



# **BUDGET 2016-17**

**Adopted  
28 June 2016**



**GOLDEN PLAINS SHIRE**



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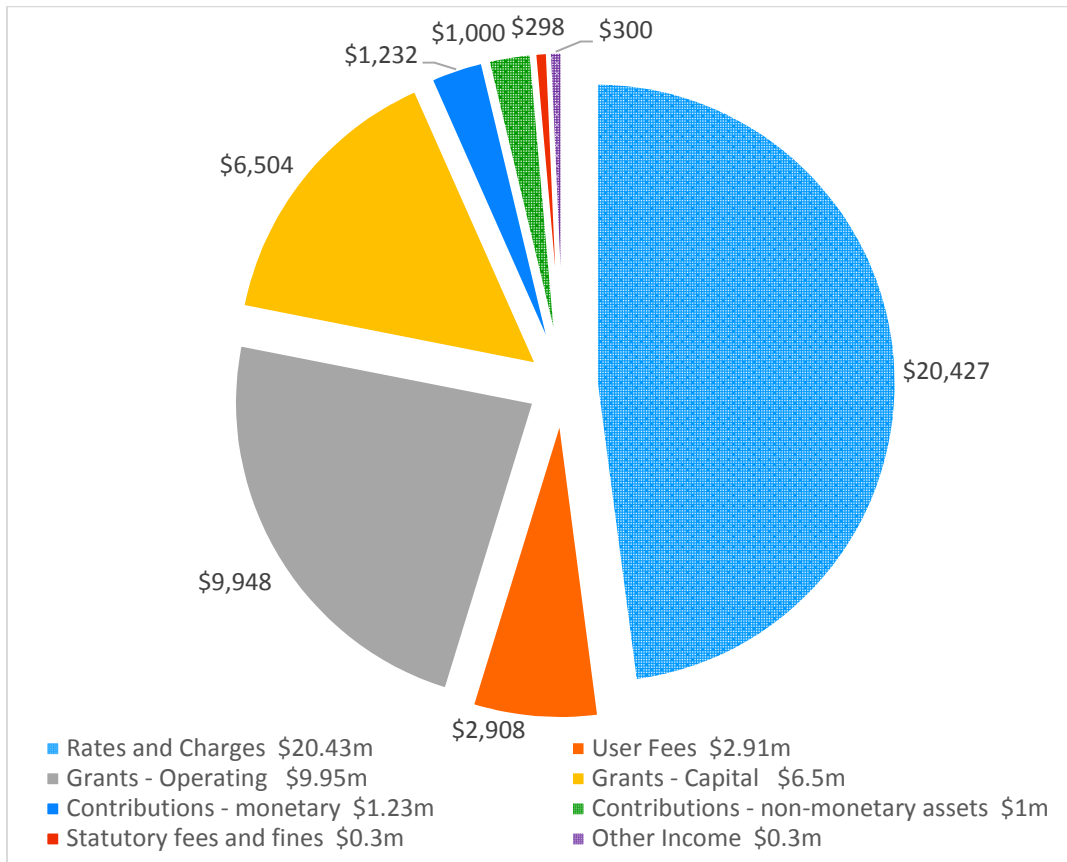
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This Budget has been prepared with reference to Chartered Accountants Australia and New Zealand "Victorian City Council Model Budget 2016-17" a best practice guide for reporting local government budgets in Victoria.

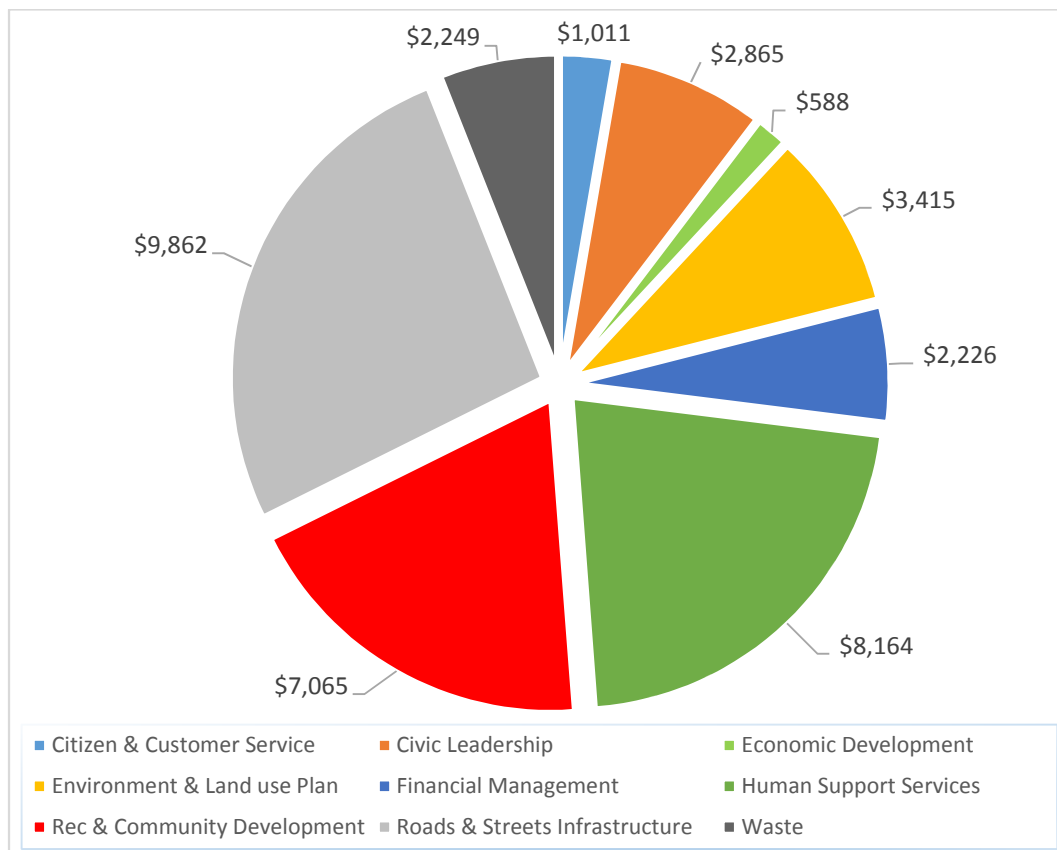
## Council's 2016-17 Budget at a Glance

(Per Comprehensive Income Statement)

### How Council's Revenue is Generated (\$'000)



### Where Council will Spend the Money (\$'000)



# 1 OVERVIEW

## 1.1 MAYOR'S INTRODUCTION

Dear Residents

The Council Plan 2013-2017 (Year 4), sets out our strategic plan to deliver our vision over the full term of the Council. As this is the final year of the current Council term, the focus will be on completion of our current commitments.

The Budget includes an average rate increase of 2.32 per cent per assessment. This is in line with the new Fair Go Rates System (FGRS) which has capped rate increases by Victorian councils in 2016-17 to the forecast movement of 2.5 per cent in the Consumer Price Index (CPI).

While Council has not elected to apply to the Essential Services Commission (ESC) for a variation, it should be noted that it has had to make some 'one-off' capital reductions to achieve this result.

It is important to understand that the actual rate increases experienced by individual ratepayers will be different due to this being an average increase per assessment. Therefore, if your property value is above the Golden Plains Shire average your rates will increase by greater than 2.32% and if it is below average it will increase by less than 2.32%.

This is further impacted in 2016-17 as a result of it being a municipal revaluation year, which is required under the Local Government Act. The revaluation process will mean that individual property values will change, further impacting the level of rates. As property values have been forecast to increase in 2016-17, the 'rate in the dollar' charged by Council has been reduced by an average of 1.34% to meet the cap.

As part of its commitment to engaging with the community, Golden Plains Shire Council and management undertook community focus group sessions with 41 community representatives to provide an opportunity to talk to Council about community priorities for the 2016-17 Council Budget. This feedback was considered by Council when developing this Budget.

Council delivers many programs and services including maintaining over 1,800 kilometres of road network, family, aged and disability services, developing community access and connectedness through linking paths and trails and also maintaining an excellent standard of recreation facilities and public spaces. Land use and environmental planning safeguard the character of our Shire and preserve land for agriculture. Economic Development provides support for investment and business growth.

Council will continue a strong campaign of advocacy and lobbying with State and Federal Governments for grants and assistance. While we have great success with securing funding for key priorities and projects in previous years, this revenue stream is not a certainty.

Council will continue to focus on identifying sustainable cost savings that will enable it to deliver high quality, responsive and accessible services to the community and maintain a 'Community First' attitude.

**Cr Des Phelan**  
MAYOR



## 1.2 EXECUTIVE SUMMARY

### Fair Go Rates System

The 2016-17 Budget has been prepared within a significantly different landscape. As has been widely publicised, the State Government's election promise of capping Council rates has been delivered and a cap of 2.5% will apply for the first time in 2016-17. The cap will be announced each December by the Minister for Local Government and for the purposes of the SRP it is assumed to remain at 2.5% for the next four years.

While the legislation limits Council's ability to raise revenue, it does recognise the differing challenges faced by the 79 Councils across the state by including the provision for Councils to apply to the Essential Services Commission (ESC) for a variation to the cap. Golden Plains Shire Council will not be applying for a variation for the 2016-17 year.

Over the coming 12 months, Council will undertake a review of its services and strategies contained within its Council Plan to develop a long term plan on how it can maintain a sustainable financial position under the State Government's rate capping framework.

In 2016-17, the State Government rate cap will only apply to general rates and municipal charges, not to other revenue, such as service rates and charges (i.e. garbage services). Such charges are to be calculated based on 'full cost recovery'. However, these charges will be monitored by the ESC with provision within the legislation for the Minister to extend the application of the rate cap to other rates or charges in future.

Similarly, User Fees and Charges are not included in the rate cap, however Council has generally kept increases in non-statutory fees to 2.5%.

For more information, please visit <http://www.delwp.vic.gov.au/fairgorates>

### The Rate Increase

In relation to the 2.5% rate cap set by the Minister, this Budget provides for an average annual rate increase of 2.32%. Table 1 provides a summary of the calculation, according to the formula prescribed by the State Government.

**Table 1**

Forecast Annualised Rate Revenue at 30 June 2016	\$ 17,793,200
Forecast Number of Assessments at 30 June 2016	10,665
<b>Forecast Base Average Rate 2015-16 per assessment</b>	<b>\$1,668.37</b>
Budget Rate Revenue 2016-17	\$18,206,859
<b>Capped Average Rate 2016-17 per assessment</b>	<b>\$1,707.16</b>
<b>Average Capped Increase</b>	<b>2.32%</b>

It is important to note that this is only an **average** increase and actual increases will vary depending on the relative value of individual properties. As required by legislation, the rate burden must be distributed based upon the value of a property which will result in higher valued properties increasing by more than 2.32% and lower valued properties increasing by less than 2.32%. This will be further impacted due to the fact that 2016-17 is a municipal revaluation year under the Act.

Some of the interim initiatives Council has implemented for 2016-17 to ensure it complies with the State Government cap in 2016-17 are:

- No additional or improved services
- No additional staff resources
- No replacement of fleet vehicles
- No replacement of non-critical computer hardware and
- Cease planning for the redevelopment of the Bannockburn Customer Service centre.

It is important to note that these are only short term options and appropriate planning must be undertaken to ensure Council's long term sustainability. This may or may not require a future application/s for a variance to the cap.

Planning must ensure financial sustainability while allocating resources sufficient to:

- fund ongoing service delivery – business as usual (balanced with greater service demands from residents)
- fund renewal of infrastructure and community assets
- cope with growth in the population of Golden Plains residents (2.0% in the last year)
- cope with cost shifting from the State Government (refer [page 13](#))
- cope with a reduction in funding from the Commonwealth Government via the Victoria Grants Commission caused by their freezing of indexation of the grant
- meet Council's obligations under its current Enterprise Agreement (3.7%). The Victorian Wage Price index is forecast to be 3.25% in 2016-17. As 2016-17 is the last year of the existing Enterprise Agreement, Council will begin new negotiations during the period.

Note that for every \$100 in taxes paid by Victorian residents, Council rates only make up approximately \$3.50. The other \$96.50 goes to the State and Federal Governments.

Refer Section 5.4 for further Rates and Charges details.

### **Major Initiatives**

As per Section 127 of the Local Government Act, the following three initiatives have been identified by the Council as priorities, to be undertaken during the financial year;

#### **1. Community First**

Community First is a community-centred strategy for Golden Plains Shire that fosters collaboration, innovation and continuous improvement. Features of the Community First Strategy include:

- Engagement of both staff and community in influencing the processes of change
- Innovation strategies to sponsor an organisational culture of collaboration and innovation
- Lean management principles applied to Council services to drive efficiencies and reduce costs
- Service improvements through strategy and service reviews to help balance resident aspirations with what Council has to spend

The Community First Strategy helps address increasing community pressure for Council to deliver products and services that are value-for-money, and provides a plan to help manage some of the challenges associated with State Government rate capping and a desire to keep rates low.

The aim of Community First is to

- Reduce costs while continuing to deliver quality community services in a sustainable way; and
- Nurture an organisational culture of innovation and Lean thinking

#### **2. Community Engagement Strategy**

Council will implement a Community Engagement Strategy to inform all units within Council. Council will improve engagement practices through staff training, better planning for key consultations and develop systems, processes and policies to support effective community engagement with the community.

#### **3. Waste and Resource Recovery Facility**

In 2016-17 Council will establish a waste and resource recovery facility within the Shire

### **Waste Management**

The Garbage Charge for kerbside collection will be set at \$246.50 which represents full cost recovery of the service, as required under the rate capping framework.

Waste management, in particular the volume of waste going to landfill, continues to be one of the largest issues facing society at present (both from an environmental and financial perspective). Council has already taken significant, and at times controversial, steps to reduce the levels of waste it is sending to landfill. This has seen an approximate 30% reduction in the amount of waste per household being sent to landfill. Approximately 700kg of waste is forecast to reduce to approximately 500kg per household per annum.

Without this initiative the garbage charge for 2016-17 would have been \$302, therefore there is a direct saving to residents of \$55.50 per assessment, or \$478,965 in total.

To reduce confusion, the State Government Landfill Levy will no longer be shown as a separate item but included in the total garbage charge. The State Government Landfill Levy is the prescribed fee that the operators of regional landfills are required to pay to the State Government for each tonne of waste deposited at their facilities.

As Golden Plains Shire Council is not an operator of any regional landfills, it is not responsible for paying this levy directly, rather the levy contributes to the increase in the respective schedules of tipping fees and charges of the operators (currently Wyndham and Smythesdale).

In previous years Council has converted the estimated total cost of the landfill levy into a per tenement charge. For example, in the 2015-16 year the State Landfill Levy of \$60.52 per tonne was converted into a per tenement charge of \$38.

For simplicity, Council has decided that for the 2016-17 year and beyond, the total cost charged by landfill operators will be used to calculate the 'full cost' of disposing of waste.

### **Financial Sustainability**

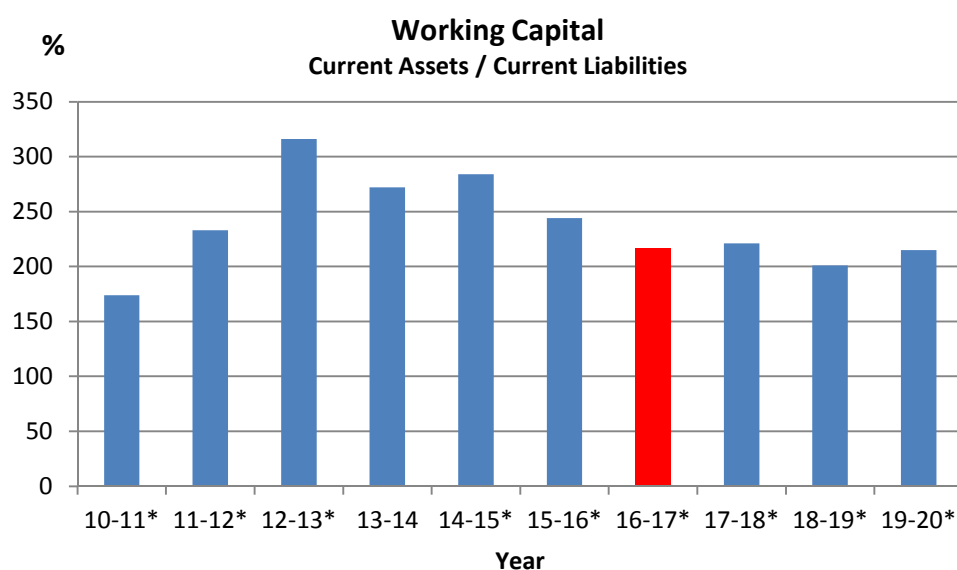
The rate increases over recent years have been necessitated by the persistent growth and demand for increased service levels by the community, which also results in increased maintenance costs of new buildings and infrastructure.

As demonstrated in the Budget and many of the financial indicators, these decisions and financial discipline have built a strong foundation for Council to commence operating within a 'rate capping' environment. This has greatly assisted Council in being able to make the decision to implement some interim initiatives and prevent the need to apply for a variation to the cap in year one of the framework. This is not necessarily the case with many small rural councils within the State.

Under the State Government's rate capping framework, Council will need to embark on a process of developing new and innovative ways of meeting the needs of a growing community. One such initiative has been the commitment of the G21 Councils to work together to demonstrate innovation and enhance operations to improve outcomes for our communities.

The 2016-17 Budget reflects the challenges Council continues to face in maintaining a sustainable financial position. As shown in Chart 1, Council's liquidity (working capital), while currently at an acceptable level (2015-16 forecast 244%), will continue to be placed under pressure as a result of the high growth in population and the corresponding demand for services. It must be noted that the forecast assumes 50% of Federal Assistance Grants (FAG's) funding is received in advance each year. The 2016-17 Budget shows a slight decline in liquidity to 217%, however, this would be 161% without the FAG's funding in advance.

**Chart 1**



\*includes 50% of Federal Assistance Grants received in advance



Rates and charges (rates, municipal charge and garbage charges) account for 47.9% of total revenue, compared to the state average of 61.9% in 2015-16. This ratio is vitally important in ensuring Council is able to continue to deliver a broad range of services without over dependence on grants.

The Municipal Association of Victoria's Rates Survey 2015-16 shows that Council has been able to achieve short term financial sustainability despite its over dependence on grants. Even with steady rate increases, of the 79 councils, Golden Plains' average rates and charges per assessment was rated the 38<sup>th</sup> lowest rating Council in Victoria, from a base of the lowest rating Council in 2004.

The existing rating strategy ensures that the financial burden is shared equitably, whilst generating sufficient revenue to meet the increasing demands of future infrastructure and service needs of the Shire. The need for a sustained annual rate increase was first identified as part of Council's first Strategic Resource Plan (Finance 2005); as Council needed to decrease its reliance on grant funding, as this is unsustainable in the long term.

In preparing the Budget, Council considered the long term financial planning principles which include:

- Ensuring long term financial sustainability
- Delivering services in a cost effective and efficient manner
- Ensuring operating revenues are sustainable and consider community wide and individual benefits (rates versus user charges)
- Using debt finance where appropriate
- Maintaining cash reserves and operating surpluses at appropriate levels
- Identifying and quantifying long term liabilities
- Meeting social equity objectives through specific programs
- Managing the Shire's capital assets to maximise long term community benefit
- Recognising that funding from State and Federal Government is a crucial element of financial sustainability and
- Ensuring there is an underlying surplus

The strategies adopted in the Council Plan and reflected in this Budget meet these requirements in the short term. However, the incoming Council (to be elected in October 2016) will have the challenge of developing a Council Plan and SRP that meets these requirements within an environment where revenue is restricted due to rate capping, freezing of Federal Assistance Grants and reduced funding in various areas.

Furthermore, Section 136 of the Act requires Council to implement the principles of sound financial management.

Council must:

- Manage financial risks faced by the Council prudently, having regard to economic circumstances
- Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden
- Ensure that decisions are made and actions are taken having regard to their financial effects on future generations and
- Ensure full, accurate and timely disclosure of financial information relating to the Council

As has been the case for many years, Golden Plains faces many challenges:

- **High population growth.**  
Golden Plains Shire is ranked as one of the fastest growing regional municipalities in Victoria with a current growth rate of 2.0%. Leading this growth is Bannockburn at 7.2%, Smythesdale at 12%, Teesdale at 7.4% and Inverleigh at 4.9%.
- **Substantial challenges associated with provision and renewal of roads, paths, and community and recreation facilities.**  
In February 2014, VAGO tabled a report in Parliament highlighting its concerns over this exact challenge that councils face in meeting the growing demand of asset maintenance and renewal. The Auditor-General, Mr John Doyle, states in the report:

'They also have legislative obligations to manage financial risks prudently and to ensure that their asset management decisions take into account economic circumstances and their financial effects on future generations. This is especially important in the current economic climate and in an environment where reliance on sources of revenue such as government grants cannot be assured.'

This challenge has now been exacerbated with the introduction of rate capping.

- **Increased demand for new services.**

Golden Plains Shire has one of the highest proportions of 0-4 year olds in Victoria with 7.0%, compared to the state figure of 6.4%. 5-9 year olds comprise 8.1% of Golden Plains' population but only 6.4% of Victoria. In the 10-14 age range Golden Plains has 8.4% compared to Victoria with 6.1%. Young people make up almost one third of the population and this places pressure on Council to deliver services from day care, kindergartens and play groups to play grounds, pathways, recreation reserves, skate parks and youth support activities.

Our ageing population is also outstripping the State average with the 60-64 age group in Golden Plains Shire making up 6.6% of the population while in Victoria it is only 5.4%. Council provides home and community care, meals on wheels and other services, but as the population grows demand will also continue to grow. Demand will also grow in the provision of infrastructure to meet the needs of an ageing population, and as with the needs of young people, the need for increased services and infrastructure is spread across the Shire's 56 communities and 16 townships.

- **Although increasing, still a comparatively low rating revenue base.**

Rates and charges comprise 47.9% of total revenue, compared to a projected state average in 2015-16 of 61.9%;

- **A history of significant dependence on grants, contributions and recoupments.**

This has had the effect of reducing the level of funds required from rate revenue to build community infrastructure and provide programs and services. For example, planned community infrastructure capital projects in 2016-17 total \$7.5m, with an anticipated grant income of \$6.5m, leaving Council a lesser contribution of \$1.0m. Many grant funds are competitive and by definition are granted, not provided automatically.

- **Supporting community based Committees of Management that currently manage the vast majority of community and recreation facilities on Council and Crown land.**

Council currently has 21 Section 86 Committees of Management that require staffing support to assist with facility hire, managing volunteers, strategic and financial planning, and compliance with governance regulations in respect to meetings, minutes, annual returns and financial statements. This structure is currently being reviewed to ensure it remains the most efficient method for managing these facilities.

- **Managing the competing interests of rural and urban communities.**

Council must balance the demands being placed on resources, from the rapidly growing urban areas, with those of our ever important rural sector. Over 70% of properties in Golden Plains Shire are now classified as residential.

- **Managing the expectations of new residents who have relocated from highly urbanised Councils to a semi-rural Council.**

New residents relocating from more urbanised localities need to understand that Golden Plains Shire will not necessarily deliver the same level of services in relation to community infrastructure, etc.

- **Maintaining the extensive road network of over 1,800km.**

Golden Plains Shire was formed originally as an agricultural municipality with a number of small settlements across 2,705 square kilometres of rural land. While it remains predominantly rural and agricultural, rapid growth over the past 10 years has created a more urban character in parts of the Shire.

In 1994 the Shire's population was approximately 13,000 with 75% of rates income from rural areas. Now the population is approximately 20,000 and 75% of rates income is from townships. Council must maintain a high level of service to its rural areas, but is now also facing far greater demand for infrastructure in residential areas such as footpaths, curb and channel, drainage and sealed roads.

Therefore, Council must remain focused on its adopted strategies to provide the foundations on which to plan positively for the future.

Further highlights of this Budget include Council's investment in activities and initiatives such as:

- Delivery of a range of human support services that maintain or enhance the wellbeing and quality of life of Golden Plains' residents
- Implementation of Council's Municipal Early Years Plan, which focuses on all areas that impact on the health and wellbeing of children from the ages of birth to ten years
- The development of a Civic precinct in Bannockburn, being the Bannockburn Civic Heart
- Resurfacing works of the Smythesdale recreation oval
- Further development of the Teesdale Turtle Bend precinct
- Development of a transfer station within the Shire
- An increased investment in the upgrade and maintenance of recreation and community facilities
- Continuing commitment to assist in the maintenance of major recreation facilities and

- Strategic investment in economic development to facilitate the growth of the local economy, particularly in township development and rural based industries

### **Financial Performance**

The Budget, with total expenditure of \$37.4m and a capital program totalling \$12.3m, will deliver a broad range of services, programs and infrastructure projects.

The budgeted programs include:

- \$16.5m allocated to the construction and maintenance of road and street infrastructure
- \$12.1m to support and develop our recreation and community spaces and groups
- \$8.3m to human support services, including children, aged, disability and maternity support
- \$3.4m to managing Council's environmental and land use planning responsibilities
- \$2.5m to managing Council's waste collection and disposal service
- \$588k to support economic development and tourism and
- \$395k to support Council's emergency management responsibilities

After implementing the interim initiatives mentioned previously, Council is confident the Budget still implements the strategies Council adopted within its current Council Plan 2013-2017, albeit to a lesser degree.

### **Adjusted Underlying Surplus**

Each year Council's aim is to deliver a balanced adjusted underlying result. The regulations prescribe the method for calculating the 'Adjusted Underlying Result'. The purpose for calculating the Adjusted Underlying Result is to remove the effect on the Budget of one-off revenue items that may otherwise overstate Council's 'normal' performance. Under the regulations the 2016-17 surplus of \$498k is calculated as follows:

**Table 2**

	<b>\$'000</b>
<b>Total Comprehensive Result</b>	<b>5,173</b>
Non-recurrent grants used to fund capital expenditure	(3,367)
Non-monetary asset contributions	(1,000)
Other contributions to fund capital expenditure	(308)
<b>Adjusted Underlying Surplus</b>	<b>498</b>

### **Revenue**

The following key points relate to the budgeted revenue of \$42.6m which has increased by \$1.3m.

- Rates and charges have increased by \$992k to \$20.4m
- Operating grants have increased by \$121k to \$9.9m
- Federal Assistance Grants are budgeted to remain at 2015-16 levels as per the Federal Government's decision to freeze the value of these for a three year period
- Capital grants have increased by \$501k to \$6.5m
- Contributions and recoupments of \$2.2m include \$207k relating to revenue from the Wind Farm at Mt Mercer and \$37k from the special charge relating to the road infrastructure in High Street, Bannockburn
- User fees and charges have increased by \$101k to \$3.2m
- Other income has decreased by \$50k primarily due to the level of current interest rates

### **Expenditure**

The following key points relate to the budgeted expenditure of \$37.4m which has increased by \$473k.

- Materials and services have decreased by \$272k to \$11.8m
- Employee costs allow for the annual EB increment of 3.7%, with the current agreement expiring on 30 June 2017
- Depreciation expense will increase by \$155k to \$7.4m
- Finance costs will decrease by \$12k to \$357k

## Balance Sheet

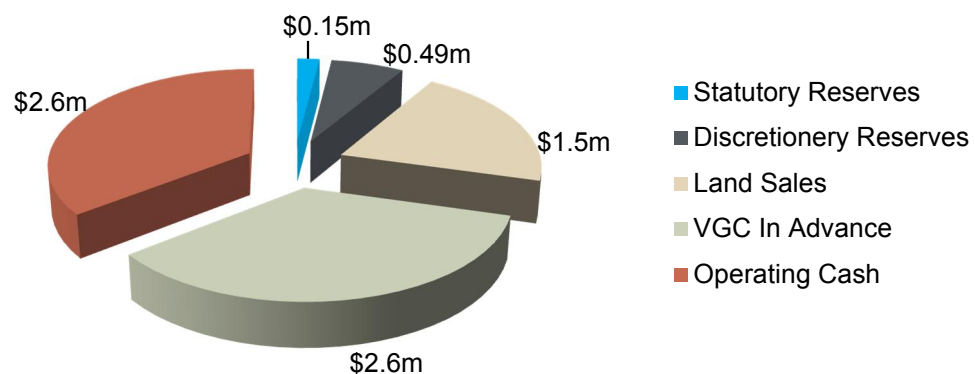
The key points to note are:

- Council's net worth will increase by \$5.2m to \$431m. The bulk of assets are infrastructure assets (\$362m)
- \$150k will be borrowed in 2016-17 to:
  - partly fund Council's contribution to the resurfacing works required at the Smythesdale recreation oval
- The MAV Local Government Funding Vehicle (LGFV) will be utilised to fund new borrowings at favourable interest rates
- Working capital is in surplus \$5.4m. Current assets will be 2.17 times current liabilities at the end of the financial year, down from 2.44 in 2015-16
- Cash balance at 30 June 2017 includes \$2.6m of 2017-18 Victorian Grants Commission (VGC) funds received in advance. These funds relate to the distribution of the Federal Assistance Grants (FAG's) that are allocated to each state by the Federal Government
- Non-current assets will include an investment totalling \$1.4m relating to the sinking fund established to repay the LGFV bond when it matures in November 2019
- The retained earnings balance at 30 June 2017 is budgeted to be \$5.4m, of which \$4.8m will be classified as discretionary. This retained earnings balance includes the proceeds from the sale of Bakers Lane Teesdale, Stage 3 (\$1.35m), the surplus from the sale of the Warrambine Hall (\$171k) and the VGC funding received in advance (\$2.6m)

## Cash Flow

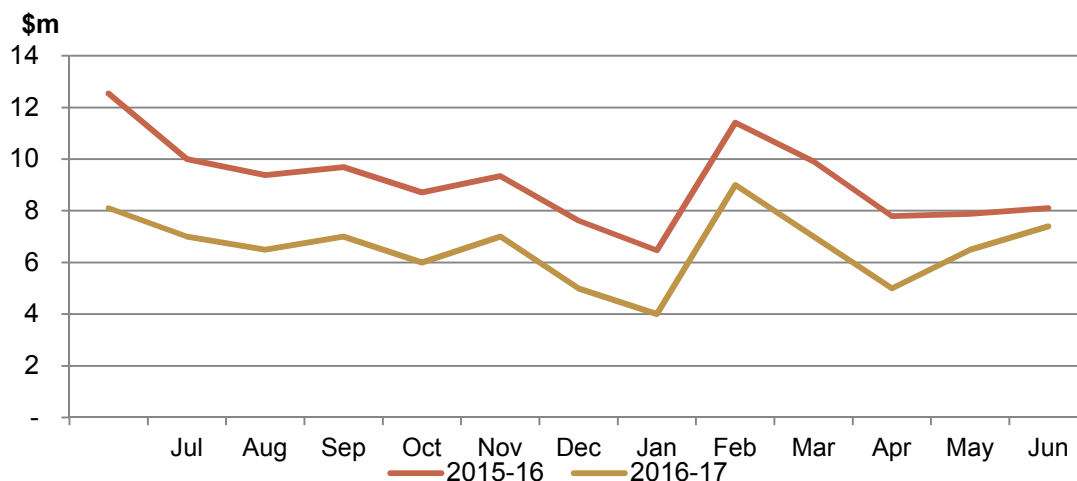
- The balance of cash will decrease by \$655k to \$7.4m
- Under the regulations \$6.8m of this balance will be classified as unrestricted, with the remaining \$633k being restricted within statutory and discretionary reserves
- As depicted in Chart 2, the closing cash balance will be sufficient to cover all of Council's commitments as they fall due

**Chart 2: Closing Cash Balance (\$7.4m)**



- A \$12.1m cash inflow generated from operating activities will be applied to capital expenditure (\$12.3m)
- As shown in Chart 3, the cash flow trend for 2016-17 is expected to be similar to 2015-16 and previous years

Chart 3

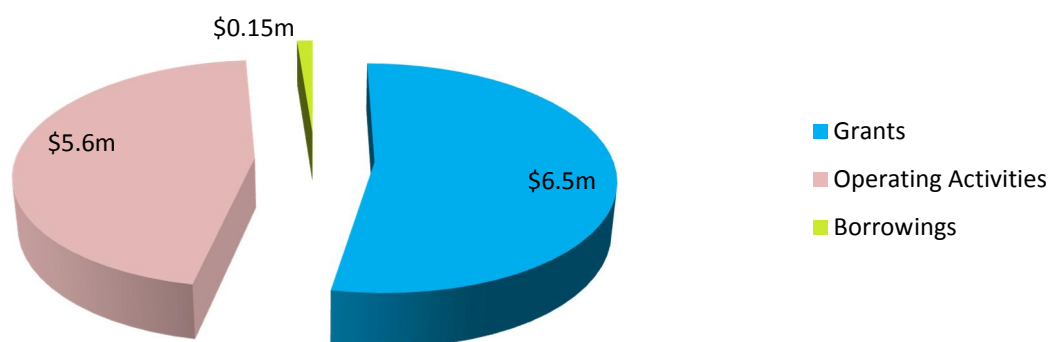


### Capital Works

The key points to note are:

- The capital works program for 2016-17 is \$12.3m, a decrease of \$2m compared to the 2015-16 forecast of \$14.3m
- The program is divided between capital renewal (37%), capital upgrade and expansion (28%) and new assets (35%)
- The capital works budget is funded from a mix of external and internal sources. Chart 4 below demonstrates that 53% is funded by grants, 46% by operations and 1% from borrowings

**Chart 4: Capital Works Funding Sources (\$12.3m)**



Following is a summary of the major items of capital expenditure funded in the Budget:

- Bannockburn Civic Heart - \$3.2m
- Roads to Recovery – \$3.1m
- Local roads resealing – \$850k
- Plant and machinery replacements – a replacement cost of \$1.4m, of which \$0.9m is the net cost to Council after asset sales
- Community Facility Upgrade - \$500k
- Smythesdale major sports oval works - \$400k
- Teesdale Turtle Bend development - \$300k
- Construction of a Transfer Station - \$290k

## Financial Performance Indicators & Trends

The Financial Performance Indicators disclosed in the Budget reflect Council's ongoing commitment to sound financial management. As mentioned earlier, this has provided Council with a sound foundation to begin operating within a rate capping environment.

The indicators Council considers critical are outlined in Table 3 and show that the 2016-17 results are generally positive when compared to best practice and Council's preferred targets. However, it must be noted that many of these indicators include \$2.6m of VGC funding budgeted to be received in advance.

As mentioned earlier, it is critical that the strategies included within the 2013-2017 Council Plan and 2016-2020 SRP are adhered to, in order to achieve the financial outcomes detailed in the plan.

Council's strong financial performance during recent periods has been achieved by adhering to Council's long term strategy of decreasing its reliance on grant revenue and increasing the level of rates and charges. Council's revenue from rates and charges is budgeted to be 47.9%. As previously stated, the State average in 2015-16 was 61.9%.

Table 3 compares some key indicators to best practice and GPS targets.

**Table 3**

Indicator	Budget 2016-17	Best Practice	GPS Target	Traffic Light Position
Surplus <sup>1</sup>	\$5,173k	>\$0	>\$5,000k	
Adjusted Underlying Result <sup>2</sup>	\$498k	>\$0	>\$0	
Working Capital (%) <sup>3</sup>	217%	>100%	>180%	
Discretionary Retained Earnings <sup>4</sup>	\$4,783k	>\$1,000k	>\$2,000k	
Borrowings (% of Rates and Charges) <sup>5</sup>	36.6%	<60%	<30%	
Cash Balance <sup>6</sup>	\$7,400k	>\$0	>\$5,000k	
Rate Determination <sup>7</sup>	(\$832k)	>\$0	>\$0	

Indicators that meet both Best Practice and GPS Target are given a 'Green' light, one of the two targets 'Amber' and neither target a 'Red' light.

## 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. Home and Community Care (HACC) - \$323k from 2011-12 to 2015-16
2. Library Services - \$153k from 2011-12 to 2015-16
3. Maternal and Child Health - \$176k from 2011-12 to 2015-16
4. School Crossing Supervision - \$34k forecast cost in 2015-16

<sup>1</sup> Surplus – The net result of total revenue and expenditure, including non-cash items such as depreciation.

<sup>2</sup> Adjusted Underlying Result – Surplus less non-recurrent capital grants, non-monetary asset contributions and other contributions to fund capital expenditure. These items have the potential to incorrectly inflate the operating surplus.

<sup>3</sup> Working Capital – This is a measure of Council's ability to meet its short term commitments.

<sup>4</sup> Discretionary Retained Earnings – The component of total equity that is not committed (includes proceeds from sale of land at Bakers Lane and VGC received in advance).

<sup>5</sup> Borrowings – Balance of total interest bearing loans and liabilities as a percentage of rates and charges (including garbage charges). The prudent limit is considered to be 60%.

<sup>6</sup> Cash Balance – The total cash and cash equivalents.

<sup>7</sup> Rate Determination – This calculation demonstrates Council's ability to fund its capital program from operations. A deficit means retained earnings will be depleted further.



**Type 2: Loss of funding in General*****Examples:***

5. 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 Golden Plains Shire Council for the three years exceeds \$800k
6. Discontinuance of the Community Support Program (CSP) Fund for Family Day Care program from 1 July 2015 - \$55k per annum

**Type 3: Statutory fee that prohibits full cost recovery*****Examples:***

7. Planning fees (set by the State and have been frozen for most of the past 14 years) – These fees are set at a level that prevents Council's ability to recover the costs of administering the Planning function of Council

**Type 4: Levies*****Examples:***

8. Fire Service Property levy – Council is legislated to collect this levy on behalf of the State Government. The net cost of administering this process is estimated to be approximately \$30k per annum

**Type 5: Statutory requirements lead to increased costs*****Examples:***

9. Council is now compelled to utilise the services of the Victorian Electoral Commission to deliver electoral services, removing the competitive procurement process. This has resulted in a 30% increase in the 2016 election costs for Council
10. New national policy of 15 hours kinder for four-year olds – Nearly \$3m of capital works over the past 4 years

**Conclusion**

While negatively impacted by the introduction of the State Governments rate capping framework, the 2016-17 Budget still delivers the core services required of Council, while maintaining a sustainable financial position. This has only been achieved by implementing several short term initiatives that cannot be sustained in the long term.

Council's financial discipline over recent years has allowed it to implement the strategies and deliver the services detailed within its Council Plan, during a challenging period, without placing its financial sustainability at risk. This has built a strong foundation to commence operating within a rate capping environment.

## 1.3 BUDGET PREPARATION

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

The preparation of the Budget begins with conducting a series of Community Engagement sessions during November and December. Officers then begin preparing the operating and capital components of the Annual Budget during the period December to February. These are prepared based on the actions included in the Council Plan. A Draft Budget is then prepared and delivered to Councillors in March. At least one full day workshop between officers and Council is then conducted to make any alterations to the Draft Budget. A 'proposed' Budget is prepared in accordance with the Act and submitted to Council in late April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the Budget. It must give 28 days' notice of its intention to adopt the proposed Budget and make the Budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the Budget and any submission must be considered before adoption of the Budget by Council.

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

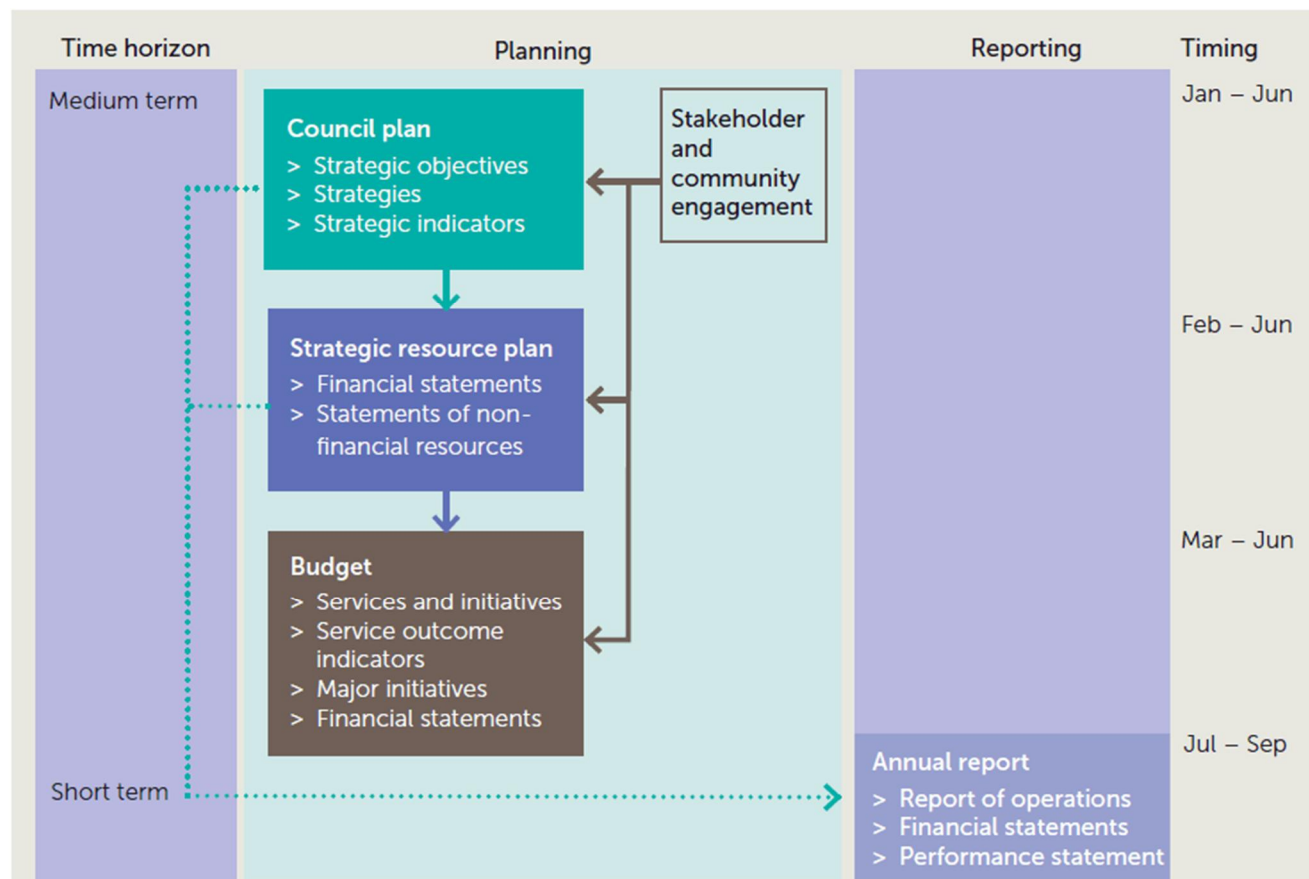
Budget Process	Timing
1. Community Engagement Sessions	Nov - Dec
2. Reporting and analysis of Community Engagement Sessions	Dec - Jan
3. Officers prepare operating and capital budgets	Dec – Feb
4. Council receives Draft Budget for review	March
5. Council workshop/s conducted to review Draft Budget	March/April
6. Draft Budget submitted to Council for 'in principle' approval	April
7. Public notice advising intention to adopt Budget	April
8. Proposed Budget available for public inspection and comment	April
9. Submissions period closes (28 days)	June
10. Submissions considered by Council	June
11. Budget and submissions presented to Council for adoption	June
12. Copy of adopted Budget submitted to the Minister	June

## 1.4 LINKAGE TO THE COUNCIL PLAN

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting 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).

### Planning and accountability framework

The Strategic Resource Plan, part of and prepared in conjunction with the Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the strategic objectives described in the Council Plan. The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives which contribute to achieving the strategic objectives specified in the Council Plan. The diagram on page 15 depicts the planning and accountability framework that applies to local government in Victoria.



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

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

## 1.5 BUDGET INFLUENCES AND PRINCIPLES

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

### Shire Profile

Golden Plains is the place to enjoy life as it should be.

In recent years, the region has experienced significant population growth as people discover the benefits of living in a semi-rural setting with plenty of space. With an estimated 20,544 (ERP 2014) residents across 56 communities and 16 townships, Golden Plains is one of the fastest growing municipalities in Victoria, with population growth of around 2% per annum.

New residents, including many young families, continue to be attracted by the diverse range of lifestyle choices and our welcoming communities make it a place where you can enjoy a better quality of life.

Golden Plains Shire comprises 2,705 square kilometres between two of Victoria's largest regional cities, Geelong and Ballarat. The region's close proximity to services available in neighbouring regional cities and convenient commuting distance to Melbourne and the surf coast, adds to its appeal as a place to call home.

Business is booming and growth continues to create attractive investment opportunities and new jobs. While the Shire has a strong tradition of producing wool and grain, intensive animal farming of poultry and pigs is increasing.

Golden Plains is conveniently located close to markets and welcomes investment and sustainable development. Strong population and economic growth make Golden Plains an attractive place to invest. As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains also has it all for the perfect day trip experience.

Golden Plains has become renowned across Australia and internationally for its produce that can be experienced at local eateries, cellar doors and the Golden Plains Farmers' Market. The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporated skills from around the world, and nurtured their vineyards to produce some of Australia's most sought after and awarded cool climate wines.

Despite rapid growth in the North West and South East of Golden Plains, the Shire's rural base and natural environment dominate the landscape. The stunning natural beauty of the region still remains visible and accessible, as do remnant townships and structures from the rich gold mining history. The region also has a vibrant arts and culture scene, including iconic music festivals, which all make Golden Plains an attractive tourism destination.

We encourage you to visit Golden Plains and taste, see and explore all it has to offer. Who knows? Perhaps you'll decide to stay.

## Our Vision

Golden Plains Shire offers a lifestyle and opportunities that foster social, economic and environmental wellbeing. In partnership with the community we will provide strong leadership, encourage sustainable development and ensure quality services, to continue to improve the quality of life of residents.

## Our Mission

- We engage in long term financial planning and management to ensure sustainability of the municipality
- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development
- We maintain and develop a quality road system and secure adequate resources for the future
- We aim for citizens to have fair access to recreation facilities, education, employment and human support services, particularly youth and the aged
- We accept individual diversity and we welcome and encourage participation in civic and community affairs.
- We market our municipality through open and effective communication
- We respect the environment, our cultural significance and our heritage
- We support and pursue the orderly and proper planning of land use and development based on strategic considerations as identified in the Municipal Strategic Statement
- We support agricultural industry, sustainable practices and the right to farm
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities
- We foster successful relationships and collaborative arrangements with other levels of government, agencies, non-government organisations and the private sector

## Our Values

- |                           |  |
|---------------------------|--|
| • Integrity in Leadership | We will strive to lead the community with integrity, reason and accountability whilst acknowledging Council's statutory obligations  |
| • Equity and Access       | We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensure that we are approachable by the community  |
| • Commitment              | We are committed to excellence in management, and teamwork comprising the community, Council and staff   |
| • Community               | We recognise the uniqueness of our individual communities, and will seek to work in partnership with them to enhance their sense of community spirit. We recognise the efforts and value the contributions of our volunteers |
| • Innovation              | We are open to new ideas and will grasp opportunities with a vision to succeed   |

In preparing the Budget, it has been necessary to consider a number of internal and external influences that are likely to significantly impact on the services delivered by Council during the budget period. Accordingly, it has been necessary to make some assumptions about the internal and external environment within which Council operates. The following section outlines the main assumptions made.

## **External Factors**

### ***Local Government Amendment (Fair Go Rates) Act 2015***

- Local Government Amendment (Fair Go Rates) Act 2015 received Royal assent on 2 December 2015. Subsequent to this the Minister for Local Government has made a determination that the cap will be set at 2.5% for the 2016-17 year.

### ***Fire Services Property Levy Act 2012***

- Council will continue to collect the Fire Services Property Levy (FSPL), on behalf of the State Government, that was introduced on 1 July 2013. Hence, Council does not recognise any revenue and this levy is not included in any rating calculation or comparisons

### ***Local Authorities Superannuation Fund Defined Benefit Plan (LASF DB Plan)***

- The LASF DB Plan is an industry wide defined benefit fund that current and past employees of Council are members of and Council has a legal obligation to meet any 'calls' made on the fund. The fund was closed to new members in 1993.

In February 2011 and again in July 2012, Council was advised of the outcome of an Actuarial Investigation into the fund. The outcome of the investigations resulted in Council having to contribute amounts of \$420,881 and \$1,758,927 to the fund. This fund is managed by Vision Super and is exposed to fluctuations in the market. No 'call' is expected in the short term and no provision has been made in 2016-17.

### ***Local Government Costs***

- The Budget has been framed taking into account the cost of delivering Local Government Services. Research indicates that local government costs typically increase by around one per cent above the consumer price index (CPI). The CPI is a weighted basket of household goods and services. But, council services are quite different to household services, since a greater proportion of costs are directed towards providing infrastructure and social and community services.

These costs generally exceed other cost increases in the economy

### ***Household Waste Disposal***

- In recent years the cost of disposing of household waste has increased significantly in Victoria. In 2015-16 Council introduced a new service to help combat these increases, however above CPI increases are expected to continue into the future. These increased costs have resulted from landfill closures, increased cartage and disposal costs and increased compliance costs for landfill operators.

### ***Interest Rates***

- Fixed interest rates on new long-term borrowings are assumed to be 4.42% per annum.
- Interest rates for investments are assumed to be between 2.5% and 3.0% per annum.

### ***Population Growth***

- Future population growth from 2014 to 2036 is estimated to be 3.5% per annum.

### ***Rates and Charges***

- Total rates and charges of \$20.43m include rates, municipal charge and garbage charge, including supplementary rates.
- The interest rate on outstanding rates and charges (per the Penalty Interest Rates Act 1983) is assumed to be 11.5% per annum. The rate can be reviewed at any stage during the year by the Attorney-General and this will be the rate that Council uses in accordance with the Local Government Act 1989.
- 7.44% of rates and charges raised in 2016-17 have been budgeted to remain outstanding at 30 June 2017.

### ***Grants***

- The general purpose grant from the Victoria Grants Commission is assumed to remain the same as the 2015-16 allocation. This is due to the three year freeze the Federal Government has placed on this funding.
- Operating grants have increased by 1.23% to \$9.9m.
- Capital grants have increased by 8.3% to \$6.5m.

- Further detail on grant revenue is provided in Note 3 on page 42.

### ***User Fees and Charges***

- Some statutory fees and charges will increase and the level of income from these fees is generally assumed to increase by 2.5% as a result of growth in the level of activity.
- Most of Council's non-statutory fees and charges will increase by 2.5% in accordance with the Strategic Resource Plan.

### ***Payables***

- Trade creditors are based on total capital expenditure, expenditure on Materials and Services and a portion of employee costs such as superannuation. The normal payment cycle is 30 days.

### ***Receivables***

- The balance of Other Debtors is based on collecting 91% of contributions, recoupments, grants, fees and charges raised during the year.

### ***Economy***

- Economic conditions are expected to remain stable during the budget period. Local Government plays a key role in the implementation of State and Federal Government economic development programs which impact on the level of capital works expenditure of Council.

## **Internal Factors**

### ***Employee Costs***

- Employee costs are expected to increase by 3.5% (Enterprise Agreement 3.7%, decrease in FTE .27% and band level and other increases 0.08%).
- The Victorian Wage Price index is forecast to be 3.25% in 2016-17. As 2016-17 is the last year of the existing Enterprise Agreement (EA), Council will begin new negotiations during the period.

### ***Impact of 2015-16 year on 2016-17 Budget***

- The 2015-16 forecast Balance Sheet becomes the starting point for the 2016-17 financial year; therefore this Statement holds the key to analysing the impact of last year's operations on the new Budget.
- The 2015-16 forecast as at 29 February 2016 remains consistent with the original Budget and any known material variance has been allowed for in the forecast. However, any subsequent movement to the forecast before 30 June 2016 will impact the opening Balance Sheet for 2016-17.
- Transactions occurring in the 2015-16 year will have an impact on the 2016-17 Budget. These include such items as closing cash balance, capital purchases and borrowings. These will impact opening cash balance, depreciation and interest respectively.

### ***Councillor and Mayoral Allowances***

- The Councillor and Mayoral allowances are set in accordance with the Local Government Act 1989. The base allowance set in December 2015 will remain in force until any change is gazetted by the Minister (usually in November each year).

<b>Allowance</b>	<b>Annualised Thresholds From 1 July 2016</b>
Councillor	\$21,093
Mayoral	\$63,275

The Mayor is also provided with a motor vehicle to conduct mayoral duties.



## Budget Principles

The Budget also takes into account the following principles:

- The financial result should be consistent with Council's Long Term Financial Plan, to ensure long-term sustainability
- All strategies contained within the Council Plan for the 2016-17 year should be funded in the Budget
- Rates and charges are levied in accordance with Council's Rating Strategy and in compliance with the Local Government Amendment (Fair Go Rates) Act 2015
- Spending and rating policies should be consistent with a reasonable degree of stability in the level of the rates burden
- Council should have regard to the effect on future generations of decisions made
- Staffing levels should be in accordance with Council's Strategic Resource Plan
- Only one-off capital projects should be funded from any retained earnings balance
- Debt finance can be used where appropriate but Council's total borrowings should not exceed 60% of total rates and charges
- Cash reserves should be maintained at appropriate levels
- Long-term assets should be managed to maximise community benefit
- Existing fees and charges should be increased in line with Council's Strategic Resource Plan or market forces
- New revenue sources should be identified wherever possible
- New initiatives or new employee proposals should be justified through a business case
- Council recognises that government grants are a crucial element of financial sustainability
- Council's Budget should take into account all of Council's other strategic plans
- Financial risks faced by Council should be managed having regard to economic circumstances

## Legislative Requirements

Under the Local Government Act 1989 (the Act), Council is required to implement the principles of sound financial management. The principles of sound financial management are that a Council must:

- Manage financial risks faced by the Council prudently, having regard to economic circumstances
- Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden
- Ensure that decisions are made and actions are taken having regard to their financial effects on future generations and
- Ensure full, accurate and timely disclosure of financial information relating to Council

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 Local Government (Planning and Reporting) Regulations 2014 (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 Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and a Statement of Capital Works. The Budget also includes a Statement of Human Resources.

These statements have been prepared for the year ended 30 June 2017 in accordance with Accounting Standards and other mandatory professional reporting requirements and in accordance with the Act and Regulations. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires in order to make an informed decision about the adoption of the Budget.

The Budget includes consideration of a number of long term strategies to assist Council in considering the Budget in a proper financial management context. These include a Strategic Resource Plan (Section 5.1), Rating Strategy and other strategies as detailed in Services, Initiatives and Service Performance Indicators (Section 3).

## 2 STATEMENTS

This section presents information in regard to the Financial Statements and Statement of Human Resources.

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

### 2.1 COMPREHENSIVE INCOME STATEMENT

For the four years ending 30 June 2020

	Note	Forecast 2015-16 \$'000	Budget 2016-17 \$'000	SRP Projections		
				2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Operating Revenue</b>						
Rates and charges	1	19,435	20,427	21,296	22,165	23,061
Statutory fees and fines	2	245	298	298	298	298
User fees	2	2,860	2,909	3,039	3,123	3,208
Grants - operating	3	9,826	9,948	9,397	9,652	13,312
Grants - capital	3	6,004	6,504	3,302	2,792	2,152
Contributions - monetary	4	1,590	1,232	1,512	1,539	1,409
Contributions - non-monetary assets	4	1,000	1,000	1,000	1,000	1,000
Net gain/(loss) on disposal of property, infrastructure,	5	2	-	-	-	-
Other income	6	350	300	300	300	300
<b>Total Operating Revenue</b>		<b>41,312</b>	<b>42,618</b>	<b>40,145</b>	<b>40,870</b>	<b>44,740</b>
<b>Operating Expenditure</b>						
Employee costs	7	(17,007)	(17,608)	(18,247)	(18,976)	(19,731)
Materials and services	8	(12,118)	(11,846)	(11,340)	(11,602)	(15,350)
Bad & doubtful debts	9	(1)	(1)	(1)	(1)	(1)
Depreciation and amortisation	10	(7,225)	(7,380)	(7,517)	(7,652)	(7,760)
Borrowing costs	11	(368)	(357)	(359)	(338)	(222)
Other expenses	12	(254)	(253)	(259)	(266)	(273)
<b>Total Operating Expenditure</b>		<b>(36,972)</b>	<b>(37,445)</b>	<b>(37,724)</b>	<b>(38,834)</b>	<b>(43,336)</b>
<b>Surplus / (Deficit) from Operations</b>		<b>4,340</b>	<b>5,173</b>	<b>2,421</b>	<b>2,036</b>	<b>1,404</b>
<b>Other comprehensive income</b>		<b>-</b>				
<b>Total comprehensive results</b>		<b>4,340</b>	<b>5,173</b>	<b>2,421</b>	<b>2,036</b>	<b>1,404</b>

\* Notes are included in Section 4, beginning on page 40

## 2.2 BALANCE SHEET

For the four years ending 30 June 2020

	Note	Forecast 2015-16 \$'000	Budget 2016-17 \$'000	SRP Projections		
				2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Current Assets</b>						
Cash and cash equivalents		8,055	7,400	8,108	7,412	7,948
Trade and other receivables		2,114	2,203	2,282	2,362	2,445
Inventories - consumables		19	20	20	20	20
Land held for re-sale		322	322	161	0	0
Other assets		42	51	51	51	51
<b>Total Current Assets</b>	<b>13</b>	<b>10,552</b>	<b>9,996</b>	<b>10,622</b>	<b>9,845</b>	<b>10,464</b>
<b>Non-Current Assets</b>						
Investment in associate		830	830	830	830	830
Property, infrastructure, plant & equipment		426,514	431,901	433,067	434,900	434,710
Sinking fund investment		849	1,373	2,222	1,245	1,544
<b>Total Non-Current Assets</b>	<b>14</b>	<b>428,193</b>	<b>434,104</b>	<b>436,118</b>	<b>436,975</b>	<b>437,084</b>
<b>TOTAL ASSETS</b>		<b>438,745</b>	<b>444,100</b>	<b>446,740</b>	<b>446,820</b>	<b>447,548</b>
<b>Current Liabilities</b>						
Trade and other payables		1,445	1,737	1,737	1,737	1,737
Trust funds and deposits		149	140	140	140	140
Provisions		2,488	2,470	2,549	2,629	2,709
Interest-bearing loans and borrowings		239	251	390	386	271
<b>Total Current Liabilities</b>	<b>15</b>	<b>4,321</b>	<b>4,598</b>	<b>4,817</b>	<b>4,893</b>	<b>4,858</b>
<b>Non-Current Liabilities</b>						
Provisions		1,315	1,329	1,329	1,329	1,329
Interest-bearing loans and borrowings		7,341	7,234	7,234	5,203	4,561
<b>Total Non-Current Liabilities</b>	<b>16</b>	<b>8,657</b>	<b>8,563</b>	<b>8,563</b>	<b>6,531</b>	<b>5,890</b>
<b>TOTAL LIABILITIES</b>		<b>12,978</b>	<b>13,160</b>	<b>13,380</b>	<b>11,424</b>	<b>10,748</b>
<b>NET ASSETS</b>		<b>425,767</b>	<b>430,940</b>	<b>433,360</b>	<b>435,396</b>	<b>436,800</b>
<b>Equity</b>						
Accumulated surplus		425,165	430,307	180,921	182,957	184,361
Reserves		602	633	252,439	252,439	252,439
<b>TOTAL EQUITY</b>	<b>17</b>	<b>425,767</b>	<b>430,940</b>	<b>433,360</b>	<b>435,396</b>	<b>436,800</b>

\* Notes are included in Section 4, beginning on page 40

## 2.3 STATEMENT OF CHANGES IN EQUITY

### For the year ending 30 June 2017

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		425,767	173,343	249,147	3,277
Surplus/(deficit) for the year		5,173	5,173	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		-	(15)	-	15
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>	<b>17</b>	<b>430,940</b>	<b>178,501</b>	<b>249,147</b>	<b>3,292</b>

### For the year ending 30 June 2018

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		430,940	178,501	249,147	3,292
Surplus/(deficit) for the year		2,421	2,421	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>433,360</b>	<b>180,921</b>	<b>249,147</b>	<b>3,292</b>

### For the year ending 30 June 2019

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		433,360	180,921	249,147	3,292
Surplus/(deficit) for the year		2,036	2,036	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>435,396</b>	<b>182,957</b>	<b>249,147</b>	<b>3,292</b>

### For the year ending 30 June 2020

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		435,396	182,957	249,147	3,292
Surplus/(deficit) for the year		1,404	1,404	-	-
Net asset revaluation increment/(decrement)		-	-	-	-
Transfers to other reserves		-	-	-	-
Transfers from other reserves		-	-	-	-
<b>Balance at end of the financial year</b>		<b>436,800</b>	<b>184,361</b>	<b>249,147</b>	<b>3,292</b>

\*Notes are included in Section 4, beginning on page 40

## 2.4 STATEMENT OF CASH FLOWS

For the four years ending 30 June 2020

	Note	Forecast 2015-16 \$'000	Budget 2016-17 \$'000	SRP Projections		
				2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Cash Flows From Operating Activities (Inclusive of GST where applicable)</b>						
Rates and charges		19,334	<b>20,345</b>	21,216	22,085	22,978
Statutory fees and fines		303	<b>303</b>	298	298	298
User fees		2,946	<b>2,949</b>	3,039	3,123	3,208
Grants - operating		10,035	<b>10,197</b>	9,397	9,652	13,312
Grants - capital		6,131	<b>6,667</b>	3,302	2,792	2,152
Contributions - monetary		1,645	<b>1,240</b>	1,512	1,539	1,409
Interest received		334	<b>300</b>	300	300	300
Net GST refunded		881	<b>835</b>	199	174	164
Payments to employees		(17,026)	<b>(17,701)</b>	(18,327)	19,056	19,811
Payments to suppliers		(14,718)	<b>(13,039)</b>	(11,438)	11,706	15,622
<b>Net cash provided by/(used in) Operating Activities</b>	<b>18</b>	<b>9,865</b>	<b>12,096</b>	<b>9,498</b>	<b>9,202</b>	<b>8,389</b>
<b>Cash Flows From Investing Activities (Net of GST)</b>						
Payments for property, infrastructure, plant and equipment		(14,067)	<b>(12,262)</b>	(8,305)	(9,169)	(7,133)
Proceeds from sale of assets		1,090	<b>495</b>	551	668	558
<b>Net cash provided by/(used in) Investing Activities</b>	<b>19</b>	<b>(12,977)</b>	<b>(11,767)</b>	<b>(7,754)</b>	<b>(8,501)</b>	<b>(6,575)</b>
<b>Cash Flows From Financing Activities</b>						
Finance costs		(368)	<b>(357)</b>	(359)	(338)	(222)
Proceeds from borrowings		150	<b>150</b>	450	150	150
Repayment of borrowings		(309)	<b>(245)</b>	(277)	(2,186)	(906)
LGFV sinking fund		(849)	<b>(524)</b>	(849)	977	(299)
Trust funds		-	<b>(9)</b>	-	-	-
<b>Net cash provided by/(used in) Financing Activities</b>	<b>20</b>	<b>(1,376)</b>	<b>(984)</b>	<b>(1,036)</b>	<b>(1,397)</b>	<b>(1,277)</b>
<b>Net Increase/(Decrease) in Cash and cash equivalents</b>		<b>(4,488)</b>	<b>(655)</b>	<b>708</b>	<b>(696)</b>	<b>536</b>
Cash and cash equivalents at the beginning of the financial year		12,543	<b>8,055</b>	7,400	8,108	7,412
<b>Cash and cash equivalents at the end of the financial year</b>		<b>8,055</b>	<b>7,400</b>	<b>8,108</b>	<b>7,412</b>	<b>7,948</b>

\* Notes are included in Section 4, beginning on page 40

## 2.5 STATEMENT OF CAPITAL WORKS

For the four years ending 30 June 2020

	Note	Forecast	Budget	SRP Projections		
		2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Property</b>						
Land		-	-	-	-	-
Land improvements		-	-	-	-	-
<b>Total land</b>		-	-	-	-	-
Buildings - specialised		2,637	<b>580</b>	446	1,370	80
Buildings - unspecialised		65	<b>4,095</b>	2,900	2,050	2,350
Heritage buildings		-	-	-	-	-
Building improvements		4	<b>20</b>	-	-	-
Leasehold improvements		-	-	-	-	-
<b>Total buildings</b>		2,706	<b>4,695</b>	<b>3,346</b>	<b>3,420</b>	<b>2,430</b>
<b>Total property</b>	<b>21</b>	2,706	<b>4,695</b>	<b>3,346</b>	<b>3,420</b>	<b>2,430</b>
<b>Plant and equipment</b>						
Heritage plant and equipment		-	-	-	-	-
Plant, machinery and equipment		2,670	<b>1,378</b>	1,389	1,822	1,298
Fixtures, fittings and furniture		41	<b>25</b>	10	10	10
Computers and telecommunications		217	<b>145</b>	156	432	118
Library books		-	-	-	-	-
<b>Total plant and equipment</b>	<b>21</b>	2,928	<b>1,547</b>	<b>1,555</b>	<b>2,264</b>	<b>1,426</b>
<b>Infrastructure</b>						
Roads		4,652	<b>4,710</b>	2,387	2,493	2,285
Bridges		793	<b>150</b>	150	150	150
Footpaths and cycleways		27	<b>27</b>	27	27	27
Drainage		45	<b>33</b>	33	33	33
Recreational, leisure and community facilities		2,699	<b>640</b>	555	530	530
Waste management		-	-	-	-	-
Parks, open space and streetscapes		190	<b>337</b>	250	250	250
Off street car parks		262	<b>120</b>	-	-	-
Other infrastructure		16	<b>2</b>	2	2	2
<b>Total infrastructure</b>	<b>21</b>	8,684	<b>6,019</b>	<b>3,404</b>	<b>3,485</b>	<b>3,277</b>
<b>Total capital works expenditure</b>	<b>21</b>	14,319	<b>12,262</b>	<b>8,305</b>	<b>9,169</b>	<b>7,133</b>
<b>Represented by:</b>						
New asset expenditure	<b>22</b>	3,250	<b>4,306</b>	2,894	3,729	2,216
Asset renewal expenditure	<b>23</b>	6,319	<b>4,506</b>	3,657	4,008	3,485
Asset expansion expenditure	<b>24</b>	100	<b>100</b>	-	-	-
Asset upgrade expenditure	<b>25</b>	4,650	<b>3,350</b>	1,754	1,432	1,432
<b>Total capital works expenditure</b>		14,319	<b>12,262</b>	<b>8,305</b>	<b>9,169</b>	<b>7,133</b>

\* Notes are included in Section 4, beginning on page 40



## 2.6 STATEMENT OF HUMAN RESOURCES

For the four years ending 30 June 2020

	Note	Forecast 2015-16 \$'000	Budget 2016-17 \$'000	SRP Projections		
				2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
<b>Staff expenditure</b>						
Employee costs – operating		17,010	<b>17,608</b>	18,247	18,976	19,731
Employee costs – capital		-	-	-	-	-
<b>Total staff expenditure</b>	<b>7</b>	17,010	<b>17,608</b>	<b>18,247</b>	<b>18,976</b>	<b>19,731</b>
		FTE	<b>FTE</b>	FTE	FTE	FTE
<b>Staff numbers</b>						
Employees		204	<b>203</b>	205	207	209
<b>Total staff numbers</b>	<b>7</b>	204	<b>203</b>	<b>205</b>	<b>207</b>	<b>209</b>

\* Notes are included in Section 4, beginning on page 40

### 3 SERVICES, INITIATIVES AND SERVICE PERFORMANCE INDICATORS

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 specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, major initiatives and service performance outcome indicators.

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in **bold** and underlined in the following programs.

#### Strategic Objective 1: CITIZEN AND CUSTOMER SERVICE

To achieve the strategic objective of citizen and customer service, Council will ensure that it fosters a culture across the organisation which addresses the needs of the community through communication and the provision of excellent customer service.

#### Services

Service Area	Description of Services provided	Expenditure <u>/(Revenue)</u> Net Cost \$'000
Communications and Marketing	A focused and concerted effort to link people, information and service offerings in a way that is clear, concise, consistent and tailored to the needs of Council's audiences and communities. This includes the planning and delivery of Council's customer service model, external communications and public relations, consultation, corporate marketing, internal communications, e-communications and corporate identity.	653 <u>(3)</u> <b>650</b>
Customer Services Centres	Operation of customer service centres to provide bases from which Council can deliver services.	357 <u>(3)</u> <b>354</b>

#### Initiatives:

- Implementation of Council's Communications and Marketing Strategy, focused on meeting demand for tailored and targeted actions aligned to the requirements and expectations of shire residents, businesses and internal stakeholders
  - Implement the Customer Service Strategy Action plan
  - Provide high quality point of contact customer service at Customer Service Centres, by telephone and manage requests effectively

#### Strategic Objective 2: CIVIC LEADERSHIP

To achieve the strategic objective of civic leadership Council will work to enhance its decision-making capacity by strengthening the governance and advocacy of Council.

Service Area	Description of Services provided	Expenditure <u>/(Revenue)</u> Net Cost \$'000
Governance	<b>Governance</b> is the process of decision making and the process by which decisions are implemented. This program aims to strengthen Council's decision making capacity and identifies key areas of advocacy that Council will focus on in the 2016-17 financial year.	881 <u>(7)</u> <b>874</b>
Elections	Maintenance of voters' rolls in readiness for 2016 election.	170 <u>(0)</u> <b>170</b>
Meetings	Conduct Council meetings, committee meetings, workshops and other meetings of Council with management.	99 <u>(0)</u> <b>99</b>

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Strategic and Service Planning	Maintenance of an integrated approach to strategic planning, financial planning, budgeting and resource allocation and the maintenance and measurement of organisational performance and promotion of cultural change to meet customer service needs.	904 (13) <b>891</b>
Emergency Management Plan/SES	Maintenance of the Shire's Municipal Emergency Plan in accordance with State legislation, training of emergency management staff and maintenance assistance for the Bannockburn State Emergency Services Unit.	394 (135) <b>259</b>
Risk Management and OH & S	Identify, monitor and manage Council's risks in relation to employee relations, occupational health and safety, workforce requirements, infrastructure, property and business operations	417 (2) <b>415</b>

### Major Initiative:

Community First is a community-centred strategy for Golden Plains Shire that fosters collaboration, innovation and continuous improvement. Features of the Community First Strategy include:

- Engagement of both staff and community in influencing the processes of change
- Innovation strategies to sponsor an organisational culture of collaboration and innovation
- Lean management principles applied to Council services to drive efficiencies and reduce costs
- Service improvements through strategy and service reviews to help balance resident aspirations with what Council has to spend.

The Community First Strategy helps address increasing community pressure for Council to deliver products and services that are value-for-money and provides a plan to help manage some of the challenges associated with State Government rate capping and a desire to keep rates low.

The aim of Community First are to

- Reduce costs while continuing to deliver quality community services in a sustainable way and
- Nurture an organisational culture of innovation and Lean thinking.

### Initiatives:

- Provide management support to Council - managerial and secretarial support to the Mayor
- Provision of Councillor's allowances, expenses, training, professional development and induction
- Lobbying of politicians and key players in the Local Government industry
- Advocacy on behalf of the community on key Government issues
- Arrange civic functions for the purpose of promoting community interaction and awareness.
- Maintain independent members on the Audit and Risk Committee
- Maintenance of voters' rolls
- Prepare for, and conduct, Council meetings, committee meetings, workshops, retreats and other meetings of Council with Management
- Provision of sound advice to aid the Council Plan and Strategic Resource Plan processes
- Ongoing and systematic analysis of the organisation's activities and strategic direction
- Maintain a framework for formal planning and decision making for resource allocation
- Measure and improve organisational performance
- Promote organisational and cultural change to meet customer service needs
- Review and maintain the Municipal Emergency Management Plan
- Ensure Council implements all of its Emergency Management responsibilities
- Maintenance assistance for Bannockburn SES unit
- Advocate for a review of emergency services in the Shire
- Advocate for continued funding under the Municipal Emergency Resourcing Program
- Implement Council's Risk Management Strategy Action Plan and Occupational Health and Safety Plan

## Service Performance Outcome Indicators

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

### Strategic Objective 3: ECONOMIC DEVELOPMENT

To achieve the strategic objective of economic development Council will facilitate the growth of the local economy, particularly in township development and rural based industries.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Economic Development	Job creation, industry development and investment attraction initiatives to promote economic development and activity within the Shire for improved quality of life of residents.	588 (74) <b>514</b>

#### Initiatives:

- Implement Council's Economic Development Strategy, which focuses effort in four core areas:
  - Securing water for economic development
  - Industry cluster development and project implementation
  - Tourism planning and development
  - Land supply for economic development
- Responding to a strong rural industry base and tight economic linkages to the major regional centres of Geelong and Ballarat, the Economic Development Unit links closely with regional economic development initiatives to address shared challenges and opportunities presented by changes in climate, the economy, industry structures and the workforce. In doing so, the Unit focuses on planning and implementation of priority local and regional economic development projects to shape the future economic wellbeing of our communities. In 2016-17 these initiatives include:
  - Facilitation of business and investment enquiries leading to local and regional economic development and jobs growth
  - Development and leadership of Council's tourism marketing and product development strategy 'TASTE. SEE. EXPLORE.
  - Lead the development of intensive agriculture in Golden Plains Shire Food Production Precinct
  - Lead the development of the Gheringhap Employment Precinct, stimulating jobs growth

### Strategic Objective 4: ENVIRONMENT AND LAND USE PLANNING

To achieve the strategic objective of environment and land use planning Council will encourage and facilitate sustainable land use and development and protect and enhance the natural environment.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Land Use Planning	To provide for fair, orderly, economic and sustainable use and development of land within the Shire and to undertake all strategic and <b>statutory land use planning</b> functions.	1,267 (522) <b>745</b>

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Building Control	To undertake a range of regulatory compliance actions to ensure a safe build environment for all Golden Plains Shire residents. To provide complementary statutory and non-statutory building services to facilitate compliant building activity throughout Golden Plains Shire.	378 (63) <b>315</b>
Fire Protection	To identify potential fire hazards and to minimise the risks in the event of bushfire.	275 (38) <b>237</b>
Environmental Management	To protect and enhance the natural environment.	448 (61) <b>387</b>
Community Protection	Educate the community about local laws and <b>animal control</b> and enforce Council's local laws.	598 (308) <b>290</b>
Public Health	To protect and enhance the health of the public and the environment via education and enforcement of <b>Food Safety</b> and Environmental Health.	447 (165) <b>282</b>

### Initiatives:

- Conduct a review of the Municipal Strategic Statement
- Implement the Rural Land Use Strategy (2008)
- Promote Council's Heritage Advisor Service
- Implement the Bruces Creek Masterplan
- Undertake planning scheme enforcement and compliance checks when and where necessary
- Develop and implement town structure plans and urban review framework
- Conduct a review of the Inverleigh Structure Plan
- Implement the revised Meredith and Lethbridge Structure Plans
- Implement the Gheringhap Structure Plan
- Implement the Napoleons Structure Plan review
- To continue the development of a comprehensive settlement strategy for the north of Golden Plains Shire
- To explore opportunities for the identification of new employment land within the Shire
- To develop and implement a comprehensive program of Essential Safety Measures audit and inspections
- To develop and implement a targeted inspection program for Swimming Pool compliance
- Maintenance of fire access roads
- Assist in the implementation of the Municipal Fire Management Plan, including issuing of fire prevention notices
- Continued participation in the Integrated Municipal Fire Management Planning process
- Control pest plants and animals on Council land
- Develop Shire responses on Government Environment and Land Use Strategies, including native vegetation, catchments, biodiversity, river health, etc.
- Coordinate a roadside capacity project to ensure the protection of environmental assets on roadsides
- Participate in the development and implementation of the Climate Resilient Communities of the Southwest Program
- Enforce and educate in relation to local laws and animal control
- Undertake a program incorporating targeted compliance, education and awareness for all tobacco retailers within Golden Plains Shire
- Development and implementation of a new Domestic Waste Water Management Plan
- Undertake a range of food safety program actions

## Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were upheld in favour of the Council)	$\frac{\text{Number of VCAT decisions that did not set aside Council's decision in relation to a planning application}}{\text{Number of VCAT decisions in relation to planning applications}} \times 100$
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	$\frac{\text{Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up}}{\text{Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises}} \times 100$

### Strategic Objective 5: FINANCIAL MANAGEMENT

To achieve the strategic objective of financial management Council will ensure the efficient and effective allocation of resources through sound financial planning and management that secures the long term financial viability of the municipality.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
General revenue	Levying of rates and charges, managing and collecting interest on rates, receipt of Victoria Grants Commission general purpose grant, managing investments to maximise interest and accounting for subdivisions handed to Council	2 (24,771) <b>(24,769)</b>
Property and Rating	Management of Council's rating system, including levying rates and charges, outstanding interest and valuing all rateable properties	789 (383) <b>406</b>
Statutory Reporting and Budgeting	Preparation of Council's Annual Budget, annual financial statements, Strategic Resource Plan, and other statutory returns in accordance with statutory requirements	371 (3) <b>368</b>
Procurement and Contract Management	Develop and maintain documented standards for procurement governance and procurement process which result in value for money outcomes and minimal procurement risk. Also, develop the contract management capacity of Council	392 (3) <b>389</b>
Records Management	Effective and efficient recording, maintenance, archival and disposal of Council documents.	273 (1) <b>271</b>
Borrowings	Effective management of Council borrowings.	357 (0) <b>357</b>



Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Plant Replacement	Management and replacement of Council's plant and equipment in accordance with the plant replacement schedule.	369 <u>(327)</u> 42

### Initiatives:

- Implement Council's Strategic Resource Plan
- Implement Council's Rating Strategy
- Invest surplus funds to maximise return and minimise risk
- Lobby Government for extra resources for a developing municipality
- Lobby Federal Government in relation to cost shifting report and direct funding to Local Government
- Maintain accurate property and valuation records, including supplementary valuations
- Preparation and auditing of financial statements
- Preparation of Annual Budget including a capital works budget
- Implement internal audit program
- Develop, monitor and update Golden Plains' procurement systems and processes so staff have access to information and advice which is effective, meets probity standards and complies with relevant legislation, regulation and best practice
- Provide support for contract and project management
- Implement Records Management Strategy Actions: Records Archive Storage
- Maintenance and storage of historical records and memorabilia for access by Golden Plains Shire residents and researchers at the Geelong Heritage Centre
- Evaluate and Implement the most efficient method of financing Council's operations in order to achieve Best Value outcomes (refer to page 64 for loan details)
- Manage Council's plant replacement schedule (refer to page 56 for details of plant replacement)

### Strategic Objective 6: HUMAN SUPPORT SERVICES

To achieve the strategic objective of human support services Council will provide a range of sustainable support services that maintain or enhance the well-being and quality of life of Golden Plains' residents.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Maternal and Child Health	Enhance the health and development of children and families by providing high quality <b>Maternal and Child Health Services</b> across the Shire.	640 <u>(188)</u> 452
Children Services	Improve the health and wellbeing of families by increasing access to a range of quality universal and specialist children and family services including kindergarten and child care.	382 <u>(12)</u> 370
Aged and Disability	Improving the health and wellbeing of older people and people with disabilities by providing access to a range of services that enable older people to live independently in the community and facilitating the development of inclusive and accessible communities.  Manage the planning and delivery of Council's <b>Home and Community Care Services</b> across the Shire including Home Care, Personal Care, Respite Care, Home Maintenance, Delivered Meals and Planned Activity Groups	1,927 <u>(1,324)</u> 603
Community Transport	Providing access to a range of services by providing a flexible, responsive community transport service.	244 <u>(40)</u> 204

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Community Centres	Improving the health and wellbeing of Golden Plains Shire residents and facilitating the development of healthy vibrant communities.	1,130 (136) <b>994</b>
Kindergartens	Cluster management of five local kindergarten services. This relieves pressure felt by parents in running a kindergarten program and provides a stable employment model for staff.	733 (763) <b>30</b>
Bannockburn Children Services	Management of the integrated children services centre at Bannockburn, incorporating long day care and kindergarten facilities.	2,768 (2,716) <b>52</b>
Family Day Care	Management of Family Day Care Educators who operate across the Shire. Each Educator provides care to between four and seven children per day and follow processes determined by the Department of Education and Training. Currently over 80 children access our FDC service.	363 (291) <b>72</b>

### Initiatives:

- Provide enhanced Maternal and Child Health home visiting services for families who are isolated or "at risk"
- Provide support and advice to local Playgroups, including the 'Playgroup Plus' health promotion program
- Undertake actions specified in Council's Municipal Early Years Plan
- Implement relevant actions from Council's Access and Inclusion Plan
- Manage the planning and delivery of Council's Kindergarten, Long Day Care, Family Day Care and Occasional Child Care services
- Implement relevant actions from Council's Municipal Public Health and Wellbeing Plan
- Enhance the service planning and delivery relationships with district nursing, community health and disability service providers in Ballarat and Geelong
- Maintain continuous improvement of the Home and Community Care program in accordance with the Community Care Common Standards quality review process.
- Develop and implement relevant actions from Council's Ageing Well in Golden Plains strategy
- Provide a volunteer based, affordable community transport program that enables transport of disadvantaged residents to access a range of services and activities
- Undertake emergency relief and recovery services as necessary
- In partnership with local preschool parent committees, manage the planning and delivery of Council's Kindergarten services in Bannockburn, Teesdale, Inverleigh, Meredith and Rokewood
- Provide a range of Home and Community Care Services to older residents and people with disabilities to enable them to remain in their own homes

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Maternal and Child Health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	$\frac{\text{Number of children who attend the MCH service at least once (in the year)}}{\text{Number of children enrolled in the MCH service}} \times 100$
	Participation	Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	$\frac{\text{Number of Aboriginal children who attend the MCH service at least once (in the year)}}{\text{Number of Aboriginal children enrolled in the MCH service}} \times 100$

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population that receive a HACC service)	$\frac{\text{Number of people that received a HACC service}}{\text{Municipal target population for HACC services}} \times 100$
	Participation	Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	$\frac{\text{Number of CALD people who receive a HACC service}}{\text{Municipal target population in relation to CALD people for HACC services}} \times 100$

**Strategic Objective 7: RECREATION AND COMMUNITY DEVELOPMENT**

To achieve the strategic objective of recreation and community development Council will:

1. facilitate the provision of a range of recreation facilities across the Shire and assist the community committees to best service their communities and
2. identify and respond to community needs and provide opportunities to enable people in our community to be supported and involved

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Community Development	Supporting and strengthening local communities through the development of Community Plans and Council's community grants program.	794 (9) <b>785</b>
Health Promotion	Creating healthy, vibrant and connected communities and improving the health and wellbeing of people living in Golden Plains Shire.	506 (442) <b>64</b>
Libraries	Providing a <b>library</b> service to residents of Golden Plains Shire.	477 (0) <b>477</b>
Arts and Culture	Facilitating the development of community arts and cultural development projects in collaboration with local artists and communities.	184 (6) <b>178</b>
Youth Development	Working with young people, local communities and service providers to improve the health and wellbeing of young people living in Golden Plains Shire.	403 (67) <b>336</b>
Recreation Planning	Working with local communities and committees of management to develop a range of recreation facilities and activities.	665 (9) <b>656</b>
Recreation Construction	Construction of community facilities, including halls, paths and trails, recreation reserves and pavilions, sporting facilities and playgrounds (note: Projects identified on this page are located on land that is not owned or controlled by Council. Construction of assets on Council owned or controlled land is included in the capital works program).	287 (672) <b>(385)</b>

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Recreation Infrastructure maintenance	Undertaking general maintenance of all Council owned and controlled land, buildings and facilities and supporting communities that undertake these activities on behalf of Council.	2,834 (22) 2,812
Major Projects	Planning and development of major projects, including halls, recreation reserves and pavilions and sporting facilities (Capital type projects identified on this page are located on land that is not owned or controlled by Council. Construction of non-current assets on Council owned or controlled land is included in the capital works program). Major land development projects undertaken by Council are also included in this program.	906 (3,498) (2,592)
Volunteers	Developing procedures and processes that support volunteers to best service their communities through capacity building, new programs, recruitment and retention and achieving best practice in volunteer management.	27 (0) 27

### Major Initiative:

- Council will implement a Community Engagement Strategy to inform all units within Council. Council will improve engagement practices through staff training, better planning for key consultations and develop systems, processes and policies to support effective community engagement with the community.

### Initiatives:

- Facilitate the development of Community Plans in small towns across the Shire
- Assist and support a range of service providers to deliver a range of activities and services that are based at The Well, Northern Community Centre and Bannockburn Cultural Centre to enhance the health and wellbeing of the local community
- Increase communities' independence and participation in Community Planning through training for Community Coordinators, the development of a Handbook and marketing
- Provide seed funding for the implementation of local projects identified in community plans
- Implement systems to improve communication between Council and Community Coordinators
- Implement an online community portal to increase community participation and capacity
- Manage the Council's Community Grants Program
- Provide events and programs that support positive youth development for young people in Golden Plains Shire e.g. Skate Competitions, Art Mentoring program, young leaders program, National Youth Week
- Support young people and parents to successfully transition from primary to high school through the school transition programs and secondary schools expo
- Create opportunities for young people to participate and contribute to community life, via training for community groups, IVAN and partnering with schools VCAL programs
- Advocate youth service providers to service Golden Plains Shire
- Deliver the annual Arts Trail Event
- Promote arts and culture events to residents via websites, online, newsletters and gazettes
- Maintain Golden Plains Public Art
- Create opportunities to promote local artists and their work
- Support the development of arts groups and initiatives in the Shire
- Work with local communities to identify community health needs and gaps in programs and services in the Shire and work with local agencies to increase service provision
- Implement health promotion and community development initiatives across the Shire within the aged care, disability, youth and family and children services sectors
- Deliver Integrated Health Promotion plan in line with service agreement with Department of Health & Human Services
- Implement an action plan to improve food access across the Shire
- Further develop the Council's service planning relationship with the Department of Human Services and Department of Health
- Undertake emergency relief and recovery services as necessary
- Implement relevant actions from Council's Access and Inclusion Plan
- Review Council's Municipal Public Health and Wellbeing Plan
- Contribute to the development of Council's Ageing Well in Golden Plains Strategy

- Undertake relevant actions from Council's Municipal Early Years Plan
- Coordination of the effective day to day management and operations at 'The Well', Northern Community Centre and Bannockburn Cultural Centre
- Assist and support a range of service providers to deliver a range of activities and services that are based at The Well, Northern Community Centre and Bannockburn Cultural Centre to enhance the health and wellbeing of the local community
- Promote and market the community centres programs, opportunities and facilities in line with Council's Marketing and Communications Strategy
- Participate in the management of the Geelong Regional Library Corporation
- Support the development of a sustainable mobile library service across the Shire
- Support the continued development of the static library in Bannockburn
- Support the development of opportunities to provide multiple means of library service delivery to rural communities
- Support the refurbishment of the mobile library
- Identify priority recreation planning projects for 2016-17
- Work with relevant Committees of Management/Advisory Groups/Incorporated Associations to ensure effective management of community facilities
- Support the development of community based Committees of Management/Incorporated Associations
- Implement a range of programs to increase participation and maximise use of recreation centres
- Develop volunteer policies, procedures, newsletters and promotion material to encourage recruitment and retention of volunteers
- Coordinate volunteer training calendar to assist with capacity building of volunteers across Council
- Coordinate volunteer recognition and awards to acknowledge Council's volunteers and achieve efficiencies across Council
- Develop pilot programs aimed at increasing the range of opportunities for volunteering in the Shire

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	$\frac{\text{Number of active library members}}{\text{Municipal population}} \times 100$

### Strategic Objective 8: ROADS AND STREETS INFRASTRUCTURE

To achieve the strategic objective of roads and streets infrastructure Council will maintain and enhance the road network at a level that adequately satisfies transportation needs.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Sealed Roads Routine Maintenance	Routine maintenance of the sealed local <u>road</u> network.	1,468 (198) <b>1,270</b>
Local Roads Resealing	Bituminous resealing of Council's local sealed road network.	1,881 (1) <b>1,880</b>
Local Roads Rehabilitation	Local Roads Rehabilitation	1,670 (0) <b>1,670</b>
Local Roads Improvements	Creating improvements to Council's local road network.	61 (3,136) <b>(3,075)</b>

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Gravel Roads Routine Maintenance	Routine maintenance of Council's local gravel road network.	643 (20) <b>623</b>
Gravel Re-sheeting	Gravel re-sheeting works on Council's local gravel road network.	1,091 (0) <b>1,091</b>
Bridge Maintenance	Maintenance of Council's bridges and major culverts.	531 (3) <b>528</b>
Tree Clearing	Tree clearing works on Council's local road network, to ensure community safety.	348 (0) <b>348</b>
Gravel Pits	Operation and rehabilitation of Council operated gravel pits.	244 (200) <b>(44)</b>
Asset Management	Management of Council's road and bridge assets.	391 (71) <b>320</b>
Drainage Maintenance	Maintenance of Council's township and rural drainage assets.	348 (19) <b>329</b>
Private Works	Provision of private works services for residents, other Councils and developers.	87 (100) <b>(13)</b>
Line marking, Guideposts and Signs	Maintenance of line-marking, and delineation in the form of guideposts and signage across Council's local road network.	250 (6) <b>244</b>
Street Lighting	Provision of street lighting across Council's local road network.	127 (0) <b>127</b>
Township Maintenance	Provision of street beautification works including grass cutting in townships in accordance with Council policy.	650 (28) <b>622</b>
Bus Shelters	Provision and maintenance of bus shelters across the Shire.	12 (0) <b>12</b>
Paths and Trails	Maintenance of Council's network of footpaths.	185 (0) <b>185</b>

### Initiatives:

- Deliver routine pavement maintenance for the sealed road network
- Deliver the resealing program as per the Resealing Schedule
- Maintain an intervention level of 7.5 on Moloney Asset Management System
- To regularly reseal Council's network of sealed roads on a 17 year cycle
- Implement Major Patching program
- Deliver local road improvement projects approved by Council
- Deliver the Roads to Recovery Funding Program of \$3,135k
- Maintenance grading of gravel roads



- Re-sheet Councils network of 713km of gravel roads on a 13 year cycle
- Bridge and culvert reconstruction, replacement or maintenance as per the adopted program
- Maintain Avenue of Honour cypress trees in Meredith and Inverleigh in accordance with Council policy
- Maintain tree clearing along roadside and within townships to ensure community safety
- Continue a program to restore gravel pits where Council utilised the resource
- Maintenance of asset systems to ensure accurate records of roads, bridges, drainage, buildings, footpaths, etc. are maintained
- Monitor and rehabilitate Council land that is being, or has been, utilised as landfill sites
- Supervision of subdivision works
- Maintenance of drainage systems including open drains, kerb and channel, culverts and the underground drainage system
- Private works construction for residents, ratepayers and developers
- Maintenance of existing road markings, signs and guideposts including replacement of superseded signs
- Re-striping of 350 km centre line plus Statcon markings (centreline repainting based on a 24 month cycle) plus 12 rail crossings plus school crossings
- Participate in Stage 1 of the G21 LED Street lighting program
- Ongoing support for existing Town Place plans with tree planting
- Grass cutting of township roadsides. Includes passive recreation reserves, parks and immediate surrounds as per adopted Council areas (excludes firebreaks on local roads)
- Install new and relocate existing bus shelters serving public transport users, particularly school children
- Minor repairs to existing shelters including painting of up to two shelters
- Maintain all footpaths and joint-use paths located on road reserves with constructed roads. Includes grinding of existing concrete paths to remove lips and re-sheeting and grading of gravel paths
- Maintenance of Ballarat – Skipton Rail Trail including minor bridge repairs

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.

### Strategic Objective 9: WASTE MANAGEMENT

To achieve the strategic objective of waste management Council will continue to provide a satisfactory garbage bin and recycling bin collection and disposal service.

Service Area	Description of Services provided	Expenditure /(Revenue) Net Cost \$'000
Garbage Collections	<b>Collection of domestic garbage and recyclables</b> and disposal of garbage across the Shire	2,077 <u>(2,245)</u> <b>(168)</b>
Municipal Landfills	Rehabilitation and environmental monitoring of Council's landfill sites	111 <u>(8)</u> <b>103</b>
Litter Control	Control litter and illegal dumping across the Shire.	62 <u>(0)</u> <b>62</b>

### Major Initiative:

- In 2016-17 Council will establish a waste and resource recovery facility within the Shire

### Initiatives:

- Fortnightly kerbside collection of garbage bins
- Weekly kerbside collection of recycling bins
- Recycling collections to be delivered to the recycling facility in Geelong
- Review Waste Management Strategy
- Advocate for local projects funded by Sustainability Victoria
- Monitor the Smythesdale Landfill for compliance with planning scheme and EPA licenses
- Participate in the regional Waste and Resource Recovery Group
- Collection of existing street and reserve rubbish bins
- Implement an education campaign with the aim to reduce waste to landfill
- Improve process for reporting and investigation of litter and illegal dumping
- Establish a best practice resource recovery facility
- Rehabilitation and environmental monitoring of Council's landfill sites

### Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	$\frac{\text{Weight of recyclables and green organics collected from kerbside bins}}{\text{Weight of garbage, recyclables and green organics collected from kerbside bins}} \times 100$

### Performance Statement

The service performance indicators detailed in the preceding pages will be reported on within the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2016-17 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 5.2) and sustainable capacity, which are not included in this Budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.



## 4 BUDGET ANALYSIS

### 4.1 ANALYSIS OF COMPREHENSIVE INCOME STATEMENT

This section of the Budget analyses the various components of income and expenditure expected during the year.

#### Income

##### Note 1: Rates and Charges (\$1m increase)

Council must raise income each year sufficient for the purpose of good governance, administration, maintenance of physical infrastructure and provision of appropriate goods and services for the community.

However, with the introduction of the State Governments Rate Capping legislation in 2015, councils are now unable to determine the level of rate increase and instead must use a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following financial year. The Minister has set the cap on general rates and municipal charge at 2.5% for 2016-17. Other service charges (e.g. garbage charge) are to be calculated on a 'full cost recovery' basis.

The latest Rating Strategy adopted in 2013 addresses certain anomalies and rising costs issues and incorporates:

- No change to municipal charge of \$225 on all properties
- 90% differential rate for farms over 40 hectares and intensive farms
- No discount for farms of 2 to 40 hectares (unless intensive farm)
- General rate applicable to non-farm, non-developable land in the Farm Zone
- Non-Farm Vacant Land rate of 200% of the general rate
- Business rate of 100% of the general rate
- Growth area differential rate on properties covered by the Bannockburn Urban Design Framework, Township Structure Plans, Township Zones, Low Density Residential Zones and Rural Living Zones as identified in the Golden Plains Planning Scheme and
- General rate applicable to all other properties

In 2016-17, the average capped increase per assessment is 2.32%. The following table provides a summary of how this increase is calculated, according to the formula prescribed by the State Government.

Forecast Annualised Rate Revenue at 30 June 2016	\$ 17,793,200
Forecast Number of Assessments at 30 June 2016	10,665
<b>Forecast Base Average Rate 2015-16 per assessment</b>	<b>\$1,668.37</b>
Budget Rate Revenue 2016-17	\$18,206,859
<b>Capped Average Rate 2016-17 per assessment</b>	<b>\$1,707.16</b>
<b>Average Capped Increase</b>	<b>2.32%</b>

The rates and charges, together with supplementary rate revenue derived from a growth in the rate base, will generate \$20.4m (\$19.4m 2015-16).

Further detailed information concerning Rates and Charges can be found in Section 5.3 Rating Information and Section 6, Appendices.

##### Note 2: User Fees and Charges (\$101k increase)

User fees and charges represent 7.52% of total income and can be classified into statutory (set by the Government) and non-statutory (set by Council). A detailed listing of individual fees and charges is contained in section 6.2 on page 99.

Details of total fees and charges contained in the Budget follow.

<b>Statutory</b>	<b>\$'000</b>
Planning and Building Fees	199
Land Information Certificate Fees	44
Subdivision Supervision Fees	15
Drainage Information Fees	15
Animal Fees and Fines	25
Other Fees and Fines	0
<b>Statutory Total</b>	<b>298</b>
<b>User</b>	<b>\$'000</b>
Bannockburn Child Care	1,614
Animal Registration Charges	240
Kindergarten Cluster	220
Home and Community Care Fees	194
Gravel Cartage Levy	120
Septic Tank Fees	95
Subdivision Supervision Fees	70
Food and Health Fees	61
Farmers Market Fees	45
Bannockburn Family Services Centre Fees	40
Bannockburn Cultural Centre Fees	37
Smythesdale Business Hub Fees	33
Rents and Leases	30
Fire Hazard Eradication Fees	25
Community Bus Hire Charges	20
Community Protection Fees	16
Northern Community Centre Fees	15
Road Opening Permit Fees	10
Tip Fees	8
Planning and Building Fees	6
Meredith Community Hub	5
Animal Fees and Fines	2
Local Laws Infringement Fines	1
Other	2
<b>User Total</b>	<b>2,909</b>
<b>Total User Fees and Charges</b>	<b>3,207</b>

**Note 3: Grants (\$0.62m increase)**

The Budget provides for \$9.9m in operating grants and \$6.5m in capital grants, representing an increase of \$0.62m from 2015-16 forecast.

Operating grants have increased by \$121k, or 1.23% and comprise 23.3% of income. Capital grants have increased by \$501k, or 8.3% and comprise 15.3% of income.

The Budget allows for a Victoria Grants Commission (VGC) allocation of \$5.1m, which due to the three year freeze on this Federal funding, is the same as Councils allocation in 2015-16. A complete listing of total budgeted grants is shown below.

**OPERATING GRANT FUNDING TYPES AND SOURCE**

Recurrent - Commonwealth Government	\$
General Purposes Grants (VGC)	3,227
Local Road Funding (VGC)	1,905
Recurrent - State Government	
Age & Disability Services	1,125
Children Services	1,367
Community Protection	21
Emergency Management	133
Environment Management	38
Health Promotion	433
Kindergarten	516
Maternal & Child Health	186
Other	39
Public Health	11
Youth Development	65
<b>Total Recurrent Grants</b>	<b>9,066</b>
Non-Recurrent - Commonwealth Government	
Economic Development	796
Non-Recurrent - State Government	
Arts and Culture	5
Children Services	22
Economic Development	20
Environment Management	20
Health Promotion	5
Kindergarten	13
Other	1
<b>Total Non-Recurrent Grants</b>	<b>882</b>
<b>Total Operating Grant Funding</b>	<b>9,948</b>

**CAPITAL GRANT FUNDING TYPES AND SOURCE**

Recurrent - Commonwealth Government	\$
Roads to Recovery	3,135
Recurrent - State Government	
Roads	2
<b>Total Recurrent Grants</b>	<b>3,137</b>
Non-Recurrent - Commonwealth Government	
Building unspecialised	1,910
Non-Recurrent - State Government	
Building unspecialised	850
Landfill	140
Recreation leisure and community	467
<b>Total Non-Recurrent Grants</b>	<b>3,367</b>
<b>Total Capital Grant Funding</b>	<b>6,504</b>

Operating grants are those grants utilised to deliver ongoing services and programs, where Capital grants are utilised to deliver Capital projects.

Non-recurrent grant means a grant obtained on the condition that it is expended in a specified manner and is not expected to be received again during the period covered by Council's Strategic Resource Plan.

**Note 4: Contributions and Recoupments (\$358k decrease)**

The Budget provides for \$1.2m monetary contributions and \$1m non-monetary (assets) contributions, representing an increase of \$358k from 2015-16 forecast. Contributions comprise 5.24% of total income.

Below is a comprehensive list of total contributions and recoupments contained in the Budget.

<b>Monetary</b>	<b>\$'000</b>
Gravel Sales	200
Wind Farm Income	207
Developer's Community Contributions	185
Developers' Recreation Lands Contributions	120
Motor Vehicle Contributions	104
Private Works	100
Legal Costs Recouped	80
Sale of Bins	61
Recycling Contribution	57
Special Charge Income	37
Revaluation Contribution - SRO	15
Kindergarten Cluster	13
Other	11
Standpipe Water Sales	10
Bannockburn Child Care	8
Contribution to Insurance	5
Family Day Care Administration & Carer Levy	5
Arts Trail Project	5

<b>Monetary</b>	<b>\$'000</b>
Bannockburn Cricket Nets Club contribution	3
Valuation Fee Recoupment	3
Recoups Telephone and Photocopying	2
Pensioner Claim - Administration Fees	1
Stock Call Out Recoupments	1
<b>Monetary Total</b>	<b>1,232</b>
<b>Non-Monetary</b>	<b>\$'000</b>
Subdivisional Assets Handed to Council	1,000
<b>Non-Monetary Total</b>	<b>1,000</b>
<b>Total Contributions and Recoupments</b>	<b>2,232</b>

**Note 5: Net Gain on Disposal of Property, Plant and Equipment (\$2k decrease)**

Proceeds from the sale of assets, less their written down value, is disclosed as a net figure in the Income Statement. The details of the net result are detailed in the table below.

<b>Proceeds From Sale of Assets</b>	<b>\$'000</b>
Furniture and Equipment	-
Plant and Machinery	495
Motor Vehicles	-
<b>Total Proceeds from Sale of Assets</b>	<b>495</b>
<b>Written Down Value of Assets Sold</b>	
Furniture and Equipment	-
Plant and Machinery	495
Motor Vehicles	-
<b>Total Written Down Value of Assets Sold</b>	<b>495</b>
<b>Net Gain on Disposal</b>	<b>-</b>

**Note 6: Other Income (\$50k decrease)**

Other income includes interest on investments and interest on rates and charges. Interest on investments has been based on short term deposit rates ranging from 2% to 3%. The budget of \$300k comprises only 0.7% of total income. Interest on rates and charges is budgeted to be \$50k.

## Expenditure

### Note 7: Employee Costs (\$602k increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, and rostered days off, WorkCover premiums, long service leave and fringe benefits tax.

Employee costs are budgeted to increase by \$602k, or 3.52%, to \$17.6m. This increase primarily relates to the annual Enterprise Agreement increase of 3.70%, offset by a reduction in FTE.

### Reconciliation to 2015-16 Budget

Description	FTE	\$'000	% Increase
<b>2015-16 Budget - Employee Benefits</b>	<b>203.6</b>	<b>17,010</b>	
Change in FTE	(0.68)	(45)	-0.27%
Enterprise Agreement increase		629	3.70%
Other		14	0.08%
<b>Total Increase</b>	<b>(0.68)</b>	<b>598</b>	<b>3.52%</b>
<b>2016-17 Budget - Employee Benefits</b>	<b>202.9</b>	<b>17,608</b>	

Budget per Department and Type		Comprises		
Department	Budget 2016-17 \$'000	Permanent Full Time \$'000	Permanent Part Time \$'000	Casual \$'000
Community Services	7,112	3,235	3,218	659
Corporate Services	3,014	2,536	479	0
Executive	752	662	91	0
Governance	694	649	45	0
Assets and Amenity	6,035	5,603	433	0
<b>Total</b>	<b>17,608</b>	<b>12,683</b>	<b>4,266</b>	<b>659</b>

FTE per Department and Type		Comprises		
Department	Budget FTE 2016-17	Permanent Full Time	Permanent Part Time	Casual
Community Services	88.9	34.5	44.9	9.5
Corporate Services	32.7	26.0	6.7	-
Executive	8.2	7.0	1.2	-
Governance	4.6	4.0	0.6	-
Assets and Amenity	68.5	62.4	6.1	-
<b>Total</b>	<b>202.9</b>	<b>133.9</b>	<b>59.5</b>	<b>9.5</b>

**Note 8: Materials and Services (\$272k decrease)**

Materials and Services include the purchase of consumables, payments to contractors for the provision of services, utility costs and one-off operating costs of a capital nature.

Operating materials and services are budgeted to decrease by \$272k, or 2.2% to \$11.85m. The Budget for materials and services has generally been based on 2015-16 levels.

<b>Materials and Services</b>	<b>\$'000</b>
General Maintenance	2,382
Garbage Operations	1,963
Projects and Services	1,264
Vehicle and Machinery	1,103
Contractors and Consultants	833
Food Production Project	797
Building Maintenance	479
IT Operations	452
Utilities	381
Other	347
Cleaning	292
Telecommunications	289
Training	278
Printing and Stationery	239
Insurance	195
Community Grants Program	145
Election	140
Gravel Pit Operations	122
Debt Collection and Legal Fees	84
Advertising	61
<b>Total Materials and Services</b>	<b>11,846</b>

**Note 9: Bad and Doubtful debt**

Allocation of bad and doubtful debt of \$615 relates to the Bannockburn Children Services.

**Note 10: Depreciation and Amortisation (\$155k increase)**

Depreciation is the systematic allocation of the capital cost of a long-term asset over its useful life. It is an accounting measure that attempts to capture the deterioration or usage of Council's long-term assets over a financial year. Long-term assets include buildings, plant and machinery, furniture and equipment, infrastructure and other structures.

<b>Depreciation by Class of Asset</b>	<b>\$'000</b>
Buildings Specialised	794
Buildings Unspecialised	131
Buildings Heritage	58
Furniture and Equipment	238
Plant and Machinery	889
Roads	4,242
Footpaths	115
Bridges	386
Drainage	42
Recreation, Leisure & Community	284
Parks, Open Spaces & Streetscapes	142
Car Parks	13
Gravel Pit Rehabilitation	47
<b>Total Depreciation Expense</b>	<b>7,380</b>

**Note 11: Borrowing Costs (\$12k decrease)**

Finance Costs relate to the interest paid on Council borrowings. The ratio of finance costs as a percentage of income indicates that only 0.6% of income is required to service debt. The decrease of \$12k is primarily the result of fully repaying some older loans that were incurring a higher interest rate than new borrowings.

**Note 12: Other Expenses (no change)**

Other expenses consist of Councillor Allowances and both internal and external audit fees. The increase in Councillor's Allowance is \$4k and forecasted external Audit Fees reduced by \$4k in 2016-17.

**Adjusted Underlying Result**

Council's budgeted surplus for 2016-17 is \$5.17m; however this 'headline' figure can be misleading. The 'adjusted underlying result' of \$498k surplus more accurately represents the true financial performance of Council in a 'normal' year.

The new regulations now prescribe the method for calculating the 'Adjusted Underlying Result'. Per the following table, it removes any non-recurrent grants used to fund capital expenditure, non-monetary asset contributions and other contributions to fund capital expenditure from the total comprehensive result.

	<b>\$'000</b>
<b>Total Comprehensive Result</b>	<b>5,173</b>
Non-recurrent grants used to fund capital expenditure	(3,367)
Non-monetary asset contributions	(1,000)
Other contributions to fund capital expenditure	(308)
<b>Adjusted Underlying Surplus</b>	<b>498</b>



## 4.2 ANALYSIS OF BALANCE SHEET

This section of the Budget analyses the expected financial position of Council at the end of the 2016-17 financial year.

### **Note 13: Current assets (\$556k decrease)**

- Cash assets will decrease by \$655k
- Receivables will increase by \$89k
- Land held for resale relates to the remaining undeveloped land at Bakers Lane, Teesdale

### **Note 14: Non-current assets (\$5.91m increase)**

- The increase in non-current assets primarily relates to the net result of the capital works program \$12.26m, less depreciation expense \$7.38m and disposal of assets \$0.5m plus the receipt of gifted assets \$1.0m
- An increase in the sinking fund investment by \$524k to meet LGFV obligations. In November 2014, Council borrowed a total of \$6.2m via the Local Government Funding Vehicle (LGFV). These borrowings are funded by a five year interest only Bond. As Council has a history of borrowing under a 'principal and interest' structure and this is considered the most appropriate method of borrowing, an investment account has been established to hold funds equivalent to the principle amounts that would have otherwise been repaid. This will ensure there are sufficient funds to repay/refinance the Bond when it matures

### **Note 15: Current liabilities (\$277k increase)**

- Current liabilities represent obligations Council must pay within the next year
- The current liability for interest-bearing liabilities as at 30 June 2017 will increase by \$12k
- The current liability for employee benefits as at 30 June 2017 represents Council's liability to pay employees annual leave and long service leave

### **Note 16: Non-current liabilities (\$94k decrease)**

- Non-current liabilities represent obligations Council must pay beyond the next year
- The non-current liability for employment benefits increased by \$17k. This represents the Council's provision for long service leave (non-current)
- Interest bearing liabilities decrease by \$107k which is the net result of new borrowings and repayments of loans taken out in prior years
- Gravel pit rehabilitation provision decreases by \$4k in line with anticipated works

## 4.3 ANALYSIS OF STATEMENT OF CHANGES IN EQUITY

### Note 17: Equity (\$5.17m increase)

Total equity of \$431m will always equal net assets and is made up of the following components:

- Committed Reserves that Council wishes to separately identify as being set aside to meet specific or statutory purpose in the future. These reserves are derived from items such as Developer Contributions, specific levies and Unexpended Projects;
- Discretionary reserves are to fund the long term viability of Council. The decisions about future use of any available funds is reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan. The funding of the replacement of long term infrastructure assets generally comes from discretionary funds; which is a component of the accumulated surplus. This is the value of all net assets less Reserves that have accumulated over time.

The total Equity is represented by:

Equity	\$'000
Discretionary reserves	4,766
Committed reserves	633
Non-current assets less non-current liabilities	425,541
<b>Total Equity</b>	<b>430,940</b>

### Retained Earnings

Retained earnings is the working capital of the Council; in other words, current assets less current liabilities. It comprises the accumulated surpluses and deficits from prior accounting periods.

Retained earnings are comprised of discretionary funds and committed funds. Committed funds include amounts set aside for long service leave, physical/social infrastructure development (developer contributions) and specific levies. As a matter of good financial management, Council only uses discretionary retained earnings to fund one-off capital community partnership projects. Retained earnings are not used to fund operational expenditure.

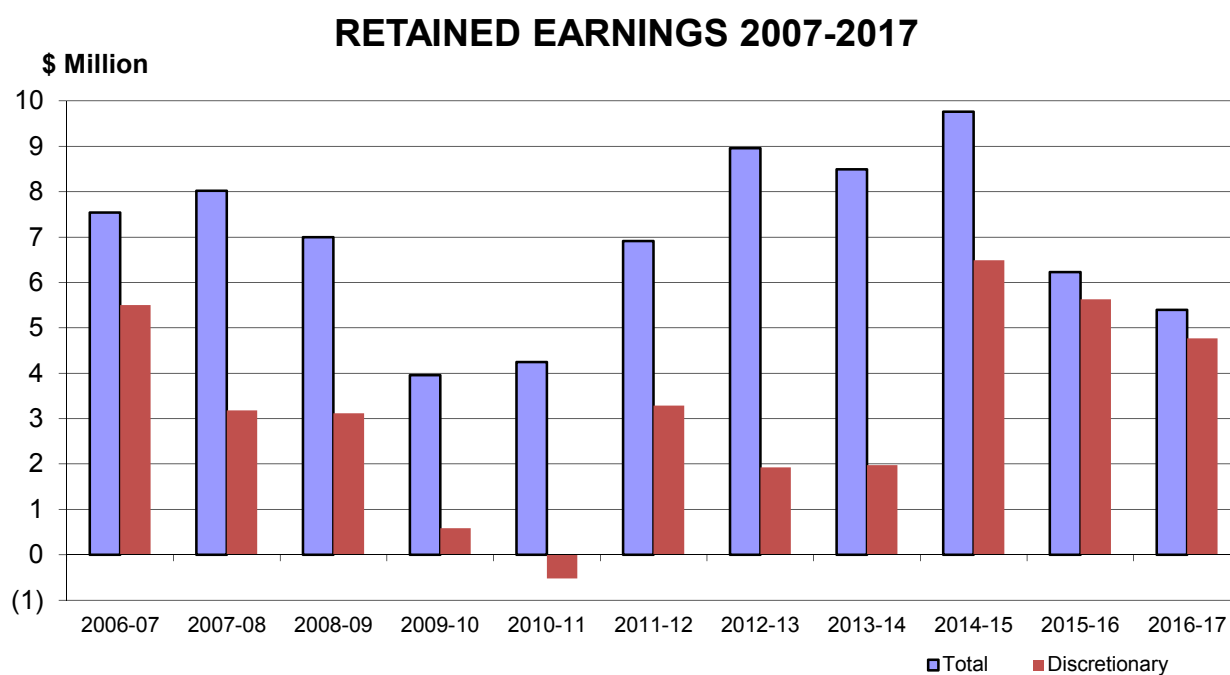
The balance of discretionary retained earnings identifies the funds generated from the sale of Bakers Lane, Stage 3 (\$1.5m) and the funds received from the Victorian Grants Commission in advance (\$2.6m). This shows that without these items, Council's discretionary balance would be in surplus by \$662k.

As at 30 June 2017, Council will have discretionary funds available of \$4.8m and \$616k in committed funds.

	Forecast Balance 1-Jul-16 \$'000	Net Movements \$'000	Final Balance 30-Jun-17 \$'000
<b>Discretionary</b>			
General Appropriations	1,509	(847)	662
Bakers Lane	1,525	-	1,525
VGC Grant Received in Advance	2,596	-	2,596
<b>Sub-total Discretionary</b>	<b>5,630</b>	<b>(847)</b>	<b>4,783</b>
<b>Committed</b>			
Recreational Lands^	-	-	-
Profit Equalisation	100	-	100
Developer Contributions	133	15	148
Employee Entitlements (non-current)	368	-	368
Quarry Levy^	-	-	-
<b>Sub-total Committed</b>	<b>601</b>	<b>15</b>	<b>616</b>
<b>Total Retained Earnings</b>	<b>6,231</b>	<b>(832)</b>	<b>5,399</b>
Non-Current Assets and Liabilities	419,535	6,005	425,541
<b>TOTAL EQUITY</b>	<b>425,766</b>	<b>5,173</b>	<b>430,940</b>

^All funds received in these funds are budgeted to be 100% expended in the same year of receipt.

The following graph demonstrates the movement in retained earnings since 2007 and the level of discretionary funds.



## 4.4 ANALYSIS OF STATEMENT OF CASH FLOWS

This section of the Budget analyses the expected cash flows from the operating, investing and financing activities of Council.

The cash balance at year end is budgeted to decrease by \$655k to \$7.4m.

### Note 18: Operating activities (\$12.1m cash inflow)

Operating activities refer to the cash generated or used in the normal service delivery functions of Council and include:

- Receipts from ratepayers of \$20.34m
- Grants of \$16.86m to fund operating expenses and capital works
- User Fees and charges of \$3.25m
- Contributions and recoupments of \$1.24m
- Payments to employees \$17.7m and
- Payments to suppliers \$13.04m

Reconciliation of Surplus to Net Cash Inflow from Operations	\$'000
Surplus for Period	5,173
Depreciation	7,380
Net Gain on Disposals	-
Subdivisions - Roads Handed to Council	(1,000)
Borrowing Costs	357
Decrease/(Increase) in Receivables	(99)
Increase/(Decrease) in Creditors and Provisions	276
<b>Net Cash Inflow from Operations</b>	<b>12,096</b>

### Note 19: Investing activities (\$11.8m cash outflow)

Investing activities refer to cash used in the purchase, enhancement or creation of property, plant and equipment and infrastructure. These activities also include the sale of non-current assets.

### Note 20: Financing activities (\$1.0m cash outflow)

Financing activities generally refer to borrowings used in the financing of capital projects and movements in funds held in trust.

The net outflow of \$984k includes the receipt of new borrowings undertaken during the year \$150k, as well as the repayment of the principal component of borrowings \$244k, interest expenditure \$357k and payment to LGFV sinking fund of \$524k.

## 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 indicates that Council is estimating at 30 June 2017 it will have cash and cash equivalents of \$7.4m, which has been restricted as shown in the following table.

	<b>Forecast 2015-16 \$'000</b>	<b>Budget 2016-17 \$'000</b>
<b>Total Cash and Cash Equivalents</b>	<b>8,055</b>	<b>7,400</b>
Restricted cash and investments		
-Statutory Reserves	134	148
-Discretionary Reserves	468	485
<b>Unrestricted Cash and Cash Equivalents</b>	<b>7,453</b>	<b>6,767</b>

### Statutory Reserves (\$148k)

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. During the 2016-17 year \$185k is budgeted to be transferred to and \$170k from Statutory Reserves.

### Discretionary Reserves (\$485k)

These funds are shown as discretionary reserves, although not restricted by a statutory requirement, Council has made decisions regarding the future use of these funds and unless there is a Council resolution these funds should be used for those earmarked purposes. During the 2016-17 year \$257k is budgeted to be transferred to and \$240k from Discretionary Reserves. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

### Unrestricted Cash and Cash Equivalents (\$6.77m)

It should be noted that a large portion of these funds relate to Victorian Grants Commission revenue received in advance (\$2.6m) and revenue generated from the sale of Bakers Lane, Stage 3 (\$1.5m).

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.

## 4.5 ANALYSIS OF STATEMENT OF CAPITAL WORKS

Council's capital works program is broadly categorised into four groups: new assets, capital renewal, capital upgrade and capital expansion.

New assets are assets that did not previously exist prior to 1 July 2016. New assets will result in increased operating costs, maintenance costs and capital renewal in the future.

Capital renewal expenditure reinstates existing assets to original condition. It may reduce future operating and maintenance expenditure if completed at the optimum time.

Capital upgrade expenditure enhances an existing asset to provide a higher level of service or expenditure that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and increases operating and maintenance expenditure in the future because of the increase in the Council's asset base.

Capital expansion expenditure extends an existing asset to a new group of users. It is discretionary expenditure that increases future operating and maintenance costs because it increases Council's asset base.

The following is a commentary on the major capital works and how they are funded in 2016-17.

## Note 21: Capital Expenditure Funding Sources

Capital Works Area	Project Cost 2016-17 \$'000	Asset expenditure types				Funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contribution \$'000	Council Cash \$'000	Borrowings \$'000
<b>Building Specialised</b>									
06059 Disability Action Plan (Inverleigh Toilet DDA Compliant)	20	-	-	20	-	-	-	20	-
06089 Major Recreational Facilities Renewal	60	-	60	-	-	-	-	60	-
06112 Construction of Transfer Station	290	290	-	-	-	140	-	150	-
06114 Bannockburn Public Toilet (High Street) Upgrade	25	-	25	-	-	-	-	25	-
06117 Smythesdale Gardens Public Toilet - Upgrade	60	-	-	60	-	-	-	60	-
06039 Bannockburn CSC Major Maintenance	145	-	75	70	-	-	-	145	-
<b>Building Specialised Total</b>	<b>600</b>	<b>290</b>	<b>160</b>	<b>150</b>	<b>-</b>	<b>140</b>	<b>-</b>	<b>460</b>	<b>-</b>
<b>Building Unspecialised</b>									
04085 Bannockburn Civic Heart (SRV Major)	1,300	1,300	-	-	-	650	-	650	-
04086 Bannockburn Civic Heart (NSRF)	1,910	1,910	-	-	-	1,910	-	-	-
06100 Teesdale Turtle Bend	300	-	-	300	-	200	-	100	-
06085 Environment Strategy	30	30	-	-	-	-	-	30	-
06120 HACC Portable	55	55	-	-	-	-	-	55	-
06121 Community Facility Upgrade	500	-	-	500	-	400	-	100	-
<b>Building Unspecialised Total</b>	<b>4,095</b>	<b>3,295</b>	<b>-</b>	<b>800</b>	<b>-</b>	<b>3,160</b>	<b>-</b>	<b>935</b>	<b>-</b>
<b>Car Park</b>									
04095 Ross Creek Reserve Car Park Upgrade	120	-	-	120	-	-	-	120	-
<b>Car Park Total</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>120</b>	<b>-</b>

Capital Works Area	Project Cost 2016-17 \$'000	Asset expenditure types				Funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contribution \$'000	Council Cash \$'000	Borrowings \$'000
<b>Furniture &amp; Equipment</b>									
04063 Cricket Pitch Covers	25	25	-	-	-	-	-	25	-
07006 Computer Hardware	104	-	104	-	-	-	-	104	-
07007 Computer Software	41	41	-	-	-	-	-	41	-
<b>Furniture &amp; Equipment Total</b>	<b>169</b>	<b>66</b>	<b>104</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>169</b>	<b>-</b>
<b>Infrastructure</b>									
09001 Local Roads Resealing	850	-	850	-	-	-	-	850	-
09007 Local Roads Improvements (Roads to Recovery)	3,135	-	1,156	1,979	-	3,135	-	-	-
09008 Local Roads Improvements	280	-	-	280	-	-	-	280	-
09009 Gravel Resheeting - Local Roads	205	-	205	-	-	-	-	205	-
09013 Somerset Estate Road Infrastructure	240	240	-	-	-	-	-	240	-
09025 Footpaths and Trails	250	250	-	-	-	-	-	250	-
09037 Fire Access Track	2	-	2	-	-	2	-	-	-
09043 Periodic Footpath Maintenance	27	-	27	-	-	-	-	27	-
09044 Periodic Bridge Rehabilitation	150	-	150	-	-	-	-	150	-
<b>Infrastructure Total</b>	<b>5,139</b>	<b>490</b>	<b>2,369</b>	<b>2,280</b>	<b>-</b>	<b>3,137</b>	<b>-</b>	<b>2,002</b>	<b>-</b>
<b>Parks, Open Spaces &amp; Streetscapes</b>									
04021 Refurbishment of Playgrounds	40	-	40	-	-	-	-	40	-
04024 Fencing	2	2	-	-	-	-	-	2	-
04009 Open Space Strategy Implementation	45	45	-	-	-	-	-	45	-
<b>Parks, Open Spaces &amp; Streetscapes Total</b>	<b>87</b>	<b>47</b>	<b>40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>87</b>	<b>-</b>
<b>Drainage</b>									
04064 Bannockburn Storm Water Drainage Improvements	33	33	-	-	-	-	-	33	-
<b>Drainage Total</b>	<b>33</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>-</b>



Capital Works Area	Project Cost 2016-17 \$'000	Asset expenditure types				Funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contribution \$'000	Council Cash \$'000	Borrowings \$'000
<b>Plant &amp; Machinery</b>									
08012 Bus Changeover - Community Transport	50	-	50	-	-	-	-	50	-
08014 Ute Purchases	259	-	259	-	-	-	-	259	-
08048 Flocon Truck - Hino 1227 (P334)	190	-	190	-	-	-	-	190	-
08061 Isuzu GIGA Tipper (P345)	195	-	195	-	-	-	-	195	-
08063 Tandem Tipper (P353)	195	-	195	-	-	-	-	195	-
08068 John Deere Mower (P328)	95	-	95	-	-	-	-	95	-
08078 Super Dog Trailer (P346)	75	75	-	-	-	-	-	75	-
08096 Kubota ZD331P R O Mower (P322)	27	-	27	-	-	-	-	27	-
08097 Kubota ZD331P Mower (P359)	27	-	27	-	-	-	-	27	-
08109 Caterpillar 928 4WD Loader (P315)	250	-	250	-	-	-	-	250	-
08110 Mower - Leigh River	15	-	15	-	-	-	-	15	-
<b>Plant &amp; Machinery Total</b>	<b>1,378</b>	<b>75</b>	<b>1,303</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,378</b>	<b>-</b>
<b>Recreational, Leisure &amp; Community</b>									
03454 Bannockburn Cricket Nets (SRV Minor)	100	-	-	-	100	67	3	30	-
04022 Resurfacing of Tennis Courts	90	-	90	-	-	-	-	90	-
04082 Telemetry of Sports Ovals	10	10	-	-	-	-	-	10	-
04083 Smythesdale Major Sports Oval Works	400	-	400	-	-	-	-	250	150
04094 Harrison Reserve, Enfield Upgrade	40	-	40	-	-	-	-	40	-
<b>Recreational, Leisure &amp; Community Total</b>	<b>640</b>	<b>10</b>	<b>530</b>	<b>-</b>	<b>100</b>	<b>67</b>	<b>3</b>	<b>420</b>	<b>150</b>
<b>Total</b>	<b>12,262</b>	<b>4,306</b>	<b>4,506</b>	<b>3,350</b>	<b>100</b>	<b>6,504</b>	<b>3</b>	<b>5,604</b>	<b>150</b>

**Note 22: New Assets (\$4.3m expenditure)****Buildings (\$3.6m expenditure)**

- Bannockburn Civic Heart (SRV Major) \$1.3m
- Bannockburn Civic Heart (NSRF) \$1.9m
- Construction of Transfer Station \$290k
- HACC Portable \$55k
- Environment Strategy \$30k

**Furniture and Equipment (\$66k expenditure)**

- Computer Hardware and Software \$41k
- Cricket Pitch covers \$25k

**Infrastructure (\$490k expenditure)**

- Somerset Estate Road Infrastructure \$240k
- Footpaths and Trails \$250k

**Note 23: Capital Renewal (\$4.5m expenditure)****Buildings (\$160k expenditure)**

- Major Recreation Facilities \$60k
- Bannockburn CSC Major Maintenance \$75k

**Furniture and Equipment (\$104k expenditure)**

Computer hardware and software are updated on a rolling 3 year cycle to ensure that Council takes advantage of productivity gains made possible through the use of new technology.

**Plant and Machinery (\$1.3m expenditure)**

This expenditure of \$1.3m is generally in line with Council's plant and machinery replacement schedule. The major items of plant to be changed are a caterpillar, two tippers, a flocon truck, a bus and four mowers.

**Infrastructure (\$2.37m expenditure)**

- The Reseal Program is budgeted for \$850k; the following page contains detailed information about the planned program for the year
- Bannockburn storm water drainage improvements are \$23k
- The renewal component of the Roads to Recovery funding program of \$1,156k is continuing and includes general local road improvements as identified by Council (refer to page 52 for full program details)
- Gravel re-sheeting on local roads will be funded to an amount of \$205k in line with the most recent independent road assessment report (Peter Moloney report)
- Periodic bridge rehabilitation to be funded is \$150k
- Periodic footpath maintenance is \$27k

**Recreational, Leisure & Community (\$530k expenditure)**

- Resurfacing of Tennis Courts to cost \$90k
- Smythesdale Major Sports Oval works \$400k
- Harrison Reserve, Enfield to cost \$40k

**Parks, Open Spaces & Streetscapes (\$40k expenditure)**

- Refurbishment of Playgrounds

**Reseal Program**

Capital Renewal includes the following road reseal projects totalling \$850k.

ID	Road Name	Datum	From Description	To Description	Length	Width	Area	Total \$'000
1	Gilday Court (Final Seal)	Greenbank Court	Greenbank Court	End	300.0	3.8	1,140.0	6
2	Browns Road	Glenelg Hwy	Seal change	Woodlands Drive	310.0	6.2	1,922.0	9
3	Browns Road	Glenelg Hwy	Woodlands Drive	Seal Change	310.0	6.4	1,984.0	10
4	Golden Lake Road	Pitfield Scarsdale Road	Start seal	Linton Piggoreet	480.0	3.8	1,824.0	9
5	Maude-She Oaks Road	Steiglitz	Change	Change	110.0	5.6	616.0	3
6	McPhersons Lane	Lismore Scarsdale Road	Lismore Scarsdale Road	End	275.0	3.7	1,017.5	5
7	Gumley Road	Dereel-Mt Mercer	Grahams Road	Wurrook Rd	745.0	3.9	2,905.5	15
8	Harvey Road	Bannockburn-Shelford	Ormond	Change	245.0	7.0	1,715.0	8
9	Harvey Road	Bannockburn-Shelford	100km sign	Brislane Rd	1,677.0	7.0	11,739.0	57
10	Harvey Road	Bannockburn-Shelford	Brislane Rd	Rail	828.0	7.0	5,796.0	29
11	Harvey Road	Bannockburn-Shelford	Rail crossing	Spring Creek	1,437.0	7.0	10,059.0	50
12	Harvey Road	Bannockburn-Shelford	Change	Hamilton Hwy	810.0	6.2	5,022.0	25
13	Lismore-Pittong Road	Glenelg Hwy	Change	Change	985.0	6.6	6,501.0	33
14	Lismore-Pittong Road	Glenelg Hwy	Rokewood Skipton	Change	1,705.0	6.5	11,082.5	55
15	Lismore-Pittong Road	Glenelg Hwy	Bassetts Road	Parkers	671.0	6.3	4,227.3	21
16	Lismore-Pittong Road	Glenelg Hwy	Parkers Road	Willowvale	1,789.0	6.3	11,270.7	56
17	Meredith-Mt Mercer Road	Railway Crossing	End Seal	Yarrowee River	1,416.0	5.3	7,504.8	38
18	Meredith-Mt Mercer Road	Railway Crossing	Change	Buninyong Mt Mercer Rd	1,612.0	3.8	6,125.6	31
19	Camerons Road (Final Seal)	Meredith-Mt Mercer	Meredith-Mt Mercer	Woodbourne	1,066.0	6.2	6,609.2	33
20	Camerons Road (Final Seal)	Meredith-Mt Mercer	Change	End	2,589.0	5.4	13,980.6	70
21	Thomson Street (Final Seal)	Ormond Street	Bannockburn-Shelford Road	Depot	170.0	6.2	1,054.0	5
22	Meredith-Mt Mercer Road Stage 2 (Final Seal)	Railway Crossing	Bamganie	Seal Change	2,173.0	7.0	15,211.0	76
23	Meredith-Shelford Road (Final Seal)	Bannockburn-Shelford	Change	Change	1,220.0	7.0	8,540.0	43

ID	Road Name	Datum	From Description	To Description	Length	Width	Area	Total \$'000
24	Spratlings Road (Final Seal)	Sebastopol-Smythesdale	Post Office	Nicholls	1,898.0	6.0	11,388.0	57
25	Hardies Hill Rd (Final Seal)	Buninyong-Mt Mercer	McKees	Bibbys	1,850.0	6.0	11,100.0	56
26	Terrier Road (Final Seal)	Hamilton Highway	Cemetery Road	End Seal	410.0	6.2	2,542.0	13
27	School Lane, Ross Creek (Final Seal)	Colac-Ballarat	End Seal	Vaggs	875.0	5.4	4,725.0	23
28	Ballan-Meredith Rd (Final Seal)	Midland Highway	Change to	O'Briens Road	390.0	7.0	2,730.0	14
<b>Total</b>								<b>850</b>

**Roads to Recovery**

Capital Renewal accounts for 37% of the \$3.14m program, totalling \$1.16m.

Priority	Road Name	Locality	From Chainage	To Chainage	Distance	Description	Hierarchy	Est Cost \$'000	Category	Comment
1	<b>Meredith-Shelford Road</b>	Shelford	5,830	8,900	3,070	Wide Seal to Wide Seal	Collector	<b>768</b>	Narrow Seal	This 3.1km section extends the works completed during the previous 2 years and will result in a 6.2 metre seal from the Shelford-Bannockburn Road to North of Tall Tree Road - also supports the Food Production Precinct.
2	<b>McPhillips Road</b>	Bannockburn	1,675	2,624	949	High Street to Imperial Way	Access	<b>800</b>	Narrow Seal	Includes kerb and channel, underground drainage and footpath works
3	<b>Sebastopol-Smythesdale Road</b>	Ross Creek	10,760	11,940	1,180	Tom Jones Road to Bowes Road	Link	<b>295</b>	Renewal	As identified in the latest Moloney Report, Sebastopol-Smythesdale Road has a poor condition rating and needs renewal as a matter of urgency due to the traffic counts (<1000 vpd). It is also the subject of numerous rate payer enquiries/complaints.
4	<b>Browns Road</b>	Newtown	6,335	7,015	680	Widen Seal to Jubilee Road	Collector	<b>170</b>	Safety	Safety issues of poor sight distances, requires a short section of road to be reconstructed at the intersection of Strickland Road to improve clear zones.
5	<b>Hardies Hill Road</b>	Garibaldi	4,305	4,991	686	Bibbys Lane to Grenville Drive	Collector	<b>172</b>	Rural Gravel	Continuation of work undertaken in 2015/16. Access and egress into this settlement at Garibaldi is along a gravel road and needs to be sealed to Council's standards to provide an all-weather access road.
6	<b>Tall Tree Road</b>	Lethbridge	6,080	7,080	1,000	End Seal to Around Bend	Collector	<b>489</b>	Rural Gravel	The Golden Plains Food Production Precinct Concept Plan (2014), presents Tall Tree Road as a critical arterial for the precinct development and part of the 'Priority Transport Network'. It is proposed to continue with sealing and upgrading of Tall Tree Road in increments to complete the 7.4km gravel route.
7	<b>Vaggs Road</b>	Ross Creek	-	225	225	Sebastopol-Smythesdale Road to School Lane	Access	<b>56</b>	Narrow Seal	The road strategy sets a vehicle traffic count of 250 vehicles per day as the primary criteria for upgrading and this section will meet this requirement.
8	<b>Pitfield-Cressy</b>	Werneth	15,137	16,680	1,543	Bridge to Werneth Road	Collector	<b>385</b>	Narrow Seal	Will allow for the road load limit to be removed in conjunction with the completion of the new bridge.
<b>Total</b>								<b>3,135</b>		

**Note 24: Capital Expansion (\$100k expenditure)****Recreational, Leisure & Community (\$100k expenditure)**

- Bannockburn Cricket Nets (SRV Minor) \$100k

**Note 25: Capital Upgrade (\$3.4m expenditure)****Buildings (\$950k expenditure)**

- Smythesdale Gardens Public Toilet \$60k
- Bannockburn CSC Major Maintenance \$70k
- Teesdale Turtle Bend \$300k
- SRV Sports Facility Upgrades \$500k

**Infrastructure (\$2.3k expenditure)**

- The upgrade component of the Roads to Recovery funding program of \$2m is continuing and includes general local road improvements as identified by Council. Other local road improvements totalling \$280k will be funded from Council's operational funds.

**Car Park (\$120k expenditure)**

- Ross Creek Reserve Car Park \$120k

**FOOTPATHS AND TRAILS**

New Assets includes the following Footpath and Trails projects totalling \$250k.

Priority	Township	Location	Length	Description	Budget \$'000
1	Bannockburn	<b>Kelly Road, Stage 2</b> (Clyde Road to Existing Path)	470m	1.5m wide concrete path along east side of Kelly Road	75
2	Meredith	<b>Russell Street</b> (In front of Primary School / Community Hub)	125m	1.5m wide concrete path at school entrance	20
3	Inverleigh	<b>Railway Street</b> (Hamilton Highway to Mercer Street)	235m	1.5m wide concrete path along east side of Railway Street	35
4	Lethbridge	<b>Lethbridge Lake</b> (Russell Street to Lake)	250m	1.5m wide granitic sand path connecting Russell St through Council Reserve to Lethbridge Lake	20
5	Inverleigh	<b>Mercer Street</b> (Railway St to Newman St)	450m	1.5m wide concrete path on North side of Mercer Street from Railway St to Newman St	60
6	Linton	<b>Sussex Street</b> (Gillespie St to Clyde St)	240m	Asphalt Restoration on both East and West side of Sussex Street from Gillespie St to Clyde St	40
<b>Total</b>					<b>250</b>

**Parks, Open Spaces & Streetscapes (\$47k expenditure)**

- Open Space Strategy Implementation \$45k

**Drainage (\$33k expenditure)**

- Bannockburn Storm Water Drainage Improvements \$33k

**Plant & Machinery (\$75k expenditure)**

- Super Dog Trailer \$75k

**Recreational, Leisure & Community (\$10k expenditure)**

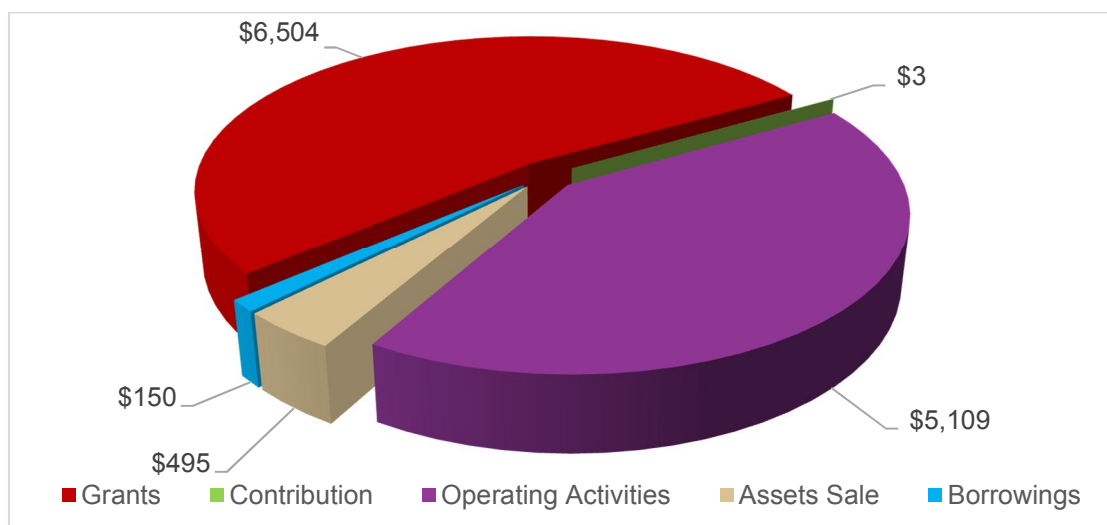
- Telemetry of Sports Ovals \$10k

## Movements in Non-Current Assets

Non Current Assets	Land \$'000	Land Under Roads \$'000	Buildings Specialised \$'000	Buildings Unspecialised \$'000	Buildings Heritage \$'000	Parks etc. \$'000	Recreation \$'000	Car Parks \$'000	Furn & Equip \$'000
Balance 1 July 2016 (Projected budget)	23,700	4,266	29,583	2,607	1,173	2,188	6,682	514	647
Additions			600	4,095		337	640	120	169
Handed to Council									
WDV of Disposals									
Depreciation			(794)	(131)	(58)	(142)	(284)	(13)	(238)
<b>Balance 30 June 2017</b>	<b>23,700</b>	<b>4,266</b>	<b>29,389</b>	<b>6,571</b>	<b>1,115</b>	<b>2,383</b>	<b>7,038</b>	<b>620</b>	<b>578</b>

Non Current Assets	Plant \$'000	Gravel Pit \$'000	Roads \$'000	Bridges \$'000	Footpath \$'000	Drainage \$'000	Invest In Assoc \$'000	Sinking Fund \$'000	Total \$'000
Balance 1 July 2016 (Projected budget)	3,866	225	320,633	18,128	8,378	3,926	830	849	<b>428,193</b>
Additions	1,378		4,712	150	27	33		524	<b>12,786</b>
Handed to Council			1,000						<b>1,000</b>
WDV of Disposals	(495)								<b>(495)</b>
Depreciation	(889)	(47)	(4,242)	(386)	(115)	(42)			<b>(7,380)</b>
<b>Balance 30 June 2017</b>	<b>3,859</b>	<b>179</b>	<b>322,103</b>	<b>17,893</b>	<b>8,290</b>	<b>3,917</b>	<b>830</b>	<b>1,373</b>	<b>434,104</b>

## Capital Expenditure Funding Sources \$'000





## Borrowings

Council's Strategic Resource Plan provides for annual borrowings of \$150k for community facilities. These borrowings will assist in the construction of the Smythesdale Sports Oval.

## Grants

In order for Council to deliver its capital works program, it relies on funding received from State and Federal Governments. Following is a list of all grants included in the Budget. Some, but not all, of these grants have been confirmed by funding agencies.

Grants for Capital Works	\$'000
Roads to Recovery	3,135
Bannockburn Civic Heart (NSRF)	1,910
Bannockburn Civic Heart (SRV)	650
SRV Sports Facility Upgrade	400
Teesdale Turtle Bend	200
Construction of Transfer Station	140
Bannockburn Cricket Nets	67
Fire Access Track	2
<b>Total Grants</b>	<b>6,504</b>

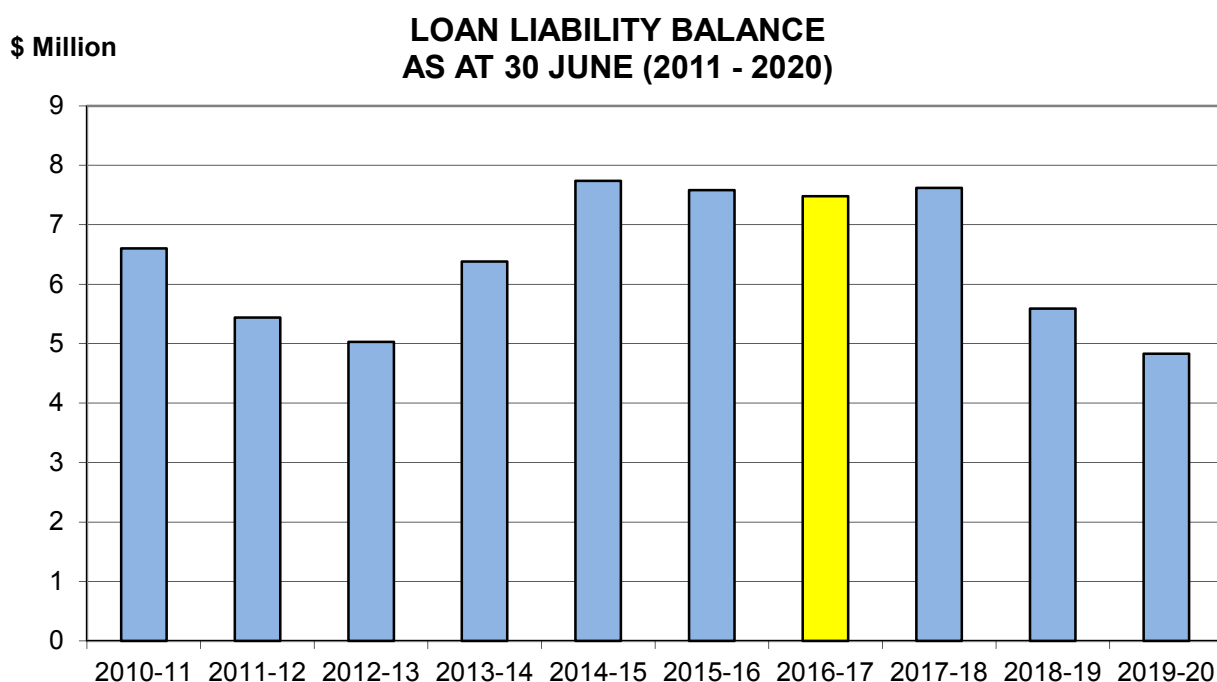
## Proceeds from the Sale of Non-Current Assets

Proceeds from the sale of non-current assets totals \$495k and includes the trade-in of motor vehicles and plant items.

## 4.6 BORROWINGS

The budgeted loan liability of \$7.49m at 30 June 2017 represents 36.64% of rates and charges, which is a decrease from 39% in 2015-16. These borrowings remain consistent with sound financial management principles. Borrowings allow Council to spread the financing cost of new facilities over a number of years, thereby eliminating the burden on ratepayers in any one year.

The new loan of \$150k for 2016-17 relates to the Smythesdale Sports Oval.



## Borrowing Schedule

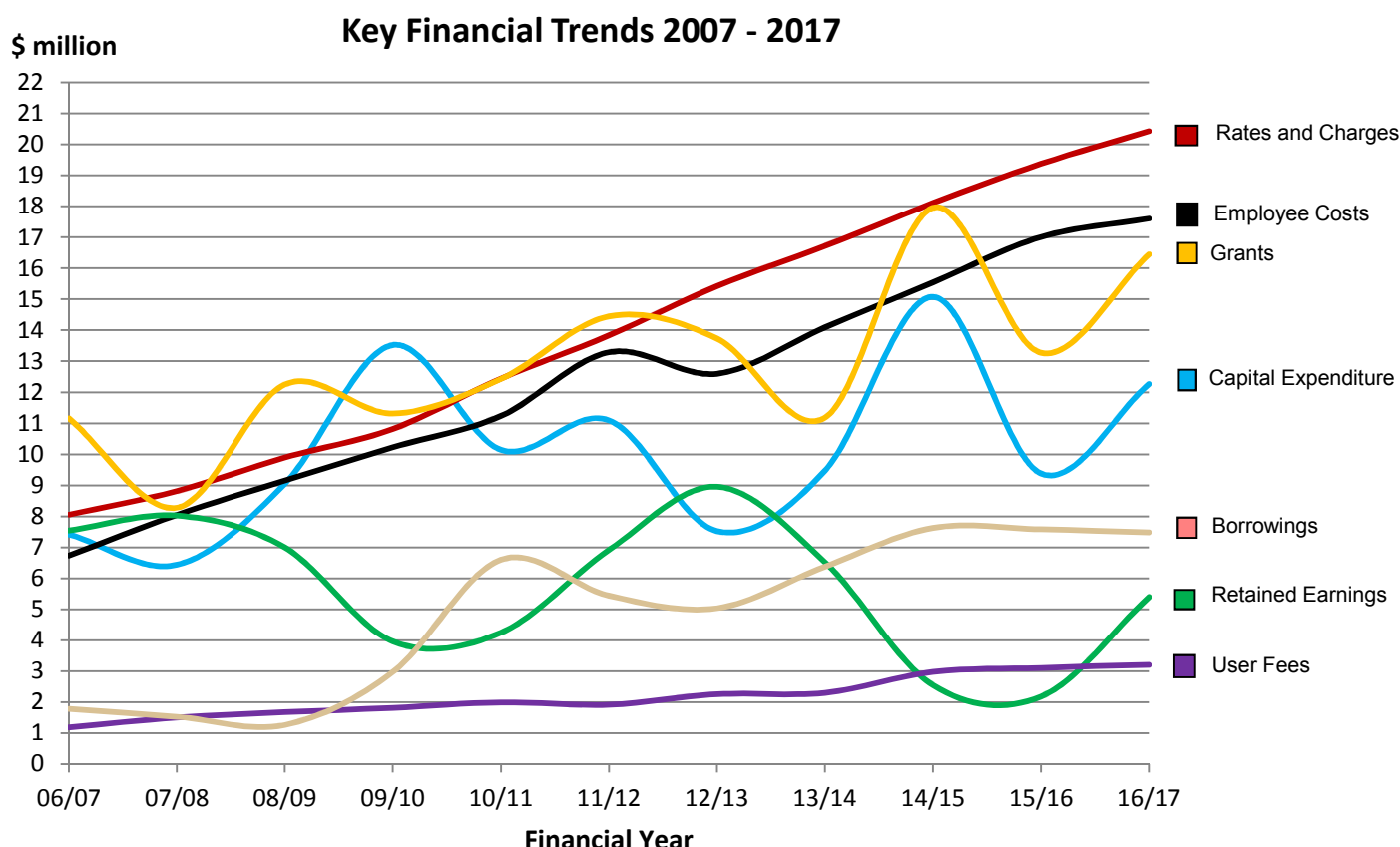
	<b>Loan 1 Bannockburn Cultural Centre</b>	<b>Loan 2 B'Burn Rec. Precinct Development</b>	<b>Loan 3 B'Burn Rec. Precinct Development</b>	<b>Loan 4 B'Burn Rec. Precinct Development</b>	<b>Loan 5 Parkers Road Bridge, etc.</b>	<b>Loan 6 Woody Yaloak Eques</b>
Lender	Bendigo	Bendigo	LGFV	NAB	NAB	ANZ
Draw-down date	Mar-10	Mar-10	Jul-10	Dec-10	Dec-11	Dec-12
Loan term	10 years	10 years	25 years	10 years	10 years	10 years
Interest rate	8.08%	8.08%	4.24%	7.74%	6.65%	5.99%
Opening Balance \$'000	195	241	2,479	382	315	98
New loans	-	-	-	-	-	-
Debt redemption \$'000	(45)	(56)	-	(74)	(49)	(15)
<b>Closing Balance</b>	<b>\$150</b>	<b>\$185</b>	<b>\$2,479</b>	<b>\$308</b>	<b>\$266</b>	<b>\$83</b>

	<b>Loan 7 LASF DB Plan Contribution</b>	<b>Loan 8 Haddon Rec. Upgrade</b>	<b>Loan 9 GP Food Production Precinct</b>	<b>Loan 10 Somerset Estate &amp; The Well</b>	<b>Loan 11 Bannockburn Civic Heart</b>	<b>Loan 12 Smythesdale Sports Oval</b>
Lender	LGFV	LGFV	LGFV	LGFV	TBA	TBA
Draw-down date	Jul-10	Dec-13	Jul-14	Dec-14	Mar-16	Dec-16
Loan term	25 years	10 years	10 years	10 years	10 years	10 years
Interest rate	4.24%	4.24%	4.24%	4.24%	4.42%	4.42%
Opening Balance \$'000	1,560	134	1,230	797	150	-
New loans	-	-	-	-	-	150
Debt redemption \$'000	-	-	-	-	-	(6)
<b>Closing Balance</b>	<b>\$1,560</b>	<b>\$134</b>	<b>\$1,230</b>	<b>\$797</b>	<b>\$150</b>	<b>\$144</b>

	<b>2015-16 \$'000</b>	<b>2016-17 \$'000</b>
Total Amount Borrowed as at 30 June of the Prior Year	7,739	7,580
Total Amount to be Borrowed	150	150
Total Amount projected to be redeemed	309	(245)
<b>Total Amount Proposed to be Borrowed as at 30 June</b>	<b>7,580</b>	<b>7,485</b>

\*LGFV – The Local Government Funding Vehicle is a project the MAV has undertaken on behalf of all Victorian Councils. It is expected to provide significant savings to the sector by raising funds via the Bond market.

## 4.7 KEY FINANCIAL TRENDS 2006-2017



### Analysis of Trends

There are a number of interesting trends that are reflected in the above graph.

#### Capital Expenditure / Grants

Historically, Council's capital expenditure is closely correlated with grant revenue.

#### Rates and Charges / Grants

Council first identified the need to reduce its reliance on grant revenue and improve its rates and charges in Finance 2005. The above graph demonstrates the result of this decision. Revenue from rates and charges are now at a more 'financially sustainable' level, given the level of growth in grants has generally reduced (excluding the \$5.1m grant relating to the Food Production Precinct in 14-15).

#### Rates and Charges / Employee Costs

The substantial growth in service delivery demands in recent years coupled with the need to broaden Council's rate base is reflected in the steady incline shown on the graph.

#### Retained Earnings / Borrowings

As retained earnings have been utilised over recent years to deliver various capital projects, borrowings have increased to fund the major capital works projects being delivered.

## 5 LONG-TERM STRATEGIES

### 5.1 STRATEGIC RESOURCE PLAN (SRP)

Council's Strategic Resource Plan is an integral component of the Council Plan. It establishes the financial targets necessary for Council to fund its strategies over a four year period. As stated in the Budget overview, the Budget has been framed within the parameters established in Council's Strategic Resource Plan.

The Act requires a SRP to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2016-17 to 2019-20 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years.

In the Strategic Resource Plan, Council is mindful of the need to comply with the following Principles of Sound Financial Management as contained in the Local Government Act:

- Manage financial risks faced by the Council prudently, having regard to economic circumstances
- Pursue spending and rating policies that are consistent with a reasonable degree of stability in the level of the rates burden
- Ensure that decisions are made and actions are taken having regard to their financial effects on future generations
- Ensure full, accurate and timely disclosure of financial information relating to the Council

The key financial objectives which underpin the Strategic Resource Plan are:

- Ensure long-term financial sustainability
- Deliver services in a cost-effective and efficient manner
- Ensure incomes are sustainable and consider community-wide and individual benefits (rates versus user charges and adherence to Council's Rating Strategy)
- Use debt finance where appropriate and within responsible limits
- Maintain cash reserves and operating surpluses at appropriate levels
- Identify and quantify long-term liabilities
- Meet social equity objectives through specific programs
- Manage the Shire's capital assets to maximise long-term community benefit
- Recognise that funding from State and Federal Government is a crucial element of financial sustainability
- Manage Council's retained earnings prudently

Departing from Council's Strategic Resource Plan would send the wrong message to stakeholders including governments, ratepayers and future Councils. Council needs to adhere to the Strategic Resource Plan to ensure the long-term financial health of the organisation. The Strategic Resource Plan places Council on a sound financial footing into the foreseeable future.

## 5.2 FINANCIAL PERFORMANCE INDICATORS

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

Indicator	Measure	Note	Forecast 2015-16	Budget 2016-17	SRP Projections			Trend +/-
					2017-18	2018-19	2019-20	
Operating position								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-0.3%	1.3%	-3.4%	-2.9%	-2.6%	+
Liquidity								
Working Capital	Current assets / current liabilities	2	244.2%	217.4%	220.5%	201.2%	215.4%	+
Unrestricted cash	Unrestricted cash / current liabilities		172.5%	147.2%	154.9%	138.0%	149.7%	+
Obligations								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	39.0%	36.6%	35.8%	25.2%	21.0%	-
Loans and borrowings	Interest and principal repayments / rate revenue		3.5%	2.9%	7.0%	7.0%	6.2%	-
Indebtedness	Non-current liabilities / own source revenue		35.6%	34.4%	32.8%	24.1%	21.1%	-
Asset renewal	Asset renewal expenditure / depreciation	4	87.5%	61.1%	48.6%	52.4%	44.9%	-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	52.7%	53.8%	58.4%	58.8%	54.6%	+
Rates effort	Rate revenue / property values (CIV)		0.5%	0.5%	0.5%	0.5%	0.5%	o
Efficiency								
Expenditure level	Total expenditure / no. of assessments		\$3,511	\$3,511	\$3,482	\$3,530	\$3,880	-
Revenue level	Residential rate revenue / No. of residential assessments		\$1,712	\$1,801	\$1,844	\$1,940	\$2,018	+
Workforce turnover	No. of resignations & terminations / average no. of staff		13.0%	13.0%	13.0%	13.0%	13.0%	o

Key to Forecast Trend:

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

## NOTES TO INDICATORS

**1 Adjusted underlying result** – An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Improvement in financial performance is expected over the period of the plan.

**2 Working Capital** – The proportion of current liabilities represented by current assets. Although, working capital is forecast to decrease slightly in 2016-17, the balance remains strong in subsequent years of the Plan.

**3 Debt compared to rates** - Trend indicates Council is decreasing its level of debt against its annual rate revenue. This has arisen in part as a result of lower capital expenditure and associated borrowings, over the life of the Plan.

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

**5 Rates concentration** - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates Council will become less reliant on government funding and increase its sustainability by increasing its levels of own sourced income.

## 5.3 NON-FINANCIAL RESOURCES

In addition to the financial resources to be consumed over the planning period, Council will also consume non-financial resources, in particular human resources. A summary of Council's anticipated human resource requirements for the 2016-17 year is shown below and further detail is included in Note 7 of this Budget.

	Forecast	Budget	SRP Projections		
Indicator	2015-16	2016-17	2017-18	2018-19	2019-20
<b>Employee Costs ('000)</b>					
- Operating	17,007	<b>17,608</b>	18,247	18,976	19,731
- Capital	-	-	-	-	-
Total	17,007	<b>17,608</b>	18,247	18,976	19,731
<b>Employee Numbers (FTE)</b>	204	<b>203</b>	205	207	209

## 5.4 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.

### Rating context

Rates and charges are an important source of revenue, accounting for approximately 50% of income received by Council annually. Planning for future rate increases is therefore an important component of the Strategic Resource Planning process.

In 2005, it was identified that Council's low level of rate income was becoming unsustainable and that Council had to make a conscious decision to improve its financial position. To ensure this action did not have a detrimental impact on Council services it was important to increase the unsustainably low rate base and to decrease Council's reliance on government funding.

Golden Plains Shire also faced, and continues to face, the following challenges:

- High population growth
- Increased demand for new services
- A history of significant dependence on grants, contributions and recoupments
- Substantial challenges associated with provision and renewal of roads, paths, and community and recreation facilities
- Supporting community based Committees of Management that currently manage the vast majority of community and recreation facilities on Council and Crown land

- Although increasing, still a comparatively low rating revenue base. Rates and charges comprise 47.9% of income, compared to a projected state average in 2015-16 of 61.9%
- Managing the competing interests of rural and urban communities and
- Maintaining the extensive road network of over 1,800 km

The following table demonstrates the effort Council has made in recent years to improve its rate base to a more sustainable level.

**Average Rates and Charges per assessment**

Year	Average Rates and Charges / Assessment	Ranking - Lowest Rating Victorian Councils	Percentage Increase	Rates / Total Revenue	
				Budget	Victoria Councils Average
2003-04	\$ 584	1	9.40%	29%	44%
2009-10	\$ 1,150	9	7.69%	39%	55%
*2010-11	\$ 1,306	14	13.57%	48%	58%
2011-12	\$ 1,402	24	7.36%	51%	58%
2012-13	\$ 1,523	22	8.64%	46%	60%
2013-14	\$ 1,629	33	6.92%	48%	64%
2014-15	\$ 1,740	36	6.80%	45%	60%
2015-16	\$ 1,828	38	5.26%	50%	62%

# Estimates

\* Introduction of the State Landfill Levy service charge.

Having said this, the level of required rates and charges are considered in context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Golden Plains community. Golden Plains Shire Council still remains very successful in obtaining government funding to minimise the burden on its ratepayers, while remaining a progressive and developing shire.

### 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 and Municipal Charge Increase	Garbage Charge	Total Rates and Charges Raised
2015-16	6.23%	(4.8%)	19,435
2016-17	2.32%	3.57%	20,427
2017-18	2.50%	2.43%	21,296
2018-19	2.50%	0%	22,165
2019-20	2.50%	0%	23,061

### 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 certain 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 two further distinctions within the property value component of rates based on the purpose for which the property is used and whether it is located within a defined geographic growth area.

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 ten differential rates. These are defined in detail in Appendix 6.1, however a brief summary is as follows:

**Residential** – Base rate (cents per dollar of Capital Improved Value, CIV)

**Business** - 100% of residential rate

**Farm** – 90% of residential rate

**Vacant Land** – 200% of residential rate and

**Non Developable Vacant Land** – 100% of residential rate

A slightly higher 'growth' rate is applied to each of these five classifications for properties located within a defined growth area, making ten in total. 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 garbage collection charge as allowed under the Act. A brief explanation of each rating component is provided below.

**General Rates:** General rates are calculated by multiplying the "rate in the dollar" by the property's capital improved value.

**Growth Differentials:** Growth differentials are applied to properties in defined geographic growth areas. Growth differentials are calculated in the same manner as general rates but the rate in the dollar is slightly higher. This revenue partially funds Council's strategic planning function.

**Municipal Charge:** The municipal charge is used to collect a portion of revenue not linked to property value, but paid equally by all ratepayers. The charge is applied pursuant to s.159 of the Local Government Act and is intended to cover some of the administrative costs of Council.

The municipal charge is a flat charge, irrespective of the valuation of a property. For lower valued properties, it means that the total rates as a percentage of the property's CIV is higher when compared to higher valued properties. Its function is to ensure that low valued properties pay a fair share of the total rates burden. If Council did not apply a municipal charge the general rate would rise and the rates on higher valued properties would increase substantially. This would be contrary to Council's responsibility to provide a fair and equitable system of rating.

**Garbage Charge:** The garbage charge is levied on a full cost recovery basis to cover the kerbside collection of household waste and recycling.

When comparing the rates and charges in Golden Plains Shire with those of other Councils, the municipal charge should be included in the calculation. There is a misconception in the community that when the municipal charge is taken into account Golden Plains is a high rating council. That is not the case. The 2015-16 Victorian Local Government Rates Survey shows that Council was ranked 38 out of 79 Councils in relation to the level of rates and charges per assessment in Victoria.

Detailed analysis of the rates to be determined for the 2016-17 year is contained in Appendix 6 'Rates and Charges Statutory Disclosures'.

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.

### General Revaluation of Properties

As required by the Local Government Act, a revaluation of all properties within the municipality was carried out during 2015-16 and will apply from 1 July 2016 for the 2016-17 year. The outcome of the general revaluation has been a moderate increase in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 6%. The following tables demonstrates the average percentage increase for each property type.



Property Type	Average Value Increase 2016-17
Residential	5.7%
Farm	1.3%
Business, Industrial & Commercial	11.1%
Vacant Land	14.0%

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 reduced the rate in the dollar to offset the 6% increase in property valuations to achieve an average increase per assessment of 2.32%.

### Fire Services Property Levy

From 1 July 2013 a new fire levy was introduced and applies to all private property owners – including persons and organisations that do not currently pay council rates, such as churches, charities, private schools and RSL's. Council properties will also be subject to the fire levy. Under the Fire Services Property Levy Act 2012, introduced as a result of recommendations by the Victorian Bushfires Royal Commission (VBRC), the Fire Services Property Levy (FSPL) is collected by Council on behalf of the State Government, to fund the operations of the MFB and CFA, hence Council does not recognise any income and this levy is not included in any rating calculation or comparison.

However, it is important to note that this charge will appear on annual and quarterly rate notices.

## 5.5 OTHER STRATEGIES AND PLANS

In addition to the Council Plan and Strategic Resource Plan, the Budget is shaped by Community Plans and numerous other Council plans and strategies as detailed below:

### COMMUNITY DEVELOPMENT

- Community Development Strategy
- Open Space Strategy
- Arts and Culture Strategy
- Bannockburn Community Infrastructure Development Plan
- Recreation Strategy
- Paths and Trails Strategy
- Youth Development Strategy

### HUMAN SERVICES

- Municipal Early Years Plan
- Municipal Public Health and Wellbeing Plan
- Ageing Well
- Access and Inclusion Plan
- Early Years Infrastructure Plan

### CORPORATE SERVICES

- Annual Budget
- Ten Year Plan
- Internal Audit Plan
- Municipal Emergency Management Plan
- Rating Strategy
- ICT Strategic Plan
- GIS Strategy
- Procurement Strategy

### ORGANISATIONAL DEVELOPMENT

- Organisational Development Strategy
- Organisation Performance Framework
- Recruitment and Retention Strategy
- Risk Management Strategy
- Customer Services Strategy
- Records Management Strategy

### EXECUTIVE UNIT

- Economic Development Strategy
- Communications and Marketing Strategy
- Tourism Master Plan

### DEVELOPMENT

- Municipal Strategic Statement
- Bannockburn Town Centre Investment Strategy
- Domestic Animal Management Plan
- Heritage Study (Stage 2)
- South East Land Use Planning Review
- Bruces Creek Master Plan, Bannockburn
- Urban Design Frameworks – Bannockburn; Smythesdale; Inverleigh; Rokewood, Corindhap, Dereel; Batesford
- Environment Strategy
- Town Place Plans
- Municipal Fire Management Plan
- Rural Land Use Strategy
- Residential Land Supply Plan

### WORKS

- Road Strategy
- Waste Management Strategy
- Asset Management Improvement Strategy
- Stormwater Management Plan
- Road Management Plan

## 6 APPENDICES

### 6.1 RATES AND CHARGES STATUTORY DISCLOSURES

	2015-16 Budget	2016-17 Budget	Change	Change
<b>Rates &amp; Charges Revenue</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
Residential Improved	1,512,920	1,604,279	91,359	6.04
Residential Improved (Growth Area)	8,073,379	8,854,645	781,266	9.68
Business, Industrial & Commercial	33,379	42,681	9,303	27.87
Business, Industrial & Commercial (Growth Area)	225,601	255,007	29,406	13.03
Farm Land	3,315,059	3,304,447	(10,612)	(0.32)
Farm Land (Growth Area)	160,824	156,684	(4,140)	(2.57)
Non Farm Vacant Land	284,842	336,981	52,139	18.30
Non Farm Vacant land (Growth Area)	1,307,502	1,247,469	(60,033)	(4.59)
Vacant land Non-Developable	116,054	107,246	(8,808)	(7.59)
Vacant Land Non-Developable (Growth Area)	16,374	17,494	1,120	6.84
Municipal Charge	2,249,550	2,279,925	30,375	1.35
Annual Service (Garbage) Charge	1,944,936	2,127,295	182,359	9.38
<b>Total Rates &amp; Charges to be Raised</b>	<b>19,240,420</b>	<b>20,334,154</b>	<b>1,093,734</b>	<b>5.68</b>
<b>Number of Assessments</b>				
Residential Improved	1,185	1,202	17	1.43
Residential Improved (Growth Area)	5,959	6,267	308	5.17
Business, Industrial & Commercial	32	31	(1)	(3.13)
Business, Industrial & Commercial (Growth Area)	172	183	11	6.40
Farm Land	1,298	1,296	(2)	(0.18)
Farm Land (Growth Area)	78	75	(3)	(3.42)
Non Farm Vacant Land	231	275	44	19.19
Non Farm Vacant land (Growth Area)	1,286	1,067	(219)	(17.00)
Vacant Land Non-Developable	259	237	(22)	(8.62)
Vacant Land Non-Developable (Growth Area)	30	32	2	6.67
<b>Total Rateable Properties</b>	<b>10,530</b>	<b>10,665</b>	<b>135</b>	<b>1.29</b>
<b>The Basis of Valuation</b>				
Residential Improved	410,483,500	441,188,636	30,705,136	7.48
Residential Improved (Growth Area)	2,072,531,500	2,303,996,352	231,464,852	11.17
Business, Industrial & Commercial	9,056,290	11,737,727	2,681,437	29.61
Business, Industrial & Commercial (Growth Area)	57,914,500	66,353,346	8,438,846	14.57
Farm Land	999,375,000	1,009,719,673	10,344,673	1.04
Farm Land (Growth Area)	45,596,500	45,030,983	(565,517)	(1.24)
Non Farm Vacant Land	38,641,500	46,336,160	7,694,660	19.91
Non Farm Vacant land (Growth Area)	172,476,500	166,786,586	(5,689,914)	(3.30)
Vacant land Non-Developable	31,487,500	29,493,437	(1,994,063)	(6.33)
Vacant Land Non-Developable (Growth Area)	4,203,000	4,552,000	349,000	8.30
<b>Total Valuation of Rateable Properties</b>	<b>3,841,765,790</b>	<b>4,125,194,900</b>	<b>283,429,110</b>	<b>7.38</b>

	2015-16 Budget	2016-17 Budget	Change	Change
<b>Cents in the \$</b>				
Residential Improved	0.3686	0.3636	(0.0049)	(1.34)
Residential Improved (Growth Area)	0.3895	0.3843	(0.0052)	(1.34)
Business, Industrial & Commercial	0.3686	0.3636	(0.0049)	(1.34)
Business, Industrial & Commercial (Growth Area)	0.3895	0.3843	(0.0052)	(1.34)
Farm Land	0.3317	0.3273	(0.0044)	(1.34)
Farm Land (Growth Area)	0.3527	0.3479	(0.0048)	(1.35)
Non Farm Vacant Land	0.7371	0.7273	(0.0099)	(1.34)
Non Farm Vacant land (Growth Area)	0.7581	0.7479	(0.0101)	(1.34)
Vacant Land Non-Developable	0.3686	0.3636	(0.0049)	(1.34)
Vacant Land Non-Developable (Growth Area)	0.3895	0.3843	(0.0052)	(1.34)
<b>Charges Per Tenement</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>%</b>
Municipal Charge	225	225	-	-
Annual Service (Garbage) Charge	238	246.50	8.50	3.57

## Declaration of Rates and Charges

### Recommendation

#### 1. Amount Intended to be Raised

An amount of \$20,334,154 (or such other amount as is lawfully raised as a consequence of this resolution) be declared as the amount which Council intends to raise by general rates, the municipal charge and the annual service charges (described later in this resolution), which amount is calculated as follows:

General Rates	\$15,926,934
Municipal Charge	\$2,279,925
Annual Service (Garbage) Charge	\$2,127,295

#### 2. General Rates

- 2.1. A general rate be declared in respect of the 2016-17 Financial Year.
- 2.2. It be further declared that the general rate be raised by the application of differential rates.
- 2.3. A differential rate be respectively declared for rateable land having the respective characteristics specified below, which characteristics will form the criteria for each differential rate so declared:
  - 2.3.1. Residential Improved
 

Any land which:

    - 2.3.1.1. is used primarily for residential purposes; and
    - 2.3.1.2. does not have the characteristics of Residential Improved (Growth Area).
  - 2.3.2. Residential Improved (Growth Area)
 

Any land which:

    - 2.3.2.1. is used primarily for residential purposes;
    - 2.3.2.2. is located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution; and
    - 2.3.2.3. is designated as such in Council's rating database.
  - 2.3.3. Business, Industrial and Commercial
 

Any land which:

    - 2.3.3.1. is used primarily for commercial or industrial (including extractive industry) purposes; and
    - 2.3.3.2. does not have the characteristics of Business, Industrial and Commercial (Growth Area).
  - 2.3.4. Business, Industrial and Commercial (Growth Area)
 

Any land which:

    - 2.3.4.1. is used primarily for commercial or industrial (including extractive industry) purposes;
    - 2.3.4.2. is located within any of the areas bounded by the continuous and unbroken lines and the plans is attached to this resolution; and
    - 2.3.4.3. is designated as such in Council's rating database.
  - 2.3.5. Farm Land
 

Any land which:

    - 2.3.5.1. is not less than 40 hectares in area; and
    - 2.3.5.2. is used primarily for grazing, dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
    - 2.3.5.3. is used by a business that:
      - 2.3.5.3.1. has a significant and substantial commercial purpose or character; and
      - 2.3.5.3.2. seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
      - 2.3.5.3.3. is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

Or

- Any land which:
- 2.3.5.4. is not less than 2 hectares in area and not more than 40 hectares in area; and

- 2.3.5.5. is intensively farmed; and
- 2.3.5.6. is used by a business that:
  - 2.3.5.6.1. has a significant and substantial commercial purpose or character; and
  - 2.3.5.6.2. seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
  - 2.3.5.6.3. is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

#### 2.3.6. Farm Land (Growth Area)

- 2.3.6.1. is not less than 40 hectares in area; and
- 2.3.6.2. is used primarily for grazing, dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- 2.3.6.3. is used by a business that:
  - 2.3.6.3.1. has a significant and substantial commercial purpose or character; and
  - 2.3.6.3.2. seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
  - 2.3.6.3.3. is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating. and
- 2.3.6.4. is located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution; and
- 2.3.6.5. is designated as such in Council's rating database.

Or

Any land which:

- 2.3.6.6. is not less than 2 hectares in area and not more than 40 hectares in area; and
- 2.3.6.7. is intensively farmed; and
- 2.3.6.8. is used by a business that:
  - 2.3.6.8.1. has a significant and substantial commercial purpose or character; and
  - 2.3.6.8.2. seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
  - 2.3.6.8.3. is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating. and
- 2.3.6.9. is located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution; and
- 2.3.6.10. is designated as such in Council's rating database

#### 2.3.7. Non Farm Vacant Land

Any land which:

- 2.3.7.1. is not used primarily for residential, commercial or industrial (including extractive industry) purposes; and
- 2.3.7.2. does not have the characteristics of Farm Land, Farm Land (Growth Area), Non Farm Vacant Land (Growth Area), Vacant Land Non Developable or Vacant Non Developable Land (Growth Area)

#### 2.3.8. Non Farm Vacant Land (Growth Area)

Any land which:

- 2.3.8.1. is not used primarily for residential, commercial or industrial (including extractive industry) purposes; and
- 2.3.8.2. does not have the characteristics of Farm Land, Farm Land (Growth Area), Vacant Land Non Developable or Vacant Non Developable Land (Growth Area); and
- 2.3.8.3. is located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution; and
- 2.3.8.4. is designated as such in Council's rating database.

#### 2.3.9. Vacant Land Non Developable

Any land which:

- 2.3.9.1. is located in the Farming Zone (as zoned within the Golden Plains Planning Scheme); and
- 2.3.9.2. does not have the characteristics of Farm Land or Farm Land (Growth Area), and

- 2.3.9.3. cannot be used for residential, commercial or industrial (including extractive industry) purposes due to the constraints of the Golden Plains Planning Scheme.

2.3.10. Vacant Land Non Developable (Growth Area)

Any land which:

- 2.3.10.1. is located in the Farming Zone (as zoned within the Golden Plains Planning Scheme); and  
 2.3.10.2. does not have the characteristics of Farm Land or Farm Land (Growth Area); and  
 2.3.10.3. cannot be used for residential, commercial or industrial (including extractive industry) purposes due to the constraints of the Golden Plains Planning Scheme; and  
 2.3.10.4. is located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution; and  
 2.3.10.5. is designated as such in Council's rating database.

- 2.4. Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described in paragraph 2.3 of this resolution) by the relevant cents in the dollar indicated in the following table:

Category	Cents in the dollar on CIV
Residential Improved	0.3636 cents in the dollar of Capital Improved Value
Residential Improved (Growth Area)	0.3843 cents in the dollar of Capital Improved Value
Business, Industrial and Commercial	0.3636 cents in the dollar of Capital Improved Value
Business, Industrial and Commercial (Growth Area)	0.3843 cents in the dollar of Capital Improved Value
Farm Land	0.3273 cents in the dollar of Capital Improved Value
Farm Land (Growth Area)	0.3479 cents in the dollar of Capital Improved Value
Non Farm Vacant Land	0.7273 cents in the dollar of Capital Improved Value
Non Farm Vacant Land (Growth Area)	0.7479 cents in the dollar of Capital Improved Value
Vacant Land Non Developable	0.3636 cents in the dollar of Capital Improved Value
Vacant Land Non Developable (Growth Area)	0.3843 cents in the dollar of Capital Improved Value

- 2.5. It be recorded that Council considers that each differential rate will contribute to the equitable and efficient carrying out of Council functions, and that

- 2.5.1. the respective objectives of each differential rate be those specified in the Schedule to this resolution;  
 2.5.2. the respective types or classes of land which are subject to each differential rate be those defined in the Schedule to this resolution;  
 2.5.3. the respective uses and levels of each differential rate in relation to those respective types or classes of land be those described in the Schedule to this resolution; and  
 2.5.4. the relevant  
     2.5.4.1. uses of;  
     2.5.4.2. geographical locations of;  
     2.5.4.3. planning scheme zonings of; and  
     2.5.4.4. types of buildings on;  
 the respective types or classes of land be those identified in the Schedule to this resolution.

### 3. Municipal Charge

- 3.1. A municipal charge be declared in respect of the 2016-17 Financial Year.

- 3.2. The municipal charge be declared for the purpose of covering some of the costs of Council.
- 3.3. The municipal charge be in the sum of \$225 for each rateable land (or part) in respect of which a municipal charge may be levied.
- 3.4. It be confirmed that the municipal charge is declared in respect of all rateable land within the municipal district in respect of which a municipal charge may be levied.

#### **4. Annual Service (Garbage) Charge**

- 4.1. An annual service charge be declared in respect of the 2016-17 Financial Year.
- 4.2. The annual service charge be declared for the collection and disposal of refuse (including recyclables).
- 4.3. The annual service charge be:
  - 4.3.1. in the sum of \$246.50 for each rateable land (or part) in respect of which the annual service charge may be levied; and
  - 4.3.2. based on ownership of any land used primarily for residential purposes within the area designated for waste collection in the plan, which are the criteria for the annual service charge so declared.

#### **5. Consequential**

- 5.1. It be recorded that Council requires any person to pay interest on any amount of rates and charges to which:
  - 5.1.1. that person is liable to pay; and
  - 5.1.2. have not been paid by the date specified for their payment
- 5.2. The Chief Executive officer be authorised to levy and recover the general rates, municipal charge and annual service charge in accordance with the Local Government Act 1989.
- 5.3. The Chief Executive officer be authorised to make so much of Council's rating database available as is reasonably necessary to enable any person to ascertain the designation of any land located within any of the areas bounded by the continuous and unbroken lines in the plans attached to this resolution.

### **SCHEDULE**

#### **Residential Improved**

##### **Objective:**

To encourage commerce and industry, and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

##### **Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

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

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

##### **Geographic Location:**

Wherever located within the municipal district.

##### **Use of Land:**

Any use permitted under the relevant Planning Scheme.

##### **Planning Scheme Zoning:**



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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Residential Improved (Growth Area)****Objective:**

To enable more resources to be devoted to strategic planning of Residential Improved (Growth Area) (including planning for the infrastructure and community needs of those residing on Residential Improved (Growth Area)), and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Business, Industrial and Commercial****Objective:**

To encourage commerce and industry, and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Business, Industrial and Commercial (Growth Area)****Objective:**

To enable more resources to be devoted to strategic planning of Business, Industrial and Commercial (Growth Area) (including planning for the infrastructure and community needs of those operating businesses on Business, Industrial and Commercial (Growth Area)), to encourage commerce and industry and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Farm Land****Objective:**

To encourage farming activity, and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Farm Land (Growth Area)****Objective:**

To enable more resources to be devoted to strategic planning of Farm Land (Growth Area) (including planning for the infrastructure and community needs of those operating farms or residing on Farm Land (Growth Area)), to encourage farming activity and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Types of Buildings:**

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2016-17 Financial Year.

**Non Farm Vacant Land****Objective:**

To enable more resources to be devoted to strategic planning of Non Farm Vacant Land (including planning for the infrastructure and community needs of those who may come to occupy Non Farm Vacant Land), to encourage development of that land and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Non Farm Vacant Land (Growth Area)****Objective:**

To enable more resources to be devoted to strategic planning of Non Farm Vacant Land (Growth Area) (including planning for the infrastructure and community needs of those who may come to occupy Non Farm Vacant Land (Growth Area), to encourage development of that land and to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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



**Vacant Land Non Developable****Objective:**

To enable more resources to be devoted to strategic planning of Non Farm Vacant Land (including planning for the infrastructure and community needs of those who may come to occupy Non Farm Vacant Land), to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Vacant Land Non Developable (Growth Area)****Objective:**

To enable more resources to be devoted to strategic planning of Vacant Land Non Developable (Growth Area) (including planning for the infrastructure and community needs of those who may come to occupy Vacant Land Non Developable (Growth Area), to ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

- Construction and maintenance of public infrastructure
- Development and provision of health and community services and
- Provision of general support services

**Types and Classes:**

Rateable land having the relevant characteristics described in the recommendation.

**Use and Level of Differential Rate:**

The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

**Geographic Location:**

Wherever located within the municipal district.

**Use of Land:**

Any use permitted under the relevant Planning Scheme.

**Planning Scheme Zoning:**

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

**Bannockburn Differential Rate Area**

Map in other document

**Batesford Differential Rate Area**

Map in other document

**Berringa, Cape Clear, StaffordShire Reef and Illabarook Differential Rate Area**

Map in other document

**Dereel Differential Rate Area**

Map in other document

**Enfield, Little Hard Hills and Garibaldi Differential Rate Area**

Map in other document

**Haddon and Nintingbool Differential Rate Area**

Map in other document

**Inverleigh Differential Rate Area**

Map in other document

**Lethbridge and Maude Differential Rate Area**

Map in other document

**Linton and Happy Valley Differential Rate Area**

Map in other document

**Meredith Differential Rate Area**

Map in other document

**Napoleons Differential Rate Area**

Map in other document

**Rokewood and Corindhap Differential Rate Area**

Map in other document



**Ross Creek and Cambrian Hill Differential Rate Area**

Map in other document

**Scarsdale Differential Rate Area**

Map in other document

**Shelford Differential Rate Area**

Map in other document

**Smythes Creek Differential Rate Area**

Map in other document

**Smythesdale Differential Rate Area**

Map in other document

**Teesdale Differential Rate Area**

Map in other document

## 6.2 FEES AND CHARGES

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Note 1:</b> Fees shown in red are set by Statute and are subject to change. These fees were current as at 10-Mar-16		
	<b>Note 2:</b> Fees marked with * are subject to director's discretion in cases of financial hardship.		
	<b>Note 3:</b> Fees marked with ** are effective from 1st Jan 2016 to 31st Dec 2016		
	<b>Animal Impounding</b>		
30582	Pound Fees – Sheep	Not Taxable	\$7 + Cost
30582	Pound Fees – Cattle	Not Taxable	\$33 + Cost
30582	Trespass Sheep (Tillage Land)	Not Taxable	\$33 + Cost
30582	Trespass Sheep (Non Tillage Land)	Not Taxable	\$14 + Cost
30582	Trespass Goat (Tillage Land)	Not Taxable	\$63 + Cost
30582	Trespass Goat (Non Tillage Land)	Not Taxable	\$34 + Cost
30582	Trespass Pig (Tillage Land)	Not Taxable	\$63 + Cost
30582	Trespass Pig (Non Tillage Land)	Not Taxable	\$34 + Cost
30582	Trespass Cattle (Non Tillage Land)	Not Taxable	\$34 + Cost
30582	Stallion, Bull, Ram, Boar (add to Trespass)	Not Taxable	\$162 + Cost
30582	Sustenance per Sheep	Not Taxable	\$3 + Cost
30582	Sustenance per Pig	Not Taxable	\$15 + Cost
30582	Sustenance per Goat	Not Taxable	\$15 + Cost
30582	Sustenance per Cattle	Not Taxable	\$34 + Cost
	<b>Animal Offences</b>		
30580	Failure to apply to register or renew the registration of a dog or cat over the age of 3 months.	Not Taxable	\$303
30580	Registered dog or cat found outside the owner's premises not wearing identification tag.	Not Taxable	\$76
30580	Unregistered dog or cat wearing Council identification tag.	Not Taxable	\$76
30580	Person other than owner removing, altering or defacing identification tag.	Not Taxable	\$76
30580	Dog or cat on private property after notice served.	Not Taxable	\$76
30580	Dog at large or not securely confined to owner's premises during daytime.	Not Taxable	\$228
30580	Dog at large or not securely confined to owner's premises during night time.	Not Taxable	\$303
30580	Cat at large or not securely confined to owner's premises in restricted municipal district.	Not Taxable	\$76
30580	Contravening Council Order relating to presence of dogs and cats in public places.	Not Taxable	\$149
30580	Greyhound outside owner's premises not adequately muzzled or not controlled by chain, cord or leash.	Not Taxable	\$228
30580	Dog or cat creating a nuisance.	Not Taxable	\$76
30580	Not complying with order to abate nuisance.	Not Taxable	\$228

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Animal Offences (cont.)</b>		
30580	Failure to comply with requirement to muzzle or effectively control a menacing dog.	Not Taxable	\$303
30580	Conducting a domestic animal business that does not comply with the relevant Code of Practice.	Not Taxable	\$303
30580	Failure to provide declaration whether dog is a restricted breed	Not Taxable	\$303
30580	Proprietor of domestic animal business selling or giving away dog or cat not implanted with prescribed identification device	Not Taxable	\$303
30580	Failure to notify Council re dog under investigation for an offence (Sec 29) within 24 hrs. of dog going missing	Not Taxable	\$149
30580	Failure to notify Council re dog under investigation for an offence (Sec 29) within 24 hrs. of change in custody or ownership	Not Taxable	\$149
30580	Failure to notify Council re dog under investigation for an offence (Sec 29) within 24 hrs. of change to the owner's address	Not Taxable	\$149
30580	Failure to notify Council re dog under investigation for an offence (Sec 29) within 24 hrs. of change to the place where the dog is kept	Not Taxable	\$149
30580	Failure of the owner of a dangerous dog to notify the Council within 24 hrs. of the dog going missing	Not Taxable	\$303
30580	Failure of the owner of a dangerous dog to notify the Council within 24 hrs. of a change to the owner's address	Not Taxable	\$303
30580	Failure of the owner of a dangerous dog to notify the Council within 24 hrs. of a change to the place where the dog is kept	Not Taxable	\$303
30580	Failure of the owner of a dangerous dog to notify the Council within 24 hrs. of a change in ownership of the dog	Not Taxable	\$303
30580	Failure to ensure that a dangerous dog is properly confined on owner's residential premises	Not Taxable	\$303
30580	Failure to ensure that a dangerous dog is properly confined on owner's non-residential premises	Not Taxable	\$303
30580	Failure of the owner of a menacing dog to notify the Council within 24 hours that the dog is missing	Not Taxable	\$303
30580	Failure of the owner of a menacing dog to notify the Council within 24 hours of a change to the owner's address	Not Taxable	\$303
30580	Failure of the owner of a menacing dog to notify the Council within 24 hours of a change to the place where the dog is kept	Not Taxable	\$303
30580	Failure of the owner of a menacing dog to notify the Council within 24 hours of a change in ownership of the dog	Not Taxable	\$303
30580	Keeping a restricted breed dog not acquired before 3 November 2005	Not Taxable	\$220
30580	Failure of the owner of a restricted breed dog to notify the Council within 24 hrs. of the dog going missing	Not Taxable	\$303
30580	Failure of the owner of a restricted breed dog to notify the Council within 24 hrs. of a change to the owner's address	Not Taxable	\$303
30580	Failure of the owner of a restricted breed dog to notify the Council within 24 hrs. of a change to the place where the dog is kept	Not Taxable	\$303
30580	Failure of the owner of a restricted breed dog to notify the Council within 24 hrs. of a change in ownership of the dog	Not Taxable	\$303
30580	Failure to ensure that a restricted breed dog is properly confined on the owner's premises	Not Taxable	\$149

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Animal Registrations (dogs and cats)</b>		
30580	Selling a pet shop animal other than in the course of conducting domestic animal business from a registered premises or a private residence or an approval under the Wildlife Act 1975	Not Taxable	\$303
30578	Standard registration	Not Taxable	\$123
30578	Discounted registration	Not Taxable	\$42
30578	Domestic animal businesses - Licence to operate breeding establishment	Not Taxable	\$177
n/a	Replacement tags	Not Taxable	No Charge
n/a	Animal Register inspection fees	Not Taxable	No Charge
	<b>Animal Traps</b>		
2210	Security Deposit on animal traps (refundable)	Not Taxable	\$50
	<b>Building Permits</b>		
	<b>Government Levy</b>		
845	Building permit per \$1,000	Not Taxable	\$1.28/\$1,000
	Note: Applicable to all works over \$10,000		
	<b>New Dwellings and Additions, Alterations - Classification 1a</b>		
	<b>Registered Builder</b>		
30172	Up to \$50,000	Not Taxable	\$1,609
30172	\$50,000 to \$100,000	Not Taxable	\$2,112
30172	\$100,001 to \$250,000	Not Taxable	\$2,645
30172	\$250,001 to \$500,000	Not Taxable	\$3,403
30172	\$500,000 +	Not Taxable	
	<b>Owner Builder</b>		
30172	Up to \$50,000	Not Taxable	\$1,855
30172	\$50,000 to \$100,000	Not Taxable	\$2,388
30172	\$100,001 to \$250,000	Not Taxable	\$2,952
30172	\$250,001 to \$500,000	Not Taxable	\$4,033
30172	\$500,000 +	Not Taxable	
	<b>Sheds</b>		
	<b>Farm / Agricultural Sheds (Property Located in Rural Zone)</b>		
30172	0 > 120 m2	Not Taxable	\$1,070
30172	> 120 m2	Not Taxable	\$1,480
	<b>Domestic Zone</b>		
30172	0 > 120 m2	Not Taxable	\$1,070
30172	120 - 250 m2	Not Taxable	\$1,480
30172	> 250 m2	Not Taxable	POA

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Building Permits (cont.)</b>		
	<b>Other Building Works</b>		
30172	Verandahs, Pergolas, Carports, Masts etc.	Not Taxable	\$1,070
30172	Fences (incl. pool barriers, retaining walls)	Not Taxable	\$675
30172	Re-Stump	Not Taxable	\$1,070
30172	Re-Clad	Not Taxable	\$890
30172	Concrete Swim Pools	Not Taxable	\$1,160
30172	Fibreglass Swim Pools	Not Taxable	\$1,070
30172	Swimming Pool Barrier Inspection and Report	Not Taxable	\$310
	<b>Additional Inspections</b>		
30172	Inspection - Council issued permit is current - Residential	Not Taxable	\$210
30172	Inspection - Council issued permit is current - Commercial	Not Taxable	\$310
30172	Inspection - Council issued permit has lapsed	Not Taxable	\$520
	<b>Unit Developments</b>		
30172	2 Units	Not Taxable	\$3,025
30172	3 Units	Not Taxable	\$4,160
30172	4 Units +	Not Taxable	\$1,260 per unit
	<b>House Relocation -Re-erection (Pre Used Buildings)</b>		
30172	Minimum Fee	Not Taxable	\$2,310
2210	Security Deposit as per Building Regulations 2006 Reg. 323	Not Taxable	\$5,000.00
	<b>Commercial &amp; Industrial (Classifications 2 - 9)</b>		
30172	Floor area < 300m2	Not Taxable	\$2,310
30172	Floor area 300m2 - 500m2	Not Taxable	\$2,730
30172	Floor area > 500m2	Not Taxable	Min \$4,835 Max POA
	<b>Change of Use</b>		
30172	Minimum Fee	Not Taxable	Min \$1,540 Max POA
	<b>Temporary Structures and Special Use Occupancy Permits</b>		
30172	Place of Public Entertainment	Not Taxable	\$1,560
30172	Marquees and Seating Stands	Not Taxable	\$350
	<b>Demolition</b>		
30172	BCA Classes 1 & 10	Not Taxable	\$1,470
30172	BCA Classes 2 - 9	Not Taxable	POA
	<b>Other Fees</b>		
	<b>Building Certificate</b>		
30170	Request for Building Information	Not Taxable	\$48.60
30170	Request for Property Information	Not Taxable	\$48.60
30170	Request for Inspection History	Not Taxable	\$97.20
	<b>Variation to Existing Building Permit</b>		
30172	Request to vary an existing Building permit (additional levies and inspection fees may also be required)	Not Taxable	\$205

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Building Permits (cont.)</b>		
	<b>Copy of Plans/Permit</b>		
30172	Request for a copy of Plans	Not Taxable	\$160
30172	Request for copy of Building or Occupancy Permit	Not Taxable	\$105
	<b>Extension of Time to Complete Current Building Permit</b>		
30172	All Classes (One year extension max, includes one inspection)	Not Taxable	Original fee x 30%
	<b>Council Lodgement Fee</b>		
30174	Domestic and Commercial work \$5,000 or more	Not Taxable	\$37.30
30172	Title Search	Not Taxable	\$33.00
	<b>Matters requiring Council Report</b>		
30178	Demolition Consent	Not Taxable	\$60.90
30178	Assessment of Illegal Building Work (Discretion by MBS may be used in special circumstances)	Not Taxable	Permit Fee + 200%
30178	Modification Comments Class 1	Not Taxable	\$260
30178	Modification Comments Classes 2-9	Not Taxable	\$520
30178	<b>Matters requiring Council Consent &amp; Report</b>		
30178	Siting Matters Regulation No's 408-431	Not Taxable	\$244.00
30178	Non Siting Matters Various Regulations	Not Taxable	\$244.00
30178	Variation to a Consent	Not Taxable	\$190
30178	Council Comments (Built Without Council Consent/Report)	Not Taxable	\$530
71774	Legal Point of Discharge Determination	Not Taxable	\$60.90
	<b>Childcare</b>		
50195	Daily	Not Taxable	\$106
50195	Weekly	Not Taxable	\$470
50195	4 Days	Not Taxable	\$399
	<b>Community Bus</b>		
50378/80	Community groups	Taxable	\$2.35/km
	<b>Community Transport*</b>		
50380/84	Community Transport - one way short trip	Taxable	\$12
50380/84	Community Transport Short Trip	Taxable	\$22
50380/84	Community Transport Long Trip	Taxable	\$52
50380/85	Community Transport - 1.5 hours plus trip	Taxable	\$56 - \$76
50380/84	Community Transport Shared Trip (within region)	Taxable	\$8.10
	*Fees subject to Directors' discretion		
10172	<b>Disabled Parking Permits</b>	Not Taxable	\$9.40



G/L	Description	GST	2016-17 Fee Incl. GST \$
40082	<b>Dishonoured Cheques</b>	Not Taxable	\$46 + Bank Fees
	<b>Elections</b>		
2210	Candidate deposits	Not Taxable	\$250.00
11170	Failure to vote fines (Penalty units may change on 1 July)	Not Taxable	\$74.00
	<b>Family Day Care Administration Levy</b>		
5017003	Administration Levy	Taxable	\$1.00/hr
	<b>Family Day Care Recommended Fees</b>		
N/A	Core Hours	Not Taxable	\$8.60/hr
N/A	Non-Core Hours	Not Taxable	\$12.90/hr
	CARE GIVERS MAY SET OWN FEES		
	<b>Farmers' Market</b>		
20082	Unpowered Site	Taxable	\$57
20082	Powered Site	Taxable	\$75
20082	Community Group	Taxable	\$29
	<b>Fire Prevention Notices</b>		
30376	Fire Hazard Removal	Taxable	\$164 + Costs
30376	Failure to comply with Fire Notice	Not Taxable	\$1,408.00
	<b>Freedom of Information Requests</b>		
91171	FOI Application Fee	Not Taxable	\$26.50
91171	FOI Search Fee	Not Taxable	\$19.90
91171	FOI Supervision Charge	Not Taxable	\$4.98
91171	FOI Photocopy Charge (Black & White)	Not Taxable	\$0.20 per A4 page
91171	Providing access in another form (not copied)	Not Taxable	All costs incurred
91171	Charge for listening to or viewing a tape	Not Taxable	All costs incurred
91171	Charge for making a written transcript of a tape	Not Taxable	All costs incurred
	<b>Food Premises and Environmental Health</b>		
30670	New Premises	Not Taxable	50% surcharge on appropriate renewal fee
30670	Temporary Registration	Not Taxable	\$84
30670	Transfer of Registration	Not Taxable	\$256.50

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Food Premises and Environmental Health (cont.)</b>		
30670	General Inspection Fee - New/Alteration	Not Taxable	\$136.50
	<b>Renewal of Registration</b>		
30670	Food Premises Class 1	Not Taxable	\$527
30670	Food Premises Class 2 - General	Not Taxable	\$462
30670	Food Premises Class 2 - Large/Manufacturing (eg > 10 staff)	Not Taxable	\$635
30670	Food Premises Class 3 - General Low Risk	Not Taxable	\$358
30670	Food Premises Class 3 - Clubs	Not Taxable	\$108
30670	Food Premises Class 3 - Wineries	Not Taxable	\$284
30670	Food Premises Class 4	Not Taxable	No Charge
30674	Septic Tank Installation Permit	Not Taxable	\$543
30674	Septic Tank Alteration Permit	Not Taxable	\$261
30670	Prescribed Accommodation	Not Taxable	\$261
30670	Health Premises Registration - Renewal	Not Taxable	\$279
30670	Health Premises Registration	Not Taxable	\$415
30674	Septic Tank Assessment - New	Not Taxable	\$164
30674	Extention of Time to Septic Permit - New	Not Taxable	\$133
30674	Archive Health File Recovery - New	Not Taxable	\$33
	<b>Garbage Collection and Bins</b>		
80070	Residential Garbage Inc. Recycling	Not Taxable	\$246.50
80070	Second Service Garbage Collection	Not Taxable	\$137
80070	Second Service Recycling Collection	Not Taxable	\$57
80070	Commercial Garbage Inc. Recycling (Cost Recovery)	Not Taxable	\$246.50
80070	Purchase of 240L Bins	Taxable	\$85
50280/94	<b>HACC - Planned Activity Groups*</b>	Not Taxable	\$10.70
	<b>HACC - Community Aged Care Packages</b>		
	HACC Brokerage Fees		
50290	Home Care	Not Taxable	\$60.50/hr
50290	Home Care - After Hours	Not Taxable	\$70/hr
50290	Home Care - Public Holidays	Not Taxable	\$85/hr
50290	Personal Care	Not Taxable	\$62.50/hr
50290	Personal Care - After Hours	Not Taxable	\$70/hr
50290	Personal Care - Public Holidays & Weekend	Not Taxable	\$85/hr
50290	Respite Care	Not Taxable	\$62.50/hr

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>HACC - Community Aged Care Packages (cont.)</b>		
50290	Respite Care - After Hours	Not Taxable	\$70/hr
50290	Respite Care - Public Holidays & Weekend	Not Taxable	\$85/hr
50290	Home Maintenance	Not Taxable	\$73/hr
50290	Meals on Wheels	Not Taxable	\$12/hr
	<b>HACC - Delivered Meals*</b>		
50285	Main Course	Not Taxable	\$7.60
50285	Dessert	Not Taxable	\$3.30
50285	Combined main course and dessert	Not Taxable	\$8.90
	* Fees subject to Director's discretion in cases of financial hardship		
	<b>HACC - General Home Care*</b>		
50271	Low Fee	Not Taxable	\$7.40/hr
50271	Medium Fee	Not Taxable	\$15.80/hr
50271	High Fee	Not Taxable	\$48/hr
	<b>HACC - Personal Care*</b>		
50276	Low Fee	Not Taxable	\$4.80/hr
50276	Medium Fee	Not Taxable	\$9.60/hr
50276	High Fee	Not Taxable	\$52/hr
	<b>HACC - Property Maintenance - Indoor*</b>		
50274	Low Fee	Not Taxable	\$15/hr
50274	Medium Fee	Not Taxable	\$20/hr
50274	High Fee	Not Taxable	\$62/hr
50273	<b>HACC - Property Maintenance Materials Reimbursement</b>	Not Taxable	Full Cost Recovery
	<b>HACC - Respite*</b>		
50278	Low Fee	Not Taxable	\$4.80/hr
50278	Medium Fee	Not Taxable	\$9.10/hr
50278	High Fee	Not Taxable	\$52/hr
	<b>Insurance</b>		
20082	Farmers Market Stall	Taxable	\$44
60086	Hall Hire	Taxable	\$32
	<b>Library Service</b>		
N/A	User pays services provided by Geelong Regional Library Corporation		Refer to Glg Regional Library for fees & charges.

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Local Laws</b>		
30570	Copies of any local laws	Not Taxable	\$15.10
30570	Abandoned vehicle removal	Not Taxable	At cost
30570	Street entertainment applications (busking & street parties)	Not Taxable	No Charge
30570	Community events permit fees	Not Taxable	No Charge
30570	Charity bins	Not Taxable	No Charge
30570	Street furniture permits	Not Taxable	\$177
30570	Roadside signage permits	Not Taxable	\$177
30570	Animal keeping permits	Not Taxable	\$177
30570	Hoarding permits (erection of hoardings/advertisements) Transport Act 1983	Not Taxable	\$177
30570	Camping Permit	Not Taxable	\$177
30570	Roadside grazing	Not Taxable	\$177
	<b>Maps</b>		
91170	Fee per A4 plan	Taxable	\$16.90
91170	Fee (large projects)	Taxable	\$98.40
	<b>Photocopying</b>		
91170	Single sided A4 – Community Groups	Taxable	\$0.30
91170	Double sided A4 – Community Groups	Taxable	\$0.45
91170	Single sided A3 – Community Groups	Taxable	\$0.40
91170	Double sided A3 – Community Groups	Taxable	\$0.60
91170	Single sided A4 – Private	Taxable	\$0.50
91170	Double sided A4 – Private	Taxable	\$0.90
91170	Single sided A3 – Private	Taxable	\$1.10
91170	Double sided A3 – Private	Taxable	\$2.00
	<b>Planning</b>		
	<b>Planning Permits to Develop Land for :</b>		
30072	Use Only Permit	Not Taxable	\$502
30072	Permit for Dwelling (single) \$10,000 - \$100,000	Not Taxable	\$239
30072	Permit for Dwelling (single) > \$100,001	Not Taxable	\$490
	<b>Development (other than single dwelling per lot):</b>		
30072	\$0 - \$10,000	Not Taxable	\$102
30072	\$10,000 - \$250,000	Not Taxable	\$604
30072	\$250,000 - \$500,000	Not Taxable	\$707
30072	\$500,000 - \$1,000,000	Not Taxable	\$815
30072	\$1,000,000 - \$7,000,000	Not Taxable	\$1,153
30072	\$7,000,000 - \$10,000,000	Not Taxable	\$4,837
30072	\$10,000,000 - \$50,000,000	Not Taxable	\$8,064
30072	\$50,000,000	Not Taxable	\$16,130

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Planning (cont.)</b>		
	<b>Subdivision/Restrictions/Easements (Permit):</b>		
30072	To subdivide existing building	Not Taxable	\$386
30072	To subdivide land into two lots	Not Taxable	\$386
30072	Realignment (lots) or consolidation (two or more lots)	Not Taxable	\$386
30072	Subdivide Land (3 or more lots)	Not Taxable	\$781
30072	Remove restriction (special circumstances)	Not Taxable	\$249
30072	Create, vary or remove restriction	Not Taxable	\$541
30072	Create, vary or remove easement	Not Taxable	\$404
	<b>Subdivision Certification (Subdivision Act 1988):</b>		
30074	Certification of Subdivision Plan	Not Taxable	\$100 + \$20/lot
30074	Recertification of Subdivision Plan	Not Taxable	\$100
30074	Procedural (exempt, consolidation, etc.)	Not Taxable	\$100
	<b>Development &amp; Public Open Space Contributions:</b>		
30079	Public Open Space Contributions	Not Taxable	5% of value
30080	Development Community Contribution - other than Bannockburn	Not Taxable	\$500 per new lot
30080	Development Community Contribution - Bannockburn	Not Taxable	\$2,765 per new lot
71880	Preparation of Engineering Plans by Council	Taxable	3.5% of value
71880	Plan checking by Council of consultants engineering plans	Not Taxable	0.75% of value
71880	Council Supervision of Construction	Not Taxable	2.5% of value
	<b>General Planning Fees:</b>		
30072	Extension of Time (Permit)	Not Taxable	\$193
30072	Amend permit application after notice	Not Taxable	\$102
30072	Amend permit amendment application after notice	Not Taxable	\$102
30075	Certificate of Compliance	Not Taxable	\$147
30075	Satisfaction Matters	Not Taxable	\$102
30075	Written Planning Enquiry Response Fee	Taxable	\$72/hr min
30075	Archive Planning File Recovery	Not Taxable	\$33.00
30075	Title Search Fee (per property)	Not Taxable	Cost + \$33.00
	<b>Planning Scheme Amendments:</b>		
30078	Stage 1 Fee - Request for amendments for planning scheme	Not Taxable	\$798
30078	Stage 2 Fee - for considering submissions to an amendment of charge and referral to a panel	Not Taxable	\$798
30078	Stage 3 Fee - Adopting amendment and submitting for approval	Not Taxable	\$524
	<b>Planning Permit Amendment Fees:</b>		
30072	Class 1 - change the use for which the land may be used	Not Taxable	\$502
30072	Class 2 - change preamble, conditions, or any other change not specified	Not Taxable	\$502
30072	Class 3 - Single dwelling between \$10,000 - \$100,000 (additional value)	Not Taxable	\$239

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Planning (cont.)</b>		
30072	Class 4 - Single dwelling above \$100,000 (additional value)	Not Taxable	\$490
30072	Class 5 - Additional development below \$10,000 (across the board)	Not Taxable	\$102
30072	Class 6 - Additional development between \$10,000 to \$250,000	Not Taxable	\$604
30072	Class 7 - Additional development between \$250,000 to \$500,000	Not Taxable	\$707
30072	Class 8 - Additional development greater than \$500,000	Not Taxable	\$815
30072	Class 9 - Subdivision changes	Not Taxable	\$386
	<b>Council Prepared Advertising:</b>		
30073	Preparing & posting of advertising letters (per letter)	Taxable	\$4.80
30073	Provision of Advertising Sign only (per sign)	Taxable	\$15.00
30073	Erection of Site Notice sign (1 only, including cost of sign)	Taxable	\$237.00
30073	Additional signs (for each additional sign required, inc. cost of sign)	Taxable	\$29.40
30073	Arrange notice in newspapers (per each newspaper notice)	Taxable	Cost + \$47.00
	<b>Private Works</b>		
71880	Supervision of private works	Taxable	POA
71870	Design works	Taxable	POA
	<b>Property Information</b>		
40174	Land information certificates	Not Taxable	\$24.80
40174	LIC Urgent Supply (1 working day)	Taxable	\$110.00
40176	Ownership details (fencing inquiry only)	Not Taxable	Nil
40176	Forwarding of correspondence to ratepayer	Taxable	\$30.00
40176	Rate search	Not Taxable	\$52.00/hr
40172	Admin charge – sale of land – unpaid rates	Taxable	\$765.00
40176	Sale of Road Numbers (per digit)	Taxable	\$1.60
	<b>Rent and Leases</b>		
30498	Grazing/Occupation	Taxable	\$177.00
40084	Council Properties - Multi-Use Community Purpose	Taxable	Nil
40084	Council Properties - Single-Use Community Purpose	Taxable	\$11.00
40084	Council Properties - Commercial Operations	Taxable	POA
40084	Crown Land (Managed on behalf of Councils)	Taxable	\$11.00
40084	Crown Land - Exclusive Community or Commercial use	Taxable	POA
	<b>Road Closures</b>		
N/A	Temporary street closures applications	Not Taxable	Nil
	<b>Road Maintenance Levies</b>		
70070	Gravel Cartage Levy	Taxable	Rates as per legal agreement + CPI increases.

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Consent to Work in a Road Reserve Charges</b>		
70072	Vehicle crossing permits (where footpath exists)	Taxable	\$67.00
70072	Permit/Inspection fees	Taxable	\$67.00
70072	Reinstatement costs (where carried out by Council)	Not Taxable	At cost
2210	Security bond (major jobs)	Not Taxable	POA
	<b>Room Hire</b>		
	<b>Bannockburn Cultural Centre - Barwon Room, Youth Room, Grenville Room, Bannockburn Room, Leigh Room, Moorabool Room **</b>		
	<b>Community Groups</b>		
50471	Hourly Rate - Casual	Taxable	\$10.50
50471	Hourly Rate - Regular	Taxable	\$9.50
	<b>Community Benefit</b>		
50471	Hourly Rate - Casual	Taxable	\$15.80
50471	Hourly Rate - Regular	Taxable	\$14.20
	<b>Private/Commercial</b>		
50471	Hourly Rate - Casual	Taxable	\$26.30
50471	Hourly Rate - Regular	Taxable	\$23.70
	<b>Bannockburn Cultural Centre - Combined Hire of Leigh and Moorabool Rooms **</b>		
	<b>Community Groups</b>		
50471	Hourly Rate - Casual	Taxable	\$12.60
50471	Hourly Rate - Regular	Taxable	\$11.40
	<b>Community Benefit</b>		
50471	Hourly Rate - Casual	Taxable	\$18.90
50471	Hourly Rate - Regular	Taxable	\$17.00
	<b>Private/Commercial</b>		
50471	Hourly Rate - Casual	Taxable	\$31.50
50471	Hourly Rate - Regular	Taxable	\$28.40
	<b>Bannockburn Cultural Centre - Hall and Kitchen **</b>		
	<b>Community Groups</b>		
50471	Hourly Rate - Casual	Taxable	\$21.00
50471	Hourly Rate - Regular	Taxable	\$18.90
50471	Full Day - Casual	Taxable	\$126.00
50471	Full Day - Regular	Taxable	\$113.50
	<b>Community Benefit</b>		
50471	Hourly Rate - Casual	Taxable	\$31.50
50471	Hourly Rate - Regular	Taxable	\$28.40
50471	Full Day - Casual	Taxable	\$189.10

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Room Hire (cont.)</b>		
	<b>Bannockburn Cultural Centre - Hall and Kitchen ** (cont.)</b>		
50471	Full Day - Regular	Taxable	\$170.40
	<b>Private/Commercial</b>		
50471	Hourly Rate - Casual	Taxable	\$52.50
50471	Hourly Rate - Regular	Taxable	\$47.30
50471	Full Day - Casual	Taxable	\$315.20
50471	Full Day - Regular	Taxable	\$283.70
	<b>Bannockburn Cultural Centre - Hall **</b>		
	<b>Community Groups</b>		
50471	Hourly Rate - Casual	Taxable	\$15.80
50471	Hourly Rate - Regular	Taxable	\$14.20
50471	Full Day - Casual	Taxable	\$94.60
50471	Full Day - Regular	Taxable	\$85.10
	<b>Community Benefit</b>		
50471	Hourly Rate - Casual	Taxable	\$23.60
50471	Hourly Rate - Regular	Taxable	\$21.30
50471	Full Day - Casual	Taxable	\$141.80
50471	Full Day - Regular	Taxable	\$127.60
	<b>Private/Commercial</b>		
50471	Hourly Rate - Casual	Taxable	\$39.40
50471	Hourly Rate - Regular	Taxable	\$35.50
50471	Full Day - Casual	Taxable	\$236.50
50471	Full Day - Regular	Taxable	\$212.80
	<b>Bannockburn Cultural Centre - Kitchen **</b>		
	<b>Community Groups</b>		
50471	Hourly Rate - Casual	Taxable	\$5.30
50471	Hourly Rate - Regular	Taxable	\$4.70
50471	Full Day - Casual	Taxable	\$31.50
50471	Full Day - Regular	Taxable	\$28.40
	<b>Community Benefit</b>		
50471	Hourly Rate - Casual	Taxable	\$7.90
50471	Hourly Rate - Regular	Taxable	\$7.10
50471	Full Day - Casual	Taxable	\$47.40
50471	Full Day - Regular	Taxable	\$42.50
	<b>Private/Commercial</b>		
50471	Hourly Rate - Casual	Taxable	\$13.10
50471	Hourly Rate - Regular	Taxable	\$11.80
50471	Full Day - Casual	Taxable	\$78.70
50471	Full Day - Regular	Taxable	\$70.90
	<b>Bond - Hall Hire **</b>		
2210	Security Bond (private functions)	Not Taxable	\$500.00



G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Room Hire (cont.)</b>		
	<b>Bannockburn Family Services Centre - Consulting Rooms **</b>		
	The following room hire fees exclude fees for users with MOU's		
	<b>Community Groups</b>		
50487	Hourly Rate - Casual	Taxable	\$8.40
50487	Hourly Rate - Permanent	Taxable	\$7.60
	<b>Community Benefit</b>		
50487	Hourly Rate - Casual	Taxable	\$12.60
50487	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Private/Commercial</b>		
50487	Hourly Rate - Casual	Taxable	\$21.00
50487	Hourly Rate - Permanent	Taxable	\$18.90
	<b>Bannockburn Family Services Centre - Multi Purpose Room **</b>		
	The following room hire fees exclude fees for users with MOU's		
	<b>Community Groups</b>		
50487	Hourly Rate - Casual	Taxable	\$12.60
50487	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Community Benefit</b>		
50487	Hourly Rate - Casual	Taxable	\$18.90
50487	Hourly Rate - Permanent	Taxable	\$17.00
	<b>Private/Commercial</b>		
50487	Hourly Rate - Casual	Taxable	\$31.50
50487	Hourly Rate - Permanent	Taxable	\$28.40
	<b>Northern Community Centre - Consulting Rooms **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50486	Hourly Rate - Casual	Taxable	\$8.40
50486	Hourly Rate - Permanent	Taxable	\$7.60
	<b>Community Benefit</b>		
50486	Hourly Rate - Casual	Taxable	\$12.60
50486	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Private/Commercial</b>		
50486	Hourly Rate - Casual	Taxable	\$21.00
50486	Hourly Rate - Permanent	Taxable	\$18.90
	<b>Northern Community Centre - Leigh Room **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50486	Hourly Rate - Casual	Taxable	\$10.50
50486	Hourly Rate - Permanent	Taxable	\$9.50
	<b>Community Benefit</b>		
50486	Hourly Rate - Casual	Taxable	\$15.80

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Room Hire (cont.)</b>		
	<b>Northern Community Centre - Leigh Room ** (cont.)</b>		
50486	Hourly Rate - Permanent	Taxable	\$14.20
	<b>Private/Commercial</b>		
50486	Hourly Rate - Casual	Taxable	\$26.30
50486	Hourly Rate - Permanent	Taxable	\$23.70
	<b>Northern Community Centre - Grenville Room and Children's Room **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50486	Hourly Rate - Casual	Taxable	\$12.60
50486	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Community Benefit</b>		
50486	Hourly Rate - Casual	Taxable	\$18.90
50486	Hourly Rate - Permanent	Taxable	\$17.00
	<b>Private/Commercial</b>		
50486	Hourly Rate - Casual	Taxable	\$31.50
50486	Hourly Rate - Permanent	Taxable	\$28.40
	<b>Smythesdale Business, Health and Community Hub - Consulting Rooms **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50489	Hourly Rate - Casual	Taxable	\$8.40
50489	Hourly Rate - Permanent	Taxable	\$7.60
	<b>Community Benefit</b>		
50489	Hourly Rate - Casual	Taxable	\$12.60
50489	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Private/Commercial</b>		
50489	Hourly Rate - Casual	Taxable	\$21.00
50489	Hourly Rate - Permanent	Taxable	\$18.90
	<b>Smythesdale Business, Health and Community Hub - Board Room **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50489	Hourly Rate - Casual	Taxable	\$10.50
50489	Hourly Rate - Permanent	Taxable	\$9.50
	<b>Community Benefit</b>		
50489	Hourly Rate - Casual	Taxable	\$15.80
50489	Hourly Rate - Permanent	Taxable	\$14.20
	<b>Private/Commercial</b>		
50489	Hourly Rate - Casual	Taxable	\$26.30

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Room Hire (cont.)</b>		
	<b>Smythesdale Business, Health and Community Hub - Board Room ** (cont.)</b>		
50489	Hourly Rate - Permanent	Taxable	\$23.70
	<b>Smythesdale Business, Health and Community Hub - Multi Purpose Room **</b>		
	The following room hire fees exclude permanent tenant fees		
	<b>Community Groups</b>		
50489	Hourly Rate - Casual	Taxable	\$12.60
50489	Hourly Rate - Permanent	Taxable	\$11.40
	<b>Community Benefit</b>		
50489	Hourly Rate - Casual	Taxable	\$18.90
50489	Hourly Rate - Permanent	Taxable	\$17.00
	<b>Private/Commercial</b>		
50489	Hourly Rate - Casual	Taxable	\$31.50
50489	Hourly Rate - Permanent	Taxable	\$28.40
	<b>Kindergartens + Occasional Care**</b>		
	Meredith Kindergarten		
50685-05	Funded Kindergarten Program	Not Taxable	\$380.00
50685-05	Pre Kindergarten Program	Not Taxable	\$256.00
	Teesdale Kindergarten		
50674-05	Funded Kindergarten Program	Not Taxable	\$380.00
50674-05	Pre Kindergarten Program	Not Taxable	\$256.00
	Rokewood Kindergarten		
50686-05	Funded Kindergarten Program	Not Taxable	\$380.00
50686-05	Pre Kindergarten Program	Not Taxable	\$256.00
	Inverleigh Kindergarten		
50683-05	Funded Kindergarten Program	Not Taxable	\$380.00
50683-05	Pre Kindergarten Program	Not Taxable	\$256.00
	Inverleigh Occasional Care		
50683-05	Occasional Care program	Not Taxable	\$420.00
	<b>Standpipe Water</b>		
30374	Per 5,000 Litres	Not Taxable	\$25.00
	<b>Tips</b>		
80172	Bulk rate per cubic metre (inc trailers, utes, etc.)	Taxable	\$38.00
80172	Car boot load	Taxable	\$19.00
80172	Tyres	Taxable	\$12.00
80172	Tyres with Rims	Taxable	\$14.00
80172	Truck Tyres	Taxable	\$47.00

G/L	Description	GST	2016-17 Fee Incl. GST \$
	<b>Tips (cont.)</b>		
80172	Tractor Tyres	Taxable	\$57.00
80172	Car Bodies	Taxable	\$89.00
80172	Green Waste	Taxable	\$23.50/m3

## 6.3 COMMUNITY GRANTS

Applicant Name	Project Title	Total Project Cost	Requested Funding	Approved Funding
1st Bannockburn Scouts	Equipment for growth	4,542	2,271	2,271
Bannockburn & District Active Recreation Club	Building our brand	8,400	3,900	3,900
Bannockburn Golf Club Inc.	Synthetic grass and shade sail project	9,738	4,896	4,869
Bannockburn Kindergarten Inc.	Accessible cubby and sensory calming kit for Bannockburn Children's Services	3,060	1,530	1,530
Bannockburn Tennis Club Inc.	Install outdoor seating	4,136	2,068	2,068
Berringa Community Committee	BBQ facility upgrade	3,818	2,588	1,909
Cape Clear Recreation Reserve Committee of Management	Water reserve for emergency - a safer Cape Clear	7,100	3,550	3,550
Garibaldi Landcare Group	Promoting community education and engagement at South Durham Bridge Reserve & Hardies Hill Water Reserve	6,281	3,029	3,029
Geelong Landcare Network Inc.	Landcare stall @ Bannockburn Farmers Market	619	619	310
Golden Plains Soccer Club	Pavilion enhancement project	11,681	5,000	5,000
Inverleigh Golf Club	Purchase of fairway mower	18,000	5,000	5,000
Inverleigh Kindergarten Inc.	Kindergarten improvements	6,702	3,457	3,351
Leighdale Pony Club	The Golden Arena	10,760	5,000	5,000
Lethbridge Cricket Club	Replace cricket pitch - second oval	6,096	3,048	3,048
Lethbridge Public Hall	Splash a bit more love on our hall	3,480	2,600	910
Lethbridge Recreation Reserve Committee of Management	Facility improvements and upgrades	4,808	2,500	2,404
Life Saving Victoria	Sink or swim - water safety in the Golden Plains Shire	8,025	3,950	3,950
Linton & District Historical Society Inc.	Restoration of Nelson's Undertaker's building - Stage 4 (Final)	6,452	3,556	3,226
Linton and District Bowling Club	Solar panels	8,990	4,500	4,495
Meredith and District Lions Club	Pioneer Park playground – Stage 1	22,200	5,000	5,000
Meredith History Interest Group Inc.	Document advancement project	4,200	2,310	2,100
Meredith Kindergarten Inc.	Road safety awareness/caring for the environment	4,778	2,654	2,389
Meredith Police Paddocks Support Group	Meredith Police Paddocks entrances	9,719	4,800	4,339
Meredith Recreation Reserve	Outdoor BBQ area	4,600	5,000	2,000
Napoleons/Sebastopol Cricket Club	Refurbish cricket training nets	26,930	5,000	5,000

Applicant Name	Project Title	Total Project Cost	Requested Funding	Approved Funding
Real Food Festival - Taste of Golden Plains	Real Food Festival - taste of Golden Plains	5,000	5,000	1,000
Rokewood Football Netball Club	Rokewood "Hoppers" Football Club – hopping into watering our oval automatically	10,525	5,000	5,000
Rokewood Golf Club Inc.	Water supply enhancement - Stage 1	15,615	5,000	5,000
Rokewood Lagoon	Rokewood Lagoon - shelter upgrade	3,677	1,757	1,757
Rokewood Memorial Hall	Rokewood Memorial Hall - new chairs and storage trolleys	4,198	2,000	2,000
Rokewood Pony Club Inc.	Cross country jump improvements	5,225	5,000	2,613
Ross Creek Landcare Group	Public pathways in Ross Creek Reserve	2,400	1,200	1,200
Ross Creek Recreation Reserve	Movie time at Ross Creek	4,704	2,347	2,347
Scarsdale Community Coordinators	Scarsdale "Exercise Station" - Stage 1	5,460	2,730	2,730
Scarsdale Town Hall Committee of Management	Scarsdale Hall amenities upgrades	6,694	3,300	3,300
Shelford Public Hall Reserve Committee of Management Inc.	AirCon for the big Shelford Hall	6,700	3,350	3,350
Smythesdale Community Carols	Smythesdale Community Carols	5,370	2,500	2,500
Smythesdale Progress Association	Picnic facility diversity project	6,440	4,975	3,220
Sutherlands Creek Reserve/Tennis Club	Sutherlands Creek Reserve - establishment of viewing and entrance area	5,000	2,500	2,500
Teesdale Community Hall (Teesdale Mechanics Institute)	Teesdale Community Hall enhancement project	4,033	2,044	1,989
Teesdale Primary School PFA	Sensory play area/reflective space	9,000	5,000	4,500
Turtle Bend Community Festival (Candice Feuerring)	Turtle Bend Community Festival	46,068	5,000	5,000
Victoria Park Inverleigh Committee of Management	North boundary fence and new gate entry	9,382	5,850	4,691
Victorian Skateboard Association (VSA)	All Aboard skateboarding sessions	10,175	5,000	5,000
Woody Yaloak Kindergarten	Vehicle access gate	3,290	2,430	1,645
Yarrowee Leigh Catchment Group Inc.	Using digital media to enhance the environment and empower our communities	2,950	1,531	1,475
YMCA Geelong	Engage Bannockburn	3,001	1,500	1,500
<b>Total</b>		<b>380,022</b>	<b>162,840</b>	<b>144,966</b>

## 6.4 INCOME STATEMENT BY KEY STRATEGIC ACTIVITY AND PROGRAM

### OPERATING BUDGET 2016-17 KEY STRATEGIC ACTIVITY SUMMARY

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Citizen and Customer Service	Expenditure	(994)	(1,083)	(1,011)
	Income	34	33	6
	NET	(960)	(1,050)	(1,005)
Civic Leadership	Expenditure	(2,445)	(2,682)	(2,865)
	Income	536	338	157
	NET	(1,909)	(2,344)	(2,708)
Economic Development	Expenditure	(644)	(629)	(588)
	Income	214	118	74
	NET	(430)	(511)	(514)
Environment and Land Use Planning	Expenditure	(3,304)	(3,677)	(3,415)
	Income	1,199	1,098	1,156
	NET	(2,105)	(2,579)	(2,255)
Financial Management	Expenditure	(2,388)	(2,481)	(2,554)
	Income	31,178	24,692	25,487
	NET	28,790	22,211	22,933
Human Support Services	Expenditure	(7,441)	(8,384)	(8,187)
	Income	5,241	5,636	5,469
	NET	(2,200)	(2,748)	(2,718)
Recreation and Community Development	Expenditure	(11,387)	(7,268)	(7,084)
	Income	5,887	4,257	4,725
	NET	(5,500)	(3,011)	(2,359)
Roads and Streets Infrastructure	Expenditure	(9,648)	(9,770)	(9,990)
	Income	1,542	4,132	3,785
	NET	(8,106)	(5,638)	(6,205)
Waste management	Expenditure	(2,067)	(2,081)	(2,249)
	Income	2,055	2,092	2,253
	NET	(12)	11	4
Unit Total	Total Expenditure	(40,319)	(38,055)	(37,944)
	Total Income	47,887	42,395	43,117
	Total Surplus	7,568	4,340	5,173

## CITIZEN AND CUSTOMER SERVICE

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Communications and Marketing	Expenditure	(549)	(684)	(653)
	Income	24	23	3
	<b>NET</b>	<b>(525)</b>	<b>(661)</b>	<b>(650)</b>
Customer Service Centres	Expenditure	(445)	(398)	(358)
	Income	11	10	3
	<b>NET</b>	<b>(434)</b>	<b>(388)</b>	<b>(354)</b>
Key Result Area Total				
	<b>Expenditure</b>	<b>(994)</b>	<b>(1,082)</b>	<b>(1,011)</b>
	<b>Income</b>	<b>34</b>	<b>32</b>	<b>6</b>
Citizen and Customer Service Total		<b>(960)</b>	<b>(1,050)</b>	<b>(1,005)</b>



## CIVIC LEADERSHIP

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Governance	Expenditure	(842)	(932)	(881)
	Income	60	71	7
	NET	(782)	(861)	(874)
Elections	Expenditure	(16)	(20)	(170)
	Income	2	2	-
	NET	(14)	(18)	(170)
Meetings	Expenditure	(97)	(95)	(99)
	Income	-	-	-
	NET	(97)	(95)	(99)
Strategic and Service Planning	Expenditure	(905)	(990)	(904)
	Income	91	103	13
	NET	(814)	(887)	(891)
Emergency Management Plan and SES	Expenditure	(305)	(347)	(394)
	Income	372	151	135
	NET	67	(196)	(259)
Risk Management and OH&S	Expenditure	(278)	(297)	(417)
	Income	9	10	1
	NET	(269)	(287)	(416)
Key Result Area Total				
	Expenditure	(2,445)	(2,682)	(2,865)
	Income	536	336	157
Civic Leadership Total		(1,909)	(2,344)	(2,708)

## ECONOMIC DEVELOPMENT

Activity	Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
<b>Economic Development</b>			
Expenditure	(644)	(629)	(588)
Income	214	118	74
<b>NET</b>	<b>(430)</b>	<b>(511)</b>	<b>(514)</b>
<b>Key Result Area Total</b>			
Expenditure	(644)	(629)	(588)
Income	214	118	74
<b>Economic Development Total</b>	<b>(430)</b>	<b>(511)</b>	<b>(514)</b>

## ENVIRONMENT AND LAND USE PLANNING

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Land Use Planning				
	Expenditure	(1,153)	(1,398)	(1,267)
	Income	478	407	522
	NET	(675)	(991)	(745)
Building Control				
	Expenditure	(383)	(459)	(378)
	Income	98	91	63
	NET	(285)	(368)	(316)
Fire Protection				
	Expenditure	(260)	(306)	(275)
	Income	40	54	39
	NET	(220)	(252)	(237)
Environmental Management				
	Expenditure	(481)	(469)	(448)
	Income	58	51	61
	NET	(423)	(418)	(387)
Community Protection				
	Expenditure	(522)	(566)	(598)
	Income	313	315	308
	NET	(209)	(251)	(290)
Public Health				
	Expenditure	(504)	(478)	(447)
	Income	211	179	165
	NET	(293)	(299)	(282)
Key Result Area Total				
	Expenditure	(3,304)	(3,677)	(3,413)
	Income	1,199	1,098	1,158
Environment and Land Use Plan Total		(2,105)	(2,579)	(2,255)

## FINANCIAL MANAGEMENT

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
General Revenue				
	Expenditure	(1)	(1)	(2)
	Income	25,634	24,020	24,772
	NET	25,633	24,019	24,769
Property and Rating				
	Expenditure	(862)	(900)	(790)
	Income	490	474	383
	NET	(372)	(426)	(407)
Statutory Reporting and Budgeting				
	Expenditure	(398)	(397)	(371)
	Income	36	21	2
	NET	(362)	(376)	(369)
Procurement and Contract Management				
	Expenditure	(285)	(357)	(392)
	Income	18	11	2
	NET	(267)	(346)	(390)
Records Management				
	Expenditure	(254)	(259)	(273)
	Income	6	7	1
	NET	(248)	(252)	(272)
Borrowings				
	Expenditure	(357)	(369)	(357)
	Income	-	-	-
	NET	(357)	(369)	(357)
Land Assets				
	Expenditure	(175)	-	-
	Income	4,949	-	-
	NET	4,774	-	-
Plant Replacement				
	Expenditure	(56)	(198)	(369)
	Income	44	159	327
	NET	(12)	(39)	(42)
Key Result Area Total				
	Expenditure	(2,388)	(2,481)	(2,554)
	Income	31,177	24,692	25,488
Financial Management Total		28,789	22,211	22,934

## HUMAN SUPPORT SERVICES

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Maternal and Child Health	Expenditure	(585)	(698)	(640)
	Income	234	246	188
	NET	(351)	(452)	(452)
Childrens Services	Expenditure	(2,771)	(651)	(382)
	Income	2,229	233	12
	NET	(542)	(418)	(370)
Aged and Disability Services	Expenditure	(1,778)	(2,117)	(1,927)
	Income	1,470	1,400	1,323
	NET	(308)	(717)	(603)
Community Transport	Expenditure	(206)	(215)	(244)
	Income	30	37	40
	NET	(176)	(178)	(204)
Community Centres	Expenditure	(946)	(1,024)	(1,130)
	Income	133	141	136
	NET	(813)	(883)	(994)
Health Promotion	Expenditure	(496)	-	-
	Income	480	-	-
	NET	(16)	-	-
Kindergartens	Expenditure	(673)	(780)	(733)
	Income	665	851	763
	NET	(8)	71	(30)
Bannockburn Childrens Services Centre	Expenditure	14	(2,900)	(2,768)
	Income	-	2,730	2,716
	NET	14	(170)	(52)
Key Result Area Total	Expenditure	(7,441)	(8,384)	(8,188)
	Income	5,241	5,636	5,469
Human Support Services Total		(2,200)	(2,748)	(2,718)

## RECREATION AND COMMUNITY DEVELOPMENT

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Community Development	Expenditure	(583)	(812)	(506)
	Income	31	29	442
	NET	(552)	(783)	(64)
Libraries	Expenditure	(612)	(483)	(477)
	Income	150	3	-
	NET	(462)	(480)	(477)
Arts and Culture	Expenditure	(263)	(203)	(184)
	Income	27	23	6
	NET	(236)	(180)	(178)
Youth Development	Expenditure	(433)	(452)	(404)
	Income	102	72	67
	NET	(331)	(380)	(336)
Recreation planning	Expenditure	(642)	(704)	(666)
	Income	45	47	9
	NET	(597)	(657)	(656)
Recreation Construction	Expenditure	(243)	(255)	(287)
	Income	121	557	672
	NET	(121)	302	385
Recreation Infrastructure Maintenance	Expenditure	(2,269)	(2,572)	(2,834)
	Income	48	26	22
	NET	(2,221)	(2,546)	(2,813)
Major Projects	Expenditure	(6,339)	(998)	(906)
	Income	5,361	2,932	3,498
	NET	(978)	1,934	2,592
Volunteers	Expenditure	-	(43)	(27)
	Income	-	-	-
	NET	-	(43)	(27)
Health Promotion	Expenditure	-	(745)	(506)
	Income	-	567	442
	NET	-	(178)	(64)
Key Result Area Total	Expenditure	(11,387)	(7,268)	(7,084)
	Income	5,887	4,257	4,725
Recreation and Community Development Total		(5,500)	(3,011)	(2,359)

## ROADS AND STREETS INFRASTRUCTURE

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Sealed Road Routine Maintenance	Expenditure	(1,233)	(1,305)	(1,468)
	Income	159	172	199
	NET	(1,074)	(1,133)	(1,270)
Local Roads Resealing	Expenditure	(1,693)	(1,779)	(1,881)
	Income	7	8	1
	NET	(1,686)	(1,771)	(1,881)
Local Roads Rehabilitation	Expenditure	(1,623)	(1,670)	(1,670)
	Income	4	5	-
	NET	(1,619)	(1,665)	(1,670)
Local Roads Improvements	Expenditure	(74)	(73)	(61)
	Income	853	3,412	3,136
	NET	779	3,339	3,075
Gravel Roads Routine Maintenance	Expenditure	(591)	(676)	(644)
	Income	29	21	20
	NET	(562)	(655)	(623)
Gravel Resheeting	Expenditure	(1,088)	(1,089)	(1,091)
	Income	3	3	-
	NET	(1,085)	(1,086)	(1,091)
Bridge Maintenance	Expenditure	(511)	(527)	(531)
	Income	6	5	3
	NET	(505)	(522)	(528)
Tree Clearing	Expenditure	(349)	(347)	(348)
	Income	-	-	-
	NET	(349)	(347)	(348)
Gravel Pits	Expenditure	(745)	(275)	(244)
	Income	152	200	200
	NET	593	(75)	(44)

## ROADS AND STREETS INFRASTRUCTURE (Cont.)

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Asset Management	Expenditure	(140)	(353)	(391)
	Income	133	73	71
	NET	(7)	(280)	(320)
Drainage Maintenance Townships and Rural	Expenditure	(349)	(344)	(348)
	Income	19	18	19
	NET	(330)	(326)	(329)
Private Works	Expenditure	(36)	(88)	(87)
	Income	48	102	101
	NET	12	14	13
Linemarking, Guideposts and Sign	Expenditure	(220)	(244)	(250)
	Income	5	4	6
	NET	(215)	(240)	(244)
Street Lighting	Expenditure	(129)	(122)	(127)
	Income	-	-	-
	NET	(129)	(122)	(127)
Townships Maintenance	Expenditure	(669)	(676)	(650)
	Income	42	36	28
	NET	(627)	(640)	(623)
Bus Shelters	Expenditure	(14)	(14)	(12)
	Income	6	2	-
	NET	(7)	(12)	(12)
Paths and Trails	Expenditure	(183)	(186)	(185)
	Income	75	71	-
	NET	(108)	(115)	(185)
Key Result Area Total				
	Expenditure	(9,648)	(9,770)	(9,990)
	Income	1,542	4,132	3,785
Roads and Streets Infrastructure Total		(8,106)	(5,638)	(6,205)



## WASTE MANAGEMENT

Activity		Actual 2014-15 \$'000	Forecast 2015-16 \$'000	Budget 2016-17 \$'000
Garbage Collection	Expenditure	(1,894)	(1,940)	(2,077)
	Income	2,035	2,065	2,246
	<b>NET</b>	<b>141</b>	<b>125</b>	<b>169</b>
Municipal Tips	Expenditure	(102)	(78)	(111)
	Income	16	24	8
	<b>NET</b>	<b>(86)</b>	<b>(54)</b>	<b>(103)</b>
Litter Control	Expenditure	(70)	(62)	(62)
	Income	3	3	-
	<b>NET</b>	<b>(67)</b>	<b>(59)</b>	<b>(62)</b>
Key Result Area Total				
	<b>Expenditure</b>	<b>(2,067)</b>	<b>(2,081)</b>	<b>(2,249)</b>
	<b>Income</b>	<b>2,055</b>	<b>2,092</b>	<b>2,253</b>
Waste Management Total		<b>(12)</b>	<b>11</b>	<b>4</b>

## Note:

The above statements differ from the Comprehensive Income Statement in that the proceeds from the sale of assets and the written down value of those assets are separately disclosed within income and expenditure respectively, in line with activity based costing. The Comprehensive Income Statement nets these items off to disclose only the net gain on disposal. Refer to Note 12 for further detail.

## ABBREVIATIONS

Abbreviation	Description
ANZ	Australia and New Zealand Bank
Assoc	Association
B'burn	Bannockburn
CALD	Culturally and Linguistically Diverse
CFA	Country Fire Authority
CIV	Capital Improved Value
cont.	Continued
CPI	Consumer Price Index
EB	
EFT	Equivalent Full Time staff numbers
EPA	Environmental Protection Authority
Eques	Equestrian
Equip	Equipment
ERP	Estimated Resident Population
ESC	Essential Services Commission
FAG	Federal Assistance Grants
FOI	Freedom of Information
FTE	Full Time Equivalent
Furn	Furniture
GIS	Geographic Information System
GP	Golden Plains
GST	Goods and Services Tax
HACC	Home and Community Care
hr	Hour
ICT	Information Communication Technology
Incl.	Inclusive of
IVAN	Golden Plains Shire Council Youth Van
k	Thousand
km	Kilometre
l	Litre
LASF DB Plan	Local Authorities Superannuation Fund Defined Benefit Plan
LGFV	Local Government Funding Vehicle
LIC	Land Information Certificate
m	Million
MAV	Municipal Association of Victoria
MBS	Municipal Building Surveyor
MCH	Maternal and Child Health
MFB	Metropolitan Fire Brigade
MOU	Memorandum of Understanding
N/A	Not applicable

Abbreviation	Description
NAB	National Australia Bank
OH&S	Occupational Health and Safety
POA	Price on Application
Rec.	Recreation
Reg.	Regulation
RSL	Returned Services League
SES	State Emergency Service
SRO	State Revenue Office
SRP	Strategic Resource Plan.
VAGO	Victorian Auditor General's Office
VCAL	Victorian Certificate of Applied Learning
VCAT	Victorian Civil and Administrative Tribunal
VGC	Victoria Grants Commission
WDV	Written Down Value

## GLOSSARY

	Definition
Ad Valorem Rates	Rates based on the valuation of a property as opposed to a flat charge.
Capital Expenditure	The purchase or construction of assets that are expected to have a life of more than 1 year.
Capital Grants	Grants that are paid to fund projects of a capital nature, including capital expenditure on Council owned land and operating expenditure of a capital nature on Crown land.
Cash	Includes cash on hand and highly liquid investments.
Contracts and Materials	Includes payments to third parties for goods received and services rendered.
Contributions and Recoupments	Includes income for works performed by Council on behalf of third parties, contributions from community groups towards the construction or upgrade of community assets, contributions either in cash or in kind from developers, and minor recoups of some operating expenditure.
Council Plan	An annual plan containing Council's strategic objectives, strategic indicators and business plan strategies for the next 4 years.
CPI	Consumer Price Index, being a measure of the movement of prices in the economy over time.
Current Assets	Assets that are expected to be consumed or converted into cash within 1 year such as stock on hand, debtors, cash and investments.
Current Liabilities	Amounts owed to third parties by the Council that are expected to be settled within 1 year, such as trust funds, sundry creditors, and annual leave accrued.
Debt Servicing	The interest expense of borrowings.
Depreciation	The systematic allocation of the net cost of a long-term asset over its useful life. Depreciation is an annual operating expense; therefore it is the process of expensing long-term costs.
Employee Costs	Wages and salaries paid to employees plus labour on-costs such as superannuation, WorkCover premium, annual leave, long service leave and Fringe Benefits Tax.
Grants	Includes granted assets (usually cash) received from third parties such as Government Departments towards the cost of programs and capital expenditure.
LGFV	Local Government Funding Vehicle is a project the MAV has undertaken on behalf of all Victorian Councils. It is expected to provide significant savings to the sector by raising funds via the Bond market.
MAV	Municipal Association of Victoria – the main industry body representing Victorian Councils.
Non-Current Assets	Assets with a useful life of more than 1 year, such as land, buildings, plant and machinery, furniture and equipment, and infrastructure.
Non-Current Liabilities	Amounts owed to third parties by the Council that are not expected to be settled within 1 year, such as long-term loans.
Operating Expenditure	Expenditure on Materials and Services, employee costs, depreciation and debt servicing.
Income	Income received from rates and charges, grants and subsidies, contributions and recoupments, user fees, interest on investments and net gain/(loss) on disposal.
Overheads	Includes postage, vehicle operating costs, telephone, information technology, accounts payable, accounts receivable, depot operating costs, furniture and equipment, cleaning, lighting, heating, printing and stationery, office building maintenance, word processing, and insurance.
Own Source Revenue	Revenue, plus profit on sales, less grants.
Rate-in-the-dollar	The ad-valorem rates on an individual property divided by the total valuation of the property.
Rates and Charges	Rates and Charges consists of general rates, municipal charge, garbage charge and State Landfill Levy charge (including Supplementary assessments)
Retained Earnings	The accumulated surpluses from prior accounting periods represented by working capital or net current assets (current assets less current liabilities).
Strategic Resource Plan	Council's Strategic Resource Plan that sets out Council's long-term financial strategy for a four-year period. This document forms part of the Council Plan.

	Definition
Supplementary Rates	Rates levied on properties during the year as a result of new building works, land subdivisions, or land consolidations.
"The Act"	Unless otherwise stated, the Local Government Act 1989.
Underlying Result from Operations	The annual operating surplus or deficit in a 'normal' year. It excludes major 'one-off' items that distort the true financial performance of the Council.
VGC	Victoria Grants Commission – a body charged with the allocation of federal untied grants to Victorian Councils.
WDV of Assets Sold	The Written Down Value of an asset is an operating expense. It represents the undepreciated net cost of a long-term asset at the time it is sold. In the case of land sales, it represents the cost of land sold.
Working Capital	A measure of short-term liquidity represented by current assets less current liabilities.