000		100,000							100,000
Tree Planting	500,000		500,000							500,000
Capex Program - Timber Sports Floors	30,000		30,000							30,000
Renewal Capital Expenditure	1,648,000	0	1,648,000	0	0	0	0	0	0	1,648,000
Public Art Projects										
Public Art Rehabilitation Program	15,000		15,000							15,000
Public Art Projects	15,000	0	15,000	0	0	0	0	0	0	15,000
Total Capital works	50,664,598	25,671,491	14,220,265	4,948,040	5,824,802	2,620,610	11,753,570	0	15,456,765	20,833,653

7. Rates and charges

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

7. Rates and charges

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 69.9% of Council's underlying revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2016/17 the FGRS cap has been set at 2.5%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

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

It is predicted that the 2016/17 operating position will be significantly impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future revenue growth while containing costs in order to achieve an almost breakeven operating position by 2018/19 as set in the Strategic Resource Plan. The \$20.8 million contribution from operations toward capital investment for the 2016/17 year is also much less than the desired level of \$25.5 million and therefore, unless it can be increased, it will be difficult to maintain robust capital works programs in the future.

In order to achieve these objectives while maintaining service levels and a strong capital expenditure program, the total general rate, municipal charge and waste service charge will increase by 2.5% in line with the rate cap. This will raise total rates and charges for 2016/17 of \$98.5 million, including \$2.56 million generated from supplementary rates.

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

Type or class of land	2015/16	2016/17	Change
	cents/\$CIV	cents/\$CIV	
General Rate	0.34870	0.32487	-6.8%
Vacant Land	0.52305	0.48731	-6.8%
Extractive Industry Land	1.00424	0.93563	-6.8%
Commercial/Industrial Developed Land	0.55791	0.51979	-6.8%
Commercial/Industrial Vacant Land	0.69739	0.64974	-6.8%
Retirement Village Land	0.29638	0.27614	-6.8%
Rural Living Land	0.31383	0.29238	-6.8%
Rural Land	0.25106	0.23391	-6.8%
Urban Growth Land	0.26152	0.24365	-6.8%

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

Type or class of land	2015/16 \$	2016/17 \$	Change
General Rate	54,146,687	57,702,978	6.6%
Vacant Land	4,599,158	5,049,581	9.8%
Extractive Industry Land	495,623	447,053	-9.8%
Commercial/Industrial Developed Land	8,705,227	9,082,494	4.3%
Commercial/Industrial Vacant Land	1,561,916	1,634,767	4.7%
Retirement Village Land	523,715	492,348	-6.0%
Rural Living Land	480,417	476,847	-0.7%
Rural Land	1,821,217	1,814,367	-0.4%
Urban Growth Land	2,722,088	2,877,165	5.7%
Sub-Total	75,056,048	79,577,599	6.0%
Less EER Rebate	(1,700,000)	(1,750,000)	2.9%
Less Pension Rebate	(420,000)	(490,000)	16.7%
Total net amount to be raised	72,936,048	77,337,599	6.0%

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

Type or class of land	2015/16	2016/17	Change
General Rate	42,290	43,948	3.9%
Vacant Land	3,217	3,588	11.5%
Extractive Industry Land	7	7	0.0%
Commercial/Industrial Developed Land	1,954	2,091	7.0%
Commercial/Industrial Vacant Land	259	265	2.3%
Retirement Village Land	560	560	0.0%
Rural Living Land	221	223	0.9%
Rural Land	565	565	0.0%
Urban Growth Land	395	393	-0.5%
Total number of assessments	49,468	51,640	4.4%

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

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

Type or class of land	2015/16 \$	2016/17 \$	Change
General Rate	15,528,158,000	17,761,783,000	14.4%
Vacant Land	879,296,000	1,036,221,000	17.8%
Extractive Industry Land	49,353,000	47,781,000	-3.2%
Commercial/Industrial Developed Land	1,560,328,100	1,747,324,200	12.0%
Commercial/Industrial Vacant Land	223,966,000	251,602,000	12.3%
Retirement Village	176,704,000	178,296,000	0.9%
Rural Living Land	153,082,000	163,089,000	6.5%
Rural Land	725,411,000	775,677,000	6.9%
Urban Growth Land	1,040,872,000	1,180,842,000	13.4%
Total value of land	20,337,170,100	23,142,615,200	13.8%

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

Type of Charge	Per Rateable Property 2015/16 \$	Per Rateable Property 2016/17 \$	Change
Municipal	136	139	2.2%

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

Type of Charge	2015/16 \$	2016/17 \$	Change
Municipal	6,727,648	7,177,960	6.7%

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

Waste Service Option	Garbage Service	Green Waste Service	Recycle Service	Per Rateable Property 2015/16 \$	Per Rateable Property 2016/17 \$	Change
A	120 litre bin	240 litre bin	240 litre bin	305	313	2.6%
B	80 litre bin	240 litre bin	240 litre bin	271	278	2.6%
C	120 litre bin	120 litre bin	240 litre bin	261	268	2.7%
D	80 litre bin	120 litre bin	240 litre bin	227	233	2.6%
E	120 litre bin		240 litre bin	218	223	2.3%
F	80 litre bin		240 litre bin	186	191	2.7%
Extra Bin				133	136	2.3%

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

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

Type of Charge	2015/16 \$	2016/17 \$	Change
Waste Service –Option A	2,852,360	3,052,689	7.0%
Waste Service –Option B	532,244	574,070	7.9%
Waste Service –Option C	2,552,058	2,788,808	9.3%
Waste Service –Option D	1,105,263	1,196,455	8.3%
Waste Service –Option E	2,209,648	2,304,705	4.3%
Waste Service –Option F	1,284,702	1,308,732	1.9%
Waste Service –Extra bin service	230,755	270,096	17.0%
Total	10,767,030	11,495,555	6.8%

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

	2015/16 \$	2016/17 \$	Change
Rates and charges after rebates	90,430,726	96,011,114	6.2%
Supplementary rates (including new Waste Services)	2,479,000	2,564,332	3.4%
Total	92,909,726	98,575,446	6.1%

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

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

- The making of supplementary valuations
- The variation of returned levels of value e.g. valuation appeals and Valuer General approval on the general revaluation
- Changes of use of land such that rateable land becomes non-rateable land and vice versa
- Changes of use of land such that residential land becomes business land and vice versa
- Changes to planning zones.

Differential rates

7.2.1 Rates to be levied

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

Category	Rate %	Cents in the \$ value of C.I.V
General Rate	0.32487%	0.32487 cents in the dollar value of property
Vacant Land	0.48731%	0.48731 cents in the dollar value of property
Extractive Land	0.93563%	0.93563 cents in the dollar value of property
Commercial & Industrial Developed Land	0.51979%	0.51979 cents in the dollar value of property
Commercial & Industrial Vacant Land	0.64974%	0.64974 cents in the dollar value of property
Retirement Village Land	0.27614%	0.27614 cents in the dollar value of property
Rural Living Land	0.29238%	0.29238 cents in the dollar value of property
Rural Land	0.23391%	0.23391 cents in the dollar value of property
Urban Growth Land	0.24365%	0.24365 cents in the dollar value of property

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

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

7.2.2 General Rate

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

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

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

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

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

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

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

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

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

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

7.2.3 Vacant Land

Vacant Land is any land:

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

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

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

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

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

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

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

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

7.2.4 Extractive Industry Land

Extractive Industry Land is any land which is:

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

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

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

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

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

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

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

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

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

7.2.5 Commercial/Industrial Developed Land

Commercial/Industrial Developed land is any land which:

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

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

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

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

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

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

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

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

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

7.2.6 Commercial/Industrial Vacant Land

Commercial/Industrial Vacant Land is any land:

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

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

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

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

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

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

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

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

7.2.7 Retirement Village Land

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

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

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

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

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

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

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

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

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

7.2.8 Rural Living Land

Rural Living Land is any land which is:

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

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

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

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

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

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

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

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

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

7.2.9 Rural Land

Rural Land is any land which is:

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

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

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

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

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

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

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

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

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

7.2.10 Urban Growth Land

Urban Growth Land is any land which is:

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

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

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

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

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

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

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

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

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



Budget Analysis (Best Practice)

Budget Analysis

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

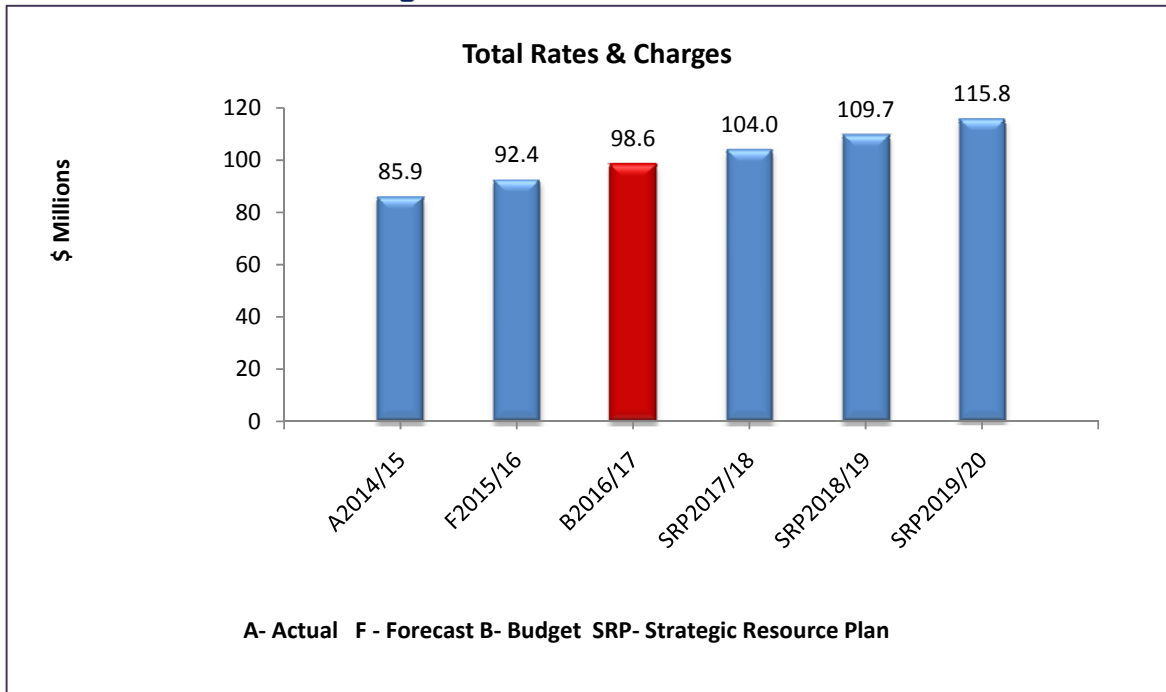
This section includes the following analysis and information:

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

8. Summary of financial position

In the following pages key budget information is provided on rate increase, operating result, cash and investments, capital works, financial position, and financial sustainability of the Council. Charts shown illustrate the 2015/16 forecast result, 2016/17 budget projections and the 3 year forward look from the Council's latest 2016/17 to 2019/20 Strategic Resource Plan.

8.1 Total Rates and Charges



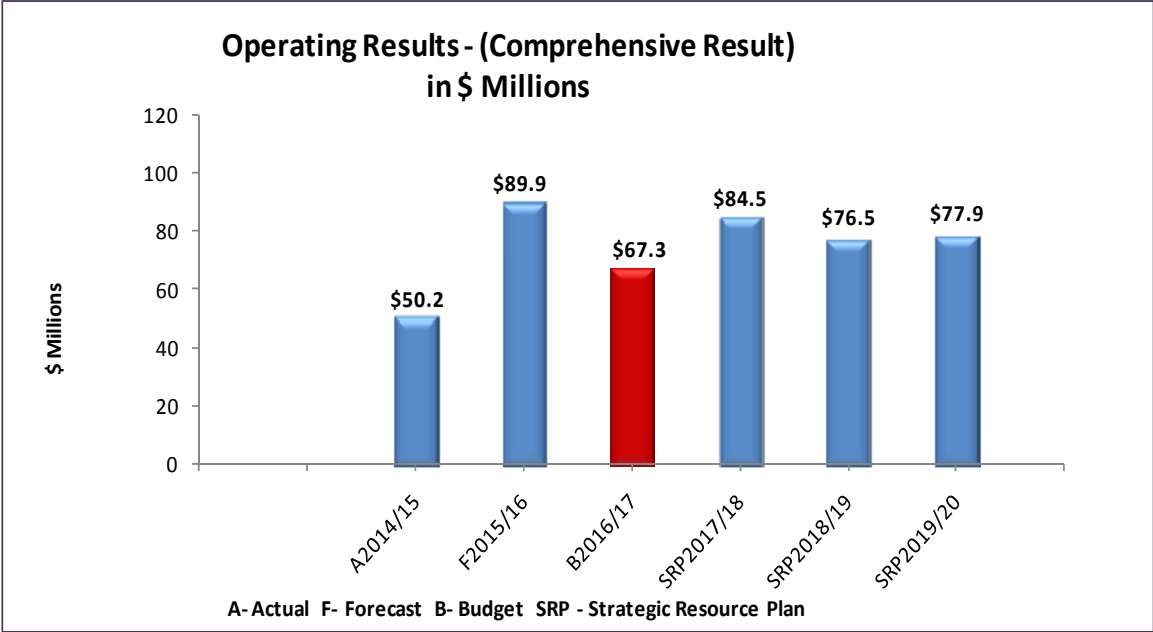
Rates are Council's principal source of income; in 2016/2017 they represent 69.9% of Council's underlying revenue (Excluding capital and non recurrent grants, cash and non cash developer contributions and non operational asset sales).

The rates and charges will rise by 2.5% in line with the order by the Minister for Local Government on 14 December 2015 under the Fair Go Rates System.

The rate increase of 2.5% will raise total rates and charges of \$98.6 million, after the environmental rebate of \$1.75 million. Total rate revenue includes \$2.55 million generated from supplementary rates. This rate increase has been allocated to maintaining existing service levels, fund a number of new initiatives and the balance is utilised to fund the capital works program primarily directed towards adding much needed new and renewal of the Council's infrastructure. This budget provides for funding of \$50.7 million of capital works in 2016/17 which includes \$15.5 million of carry forward works from 2015/16.

The rate increase projected for 2016/17 year in the last Strategic resource Plan was 5.0%. Refer also to Sections 7 for more information on Rates and Charges.

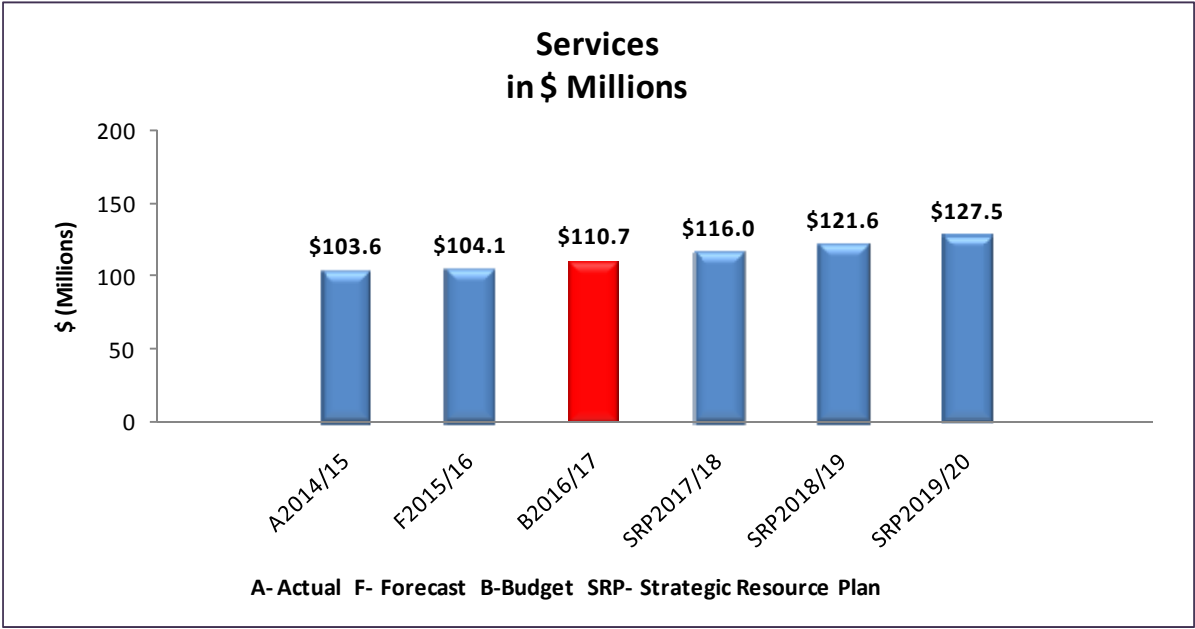
8.2 Operating Result



The expected operating result for the 2016/17 year is a surplus of \$67.3 million, which includes contributed assets of \$50.6 million. The operating surplus is a decrease of \$22.6 million from the 2015/16 forecast results. This reduction is a combination of reductions in cash and non-cash contributed assets, capital grants compared to 2015/16 together with increase in materials and services, employee costs, utility expenses and depreciation charge for the year.

The adjusted underlying result, which excludes items such as non-recurrent capital grants and cash and non-cash contributions, is a surplus of \$3.1 million for the year, which is a reduction of \$1.8 million over 2015/16 result – refer to notes 4.1 on Sections 4 and 10.1 on Section 10 for further information on underlying results.

8.3 Services



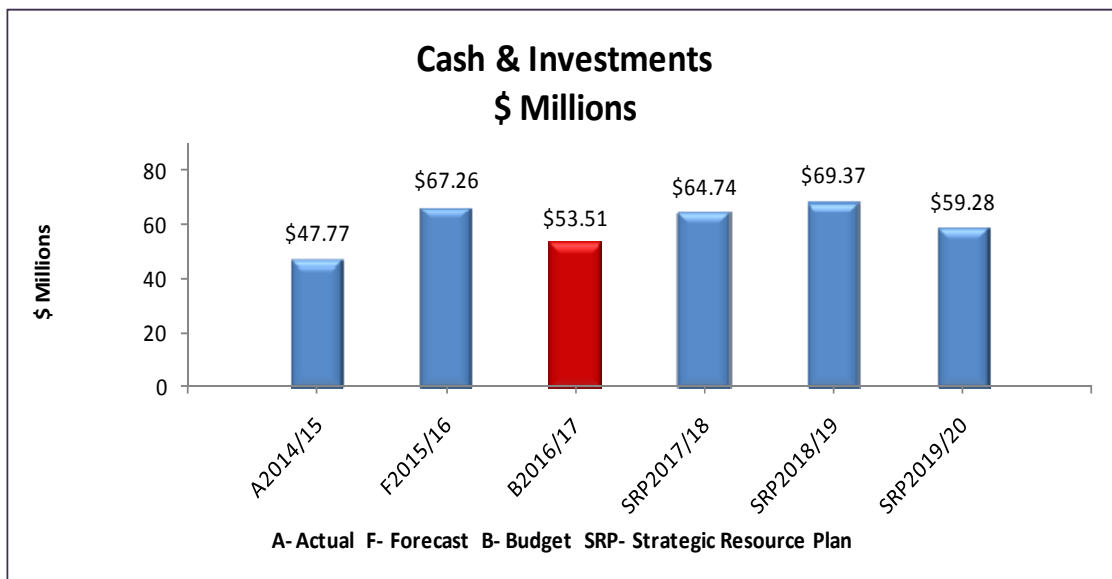
The net cost of services projected to be delivered to the community in 2016/17 is budgeted at \$110.7 million which is an increase of \$6.6 million over 2015/16 forecast. This increase is attributable to the increase in employee costs (\$2.9 million), contract & material costs (\$1.9million), Utilities (\$1.2 million) and maintenance expenditure (\$0.600 million).

The steady increase in services costs over the next 3 years is the outcome of, additional services and facilities required as a result of projected increase in the population, continued subdivisional and building activity, all of which are predicted to remain relatively strong in the medium and long term. Wages costs are also expected to increase annually by EBA (Enterprise Bargaining Agreements) and services costs are expected to increase at much higher rate than CPI (Consumer Price Index).

For the 2016/17 year, service levels have been maintained, and where necessary expanded, to meet the demands of the community. A number of new activities and initiatives have also been adopted in 2016/17 at a net cost of over \$0.603 million, as detailed in the capital works schedule under Section 6.

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

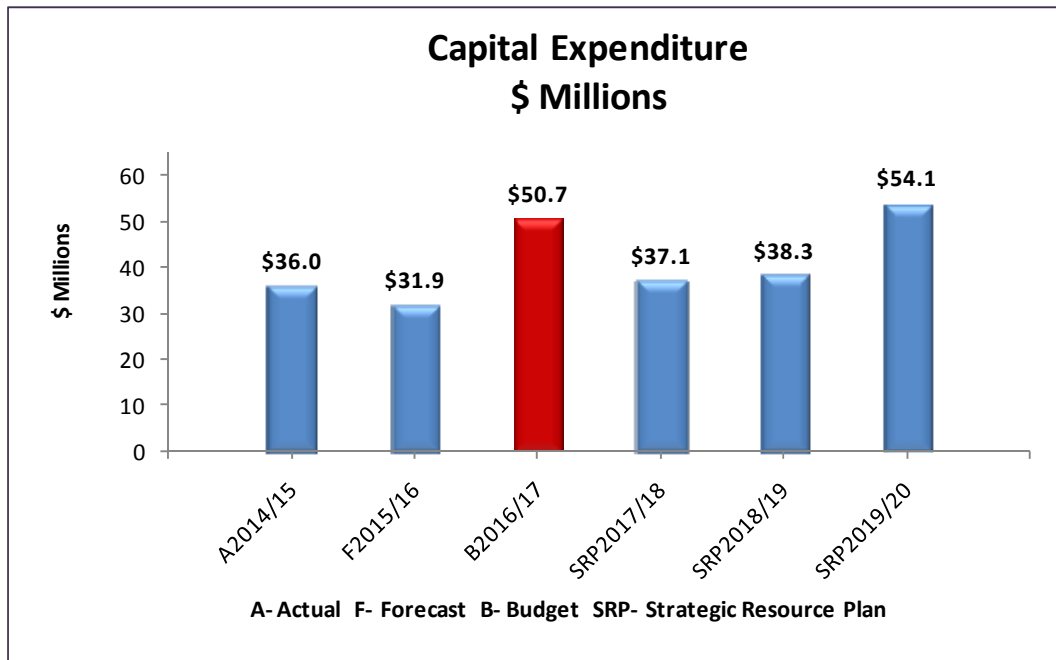
8.4 Cash and Investments



Cash and investments are budgeted at \$53.5 million by the end of 2016/17, which is a reduction of \$13.7 million from the 2015/16 forecast of \$67.3 million. This decrease is attributable to the Council's reduced capital grants in 2016/17 of \$12.3 million compared to 2015/16 and the budgeted capital expenditure in 2016/17 of \$50.7 million (including carry forward works of \$15.5 million) compared to the 2015/16 forecast capital expenditure of \$31.9 million. The Council's cash holdings as at 30th June 2017 are based on the assumption that all necessary loans borrowings (nil in 2016/17) and loan repayments will be processed by the end of the financial year. A significant portion of the Council's cash balances are statutory reserves including developer contributions for specific future capital works and projects, which must be applied in accordance with legislative and contractual requirements and will need to remain cashed up for this reason.

Refer also Section 4 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

8.5 Capital Works



A capital works program of \$50.7 million (including \$15.5 million carry forward from 2015/16) has been planned for 2016/17. These works will deliver much needed new and renewal of community infrastructure and other assets to the City.

Total funding for capital works is made up of \$20.83 million (41.1%) from operations, \$2.621 million (5.2%) from capital grants, \$11.754 million (23.2%) from developer contributions and \$15.456 million (30.5%) from carry forward surplus for carry forward works.

The 2016/17 capital works program includes a number of major projects including the following:

	\$(Millions)
Property & Buildings (\$11.448 million)	
5 McKenzie St. Redevelopment-Stage 1	\$2.350
Melton Council Office Space Development	\$6.620
Melton Civic Centre Redevelopment –Year 1 Design	\$1.170
Community Centre / Pavilion Annual Renewal	\$1.208
Roads (\$21.618 million)	
Abey Road- Toolern Creek to Ferris Road	\$5.500
Streetscape Improvements	\$4.440
Annual Resurfacing Periodic Reseals	\$3.000
Mt Cottrell Road Widening (Stage 2)	\$3.490
Minns Rd Construction	\$1.829
Minns Road Construction Gisborne to Croxton	\$0.900
Bridges (\$4.930 million)	
Westwood Dr Bridge	\$2.400
Abey Road Bridge	\$2.200
Recreation -Open space and other (\$5.108 million)	
Taylors Hill West PSP-2 Senior Football / Cricket	\$1.728
Atherstone Play Space	\$0.900
Caroline Springs Sub Regional Tennis Centre-Design	\$0.250

Passive Reserve Development Program	\$0.695
Mount Cottrell Recreation Reserve - Rehabilitation	\$0.200
Tennis Court Upgrade	\$0.208

Drains (\$0.530 million)

Water Sensitive Urban Design Program	\$0.150
Underground Drainage/Flood Protection Works	\$0.100
Creebank PI Flood Protection Work	\$0.200

Plant and equipment and Library stock (\$1.965 million)

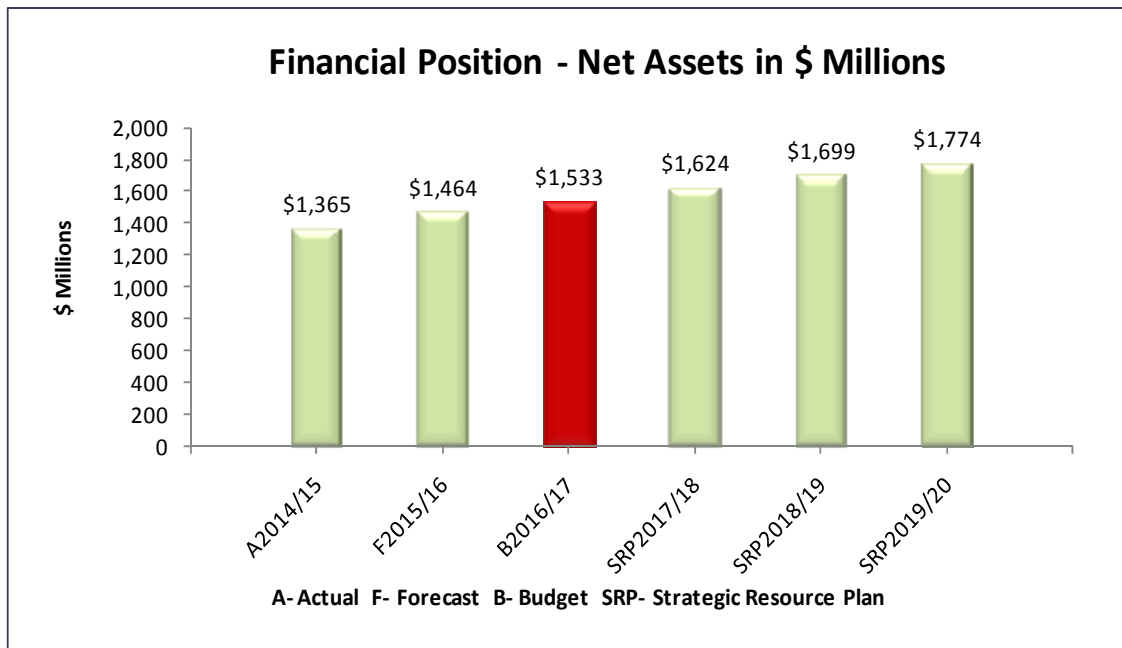
Council vehicle fleet and furniture and equipment	\$1.100
Public Desktop Computer & Corporate Desktop Computer Replacement	\$0.320
Library book purchases	\$0.360

Other infrastructure (\$5.067 million)

Footpaths Maintenance/Replacement	\$1.460
Tree Planting	\$0.500
Shared/Bicycle Paths Construction Program	\$0.800
Refurbishment of Public Convenience Program	\$0.160
Irrigation System Renewal Program	\$0.200
Passive Open Space Vegetation Renewal Program	\$0.100

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

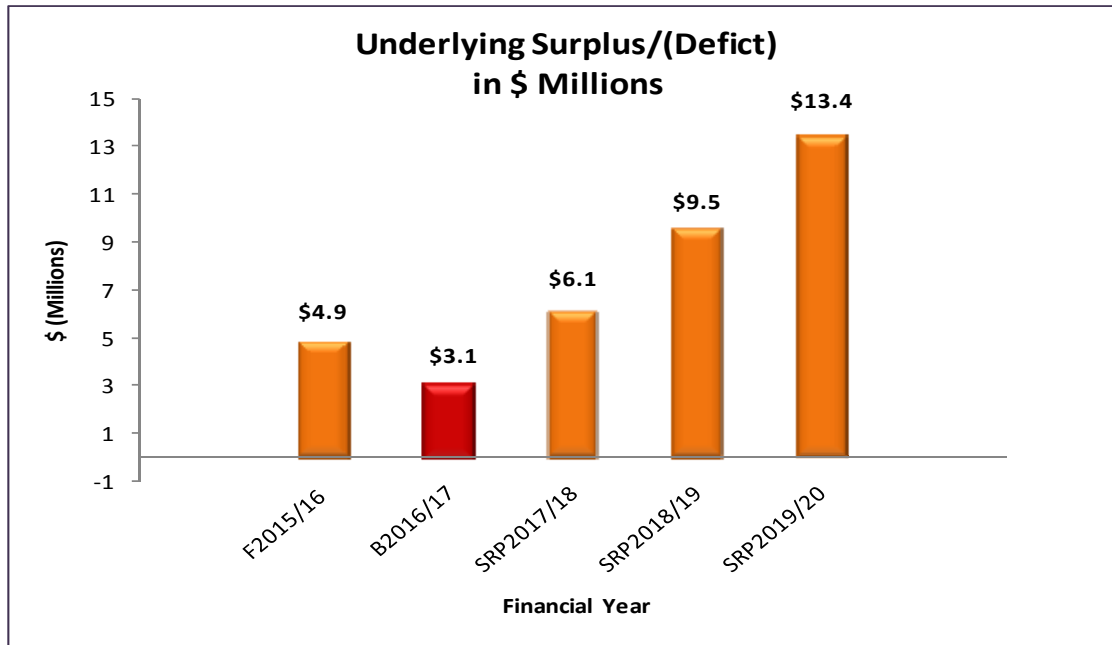
A detailed schedule of the 2016/17 capital works program is provided in Section 6 and Analysis of capital Budget and sources of funding in Section 12.

8.6 Financial Position

The City's net assets (i.e. net worth) are expected to increase by \$69.0 million from \$1.464 billion in 2015/16 to \$1.533 billion in 2016/17. The amount of contributed assets in the net assets includes \$55.2 million in 2015/16 and \$50.6 million in 2016/17. Increases in non-current assets are shown net of depreciation.

Refer also Section 3 for the Balance Sheet and Section 13 for an analysis of the budgeted financial position.

8.7 Financial sustainability



The underlying result which excludes capital grants and contributions and non operational asset sales is a surplus of \$3.1 million for the 2016/17 year, a decrease of \$1.8 million from the 2015/16 forecast equivalent. The underlying result is a measure of financial sustainability, as it is not impacted by non-recurring or once-off items of revenues and expenses, which can often mask the operating result.

The decrease in the underlying results in 2016/17 compared to the 2015/16 forecast is largely due to the \$6.26 million increase in operating income including 6.1 million from rates and charges not keeping pace with the \$8.2 million increase in operating expenditure i.e employee costs \$2.87 million, \$1.92 million contracts expenditure, \$1.23 million Utilities and \$2.50 million depreciation offset by some savings in other materials and services and profit on sale of assets compared to last year.

A high level Strategic Resource Plan for the years 2017/18 to 2019/20 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. The adjusted underlying result, which is a measure of financial sustainability, shows an underlying surplus improving significantly in the medium term.

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

8.8 Strategic Objectives

A high level Strategic Resource Plan for the years 2016/2017 to 2019/20 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan.

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

Melton City Council has a strong track record of sound management of the fiscal and physical resources of the community of Melton. Council has a heavy responsibility for the stewardship and governance of the assets entrusted to it by the community and the 2016/17 Budget represents a continuation of those efforts

9 Budget influences

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

9.1 Snapshot of Melton City Council

Location

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

Population growth

The City of Melton is one of the fastest growing municipalities in Australia. In the last decade, the population of the City has increased from 80,595[^] to 134,967*. (Source: [^]Australian Bureau of Statistics, Regional Population Growth Australia, 3218.0 and * Council's calculations are based on the Australian Bureau of Statistics, Regional Population Growth, Australia, 2013/2014).

Currently, the City of Melton is growing at 4.0% per year, almost the double rate of Greater Melbourne's growth of 2.2% per year. It is the fourth fastest growing local government area in Victoria. (Australian Bureau of Statistics, Regional Population Growth, Australia, 2013/2014).

Between 2016 and 2036, the population is projected to increase by a further 150% to 315,908, making the City of Melton almost the size of Canberra today. (Source: forecast.id)

Ageing structure

The City of Melton is a young municipality, the median age is 32 (Victorian and Australian median age is 37). (Source: Australian Bureau of Statistics, Census of Population and Housing 2011). More than 70% of residents are 45 years old or younger. The largest age cohorts are: 0-4 years old, of which there are 10,790, residents, and 35-39 years old, of which there are 11,036 residents. Of significance is the emerging age cohort of people aged 65+. Between 2016 and 2036, the 65+ years old will increase by almost three fold, from around 23,000 to 63,500. (Source: forecast.id)

Births

In the 2014/15 financial year, 2,239 birth notifications were received in the municipality. (Source: City of Melton Growth Indicators)

Cultural diversity

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

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

Housing

City of Melton's population is growing and changing. The families in the City of Melton live in 42,648 households. By 2036, there will be more than 110,000 households (an increase of more than 72,000 households) creating a need for additional and more diverse and affordable housing options. (Source: forecast.id)

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

Education and occupation

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

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

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

Budget implications

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

Population growth

By 2036, there are projected to be more than 315,000 residents in the City of Melton. While population growth has been exponential, this has not translated into adequate / sufficient community services and an increase in public transport provision.

Community Infrastructure

Existing infrastructure provision, including early year's services, schools, recreation facilities, health services and public transport, which struggles to keep pace with the increased demand that come with rapid and sustained population growth

Cultural Diversity

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

Reducing Ratiing Structures

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

10. Analysis of operating budget

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

10.0 Budgeted Income Statement

Budgeted Income	Note	Forecast 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Income				
Rates and charges	10.2.1	92,448	98,575	6,128
Statutory fees and fines	10.2.2	2,655	2,697	43
User fees	10.2.3	9,397	9,603	205
Contributions - monetary	10.2.4	15,009	11,007	-4,003
Contributions - non-monetary assets	10.2.5	55,195	50,592	-4,603
Grants - Operating (recurrent)	10.2.6	22,700	22,688	-12
Grants - Operating (non-recurrent)		325	344	19
Grants - Capital (non-recurrent)	10.2.7	14,881	2,621	-12,260
Net gain on disposal of assets	10.2.8	2,597	2,794	196
Other income	10.2.9	4,432	4,311	-121
Share of net P/Lof assoc. and joint ventures				
Total Income		219,639	205,232	-14,406
Expenses				
Employee costs	10.3.1	46,709	49,579	-2,870
Materials and services	10.3.2	53,537	56,053	-2,516
Bad and doubtful debts	10.3.3	400	400	
Depreciation and amortisation	10.3.4	23,727	25,517	-1,790
Finance costs	10.3.5	1,499	1,322	177
Other expenses	10.3.6	3,829	5,064	-1,235
Total Expenses		129,701	137,935	-8,233
SURPLUS/DEFICIT		89,938	67,297	-22,640
Other comprehensive income				
in future periods				
Net revaluation increment/decrement				
Share of other comprehensive Income of assoc. and Joint vent.				
Items that may be reclassified to surplus or deficit in future periods				
Total				
Total Comprehensive Result		89,938	67,297	-22,640

10.1 Budgeted Income Statement – Underlying Surplus/(Deficit)

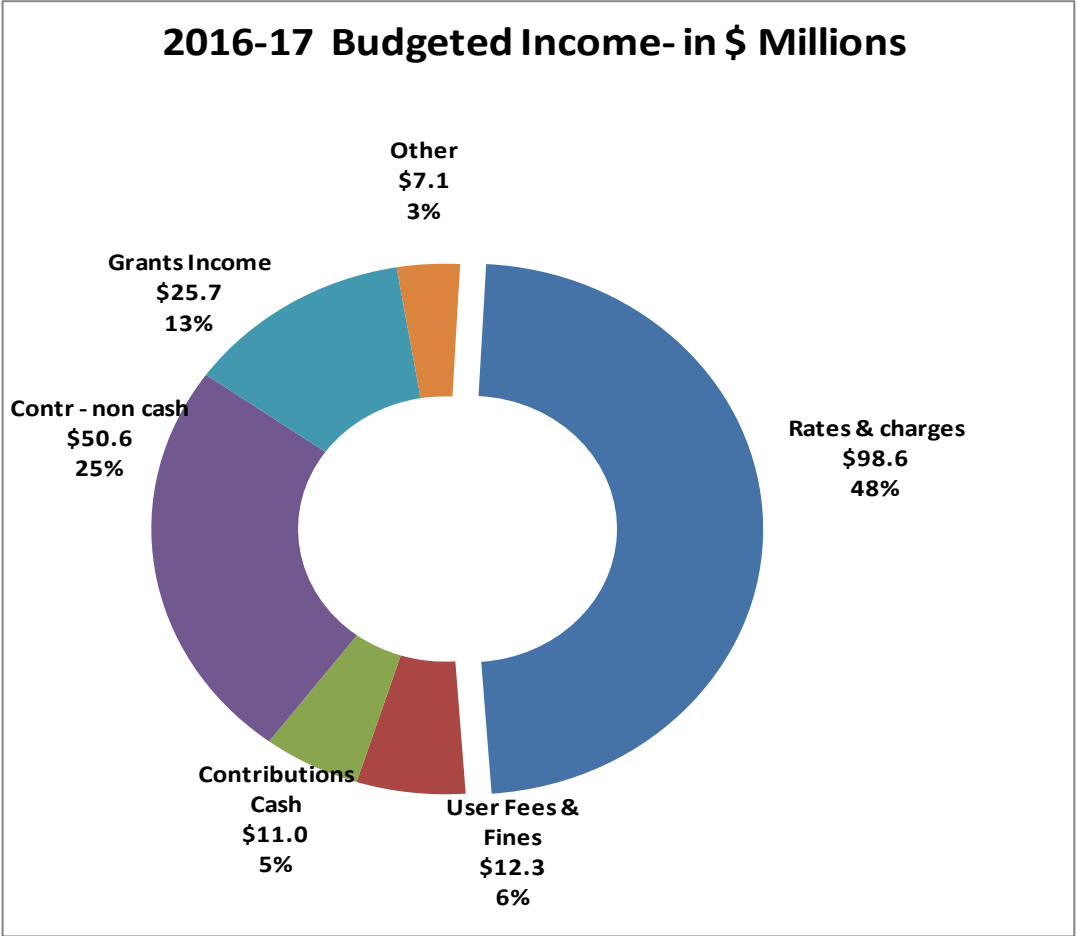
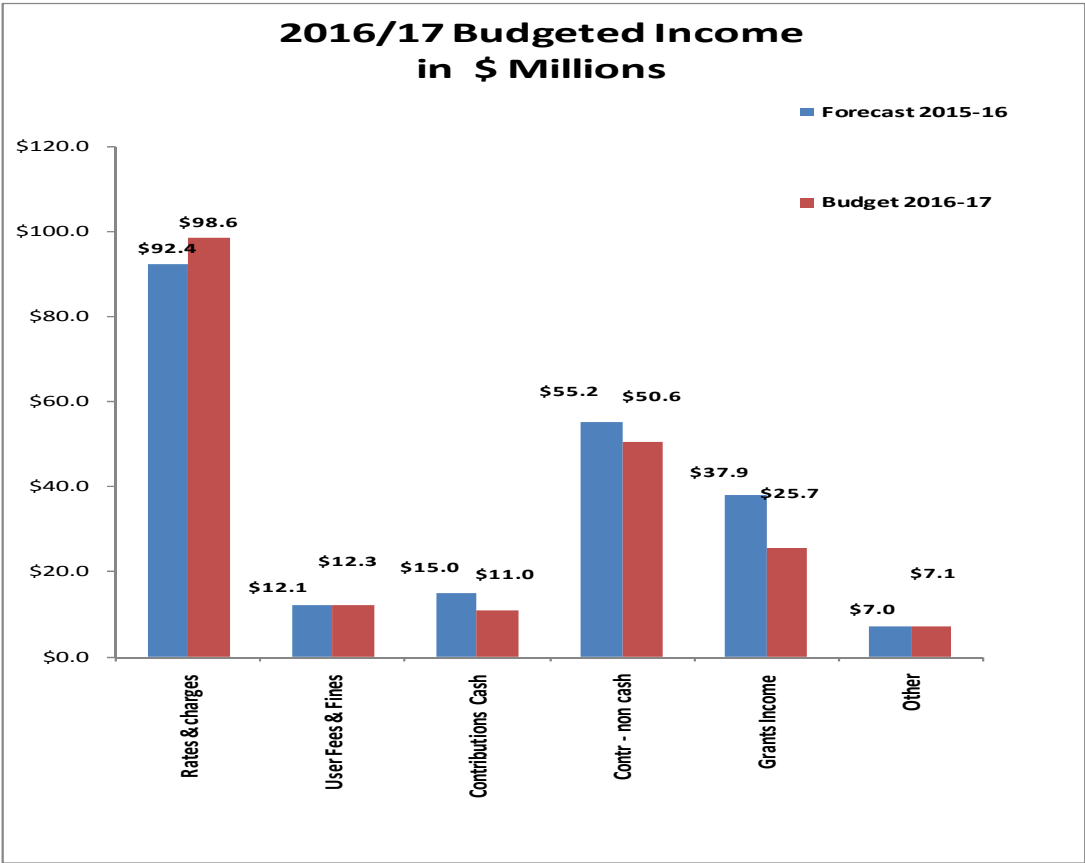
Adjusted Underlying Surplus/(Deficit)	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Total Income		219,639	205,232	-14,406
Total Expenses		129,701	137,935	-8,233
Surplus (deficit) for the year		89,938	67,297	-22,640
Less				
Grants - Capital Non Recurrent		-14,881	-2,621	12,260
Contributions - Non Monetary Assets		-55,195	-50,592	4,603
Contributions - Cash		-15,009	-11,007	4,003
Profit from Sale of Non Operational Assets				
Adjusted Underlying Surplus (Deficit)		4,853	3,078	-1,775

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

The decrease in the underlying results in 2016/17 compared to the 2015/16 forecast of \$1.78 million is largely due to the \$6.26 million increase in operating income including 6.1 million from rates and charges not keeping pace with the \$8.2 million increase in operating expenditure i.e employee costs \$2.87 million, \$1.92 million contracts expenditure, \$1.23 million Utilities and \$2.50 million depreciation offset by some savings in other materials and services and profit on sale of assets.

10.2 Income

Budgeted Income Revenue Types	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Rates and charges	10.2.1	92,448	98,575	6,128
Statutory fees and fines	10.2.2	2,655	2,697	43
User fees	10.2.3	9,397	9,603	205
Contributions - cash	10.2.4	15,009	11,007	-4,003
Contributions- Non Monetary Assets	10.2.5	55,195	50,592	-4,603
Grants - operating	10.2.6	23,025	23,033	7
Grants - capital	3.3.7	14,881	2,621	-12,260
Net gain on sale of assets	10.2.8	2,597	2,794	196
Other income	10.2.9	4,432	4,311	-121
Total		219,639	205,232	-14,406



10.2.1 Rates and Charges (\$6.128 million increase)

It is proposed that general rate income be increased by 2.5% plus growth of 3.0%. The increase amounts to \$6.1 million from 2015/16 forecast of \$92.4 million to \$98.6 million in 2016/17. Supplementary rates are forecast to increase by \$0.56 million from \$2.0million in 2015/16 to \$2.56 million in 2016/17. Information on rates and charges specifically required by the Regulations is included under Section 7 – Rates & Charges.

Section 7. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2016/17.

10.2.2 Statutory fees and fines (\$0.043 million increase)

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

Statutory fees are forecast to increase by 1.6% or \$0.043 million compared to 2015/16 forecast. This reflects the projected increases in Election fines, Town Planning and property information requests permit fees and other regulatory services fees and fines. The overall increase is partly offset by reduction in parking fines compared to 2015/16 forecast. It should be noted that changes in legislated fees are typically advised after Council's budget setting process is complete, with any increases to be included in the revised forecast position for 2016/17, where applicable.

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

10.2.3 User fees (\$0.205 million increase)

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

User charges are projected to increase by 2.2% or \$0.205 million over 2015/16 forecast. Items contributing to the increase include subdivision construction supervision \$0.040 million, gate takings from transfer station \$0.100 million, animal registration and adoption \$0.034 million, property hire income in recreation & leisure services \$0.049 million, fee income from occasional care, holiday programs \$0.032 million and debt recovery charges \$0.078 million. The overall favourable variance is partly offset by decrease in fee income from cemetery operations and other of \$0.128 million compared to the 2015/16 forecast.

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

10.2.4 Contributions - cash (\$4.0 million decrease)

Contributions relate to monies paid by developers in regard to precinct structure plan (PSP) developer contributions, public open space and recreation, drainage and car parking in accordance with planning permits issued for property development. Contributions are projected to decrease by \$4.0 million or 26.6% compared to 2015/16. Developer contributions received during the year are set aside in reserve accounts for future capital works.

10.2.5 Developer Contributed Assets -Non Cash Contributions (\$4.6 million decrease)

The increase in the projected non cash contributions in 2016/17 are based on the level of major property developments that are currently ongoing and are expected to complete by the end of 2016/17. Based on current estimates the non cash contributions are projected to decrease by \$4.6 million in 2016/17 compared to 2015/16 forecast.

10.2.6 Government Operating Grants Recurrent & Non Recurrent (\$0.007 million increase)

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers.

Overall, the level of operating grants is projected to increase by only \$ 0.008 million compared to 2015/16 forecast. The level of grants for Community Care Inclusion and Family & Children programs are expected to be lower by 2.7% and 5.0% respectively compared to 2015/16 forecast, the overall reduction is offset by the projected increase in the Grants Commission funding due to population growth. 2016/17 is the final year of the grants commission indexation freeze. The reduction in operating grants is a continuing trend further exacerbated by the freeze in the grants commission income in the last 2 years.

10.2.7 Grants - Capital Non Recurrent (\$12.3 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purpose of funding the capital works program. Overall the level of capital grants is lower than 2016/17 forecast by \$12.3 million or 82.4%. This is mainly due to the fact that significant amounts of one-off capital grants are projected to be received in the 2015/16. Unspent component of these grants will be carried forward to 2016/17 to complete the operating and capital programs in 2016/17. Section 5 - "Analysis of Capital Budget" includes a detailed analysis of the grants expected to be received during the 2016/17 year.

Capital grants in 2016/17 are estimated at \$2.62 million this is made up of \$1.942 million for Mt Cottrell road widening and \$0.680 million for sealed road resurfacing and streetscape improvements. It should be noted that most capital grants are considered non-recurrent, i.e. they are funds generally provided to Council to assist in the delivery of specific projects and are only available for a limited period of time. Further, some forecast / budgeted non-recurrent capital grants are estimates only, with funding not yet confirmed. Where Council is unsuccessful in attracting such grants, projects will not proceed until alternative funding sources are identified and funds confirmed.

10.2.8 Net gain on sale of assets (\$0.196 million increase)

Net Gain/Loss on Disposals of Assets	Note	Forecast	Budget	Variance
		2015/16	2016/17	
		\$'000	\$'000	\$'000
Proceeds from Sale of Assets		6,211	6,736	524
Costs of Assets Sold		-3,614	-3,942	-328
Net Gain/(Loss) on Disposals of Assets		2,597	2,794	196

Proceeds from the sale of Council assets are budgeted at \$6.74 million for 2016/17 of which \$6.38 million relate to Income from the sale of Council land assets under developer agreements. Land sales are projected to increase by \$0.614 million compared to 2015/16 forecast of \$5.766 million. The forecast increase in land sales is mainly attributable to the improved housing market conditions expected in 2016/17. Other asset sales include planned cyclical replacement of part of the plant and vehicle fleet of \$0.350 million which is a decrease of \$0.090 million compared to 2015/16 forecast of \$0.440 million. The cost of assets sold represents the written down value of plant and properties including land assets held for resale budgeted to be sold in 2016/17. The written down value of assets sold is forecast to be higher than 2015/16 forecast, resulting in an unfavourable variance of \$0.328 million in 2016/17.

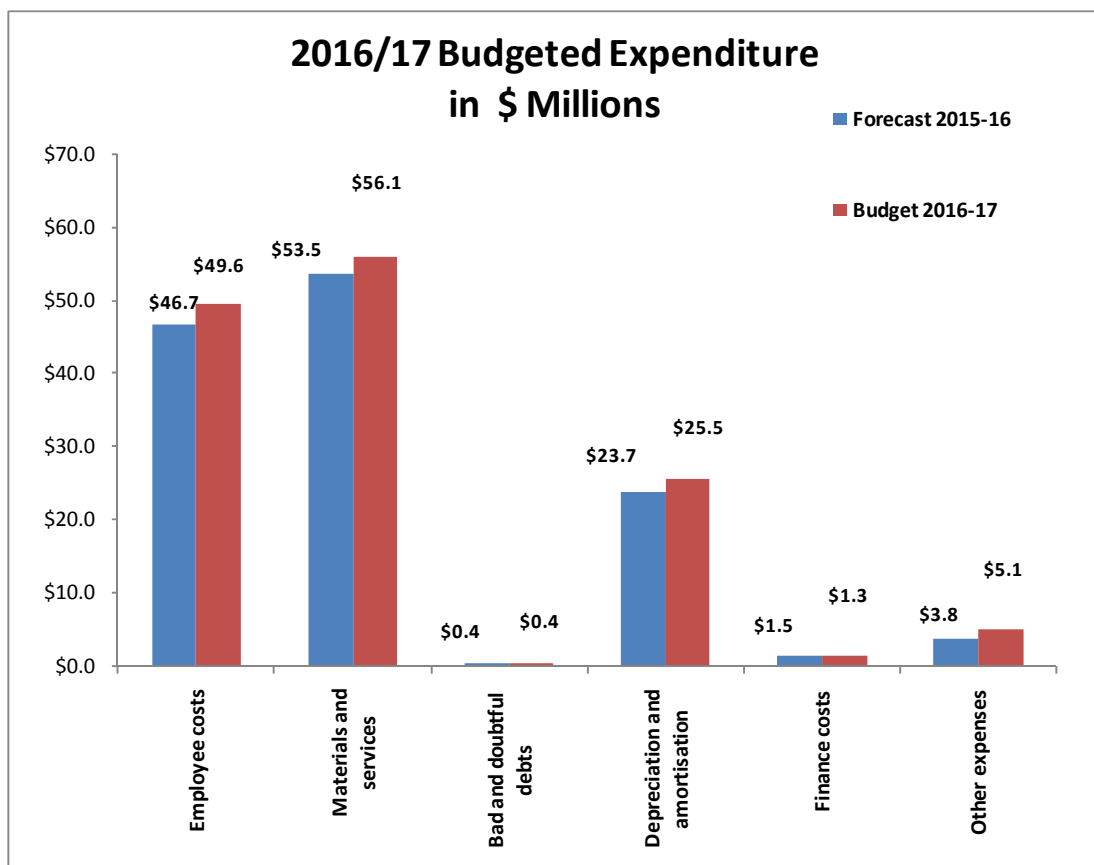
10.2.9 Other Income (\$0.121 million decrease)

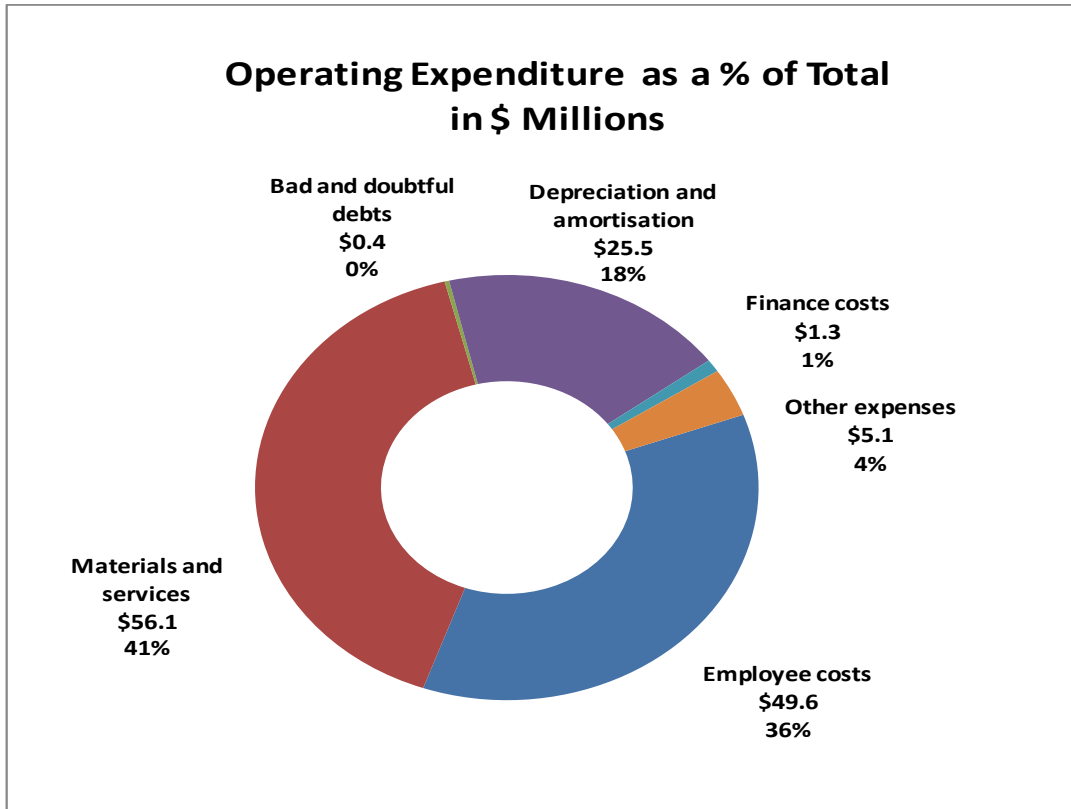
Other income relates to a range of items such as cost recoups, interest revenue on investments and rate arrears and other miscellaneous income items. Other income is forecast to decrease by 27.3% or \$0.121 million compared to 2015/16.

The reduction is mainly due to lower interest income projected in 2016/17 of \$1.710 million compared to \$1.850 million in 2015/16 offset by some minor reductions in other miscellaneous income items. Interest income is projected to be lower due to the expectation that interest rate climate in 2016/17 will be unfavourable compared to 2015/16.

10.3 Expenses

Budgeted Expenditure Expenditure Types	Note	Forecast 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Employee costs	10.3.1	46,709	49,579	2,870
Materials and services	10.3.2	53,537	56,053	2,516
Bad and doubtful debts	10.3.3	400	400	
Depreciation and amortisation	10.3.4	23,727	25,517	1,790
Finance costs	10.3.5	1,499	1,322	-177
Other expenses	10.3.6	3,829	5,064	1,235
Total		129,701	137,935	8,233





10.3.1 Employee Costs (\$2.870 million increase)

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

Employee costs are forecast to increase by 6.2% or \$2.87 million compared to 2015/16 forecast result. The overall increase in employee costs in 2016/17 relates to a number of key factors:

- The Enterprise Bargaining Agreement (EBA) with wages growth at 2.5% is estimated at around \$1.16 million in 2016/17.
- Increases in staff numbers of 8.0 EFT have been budgeted in 2016/17 resulting largely from the number of new initiative programs approved by Council for implementation in 2016/17. The labour cost component of this increase to service delivery is budgeted at \$0.520 million in 2016/17.
- Reclassifications of existing staff positions, increased hours of service delivery costs, and band increases, end of band payments and movements within bands are expected to cost around \$0.700 million or 1.5% of the total employee cost.
- Other Increase in employee oncost in 2016/17 amounting to \$0.490 million relates to increase in staff oncost expenses including increases in work cover premium, provision for staff entitlement long service, annual leave and superannuation contributions.

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

Employee Numbers EFT (Equivalent Full Time)	Budget 2016/17	Permanent Full-Time	Permanent Part-time	Casuals
Executive Management	18.6	15.3	3.3	
Corporate Services Management	136.0	92.9	40.8	2.4
Planning and Development Management	106.5	98.0	6.7	1.8
Community Services Management	233.5	122.1	92.1	19.3
Total	494.6	328.3	142.8	23.5

10.3.2 Materials and services (\$2.516 million increase)

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

Materials and services are forecast to increase by 4.7% or \$2.52 million in 2016/17 compared to 2015/16. The increase is mainly attributable to the projected increase in contract expenditure mainly in waste management, road services, leisure and property services amounting to \$1.42 million. Other increases include projected increase in maintenance expenditure which has increased from \$4.183 million in 2015/16 to \$4.845 million in 2016/17 resulting in a net increase of \$0.663 million. This is mainly due to the number of building and other capital projects completed in the past couple of years which will be fully operational in 2016/17. Other increases include Council election expenses in 2016/17 of \$0.500 million. Overall increase is partly offset by reductions in professional advisory and other expenses.

10.3.3 Bad and doubtful debts (no change)

Bad and doubtful debts are projected at the same level as in 2015/16.

10.3.4 Depreciation and Amortisation (\$1.790 million increase)

Depreciation is an accounting measure which attempts to measure the usage of Council's property, plant and equipment including infrastructure assets such as roads and drains. The increase of 7.54% or \$1.790 million for 2016/17 is due mainly to the capitalised component of the 2015/16 capital works program and the effect of depreciation and amortisation on the completed capital works in 2016/17. The Council's property, plant & equipment including infrastructure asset values are increasing at a very significant rate each year, not only due to increasing levels of capital expenditure and the combined impact of revaluation, but also due to the significant levels of contributed assets transferred over to Council each year from completed development works in the City.

10.3.5 Finance Costs (\$0.177 million decrease)

Borrowing costs relate to interest charged by financial institutions on borrowed funds. Borrowing costs are expected to reduce by \$0.177 million in 2016/17 compared to 2015/16 forecast. While no borrowings are envisaged in 2016/17 the decrease in finance costs are mainly attributable to the \$7.850 million of new borrowings in 2015/16 and repayments of \$7.262 million and \$6.905 million in 2015/16 and 2016/17 respectively.

10.3.6 Other Expenditure - Utilities and Communication (\$1.235 million increase)

Utility costs relate to telecommunications, including usage of telephones and other utilities such as water, gas and electricity. Utility costs are forecast to increase by 32.2% or \$1.235 million compared to 2015/16. This is mainly due to some significant increase in costs in data communications such as server hosting \$0.348 million, network communication \$0.165 million due to migration to cloud technology, Electricity \$0.258 million, water \$0.179 million, gas \$190 million and telephony and other 0.95 million. Utilities and communication expenditure are expected to escalate significantly due to additional installation and usage charges as a result of number of new facilities coming into full operation in 2016/17.

11. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2016/17 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

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

Operating activities

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

Investing activities

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

Financing activities

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

11.1 Cash Flow Statement

Cash Flow Statement	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Cash flows from operating				
Receipts				
General rates		92,687	97,675	4,989
Grants Income - Operating & Capital		37,906	25,653	-12,253
Interest		1,850	1,710	-140
User charges		11,715	12,280	565
Contributions & Reimbursements		15,009	11,007	-4,003
Other revenue		2,565	2,601	36
Total Receipts		161,732	150,927	-10,805
Payments				
Employee costs		47,132	49,268	-2,135
Contractor payments		34,291	35,511	-1,221
Other expenses		31,888	27,745	4,143
Total Payments		113,311	112,524	787
Net cash provided by operating activities	11.1.1	48,421	38,402	-10,019
Cash flows from investing activities				
Proceeds from sales of property, plant and equipment		6,211	6,736	524
Payments for property, plant and equipment		-31,944	-50,665	-18,721
PSP Rolling Credit payments		-2,284		
Net cash used in investing activities	11.1.2	-25,733	-43,930	-18,197
Cash flows from financing activities				
Finance costs		-1,499	-1,322	177
Proceeds from borrowings		7,850		-7,850
Repayment of borrowings		-7,262	-6,905	357
Net Cash used in financing activities	11.1.3	-911	-8,227	-7,316
Net decrease in cash & cash equivalents		19,493	-13,754	-33,247
Cash & equivalents at beginning of year		47,768	67,261	19,493
Cash & equivalents at 30 June	11.1.4	67,261	53,508	-13,754
Represented by:				
Restricted cash and investments				
Cash and Investments in Hand		2,000	2,000	
- Statutory reserves		35,636	35,739	103
- Discretionary reserves		29,625	15,769	-13,856
Cash & equivalents at 30 June		67,261	53,508	-13,754

11.1.1 Operating Activities (\$10.019 million decrease)

Cash flow from operating activities refers to the cash generated or used in the normal service delivery functions of Council. The 2016/17 budget for net cash provided by operating activities is \$10.019 million lower than 2015/16 forecast. This represents an decrease in cash receipts of \$10.805 million partly offset by a reduction in cash operating expenditure by \$0.787 million.

Decrease in receipts represents the net impact of increase in cash collections from rates and charges (\$4.989 million), Fees and Charges (\$0.565 million) and other revenue (\$0.036 million) offset by decrease in receipts from grants income (\$12.25 million), developer contributions (\$4.0 million) and interest income (\$0.140 million) resulting in a net reduction of \$10.805 million.

Operating expenditure is lower than 2015/16 forecast by \$0.787 million and this is attributable to projected increases in employee costs of \$2.135 million and contractor payments of \$1.221 million. Offset by reduction in cash disbursement for utilities, other expenses which are expected to be lower than 2015/16 forecast by \$4.143 million.

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

Cash Flow Available from Operating Activities	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Surplus (deficit) for the year	.	89,938	67,297	-22,640
Depreciation	.	23,727	25,517	1,790
Loss/(gain) on Sale of Assets	.	-2,597	-2,794	-196
Contributions - Non Monetary Assets		-55,195	-50,592	4,603
Financing Costs		1,499	1,322	12
Net Movement in Current Assets & Liabilities		-8,951	-2,348	6,413
Cash Flow available from operating activities		48,421	38,402	-10,019

11.1.2 Investing Activities (\$18.197 million increase)

The large increase in payments for investing activities represents the planned increase in capital works expenditure disclosed in section 6 of this budget report. This includes the total capital expenditure including carry forwards in 2016/17 of \$50.7 million compared to \$31.944 million in 2015/16. Cash receipts from sale of assets are forecast to increase by \$0.524 million compared to forecast due to higher volume of land sales and settlements forecast during 2016/17.

11.1.3 Financing Activities (\$7.316 million increase)

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

There are no new borrowings in 2016/17, the variance of \$0.357 million is the difference between repayment of debt maturing in 2016/17 compared to 2015/16. Finance cost in 2015/16 is lower than previous year by \$0.177 million. For 2016/17 the total of financing activities is \$8.227 million, which consists of \$6.905 million principal repayment and finance charges for the year of \$1.322 million.

11.1.4 Cash and Cash Equivalents at end of the year (\$13.754 million decrease)

Overall, total cash and investments are forecast to decrease by \$13.754 million from \$67.261 million at the beginning of 2015/16 to \$53.508 million as at the end of 2016/17, reflecting Council's strategy of using cash and investments to create new and also to renew existing infrastructure. This is consistent with the funding strategy outlined in the Council's Strategic Resource Plan.

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

11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council estimated cash balance as at 30th June 2017 with restricted and unrestricted balances as shown in the following table.

Restricted and Unrestricted Cash & Investments		Forecast	Budget	Variance
	Note	2015/16	2016/17	
		\$'000	\$'000	\$'000
Total Cash & Investments		67,261	53,508	-13,754
Restricted Cash & Investments				
- Statutory Reserves	11.3.1	35,636	35,739	-103
-Cash to fund carry forward capital works	11.3.2	15,457		15,457
Unrestricted Cash and Investment	11.3.3	16,168	17,769	1,601

11.3.1 Statutory Reserves (\$35.8 million)

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

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

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2015/16 year, it is forecast that \$15.457 million of capital works will be incomplete and have to be carried forward to 2016/17.

There is no carry forward works at 30 June 2017 as it is expected that the capital works budget planned in 2016/17 will be fully completed by the end of the year.

11.3.3 Unrestricted cash and investments (\$17.8 million)

The unrestricted cash and investments are expected to improve by \$1.6 million at balance date.

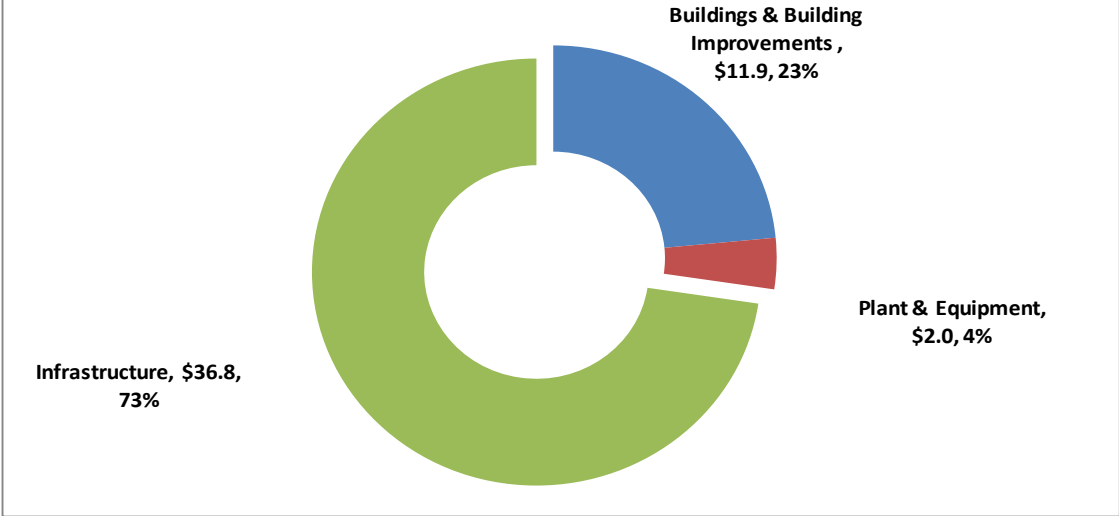
12. Analysis of Capital Budget

This section analyses the planned capital expenditure budget for the 2016/2017 year and the sources of funding for the capital budget.

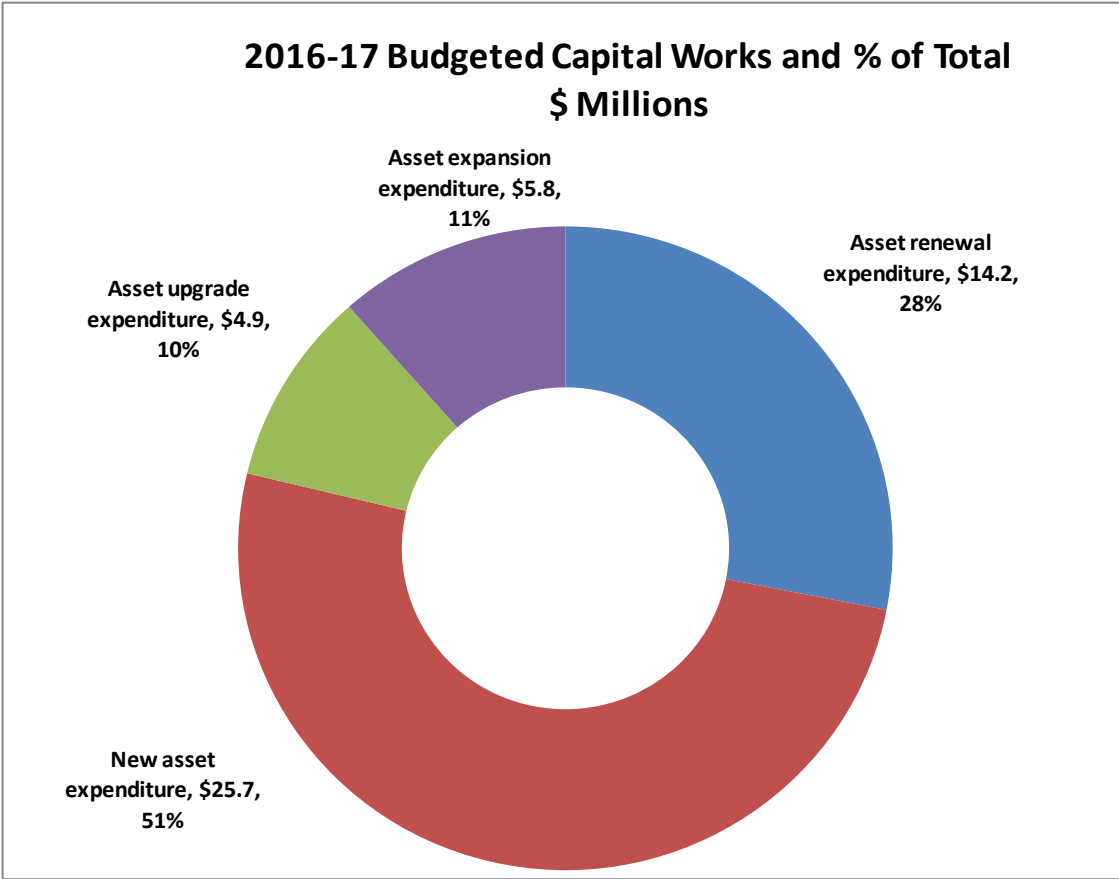
12.1 Capital works

Capital Works Expenditure	Note	Forecast 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Works Carried Forward				
Property			450	450
Buildings		8,736	8,340	-396
Total property		8,736	8,790	54
Plant and equipment				
Plant, machinery and equipment				
Computers and telecommunications				
Total plant and equipment				
Infrastructure				
Roads		563	1,838	1,275
Footpaths and cycleways				
Drainage		102		-102
Rec, leisure and community facilities		1,464	4,829	3,365
Parks, open space and streetscapes				
Off street car parks				
Other infrastructure				
Total infrastructure		2,129	6,667	4,538
Total Works Carried Forward	12.1.1	10,865	15,457	4,592
New works				
Land		243		-243
Buildings		0	3,108	3,108
Building improvements				
Total property	12.1.2	243	3,108	2,865
Plant and equipment				
Plant, machinery and equipment		1,100	1,100	
Furniture & Fittings		55	185	
Computers and telecommunications		318	320	2
Library books		200	360	160
Total plant and equipment	12.1.3	1,673	1,965	292
Infrastructure				
Roads		4,227	16,580	12,353
Bridges		820	7,330	6,510
Drainage		1,823	530	-1,293
Recreational, leisure and community facilities		9,861	278	-9,583
Other infrastructure		2,432	5,417	2,985
Total infrastructure	12.1.4	19,163	30,135	10,972
Total New Works		21,079	35,208	14,129
Total Capital Works Expenditure		31,944	50,665	18,721
Represented by:				
Asset renewal expenditure		6,146	14,220	8,074
New asset expenditure		21,561	25,672	4,111
Asset upgrade expenditure		3,477	4,948	1,471
Asset expansion expenditure		760	5,825	5,065
Total Capital Works Expenditure	12.1.5	31,944	50,665	18,721

2016-17 Budgeted Capital Works and % of Total \$ Millions



2016-17 Budgeted Capital Works and % of Total \$ Millions



12.1.1 Carried forward works (\$15.5 million)

Total Capital expenditure budgeted in 2016/17 of \$50.7 million includes a carry forward component of \$15.5 million from 2015/16.

Refer to note 11.3.2 above for carry forward assumptions relating to 2016/17

The following analysis by asset categories includes the above \$15.5 carry forward works as well.

12.1.2 Property & Buildings (\$11.448 million)

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

For the 2016/17 year, \$6.51 million will be expended on building and building improvement projects. The more significant projects include 5 McKenzie St. Redevelopment-Stage 1 (\$2.350 million), Melton Council Office Space Development (\$6.620 million), Melton Civic Centre Redevelopment –Year 1 Design (\$1.170 million), Community Centre / Pavilion Annual Renewal (\$1.208 million)

12.1.3 Plant and equipment and Library stock (\$1.965 million)

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

For the 2016/17 year, \$1.965 million will be expended on plant, equipment and library stock. The more significant projects include ongoing cyclical replacement of the Council vehicle fleet and furniture and equipment (\$1.1 million), Public Desktop Computer & Corporate Desktop Computer Replacement (\$0.320 million) and library book purchases (\$0.360 million).

12.1.4 Infrastructure (\$37.253 million)

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

The following is a breakdown of infrastructure assets by type. A more detailed listing of the capital works program is included in Appendix 2.

12.1.4.1 Roads (\$21.618 million)

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

For the 2016/17 year, \$5.4 million will be expended on road projects. The more significant projects include Abey Road- Toolern Creek to Ferris Road (\$5.5 million), Streetscape Improvements (4.44 million), Annual Resurfacing Periodic Reseals (\$3.0 million), Mt Cottrell Road Widening (Stage 2) (\$3.490), Minns Rd Construction (\$1.829 million), Minns Road Construction Gisborne to Croxton (\$0.900 million), Shared/Bicycle Paths Construction Program (\$0.800 million) and others.

12.1.4.2 Bridges (4.930 million)

For 2016/17 \$0.820 million will be expended on Bridge works. These include Westwood Dr Bridge (\$2.4 million) and Abey Road Bridge (\$2.2 million)

12.1.4.3 Drains (\$0.530 million)

Drains include drains in road reserves, retarding basins and waterways. For the 2016/17 year (\$0.530 million) will be expended on drainage works and these include Water Sensitive Urban

Design Program (\$0.150 million), Underground Drainage/Flood Protection Works (\$0.100 million), Creekbank Pl. Flood Protection Work (\$0.200 million) and others.

12.1.4.4 Recreation -Open space and other (\$5.108 million)

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

Recreation and open space works budgeted in 2016/17 amounts to \$5.108 million. This includes Taylors Hill West PSP-2 Senior Football / Cricket (\$1.728 million), Atherstone Play Space (\$0.900 million), Caroline Springs Sub Regional Tennis Centre-Design (\$0.250 million), Passive Reserve Development Program (\$0.695 million), Mount Cottrell Recreation Reserve - Rehabilitation (\$0.200 million), Tennis Court Upgrade (\$0.208 million)

12.1.4.5 Other infrastructure (\$5.067 million)

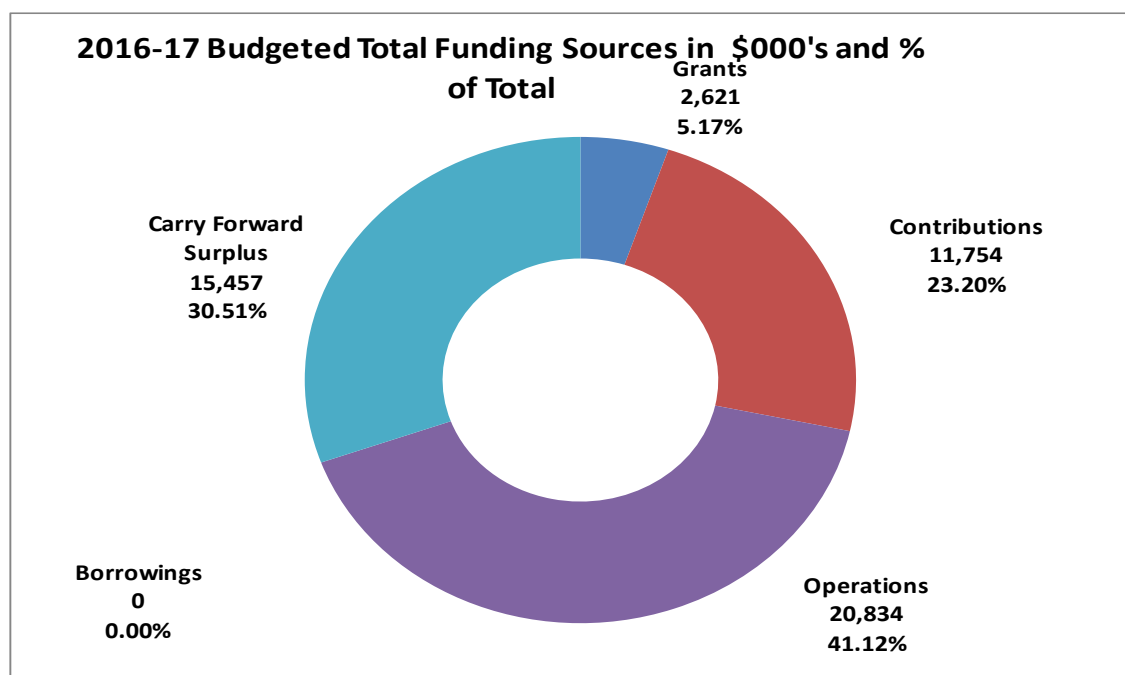
Capital spend on other infrastructure projects include Footpaths Maintenance/Replacement (\$1.460 million) Tree Planting (\$0.500 million), Shared/Bicycle Paths Construction Program (\$0.800 million), Refurbishment of Public Convenience Program (\$0.160 million), Irrigation System Renewal Program (\$0.200 million), Passive Open Space Vegetation Renewal Program (\$0.100 million) and others

12.1.5 Asset Renewal (\$14.220 million), New Assets (\$25.672 million), Upgrade (\$4.948 million) Expansion (\$5.825 million).

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

12.2 Funding Sources

Sources of Funding	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Works carried forward				
Current year funding				
Grants		500	4,329	3,829
Contributions		600		-600
Borrowings				
Council cash				
- operations		9,765	11,128	1,363
- proceeds on sale of assets				
- reserve cash and investments				
- unrestricted cash and investments				
Total works carried forward	12.2.1	10,865	15,457	4,592
New works				
Current year funding				
Grants	12.2.2	11,598	2,621	-8,977
Contributions	12.2.3	4,994	11,754	6,760
Borrowings	12.2.4	3,044		-3,044
Council cash				
- operations	12.2.5		20,833	20,833
- proceeds on sale of assets	12.2.6	1,443		-1,443
- reserve cash and investments				
- unrestricted cash and investments				
Total new works		21,079	35,208	14,129
Total funding sources		31,944	50,665	18,721



12.2.1 Carried forward works (\$15.5 million)

Total capital budget for 2016/17 includes a carry forward capital expenditure from 2015/16 to 2016/17 of \$15.5 million. This amount includes unspent capital expenditure from 2015/16 fully funded in that year together with \$4.329 million unspent unbudgeted capital grants received in 2015/16. Capital projects associated with these funds are also carried forward for completion in 2016/17.

The capital expenditure program of \$50.7 million is expected to be fully expended by the end of the financial year.

The sources of funds for the 2016/17 capital works program are as outlined below

12.2.2 Grants (\$2.621 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. \$2.621 million of the grants are expected to be received in 2016/17. It should be noted that some forecast / budgeted capital grants are estimates only, with funding not yet confirmed. Where Council is unsuccessful in attracting such grants, projects will not proceed until alternative funding sources are identified and funds confirmed.

12.2.3 Developer Contributions (\$11.754 million)

Funding transfer from developer contributions and Plant replacement reserves to fund 2016/17 capital works is budgeted at \$11.754 million.

12.2.4 Borrowings (\$nil)

No new borrowings are planned for the 2016/17 financial year. Debt redemption of \$6.905 million has been budgeted.

12.2.5 Council Cash - Operations (\$20.833 million)

Funding from Operations amounts to \$20.8 million. Council generates cash from its operating activities which is used as a funding source for the capital works program.

13. Analysis of Budgeted Financial Position

This section analyses the movements in assets, liabilities and equity between 2015/16 forecast and 2016/2017 budget.

6.1 Budgeted Balance Sheet

Balance Sheet	Note	Forecast 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Current assets				
Cash and cash equivalents		67,261	53,508	-13,754
Trade and other receivables		10,206	11,136	930
Financial assets		5,156	-5,802	-10,958
Inventories		105	105	
Non Current Assets held for resale		300	450	150
Other assets		2,350	2,000	-350
Total Current Assets	13.1.1	85,378	61,397	-23,982
Non-current assets				
Trade & other Receivables				
Property Plant & Equipment		1,428,375	1,508,644	80,269
Inventories		130	143	12
Investment property		7,000	7,500	500
Intangible assets		4,338	4,011	-327
Other assets		1,410	1,425	15
Total Non Current Assets	13.1.2	1,441,253	1,521,722	80,470
Total Assets		1,526,631	1,583,119	56,488
Current liabilities				
Trade and other payables		18,353	12,213	-6,140
Trust funds & deposits		1,753	1,933	180
Provisions		7,287	7,574	287
Interest-bearing loans and borrowings		6,905	3,373	-3,532
Other current liabilities		75	75	
Total Current Liabilities	13.1.3	34,373	25,168	-9,205
Non-current liabilities				
Provisions		2,202	2,227	25
Interest bearing loans & borrowings		22,162	18,790	-3,372
Other non current liabilities		3,500	3,800	300
Total Non Current Liabilities	13.1.4	27,864	24,817	-3,047
Total Liabilities		62,237	49,985	-12,252
Net Assets		1,464,394	1,533,134	68,740
Equity				
Accumulated surplus		971,642	1,038,939	67,297
Asset revaluation reserve		454,193	455,393	1,200
Other reserves		38,559	38,802	243
Total Equity	13.1.6	1,464,394	1,533,134	68,740

13.1.1 Current Assets (\$23.982 million decrease)

The current assets in 2016/2017 are projected to decrease by \$23.981 million compared to 2015/16 forecast. This is mainly attributable to the decrease in cash and equivalents of \$13.75 million expected at the end of the 2016/2017. The decrease in cash balance is due to the planned capital works budgeted during the year of \$50.7 million including carry forward works of \$15.5 million from 2015/16. Trade and other receivables are expected to increase by \$0.930 million. Financial assets include the estimates for rolling credit/debit balances from precinct structure plan in-kind works which at the end of 2016/17 is expected to be 5.802 million owing to developers resulting in a net unfavourable balance of \$10.958 million. The current portion of assets held for resale is expected to increase by \$0.150 million and prepayments and other current assets are also expected to decrease from the 2015/16 forecast levels by \$0.350 million. Rate and other debtor balances are expected to be aggressively managed to acceptable levels by the end of 2016/2017.

13.1.2 Non Current Assets (\$80.470 million increase)

The increase in non-current assets is mainly attributable to increase in property plant and equipment of \$80.470 million, which is the net result of developer-contributed assets and the projected capitalised component of the planned capital works program of \$50.7 million in 2016/2017. This is offset by the depreciation of non-current assets for 2016/2017 year of \$25.5 million and written down value of assets disposed during the year through sale of assets. Investment properties are expected to be \$0.500 million higher than previous year while intangible assets will be lower by the amortization component charged to operating results in 2016/17.

13.1.3 Current Liabilities (\$9.205 million decrease)

The current liabilities (that is, obligations Council must pay within the next year) are expected to decrease by \$9.205 million. Amounts owed to suppliers are expected to decrease by \$6.140 million. Trust deposits are expected increase by \$0.180 million and provisions for employee entitlements are also expected to increase by \$0.287 million in total compared to 2015/16 forecast. The liability of interest bearing loans is the principal repayment payable within the financial period ending 30 June 2017 and this is expected to be lower by \$3.532 million from 2015/16 balance.

13.1.4 Non Current Liabilities (\$3.047 million decrease)

The increase in noncurrent liabilities (that is, obligations Council must pay beyond the next year) is expected to decrease by \$3.047 million. Non-current component of the employee entitlements provisions is expected to increase by \$0.025 million during the year. The other non-current liabilities refer to items such as maintenance bonds and pre-paid burial rights etc which are expected to increase by \$0.300 million by end of the year. Non Current loan borrowings balance at year-end will be lower by \$3.372 million.

13.1.5 Working Capital (\$14.880 million decrease)

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

The unrestricted working capital is expected to decrease by \$14.880 million in 2016/17 mainly due to the significant capital expenditure of 50.7 million during the year.

Working Capital	Note	Forecast	Budget	Variance
		2015/16 \$'000	2016/17 \$'000	\$'000
Current Assets		85,378	61,397	-23,982
Current Liabilities		34,373	25,168	-9,205
Working Capital		51,006	36,229	-14,777
Restricted cash and investment current assets				
- Statutory reserves		-35,636	-35,739	-103
- Discretionary reserves				
Unrestricted Working capital		15,370	490	-14,880

13.1.6 Equity (\$68.740 million increase)

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

- Accumulated surplus, which is the value of all net assets, less reserves that have accumulated over time plus the increase in equity (or net assets) which is the net effect of operating surplus for the year plus the net transfer to/from reserves.
- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose. This includes developer contributions reserves set aside for future capital works.

13.2 Key assumptions

In preparing the budgeted balance sheet for the year ended 30 June 2017, it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 96.0% of total rates and charges raised will be collected in 2016/17.
- Trade creditors will be based on total capital and operating expenditure less the written down value of assets sold, depreciation and employee costs.
- Proceeds from the sale of property of \$6.736 million will be received in full in the 2016/17 year.
- Employee entitlements include increments from the Enterprise Bargaining Agreement plus the additional cost associated with the increase in employee numbers for new initiatives approved by Council.
- No new Loan borrowing is envisaged for 2016/17 financial year.
- Total capital expenditure forecast for 2016/17 is \$50.7 million. This figure includes the current estimate of budgeted carry forwards expenditure from 2015/16 of \$15.5 million. Actual carry forwards to 2016/17 works will be ascertained on completion of the annual financial statements for 2015/16 in August 2016. Variations between the budgeted and actual carry forwards will be adjusted in 2016/17 through the quarterly forecast process.
- Total budgeted capital expenditure for 2016/17 of \$50.7 million is expected to be completed by the end of the 2016/17 financial year.



Long Term Strategies

LONG TERM STRATEGIES

This section includes the following analysis and information

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

14. Strategic Resource Plan

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

14.1 Plan development

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

Council has prepared a Strategic Resource Plan (SRP) for the four years 2016/17 to 2017/18 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

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

- Maintain existing service levels
- Achieve a breakeven operating result within five to six years
- Maintain a capital expenditure program of at least \$28.0 million per annum
- Achieve a balanced budget on a cash basis.

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

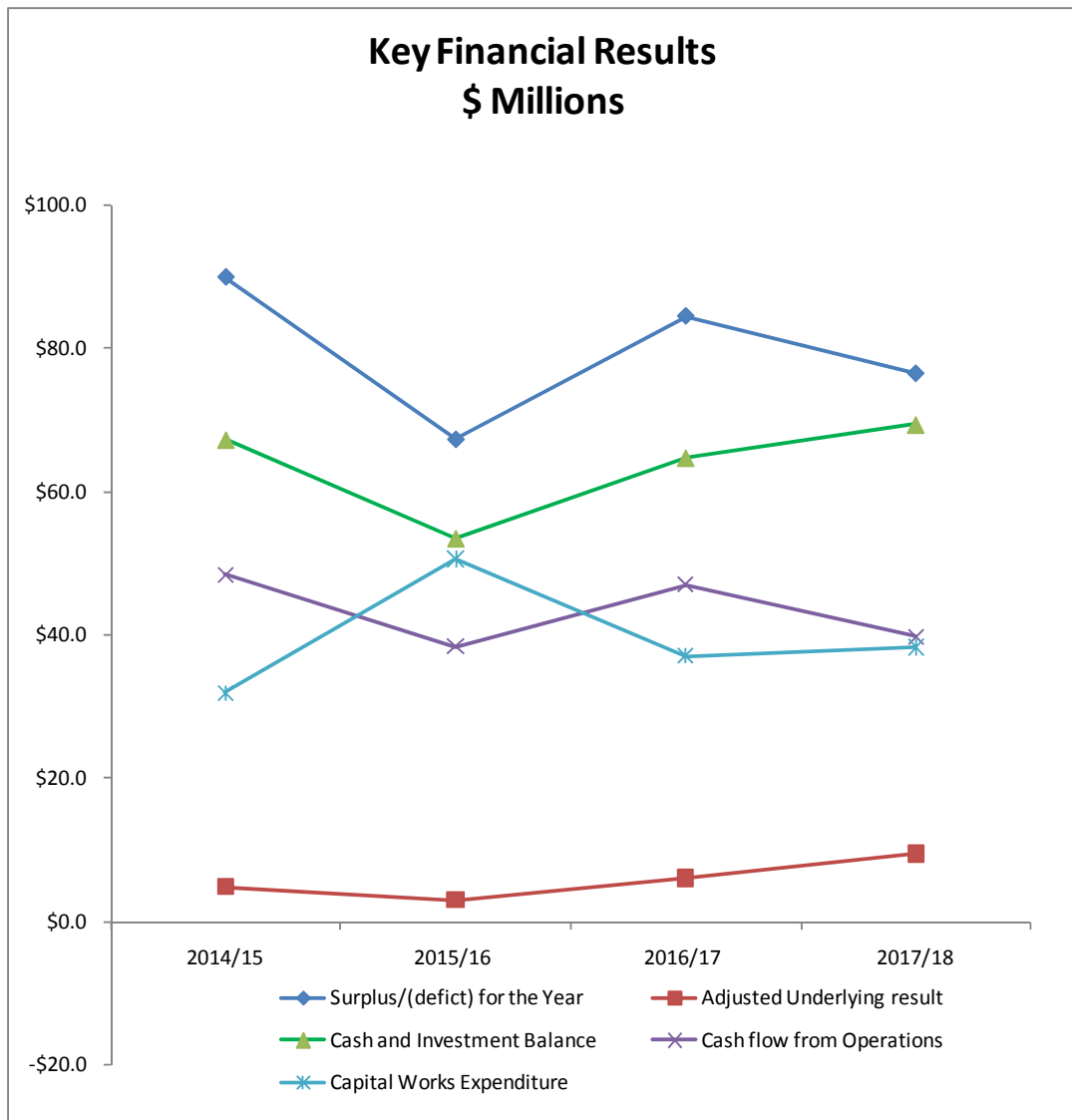
- Prudently manage financial risks relating to debt, assets and liabilities
- Provide reasonable stability in the level of rate burden
- Consider the financial effects of Council decisions on future generations
- Provide full, accurate and timely disclosure of financial information.

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

14.2 Financial resources

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

Financial Resources	Forecast 2015/16	Strategic Resource Plan			
		Budget Projections			
		2016/17	2017/18	2018/19	2019/20
Year Ended 30th June	\$'000	\$'000	\$'000	\$'000	\$'000
Surplus/(deficit) for the year	89,938	67,297	84,503	76,509	77,945
Adjusted underlying result	4,853	3,078	6,095	9,504	13,432
Cash and investment balance	67,261	53,508	64,740	69,367	59,277
Cash flow from operations	48,421	38,402	47,030	39,773	40,525
Capital works expenditure	31,944	50,665	37,060	38,265	54,061



The key outcomes of the SRP are as follows:

- Financial sustainability (Section 11)** - Cash flow from operations is projected to increase marginally over the four year period from \$38.4 million to \$40.5 million. As stated earlier the underlying result is expected to improve significantly largely based on the assumption of increase in Precinct Structure Plan and housing construction activity resulting in steady improvement in land sales income year by year
- Rating levels (Section 15)** – Modest rate increases are forecast over the four years at an average of 2.5% and growth in assessments of 3.0%
- Service delivery strategy (Section 16)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast in years 2016/17 and 2019/20 as a result of significant capital grant revenue being received to fund the annual capital works program, developer cash contributions and land sales. However, excluding the effects of capital items such as capital grants and cash and non cash developer contributions, the adjusted underlying result is a \$3.1 million in 2016/17 improving to \$13.4 million largely based on increasing land sales income projected in the planning period. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result

- **Borrowing strategy (Section 16)** – Borrowings are forecast to reduce from \$29.1 million at the beginning of 2016/17 to \$13.0 million by the end of 2019/20. The Strategic Resource Plan projects a total loan repayment of over \$16.1 million over the four year period. This includes nil borrowings of from 2016/17 to 2019/20.
- **Infrastructure strategy (Section 16)** - Capital expenditure over the four year period will total \$180.0 million at an average of \$45.0 million. .

15. Rating information

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

15.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 69.9% of Council's underlying revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Melton community.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases, particularly recent changes in property valuations and subsequently rates for some properties in the municipality. To ensure that deliberations about future rate increases have been made on an informed basis, comparisons of historical rate increases were made between Council and other similar sized councils. The following table shows a comparison of the last five years and the average rates per capita for the 2016/17 year.

Year	Melton City Council	Average Large Council
2015/16	4.4%	5.0%
2014/15	4.8%	4.8%
2013/14	4.0%	4.8%
2012/13	4.5%	5.2%
2011/12	3.0%	5.7%
Average Increase	4.1%	5.1%
Average per capita 2015/16		\$576

Source: Council's Strategic Resource Plan 2016/17 to 2019/20

15.2 Current year rates and charges

The following table sets out future proposed increases in revenue from rates and charges and the total rates to be raised, based on the forecast financial position of Council as at 30 June 2016.

Year	General Rate Increase %	Municipal Charge Increase %	Avg Waste Service Charge Increase %	Total Rates Raised \$'000
2015/16	4.40	4.60	4.42	93,090
2016/17	2.50	2.20	2.50	98,575
2017/18	2.50	2.50	2.50	101,039
2018/19	2.50	2.50	2.50	103,565
2019/20	2.50	2.50	2.50	106,154

15.3 Rating structure

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

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

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

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

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

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

The following table summarises the rates to be determined for the 2016/17 year. A more detailed analysis of the rates to be raised is contained in Section 7 'Statutory Disclosures'.

Rate type	How applied	2015/16	2016/17	Total Raised \$000's	Change
General Rate	Cents in \$ of CIV	0.34870	0.32487	57,703	7.2%
Vacant Land	Cents in \$ of CIV	0.52305	0.48731	5,050	-0.4%
Extractive Industry Land	Cents in \$ of CIV	1.00424	0.93563	447	-9.8%
Commercial & Industrial Developed Land	Cents in \$ of CIV	0.55791	0.51979	9,082	4.2%
Commercial & Industrial Vacant Land	Cents in \$ of CIV	0.69739	0.64974	1,635	4.0%
Retirement Village Land	Cents in \$ of CIV	0.29638	0.27614	492	-6.0%
Rural Living Land	Cents in \$ of CIV	0.31383	0.29238	477	-0.7%
Rural Land	Cents in \$ of CIV	0.25106	0.23391	1,814	-0.4%
Urban Growth Land	Cents in \$ of CIV	0.26152	0.24365	2,877	5.7%
Municipal charge	\$ per property	\$136	\$139	7,178	2.2%
Waste service A	\$ per service	\$305	\$313	3,053	2.6%
Waste service B	\$ per service	\$271	\$278	574	2.6%
Waste service C	\$ per service	\$261	\$268	2,789	2.7%
Waste service D	\$ per service	\$227	\$233	1,196	2.6%
Waste service E	\$ per service	\$218	\$223	2,305	2.3%
Waste service F	\$ per service	\$186	\$191	1,309	2.7%
Extra bin	\$ per service	\$133	\$136	270	2.3%

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

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

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

In the 2016/17 Rating year the following proposed discount will apply to the rates:

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

15.4 General revaluation of properties

During the 2015/16 year, a revaluation of all properties within the municipality was carried out and will apply from 1 July 2016 for the 2016/17 year. The outcome of the general revaluation has been a significant change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 10.2%. Of this increase, residential properties have increased by 9%, and commercial & industrial properties by 8%.

The following table summarises the valuation changes between the 2014 and 2016 general revaluations for residential properties by suburb, together with the rating changes between the 2015/16 and 2016/17 years based on a 2.5% average rate increase and the valuation movements listed.

Suburb	Valuation Increase (Decrease)	Rates Increase (Decrease)
Brookfield	4%	-4%
Burnside	15%	7%
Burnside Heights	6%	-1%
Caroline Springs	10%	2%
Diggers Rest	4%	-3%
Exford	1%	-6%
Eynesbury	7%	-1%
Hillside	17%	9%
Kurunjang	1%	-6%
Melton	6%	-1%
Melton South	5%	-2%
Melton West	5%	-2%
Mount Cottrell	11%	4%
Plumpton	8%	1%
Rockbank	17%	9%
Taylors Hill	21%	12%
Toolern Vale	12%	4%
Average residential	9%	1%
Average business	8%	9%

In deliberating over the setting of the differential rate structure for the 2016/17 year, Council has been mindful of the greater increase in residential property valuations compared to those in the business sector. If no changes were made to the rate differential, the change in property values would result in an overall increase of 1% in residential rates and an increase of 9% in commercial & industrial rates for the 2016/17 year.

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2015/16 year, Council has chosen not to make any changes to the existing rate differential. In aggregate, total rates and charges will increase by 5.9% compared to 2015/16. This will be achieved by reducing the rate in the dollar to offset the 10.2% increase in property valuations across the municipal district following the general revaluation.

16. Summary of other strategies

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

16.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see Section 8), borrowings was identified as an important funding source for capital works programs. In the past, Council has borrowed strongly to finance large infrastructure projects and since then has been in a phase of debt reduction. This has resulted in a reduction in debt servicing costs, but has meant that cash and investment reserves have been used as an alternate funding source to maintain robust capital works programs. With Council cash balance now forecast to be \$67.3 million at 30 June 2016 it has been necessary to reconsider the issue of borrowings.

Council has decided not to take out any new borrowings from 2016/17 to 2019/20, i.e during the currency of latest Strategic Resource Plan. Council will utilise cash generated by asset sales to repayment existing debt. It is quite likely that in future years; borrowings will be required to fund future infrastructure initiatives. The following table sets out future loan repayments, finance charges and total loan balances up to 2019/20 based on the forecast financial position of Council as at 30 June 2016.

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

Borrowings	New Borrowings	Principal Paid	Interest Paid	Balance 30 June
Year	\$'000	\$'000	\$'000	\$'000
2015/16	7,850	7,262	1,499	29,068
2016/17		6,905	1,499	22,162
2017/18		3,373	1,412	18,790
2018/19		2,820	1,338	15,970
2019/20		2,965	1,131	13,005

16.2 Precinct Structure Plans Long Term Funding Capacity

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

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

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

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

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



Appendices

Appendix A

Fees and charges schedule

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

Appendix A

Fees and Charges Schedule 2016-17

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
Community Care	Domestic Assistance	High Fee Range (no GST)		Per Hour	\$32.00	\$45.00
		Medium Fee Range (no GST)		Per Hour	\$8.70	\$9.00
		Low Fee Range (no GST)		Per Hour	\$5.30	\$5.50
	Personal Care	High Fee Range (no GST)		Per Hour	\$35.30	\$45.00
		Medium Fee Range (no GST)		Per Hour	\$6.10	\$6.30
		Low Fee Range (no GST)		Per Hour	\$4.30	\$4.40
	Respite	High Fee Range (no GST)	In-home	Per Hour	\$32.40	\$45.00
		Medium Fee Range (no GST)	In-home	Per Hour	\$4.40	\$4.40
		Low Fee Range (no GST)	In-home	Per Hour	\$2.90	\$3.00
	Food Services Home Delivered, Centre based inc. functions	High Fee Range (no GST)		per Meal	\$20.70	\$25.00
		Medium Fee Range (no GST)		per Meal	\$7.37	\$7.60
		Low Fee Range (no GST)		per Meal	\$7.35	\$7.60
	Property Maintenance	High Fee Range (no GST)	Additional cost for materials	per Hour	\$46.25	\$46.70
		Medium Fee Range (no GST)	Additional cost for materials	per Hour	\$17.55	\$17.70
		Low Fee Range (no GST)	Additional cost for materials	per Hour	\$9.15	\$9.50
	Social Support (Centre Based)	High Fee Range (no GST)		Per Session	\$111.80	\$115.00
		Medium Fee Range (no GST)		Per Session	\$5.40	\$5.60
		Low Fee Range (no GST)		Per Session	\$5.40	\$5.60
	Social Support (Community Based)	High Fee Range (no GST)	Outing Incl meal		\$85.40	\$88.40
		Medium Fee Range (no GST)	Outing Incl meal		\$20.70	\$21.40
		Low Fee Range (no GST)	Outing Incl meal		\$20.70	\$21.40
	Volunteer Transport	High Fee Range (no GST)	Dependent on destination		\$1.30-\$9.90	\$1.40-\$10.30
		Medium Fee Range (no GST)	Outing Incl meal			\$21.40
Support for Carers Program (Community Based)	Low Fee Range (no GST)	Outing Incl meal			\$21.40	
Men's Shed	Per session depending on activity	Fees			\$2.00-\$25.00	
Community Buses	Up to 5 hours	Fees		\$26.65	\$27.60	
	Up to 5 hours	Bond		\$170.55	\$176.50	
	Daily	Fees		\$53.30	\$55.20	
	Daily	Bond		\$170.55	\$176.50	

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Overnight (per night)	Fees		\$127.90	\$132.40
	Community Buses Non Compliance	Fuel not replaced and administration costs	Fees	per Litre	\$40.50	\$45.00
		Late cancellation			Full scheduled booking fee	Full scheduled booking fee
		“At Fault” Accident			\$500 and additional \$500 if under age of 25 years	\$500 and additional \$500 if under age of 25 years
		Internal or external damage			Associated cost	Associated cost
	Seniors Community Centre	Seniors Community Groups	Hire Functions		\$213.00	\$220.00
		All Hirers	P/L Ins		\$29.85	\$31.00
		All Hirers	Security		\$33.00	\$34.00
		All Hirers	Bond		\$286.60	\$300.00
		Non Seniors Groups	Hire		\$423.80	\$440.00
		Seniors Community Groups per hour Hourly Rental –Long term/ongoing	Hire		\$6.60	\$6.80
		Non Seniors Community Groups per hour Hourly Rental –Long term/ongoing	Hire			\$9.50
		Commercial Groups per hour Hourly Rental –Long term/ongoing	Hire		\$18.60	\$20.00
Community Planning	Community Facilities for Hire	Community Room hire - Permanent Community Users		per hour	\$9.00	\$9.50
		Community Room hire - Permanent Community Agency users		per hour	\$12.00	\$12.50
		Community Room hire - Permanent and Casual Commercial Users OR Private function before 5pm		per hour	\$25.00	\$26.00
		Community Room hire - Casual Community User		per hour	\$13.00	\$13.50
		Community Room hire - Casual Community Agency User		per hour	\$17.00	\$17.50
		Community Room hire - Casual User Bond		per hire	\$500.00	\$500.00
		Meeting Room hire (<20 capacity) - Permanent Community Users		per hour	\$7.50	\$8.00
		Meeting Room hire (<20 capacity) - Permanent Community Agency Users		per hour	\$9.00	\$9.50
		Meeting Room hire (<20 capacity) - Permanent and Casual Commercial Users		per hour	\$22.00	\$23.00
		Meeting Room hire (<20 capacity) - Casual Community Users		per hour	\$9.50	\$10.00
		Meeting Room hire (<20 capacity) - Casual Community Agency Users			\$12.50	\$13.00
		Meeting room hire (<20 capacity) - Casual User Bond		per hire	\$200.00	\$200.00
		Casual User Insurance		per hire	\$25.00	\$26.00
		Function hire after 5pm		per hour	\$52.00	\$54.00
		After Function Hire Clean		per hire	\$105.00	\$108.50
		After Function Hire Inspection		per hire	\$50.00	\$51.00
		Office Hire in Community Facilities		per day	\$47.00	\$48.50
	Melton Community Hall - Auditorium	Day booking (prior to 5pm) - Commercial OR Private function		per hour	\$80.00	\$83.00
		Day booking (prior to 5pm) - Community group/Community agency		per hour	\$47.00	\$48.50
		Evening booking (after 5pm) - Commercial OR Private function		per hour	\$91.00	\$94.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Evening booking (after 5pm) - Community group/Community agency		per hour	\$54.00	\$56.00
	Melton Community Hall - Meeting Rooms	Meeting room 1, or 2 /3 - Commercial		per hour	\$20.00	\$20.50
		Meeting room 1 or 2/3 - Community group/Community agency		per hour	\$14.50	\$15.00
		Meeting room 1, or 2 /3 - Commercial		per day (minimum 5 hours)	\$100.00	\$102.50
		Meeting room 1 or 2/3 - Community group/Community agency	New Fee	per day (minimum 5 hours)	\$72.50	\$75.00
		Meeting Room 4 - Commercial rate		per hour	\$50.00	\$31.00
		Meeting room 4 - Community group/Community agency		per hour	\$25.00	\$20.50
		Meeting Room 4 - Commercial rate		per day (minimum 5 hours)	\$250.00	\$155.00
		Meeting room 4 - Community group/Community agency		per day (minimum 5 hours)	\$125.00	\$102.50
	Melton Community Hall - Bonds	Bonds: Auditorium	Flat Fee	per booking	\$500.00	\$500.00
		Bonds: Meeting rooms	Flat Fee	per booking	\$200.00	\$200.00
	Melton Community Hall - Additional Meeting Aids/Resource Charges	PA System/Audio system – (no operator inc. Lecturn and Microphone and access to lighting controls) - Commercial OR Private function		All costs flat rate per hire	\$117.00	\$121.00
		PA System/Audio system – (no operator inc. Lecturn and Microphone and access to lighting controls) - Community group/Community agency		All costs flat rate per hire	\$69.00	\$71.50
		Staff: Set up / service per officer		per hour	\$43.00	\$44.50
	Caroline Springs Library/Civic Centre			per hour		\$31.00
		Single meeting room - Commercial			\$30.00	
		Single meeting room - Community group/Community agency		per hour	\$20.00	\$20.50
				per day (minimum 5 hours)	\$150.00	\$155.00
		Single meeting room - Commercial			\$150.00	
				per day (minimum 5 hours)	\$100.00	\$102.50
		Single meeting room - Community group/Community agency			\$100.00	
		Double meeting room - Commercial		per hour	\$58.00	\$60.00
		Double meeting room - Community group/Community agency		per hour	\$28.00	\$29.00
				per day (minimum 5 hours)	\$290.00	\$300.00
		Double meeting room - Commercial			\$290.00	
				per day (minimum 5 hours)	\$140.00	\$145.00
		Double meeting room - Community group/Community agency			\$140.00	
		Interview Room 1 or 2: Commercial organisation		per hour	\$20.00	\$20.50
		Interview Room 1 or 2: Community group/Community agency		per hour	\$14.50	\$15.00
				per day (minimum 5 hours)	\$100.00	\$102.50
		Interview Room 1 or 2: Commercial organisation			\$100.00	

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Interview Room 1 or 2: Community group/Community agency		per day (minimum 5 hours)	\$72.50	\$75.00
		ICT Room: Commercial		per hour	\$50.00	\$31.00
		ICT Room: Community group/Community agency		per hour	\$30.00	\$20.50
		ICT Room: Commercial		per day (minimum 5 hours)	\$250.00	\$155.00
		ICT Room: Community group/Community agency		per day (minimum 5 hours)	\$150.00	\$102.50
		Bond (applicable only after hrs)		per booking	\$200.00	\$200.00
		Laptop hire	per unit	per hire	\$10.50	\$2.50
		Staff: Set up / service per officer		per hour	\$43.00	\$44.50
	Melton Library and Learning Hub	Balam Balam - Commercial rate		per hour	\$84.00	\$87.00
		Balam Balam - Community group/Community agency		per hour	\$42.00	\$43.50
		Balam Balam - Commercial rate		per day (minimum 5 hours)	\$412.00	\$435.00
		Balam Balam - Community group/Community agency		per day	\$206.00	\$217.50
		Ground floor single meeting room - Commercial		per hour	\$30.00	\$31.00
		Ground floor single meeting room - Community group/Community agency		per hour	\$20.00	\$20.50
		Ground floor single meeting room - Commercial		per day (minimum 5 hours)	\$150.00	\$155.00
		Ground floor single meeting room - Community group/Community agency		per day (minimum 5 hours)	\$100.00	\$102.50
		Ground floor double meeting room - Commercial		per hour	\$58.00	\$60.00
		Ground floor double meeting room - Community group/Community agency		per hour	\$28.00	\$29.00
		Ground floor double meeting room - Commercial		per day (minimum 5 hours)	\$290.00	\$300.00
		Ground floor double meeting room - Community group/Community agency		per day (minimum 5 hours)	\$140.00	\$145.00
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Commercial		per hour	\$20.00	\$20.50
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Community group/Community agency		per hour	\$14.50	\$15.00
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Commercial		per day (minimum 5 hours)	\$100.00	\$102.50
		First floor meeting rooms (Buckley, Davey, Dhum-Djerring) - Community group/Community agency		per day (minimum 5 hours)	\$72.00	\$75.00
		First floor training room (Corr, Richards & Cameron) - Commercial		per hour	\$30.00	\$31.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		First floor training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$20.00	\$20.50
		First floor training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$150.00	\$155.00
		First floor training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$100.00	\$102.50
		First floor double training room (Corr, Richards & Cameron) - Commercial		per hour	\$58.00	\$60.00
		First floor double training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$28.00	\$29.00
		First floor double training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$290.00	\$300.00
		First floor double training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$140.00	\$145.00
		First floor triple training room (Corr, Richards & Cameron) - Commercial		per hour	\$62.00	\$64.00
		First floor triple training room (Corr, Richards & Cameron) - Community group/Community agency		per hour	\$36.00	\$37.50
		First floor triple training room (Corr, Richards & Cameron) - Commercial		per day (minimum 5 hours)	\$310.00	\$320.00
		First floor triple training room (Corr, Richards & Cameron) - Community group/Community agency		per day (minimum 5 hours)	\$180.00	\$187.50
		Butler AV room - Commercial		per hour	\$36.00	\$37.50
		Butler AV room - Community group/Community agency		per hour	\$18.00	\$18.50
		Butler AV room - Commercial		per day (minimum 5 hours)	\$180.00	\$187.50
		Butler AV room - Community group/Community agency		per day (minimum 5 hours)	\$90.00	\$92.50
		Laptop hire	per unit	per hire	\$10.50	\$2.50
	Neighbourhood House Programs	Class Fees		per hour	\$4.50-15.50 per hour dependent on tutor fees and class capacity	Fees set at minimum of 75% of tutor costs
		Casual Community Room Hire - Community group		per Hour	\$13.00	\$13.50
		Casual Community Room Hire - Community agency		per hour	\$17.00	\$17.50
		Permanent & Casual Commercial Room Hire		per Hour	\$25.00	\$26.00
		Permanent Community Room Hire - Community group		per Hour	\$9.00	\$9.50
		Permanent Community Room Hire - Community agency		per hour	\$12.00	\$12.50
Compliance	Building Lodgement Fees	Request for building permit information & (3)	Regulation 326 (1), (2), Statutory	per Information	As per regulations	As Per Regulations

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Council consent/discretion Requirements (Reg 408 - 431)	Part 4 Siting Statutory	per Inspection	as per regulations	As Per Regulations
		Affected Owners Written Consultation Fee	Non Statutory		\$105.00	\$110.00
		Lodgement of fees for Class 1 & 10 > \$5,000	Statutory	Per Lodgement	As per regulations	As Per Regulations
		Lodgement fees for all other classes	Statutory	Per Lodgement	As per regulations	As Per Regulations
		Council consent/discretion (Reg 310, 513,515,604,801,802, & 806)	Non - Siting Matters Statutory	Per Lodgement	As per regulations	As Per Regulations
		Domestic Building Plans Search Fee (non - refundable)	Non Statutory		\$88.00	\$88.00
		Commercial Building Plans Search Fee (non - refundable)	Non Statutory		\$172.00	\$172.00
		Copy of Building Permit Form	Non Statutory		\$11.00	\$11.00
		Copies of plans (Maximum of 10 A3's) must also include search fee	Non Statutory		\$46.00	\$48.00
		Copies of A1 Plans (each)	Non Statutory	per copy	\$5.00	\$5.00
		Copies of occupancy permits must also include search fee	Non Statutory	per permit	\$23.00	\$24.00
		Copies of Building Insurance certificate include search fee	Non Statutory	Per Certificate	\$23.00	\$24.00
		Copies of Soil Report must also include search fee	Non Statutory		\$46.00	\$48.00
		Copies of Structural Computations must also include search fee	Non Statutory		\$68.00	\$71.00
	Building Permit Fees	Domestic Building Work Value of Works < \$50,000		Per Item	\$3,200.00	\$3,300.00
		Domestic Building Work Value of Works \$50,001 < \$1000,000		Per Item	\$3,700.00	\$3,800.00
		Domestic Building Work Value of Works \$100,001 < \$250,000		Per Item	\$4,200.00	\$4,300.00
		Domestic Building Work Value of Works \$250,001 < \$500,000		Per Item	\$4,700.00	\$4,800.00
		For two Storey domestic building work additional fee		Per Item	\$640.00	\$660.00
		Relocated Dwelling		Per Item	\$5,300.00	\$5,500.00
		Commercial Building Work < 500 sq. M.		Per Item	\$4,200.00	\$4,300.00
		Sheds, verandah's, Pergola's, Carport, Masks, etc		Per Item	\$960.00	\$1,000.00
		Fences		Per Item	\$1,060.00	\$1,100.00
		Retaining Walls		Per Item	\$1,260.00	\$1,300.00
		Re-stump		Per Item	\$2,120.00	\$2,200.00
		Swimming Pooling including fence		Per Item	\$2,120.00	\$2,200.00
		Demolition		Per Item	\$1,890.00	\$2,000.00
		Temporary Structures and Special Use Permits		Per Item	\$640.00	\$670.00
		Illegal Building works		Per Item	125% of permit fee	125% of permit fee
	Building Inspections	Building Inspection	New Fee	Per inspection		\$165.00
		Compliance Certificate	New Fee	per		\$220.00
	Health - Food Act Premises	Class 1	New Fee		\$620.00	\$650.00
		Class 2	New Fee		\$620.00	\$640.00
		Class 3	Require FSP		\$310.00	\$320.00
		Class 2 & Class 3 Premises (Sporting Body)	New Fee		25% of annual fee	25% of annual fee
		Short term Mobile / Temporary Food Premises >3 months	New Fee			25% of annual fee
		Registration Renewal Fee reduced by 25% per quarter (calendar year)	% of registration		25%	25%
		Water Transport Vehicles - class 3 fee per vehicle			\$310.00	\$320.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Application fee for plan assessment			\$300.00	\$310.00
		Transfer of Registration	% of registration		50.00%	50.00%
		Transfer Inspection - within 5 days			\$300.00	\$310.00
		Transfer Inspection - Within 24 hrs			\$600.00	\$620.00
		Hairdressers one off registration	New Fee			\$160.00
	Health Act premises	Health Act Premises			\$150.00	\$160.00
		Registration Fee reduced by 25% per quarter (calendar year)	% of registration		\$0.25	\$0.25
		Application fee for plan assessment			\$270.00	\$270.00
		Transfer of Registration	% of registration		50.00%	50.00%
		Transfer Inspection - within 5 days			\$150.00	\$160.00
		Transfer Inspection - Within 24 hrs			\$300.00	\$310.00
	Caravan Parks	Caravan Parks	Fixed Statutory Fee		As per regulations	As Per Regulations
		Caravan Park Transfer	% of registration		50.00%	50.00%
	Waste Water	Septic Tank Application			\$500.00	\$520.00
		Septic Tank Alteration			\$400.00	\$420.00
	Prescribed Accomadation	Prescribed Accommodation Premises - Up to 5 people	5 or more people - New Fee		\$160.00 plus \$16.00 per person for 5 or more people	\$170.00 plus \$17.00 per additional person over 5
		Prescribed Accommodation Premises - rooming houses Up to 4 people	4 or more people - New Fee		\$160.00 plus \$16.00 per person for 5 or more people	\$170.00 plus \$17.00 per additional person over 4
	General Inspection	General Inspection Fee		per Hour	\$105.00	\$110.00
	Late Fees	Late Fee – applies when registration fees are not submitted by the due date.	% of registration fee		50.00%	50.00%
	Local Laws - Animal Registrations (Registration fees are fixed by Council in accordance with s.15 Domestic Animals Act 1994)	Unsterelized Dog – Full Fee			\$114.00	\$120.00
		Unsterelized Cat – Full Fee (Only Animals Register prior to Aug 2011 or exemption)			\$68.00	\$82.00
		Sterilized Dog – Reduced Fee			\$36.00	\$40.00
		Sterilized Cat – Reduced Fee			\$24.00	\$26.00
		Microchipped Dog (Registered Prior to 10th April 2013)			\$36.00	\$44.00
		Microchipped Cat (Registered prior to 10th April 2013)			\$24.00	\$30.00
	Microchipped Discount was discontinued under the Domestic Animals Act 1994 from 11 April 2013.	Dog kept for breeding by Domestic Animal Business			\$84.00	\$90.00
		Cat kept for breeding by Domestic Animal Business			\$42.00	\$45.00
		Approved Applicable Obedience Trained Dog			\$36.00	\$40.00
		Unsterelized Working Dog - Livestock			\$84.00	\$90.00
	Please note: The State Government receives a payment for each registered Dog, Cat and Domestic Animal Business with Council	Steralized Working Dog - Livestock			\$36.00	\$40.00
		Dangerous Dog - Guard Dog Non-Residential Premises			\$120.00	\$120.00
		Declared Restricted Breed Dog			\$200.00	\$220.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)	
	<p>Animal Business Unit Council:</p> <p>Currently the amount is \$3.50 per Dog, \$2.00 per Cat and \$10.00 per Domestic Animal</p> <p>** For first 24 hours from impoundment.</p> <p>*** For each subsequent 24 hours from first 24 hour period.</p> <p>Registration of Domestic Animal Business(DAB)</p> <p>Livestock</p> <p>* For first 24 hours from impoundment. ** For each subsequent 24 hours from first 24 hour period.</p> <p>Parking</p> <p>Impounded Vehicles</p> <p>Small vehicle includes Sedans, Wagons etc.</p>	Declared Dangerous Dog			\$200.00	\$220.00	
		Declared Menacing dog			\$200.00	\$220.00	
		Dog > 10 years old			\$36.00	\$40.00	
		Cat > 10 years old			\$24.00	\$26.00	
		FCC, CV or Approved Applicable Organisation Registered Cat			\$36.00	\$26.00	
		VCA or Approved Applicable Organisation Registered Dog			\$60.00	\$40.00	
		Pro-rata Registrations <9months >6months (Only for adopted, pups and transfers)	Dog and Cat		80.00%	80.00%	
		Pro-rata Registrations <6months >3months (Only for adopted, pups and transfers)	Dog and Cat		60.00%	60.00%	
		Pro-rata Registrations <3months >1months (Only for adopted, pups and transfers)	Dog and Cat		40%	40%	
		Deseased Dog or Cat Refund <12 months > 9 months	Reinbursement		50%	50%	
		Diseased Dog or Cat Refund <9 months > 6 months	Reinbursement		25%	25%	
		Dog or Cat Surrender Fee			\$75.00	\$80.00	
		Microchip			\$75.00	\$80.00	
		Animal Trap Hire - Deposit	Dog		\$50.00	\$60.00	
		Animal Trap Hire - Deposit	Cat		\$20.00	\$25.00	
		Impounded Animal (dog / cat) - Release Fee**	Dog		\$65.00	\$70.00	
		Impounded Animal (dog / cat) - Release Fee**	Cat		\$30.00	\$35.00	
		Adpotion Cost for Animal (Male dog) - Does not include registration fee	Dog		New	\$290.00	
		Adpotion Cost for Animal (Female dog) - Does not include registration fee	Dog		New	\$350.00	
		Adpotion Cost for Animal (Female cat) - Does not include registration fee	Cat		New	\$200.00	
		Adpotion Cost for Animal (Male cat) - Does not include registration fee	Cat		New	\$230.00	
		Impounded Animal (dog / cat) - Daily Fee***	Dog		\$12.00	\$13.00	
		Impounded Animal (dog / cat) - Daily Fee***	Cat		\$10.00	\$11.00	
		Registration of Domestic Animal Business(DAB)	Registration of premises to Conduct DAB			\$130.00	\$140.00
			Renewal of registration of DAB			\$65.00	\$70.00
			Transfer of DAB to new premises			\$130.00	\$140.00
	Livestock	Impounded Livestock – Release Fee (each animal)*			\$42.00	\$45.00	
		Impounded Livestock – Daily Fee (each animal)**			\$12.00	\$13.00	
	Parking				\$55.00		
	Impounded Vehicles	Impounded Vehicle - Small – Release Fee			\$150.00	\$160.00	
		Impounded Vehicle - Large – Release Fee			\$220.00	\$240.00	

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
	Large vehicle includes Vans, Trucks etc.	Impounded Vehicle Heavy - Release Fee			Costs incurred by council for Towage & Storage	Costs incurred by council for Towage & Storage
	Heavy Vehicle - vehicle with a GVM of 4.5 tonnes or more	Impounded Vehicle – Daily Fee			\$16.00	\$18.00
	Impounded Shopping Trolleys	Impounded Shopping Trolleys – Release Fee (per Trolley)			\$75.00	\$80.00
	General Local Law Application Fee	Permit Application Fee (includes charity bin, display of goods, advertising board/A-frame, shipping container, caravan, unregistered vehicle etc)			\$84.00	\$90.00
	Permit Amendment Fee	Amendment of an existing permit	New Fee			\$40.00
	Keeping of birds & animals	Permit Renewal Fee (Bi-Yearly) multiple animals			\$42.00	\$60.00
	Use of Council Land - Roads	Permit Application Fee			\$84.00	\$90.00
		Rent per day			\$28.00	\$30.00
		Bond			\$500.00	\$550.00
	Use of Council Land Footpath/Naturestrip	Permit application Fee for Placement of Tables & Chairs etc			\$84.00	\$90.00
		Annual Renewal Fee			\$84.00	\$90.00
		Outdoor eating - per table (in addition to application fee & renewal fee)			\$26.00	\$27.00
		Outdoor eating - per chair (in addition to application fee & renewal fee)			\$11.00	\$12.00
		Food Van Sites			\$1,200.00	\$200 - \$1200
		Street Trader (Roadside)			\$210.00	\$220.00
		Street Collectors and Service Providers			\$0.00	\$0.00
		Rubbish Skip			\$26.00	\$27.00
		Rubbish Skip (Monthly)			67.00/Month + 12.00/Skip/ Location	70.00/Month + 12.00/Skip/ Location
		Rubbish Skip (Yearly)			565.00/Annum + 12.00/Skip/ Location	585.00/Annum + 12.00/Skip/ Location
		Hoarding Permit Application Fee			\$150.00	\$160.00
		Occupation of Nature Strip			\$5.00/M2/Week	\$5.00/M2/Week
		Site hut on Nature Strip			\$75.00/ Week	\$80.00
		Parking Bay for Construction Activities			\$50.00/Day	\$55.00
		Bond			\$50.00/m2	\$55.00
	Use of Council Land - Circuses	Permit Application Fee			\$84.00	\$90.00
		Rent per day			\$200.00	\$200.00
		Bond			\$3,000.00	\$3,100.00
Customer Engagement	C. Cemetery - Right of Interment (Gazetted Fee as of 1 July)	Right of Interment - Lawn Beam (Plaque/Headstone Section)			\$1,360.00	\$1,385.00
		Right of Interment - Monumental			\$1,415.00	\$1,440.00
		Right of Interment - Lawn Beam Stillborn			\$495.00	\$505.00
		Right of Interment - Lawn Beam Child (1-5yrs)			\$730.00	\$745.00
		Right of Interment - Lawn Bean Child (6-10yrs)			\$800.00	\$815.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Right of Interment Pre-need - Lawn Beam (Plaque/Headstone Section)			\$1,465.00	\$1,495.00
		Right of Interment Pre-need - Monumental			\$1,570.00	\$1,600.00
		Right of Interment - Agonas Tree Memorial (Multiple)			\$1,415.00	\$1,440.00
		Right of Interment - Agonas Standard Rose Memorial (Double)			\$1,820.00	\$1,855.00
		Right of Interment - Rose Garden/Garden Beds (Single)			\$495.00	\$505.00
		Right of Interment - Rose Garden/Garden Beds (Double)			\$940.00	\$960.00
		Right of Interment - Niche Wall (single)			\$470.00	\$480.00
		Right of Interment - Red & White Rose Gardens			\$2,545.00	\$2,595.00
		Right of Interment - Garden Memorial (Bluestone/Beam edge)			\$495.00	\$505.00
		Right of Interment - Garden Memorial (Rock/Boulder)			\$550.00	\$560.00
	C. Cemetery - Interments (Gazetted Fee as of 1 July)	Interment Fee - Sinking Grave 1.8m deep (Single) / 2.2m (Double)		Per Burial	\$1,210.00	\$1,235.00
		Interment Fee - Sinking Grave 2.7m deep (Triple)		per Burial	\$1,500.00	\$1,530.00
		Interment Fee - Stillborn		Per Burial	\$410.00	\$420.00
		Interment Fee - Child (1-5yrs)		per Burial	\$460.00	\$470.00
		Interment Fee - Child (6-10yrs)		Per Burial	\$580.00	\$590.00
		Interment Fee - Additional - Oversize Casket/Coffin (greater than 650mm wide or 2050mm long)		per Burial	\$225.00	\$230.00
		Interment Fee - Additional - Inaccessible grave (Full or partial hand digging required)		Per Burial	\$580.00	\$590.00
		Interment Fee - Reopen (Plaque/Headstone Section)		per Burial	\$1,210.00	\$1,235.00
		Interment Fee - Reopen (Monumental - no cover)		Per Burial	\$1,210.00	\$1,235.00
		Interment Fee - Reopen (Monumental - chip top)		per Burial	\$1,440.00	\$1,465.00
		Interment Fee - Reopen (Monumental - ledger)		Per Burial	\$1,950.00	\$1,985.00
		Interment Fee - Additional - Removal of ledger/monument		per Burial	\$460.00	\$470.00
		Interment Fee - Services outside prescribed hours 10.00am to 4.00pm Monday to Friday		Per Burial	\$320.00	\$325.00
		Interment Fee - Services on Saturday, Sunday & Public Holidays	New Fee	per Burial	\$600.00	\$610.00
		Interment Fee - Cremated remains into a grave site		Per Burial	\$200.00	\$205.00
		Interment Fee - Cremated remains into a garden memorial		per Burial	\$200.00	\$205.00
		Interment Fee - Cremated remains into a wall memorial		Per Burial	\$120.00	\$120.00
		Exhumation Fee (as authorised)		per Burial	\$4,370.00	\$4,455.00
	C. Cemetery - Other Fees (Gazetted Fee as of 1 July)	Lift & Reposition	New Fee	Per Burial	\$2,925.00	\$2,980.00
		Removal of ashes (Niche Wall)		per Burial	\$90.00	\$90.00
		Copy of Certificate of Right of Interment		Per Burial	\$35.00	\$35.00
		Record Search Fee (per hour or part thereof)		per Burial	\$35.00	\$35.00
		Cancellation of order to dig grave		Per Burial	\$240.00	\$245.00
		Late arrival Fee (in excess of 30 minutes)		per Burial	\$135.00	\$140.00
		Attendance for Ashes Interment		Per Burial	\$145.00	\$150.00
		Niche Wall (ashes only) Wall Bud Vase - screwed connection		per Burial	\$110.00	\$110.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Sand or special material for backfilling		Per Burial	\$195.00	\$200.00
		Location Probing	New Fee	per Burial	\$235.00	\$240.00
	Memorial Permit Fees (Gazetted Fee as of 1 July)	Memorial permit fee for additional inscription work	New Fees subject to Gazetted 1 July 2009	Per grave	\$70.00	\$70.00
		Memorial permit fee for minor renovation work -single grave		Per grave	\$115.00	\$115.00
		Memorial permit fee for major renovation work -single grave		Per grave	\$145.00	\$150.00
		Memorial permit fee for new headstone and base with existing foundation for a single grave		Per grave	\$135.00	\$140.00
		Memorial permit fee for new headstone and base without existing foundation for a single grave		Per grave	\$145.00	\$150.00
		Memorial permit fee for new monument with existing foundation for a single grave		Per grave	\$165.00	\$170.00
		Memorial permit fee for new monument with existing foundation - additional contiguous grave forming the same monument		Per grave	\$55.00	\$55.00
		Memorial permit fee for new monument without existing foundation for a single grave		Per grave	\$185.00	\$190.00
		Memorial permit fee for new monument without existing foundation - additional grave forming the same monument		Per grave	\$70.00	\$70.00
		Memorial permit fee for crypt shutters for an above ground grave		Per grave	\$105.00	\$105.00
		Memorial permit fee for supply of approved products from an external supplier		Per grave	\$155.00	\$160.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier to an in ground cremation memorial (excludes \$145 for concrete rest/spacing block		Per grave	\$105.00	\$105.00
		Memorial permit fee for affixing, installing or placing bronze externally supplied plaque and/or granite panel or other base by cemetery		Per grave	\$105.00	\$105.00
		Memorial permit fee for supply of concrete rest, spacing block or other necessary base when affixing bronze externally supplied plaque and/or granite panel or other base by cemetery		Per grave	\$105.00	\$105.00
		Memorial permit other fee for weekend or public holiday access (for memorial installation with prior approval)		Per grave	\$115.00	\$115.00
		Memorial permit other fee for weekend or public holiday access (for memorial installation with prior approval)		Per grave	\$205.00	\$210.00
		Memorial permit fee for major renovation work - additional contiguous grave forming the same monument		Per grave	\$44.00	\$44.00
		Memorial permit fee for new headstone and base with existing foundation - additional contiguous grave forming the same monument		Per grave	\$44.00	\$44.00
		Memorial permit fee for new headstone and base without existing foundation - additional grave forming the same monument		Per grave	\$44.00	\$44.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier to an above ground cremation memorial (excludes \$145 for concrete rest/spacing block		Per grave	\$44.00	\$44.00
		Memorial permit fee for affixing bronze and/or granite panel or other base by external supplier on a lawn grave or beam (excludes \$145 for concrete rest/spacing block		Per grave	\$44.00	\$44.00
		Memorial permit other fee for additional inspection for Monument Completion Certificate		Per grave	\$44.00	\$44.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Copy or re-issue of certificate previously issued, e.g. cremation or interment deed, Right of Interment.		Per grave	\$35.00	\$35.00
		Fee charged to cover the costs associated with providing the information, copies or extracts from cemetery trust records.		Per grave	\$35.00	\$35.00
Engineering Services		Plan Checking	Statutory - .75% of value of work	Per Item	0.75%	0.75%
		Property Information	Statutory	per Information	Prescribed	Prescribed
		Build over easements	Non Statutory	per Item	\$55.00	\$55.00
		Non-Standard lighting	Non Statutory	per Item	\$2,000.00	\$2,000.00
		Drainage Asset Information Request	Non Statutory	per Item	Prescribed	Prescribed
		On-Site Detention and Drainage plan shacking	Non Statutory	per Item	\$100.00	\$100.00
Families & Children	Vacation Care program	Centre Days			\$55.00	\$65.00
		Excursions	Maximum		\$23.00	\$30.00
		Incursions	Minimum		\$14.60	\$20.00
		Late Pickup Fee	\$5.00 for the first five minutes late and \$1 per minute per child thereafter	per child per minute	\$5.00	\$5.00
		Late Enrolment Fee	Fee charged for a late enrolment	per booking	\$20.00	\$20.00
	Occasional Care	3 hour session	Comparative with other services	2 or more children	\$16.50	\$24.00
		3 hour session	Comparative with other services	per child	\$20.00	\$24.00
		3.5 hour session	Comparative with other services	per child	\$21.30	\$28.00
		3.5 hour session	Comparative with other services	2 or more children	\$17.50	\$28.00
		4 hour session	Comparative with other services	per child	\$24.70	\$32.00
		4 hour session	Comparative with other services	2 or more children	\$21.30	\$32.00
		Orientation session	Comparative with other services		\$7.65	\$9.00
		Administration Levy	Industry Standard	per hr/per child	\$0.50	\$0.00
		Late pick up fee	To address parents turning up late	per child per 15 minutes	\$10.00	\$10.00
	Pre School Enrolment	Administration Levy for enrolling in Kindergarten	Kindergarten Administration Fee for 2014 enrolment	per child	\$22.00	\$25.00
	Family Day Care	Family Day Care fees	Fee range covers individual fee setting. Maximum fee covers public holidays	per hour per child	Fee Range \$5.80 - \$11.60	Fee Range \$6.00 - \$12.10

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Administration Levy	per hour per child nil capping	per Hour	\$1.55	\$1.65
		Educator Levy	per hour per child nil capping	per Hour	\$0.15	\$0.20
	Housing Services	Community Housing Properties	Minimum		25% of Client Annual Income	
Finance	Rates	Land information certificates	Statutory Fee	Per Certificate	\$20.00	\$20.00
		Land Information certificates same day service (in additional to statutory fee)	Last Reviewed 2012	Per Certificate	\$40.00	\$40.00
		Interest on outstanding rates	Penalty Interest rate approved by the minister		11.50%	11.50%
		Discretionary Address details for fencing contractors	last reviewed 2013		\$25.00	\$25.00
		Supplementary valuations City West water -	last reviewed 2015		\$25.00	\$25.00
		Copy of Valuation Certificates - For actual certificate	last reviewed 2013	per Certificate	\$30.00	\$30.00
		Street number change request / property	Vic Average for this service is \$125-\$275		\$150.00	\$150.00
		Copy of Previous years Rates & Valuation Notice	Last Reviewed 2009	per request	\$15.00	\$15.00
		Rate History search	Last Reviewed 2015	per hour	\$50.00	\$50.00
		Supplementary valuations State Revenue Office	Last Reviewed 2014		\$9.74	\$9.74
	Other	Dishonoured Payment (Cheque, Direct debits) - Administration fee	last reviewed 2009		\$15.00	\$15.00
		Water charges from stand pipe	last reviewed 2009	per Kilo Litre	\$5.00	\$5.00
Libraries	Overdue Fines	Charges for late library item returns	Normally a maximum of \$15 per card	Per item	0.20	\$0.20
	Lost, Damaged and Stolen Items	Replacement charges \	Replacement cost for lost, damaged or stolen library item as indicated on the library's database	Per item	Range	Range
		Processing fee	Fee for lost, damaged or stolen book or DVD. Applies per item	Per item	\$8.00	\$8.00
		Processing fee	Fee for lost, damaged or stolen magazine. Applies per item.	Per item	\$4.00	\$4.00
		Barcode fee	Replacement cost for item barcodes	Per barcode	\$2.00	\$2.00
		RFID label	Replacement cost for RFID tag or donut	Per label	\$2.00	\$2.00
		DVD slip cover	Reproduction cost for DVD slip covers	Per cover	\$6.00	\$6.00
		DVD case	Replacement cost for DVD case	Per case	\$2.00	\$2.00
	Replacements	Replacement charges \	Replacement cost per lost, damaged or stolen library card	Per item	\$2.00	\$2.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
	Requests	Inter-Library Loan requests	Library passes on any changes levied by the lending library to customers	Per item	\$16.50	\$16.50
	Photocopying or Printing	Black and white A4	one-sided print/copy	Per copy/print	\$0.20	\$0.20
		Black and white A4 double-sided	double-sided print/copy	Per copy/print	\$0.30	\$0.30
		Black and white A3		Per copy/print	\$0.40	\$0.40
		Black and white A3 double-sided		Per copy/print	\$0.60	\$0.60
		Colour A4		Per copy/print	\$1.00	\$1.00
		Colour A4 double-sided		Per copy/print	\$1.50	\$1.50
		Colour A3		Per copy/print	\$2.00	\$2.00
	Faxing at Caroline Springs Library	Receiving	5 pages or part	First 5 pages + for each additional page	\$1.00 + .20	\$1.00 + .20c
		Sending locally	10 pages or part	First 10 pages + for each additional page	\$2.00 + .10	\$2.00 + .10c
		Sending STD	3 pages or part	First 3 pages + for each additional page	\$2.00 + .40	\$2.00 + .40c
		Sending ISD	2 pages or part	First 2 pages + for each additional page	\$10.00 + \$1.00	\$10.00 + \$1.00
	Internet Classes	Beginners internet	Full Fee	Per person	\$5.50	\$5.50
			Concession	Per person	\$4.40	\$4.40
	Bags	Library Bags		Per bag	\$1.50	\$1.50
	Earphones	Basic earphones	Provided to internet users	Per set	\$1.50	\$1.50
	USBs	8g	Provided to internet users	Per USB	\$8.00	\$8.00
Recreation & Youth	Recreation Reserves - Grass Fields	Seasonal Use - local sporting clubs	Includes pavilion & ground use	per unit	\$357.00	\$369.00
		Casual users from outside the municipality		per hour	\$23.00	\$24.00
		Commercial Use - Coaching and Academies		Per hire	\$100.00	\$200.00
		Commercial Use - Personal Trainers	up to 20 persons	per hire	\$100.00	\$100.00
	Recreation Reserves - Synthetics Fields & Equestrian Arena	Seasonal Use - local sporting clubs	Includes pavilion & ground use	per unit	\$357.00	\$369.00
		City of Melton Schools and clubs	Ground use only	per hour	\$23.00	\$24.00
		Casual users from outside the municipality		per hour	\$68.00	\$70.00
	Hard Courts - Tennis and Netball	Casual use for local schools and clubs		per hour	\$0.00	\$0.00
		Commercial Use	Coaches up to 4 Courts	per month	New	\$300.00
		Casual users from outside the municipality			\$11.00	\$11.50
		Sports Lighting	Pending availability	per hour	\$22.00	\$23.00
	Athletic Facilities	Seasonal use - local sporting clubs	Includes pavilion & ground use	per unit	\$357.00	\$369.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Casual use/training - local schools and clubs	Day	per hour	New	\$45.00
		Casual use/training - local schools and clubs	Evening	per hour	New	\$55.00
		Casual use/training - from outside the municipality (including schools PT and coaches)	Day	per hour	New	\$68.00
		Casual use/training - from outside the municipality (including schools, PT and coaches)	Evening	per hour	New	\$78.00
		School Carnivals - local schools	Day (max 6 hrs booking)	per event	New	\$275.00
		School Carnivals - local schools	Evening (max 3hrs)	per event	New	\$165.00
		School Carnivals - users from outside the municipality	Day (max 6 hrs booking)	per event	New	\$360.00
		School Carnivals - users from outside the municipality	Evening (max 3hrs)	per event	New	\$215.00
		Carnivals - Association/combined schools,regional	Day (max 6 hrs booking)	per event	New	\$400.00
		Carnivals - Association/combined schools,regional	Evening (max 3hrs)	per event	New	\$235.00
		Standard equipment hire (core equipment)	Day (max 6 hrs booking)	per event	New	\$180.00
		Standard equipment hire (core equipment)	Evening (max 3hrs)	per event	New	\$110.00
	Melton Indoor Recreation Centre	Court 1: Show Court: courtside seating Capacity - 300	Commercial Organisation Fee	per hour	\$62.00	\$64.00
		Court 1: Show Court: courtside seating Capacity - 300	Community Group Fee	per hour	\$37.00	\$38.50
		Court 2 & 3: Booking per hour		per hour	\$62.00	\$64.00
		Court 2 & 3: Booking per hour	Community Group Fee	per hour	\$37.00	\$38.50
		General Purpose Room Capacity - 80: Booking per hour	Commercial Organisation Fee	per hour	\$48.00	\$49.50
		General Purpose Room Capacity - 80: Booking per hour	Community Group Fee	per hour	\$30.00	\$31.00
		Crèche Capacity - 80: Booking per hour		per hour	\$48.00	\$49.50
		Crèche Capacity - 80: Booking per hour	Community Group Fee	per hour	\$30.00	\$31.00
		Bonds		per booking	\$1,000.00	\$1,000.00
		Bonds	Community Group Fee	per booking	\$500.00	\$500.00
	Caroline Springs Leisure Centre	Court 1: Show Court: courtside seating Capacity - 300	Commercial Organisation Fee	per hour	\$62.00	\$64.00
		Court 1: Show Court: courtside seating Capacity - 300	Community Group Fee	per hour	\$37.00	\$38.50
		Court 2 & 3: Booking per Hour	Commercial Organisation Fee	per hour	\$62.00	\$64.00
		Court 2 & 3: Booking per hour	Community Group Fee	per hour	\$37.00	\$38.50
		Café (meetings / hire): Booking Per Hour	Commercial Organisation Fee	per hour	\$51.00	\$53.00
		Café (meetings / hire): Booking Per Hour		per hour	\$33.00	\$34.00
		Events / Functions: Monday – Friday (5pm – 12am - 7hrs)		per booking	\$600.00	\$620.00
		Events / Functions: Monday – Friday (5pm – 12am - 7hrs)		per booking	\$360.00	\$373.00
		Events / Functions: Saturday, Sunday and pubic holidays (10am – 12am = 14hrs)	Commercial Organisation Fee	per booking	\$1,100.00	\$1,100.00
		Events / Functions: Saturday, Sunday & pubic holidays (10am – 12am = 14hrs)	Community Group Fee	per booking	\$662.00	\$685.00
		Events / Functions: Bonds	Community Group Fee	per booking	\$1,100.00	\$1,100.00
		Events / Functions: Bonds	Community Group Fee	per booking	\$550.00	\$550.00
	Youth Programs	Holiday Program Daily Fee	Minimum	Daily	\$5.20	\$5.40

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		Freeza events	Maximum	per Event	\$25.90	\$26.80
		Freeza events	Minimum	per Event	\$6.20	\$6.40
		Youth Facility Casual users		per Hour	\$10.35	\$10.70
		Youth Facility Permanent users	Maximum	per Hour	\$15.55	\$16.00
		Youth Facility Permanent users	Minimum	per Hour	\$6.20	\$6.40
		Youth Facility Commercial users		per Hour	\$17.60	\$18.20
		Use of office space/ day	Minimum	Per Day	\$23.80	\$24.60
Planning		Extension of time	Discretionary fees		\$120.00	\$130.00
		Secondary Consent Applications	Discretionary fees (new		\$150.00	\$160.00
		Amended plans	Discretionary fees		\$502.00	\$502.00
		Amended permits	Discretionary fees		\$502.00	\$502.00
		Certificate of compliance	Discretionary fees		\$147.00	\$147.00
		Development plan approval	Discretionary fees		\$170.00	\$180.00
		Precinct plan approval	Discretionary fees		\$460.00	\$480.00
		Request to vary precinct plan approval	Discretionary fees		\$185.00	\$200.00
		Property enquiries & searches	Discretionary fees		\$115.00	\$120.00
		Researching existing use right or non-conforming use right	Discretionary fees		\$170.00	\$180.00
		Copy of planning permit (with associated plans)	Discretionary fees -		\$50.00	\$55.00
		Copy of planning permit (with associated plans)	Discretionary fees - Other		\$100.00	\$105.00
		Demolition Consent (Form 29A)	Discretionary fees		\$60.00	\$65.00
		Amend/End a Section 173 Agreement	Discretionary fees		\$520.00	\$540.00
		Advertising of planning application - up to 10 notices	Discretionary fees		\$65.00	\$70.00
		Advertising of planning application - over 10 notices	Discretionary fees		\$5.00	\$6 per additional notice
		Advertising Sign	Discretionary fees		\$10.00	\$11.00
		Planning Controls	Discretionary fees		\$65.00 or planning	\$70.00 or planning
		Photocopying	Discretionary fees		A3 - \$1.00 per page	A3 - \$1.50 per page
		Change of Use Only	Application Type		\$502.00	\$502.00
		Application Type - 1 dwellings \$ 10,000 - \$100,000			\$239.00	\$239.00
		Application Type - 1 dwellings \$100,001 >			\$490.00	\$490.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - < \$ 10,000			\$102.00	\$102.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$ 10,001 -			\$604.00	\$604.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$ 250,001 -			\$707.00	\$707.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$ 500,001 -			\$815.00	\$815.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$1,000,001 -			\$11,532.00	\$11,532.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$7,000,001 -			\$4,837.00	\$4,837.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - \$10,000,001 -			\$8,064.00	\$8,064.00
		DEVELOPMENT OF LAND (other than single dwelling per lot) - > \$50,000,001			\$16,130.00	\$16,130.00
		SUBDIVISION - To subdivide an existing building			\$386.00	\$386.00
		SUBDIVISION - To subdivide land into two lots			\$386.00	\$386.00

Department	Program	Description	Comments	Unit of Measure	2015-16 (Prices includes GST if applicable)	2016-17 (Prices includes GST if applicable)
		SUBDIVISION - To subdivide land into three or more lots			\$781.00	\$781.00
		SUBDIVISION - To effect a realignment of a common boundary between lots or to			\$386.00	\$386.00
		SUBDIVISION - To remove a restriction over land if the land has been used or			\$249.00	\$249.00
		SUBDIVISION - To create, vary or remove a restriction			\$541.00	\$541.00
		SUBDIVISION - To create or remove a right of way			\$541.00	\$541.00
		SUBDIVISION - To create, vary or remove an easement other than a right of way			\$404.00	\$404.00
		SUBDIVISION - To vary or remove a condition in the nature of an easement other			\$404.00	\$404.00

Appendix B

Budget Processes

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

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

The 2016/17 budget, which is included in this report, is for the year 1 July 2016 to 30 June 2017 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a budgeted Comprehensive Income Statement, Balance Sheet, and Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2017 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced by Council on a rolling basis. The preparation of the budget, within this broader context, begins with officers preparing the operating and capital components of the annual budget during November 2015 to January 2016. A consolidated budget is then prepared and various iterations are considered by Council at informal briefings during March and April. A 'proposed' draft budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days' notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its internet web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

To assist interested persons to understand the budget and make a submission if they wish, Council undertook a Community Engagement process including public information sessions. The Community Engagement for the 2016/17 budget was held at Melton Library Learning Hub and Caroline Springs Library on 4 and 6 of February respectively and was very widely publicised across the municipality. This process was well received and supported by the community. A number of rate payers and members of community groups turned out to meet the Councillors and officers providing positive feedback and written submissions in person and through the Council website. These submissions were reviewed and considered in formulating the budget.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June 2016 and a copy submitted to the Minister by 30 June 2016. The key dates for the budget process are summarised below:

The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers prepare operating and capital budgets	October 2015 – January 2016
2. Community Engagement Sessions	4 and 6 February 2016
3. Council considers budgets at informal briefings	February / March 2016
4. Proposed budget submitted to Council for approval	02 May 2016
5. Budget available for public inspection and comment	03 May to 30 May 2016
6. Submissions period closes (28 days)	30 May 2016

7. Submissions considered by Sec 223 Advisory Committee of Council	7 June 2016
8. Council Adopt 2016/17 Budget and Strategic Resource Plan	27 June 2016
9. Copy of adopted budget submitted to the Minister	30 June 2016

End of Report