

Latrobe City Council

2017/2018 BUDGET

This Budget Report has been prepared with reference to Chartered Accountants ANZ "Victorian City Council Model Budget 2017/2018" a best practice guide for reporting local government budgets in Victoria.

Adopted by Council: 19 June 2017



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Executive Summary

Under the Local Government Act 1989 ("The Act"), Council is required to prepare and adopt an annual budget. The budget is required to be adopted by 30 June each year.

This year represents the second year of a State Government imposed rate cap. The Minister for Local Government confirmed that rates are to be capped to 2.0% for the 2017/18 financial year in accordance with the new Fair Go Rates System (FGRS). The budget has been formulated in accordance with the directive of the Minister, with the general rate increase restricted to the nominated 2.0%.

A four year Strategic Resource Plan has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Financial Plan is financial sustainability in the medium to long term, whilst still achieving the Council's strategic objectives as specified in the Council Plan and Latrobe 2026 Vision.

The 2017/18 budget presented in this report has been developed through a rigorous process of consultation and review with Council and Council officers. It is Council's opinion that the budget is financially responsible and contributes to the achievement of the Council Plan objectives and strategic directions included in the 2017-2021 Council Plan.

The 2017/18 Operating Budget predicts an operating surplus of \$10.088 million, after raising rates and charges of \$76.869 million and capital grants income of \$5.307 million. Excluding non recurrent capital funding and developer contributions, an underlying operating surplus of \$2.463 million is projected for 2017/18.

The budget includes a new differential rate for derelict buildings which is proposed with the objective to promote the responsible management of land and buildings through the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

It should be noted that the operating budget surplus shown is a result of non cash revenue (i.e. developer contributed assets) and income generated to fund expenditure items that are not recognised in the Income Statement (i.e. capital expenditure and the repayment of borrowings). On a cash basis Council budgets for a break even result therefore any cash remaining at the end of the budget period is the result of a number of factors such as government grant funds received in advance, funds required to be carried forward to complete unfinished projects and funds required to settle certain balance sheet liabilities e.g. Trade and other payables, Interest Bearing liabilities, Provisions and Trust funds and deposits.

Council operations are expected to be impacted by unavoidable increases in employee costs, electricity and gas prices. In addition revenue sources will be constrained by the capping of municipal rates at 2.0% as declared by the State Government . It is necessary to achieve income growth whilst containing costs in order to maintain a positive underlying operating position in 2017/18. Additionally the closure of a electricity generation facility in the current year will likely provide financial challenges to the community and the Council over the coming years.

\$2.35M new borrowings are proposed in the 2017/18 budget year, whilst loan principal repayments for the year are expected to be \$1.869 million. As a result Council borrowings will increase from \$16.150 million to \$16.631 million at the end of the year.

The total capital expenditure program will be \$28.576 million, of which \$3.642 million relates to projects which will be carried forward from the 2016/17 year. Any further carried forward projects will be fully funded from the 2016/17 budget. Of the \$28.576 million of capital funding required, \$20.500 million will come from Council cash, \$2.350 million from borrowings and \$5.727 million from external grants and contributions.

The 2017/18 budget has been prepared on the basis of constraint, Council will continue to review all services and capital infrastructure to ensure it is positioned to best meet the needs of the community into the future.

At the time of preparing this budget the State & Federal governments have made significant funding announcements in relation to recreational projects within Latrobe City e.g. Gippsland Regional Aquatic Centre and the redevelopment of the Catterick Crescent Reserve Indoor Sports Stadium. At this time these projects have not been included in the budget and Strategic Resource Plan pending further details of the nature and timing of the funding. As the construction of these projects are expected to be fully funded by government grants there is no material effect expected to allocation of Council generated funds outlined in this document.

Budget Reports

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

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

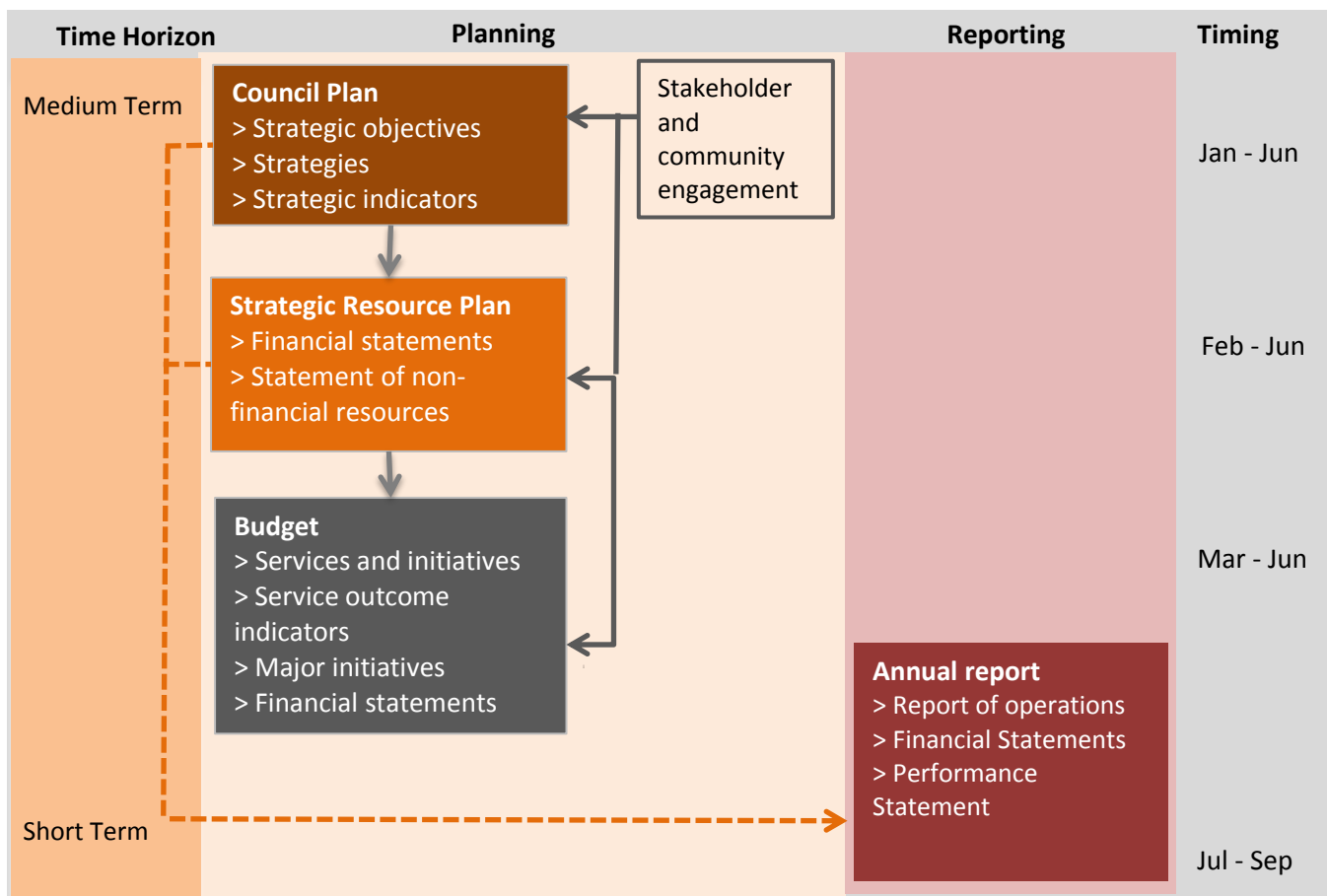
- 1 Links to Council Plan
- 2 Services, initiatives & service performance indicators
- 3 Financial statements
- 4 Financial performance indicators
- 5 Grants and borrowings
- 6 Detailed list of capital works
- 7 Rates and charges

1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long term (Latrobe 2026), medium term (Council Plan) and short term (Annual Budget) then holding itself accountable (Audited Statements).

1.1 Planning and accountability framework

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



Source: Department of Environment, Land, Water and Planning.

In addition to the above, Council has a long term plan (Latrobe 2026) which articulates a community vision, mission and values. The Council Plan is prepared with reference to Council's long term Community Plan.

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 and is reviewed each year as part of the commencement of the Annual Budget process.

1.2 Our purpose

The Community vision

“In 2026 the Latrobe Valley is a liveable and sustainable region with collaborative and inclusive community leadership.”

The community’s vision for the future development of the region builds on its strength as one of Victoria’s key regional economies and its position as the commercial centre of Gippsland with a focus on education, health and community services and facilities.

Other major aspirations are for a community that is both liveable and sustainable, with a continued focus on healthy lifestyles supported by high quality recreational and cultural facilities and a natural environment that is nurtured and respected.

The community has expressed its desire for a future in which people are united in a common purpose whilst respecting the diversity of their heritage and cultures. To enable the vision to become reality the community identified the need for effective and proactive leadership at all levels and expressed a willingness to connect with community leaders to enrich local decision making.

Our mission

To provide the best possible facilities, services, advocacy and leadership for Latrobe City, one of Victoria’s four major regional cities.

Our values

Latrobe City Council’s values describe how it is committed to achieving the Latrobe 2026 community vision through:

- Providing affordable people focused community services;
- Planning strategically and acting responsibly, in the best interests of the whole community;
- Accountability, transparency and honesty;
- Listening to and working with the community;
- Respect, fairness and equity;
- Open to and embracing new opportunities.

1.3 Key Themes

Council delivers activities and initiatives under 48 major service categories. Each contributes to the achievement of one of the five themes and objectives as set out in the Council Plan for the 2017-21 years. The following table lists the five themes as described in the Council Plan.

Strategic Objectives

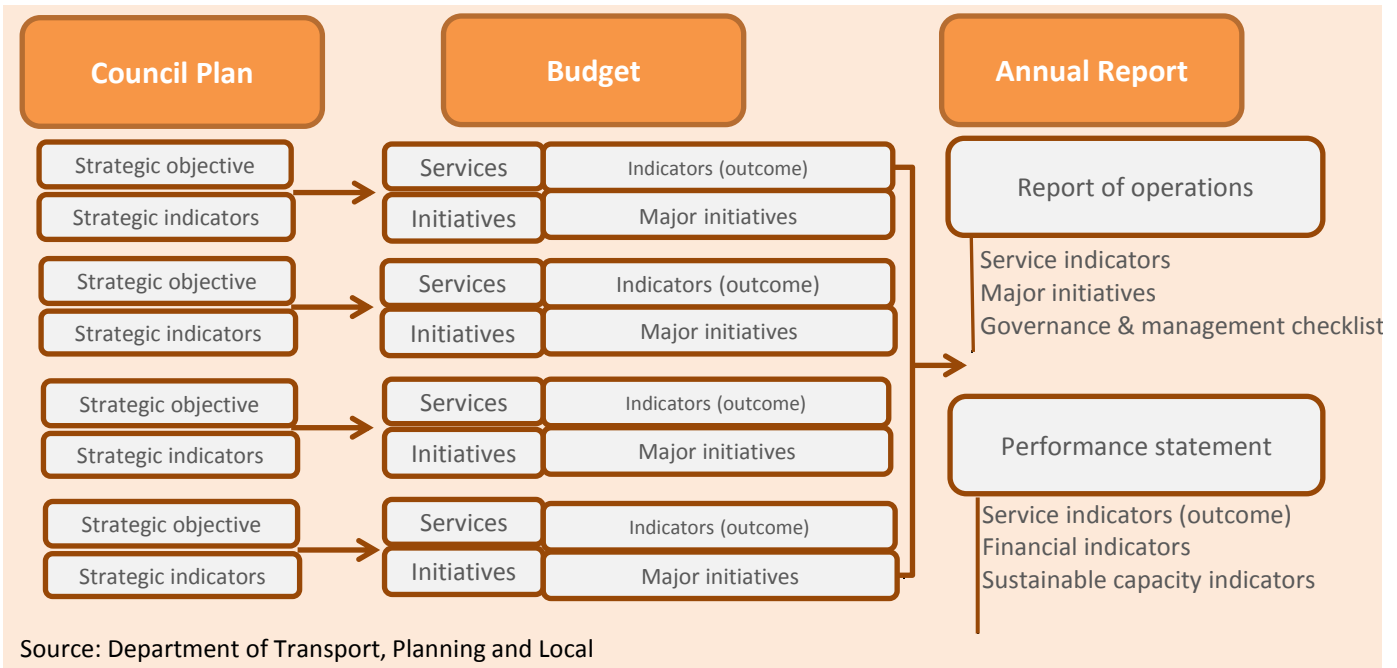
1. Support job creation and industry diversification to enable economic growth in Latrobe City.
2. Encourage improved education & training outcomes in Latrobe City.
3. Improve the liveability and connectedness of Latrobe City.
4. Improve the amenity and accessibility of Council services.
5. Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.
6. Ensure Council operates openly, transparently and responsibly.
7. Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

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Services & Service Performance Indicators

2. Services and service performance indicators

This section provides a description of the services and initiatives to be funded in the Budget for the 2017/18 year and how these will contribute to achieving the strategic objectives specified in the Council Plan as set out in Section 1. It also includes a number of initiatives, major initiatives and service performance indicators. The Strategic Resource Plan (SRP) is part of and prepared in conjunction with the Council Plan. The relationship between these components of the Budget and the Council Plan, along with the link to reporting in the Annual Report, is shown below.



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Services & Service Performance Indicators

2.1 Objective 1: Support job creation and industry diversification to enable economic growth in Latrobe City.

To achieve our objective to support job creation and industry diversification to enable economic growth in Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Business Development	Provide business development advice, services and programs in accordance with the Latrobe City Council Economic Development Strategy 2016-2020.	759 0 759
Employment Development	Promote, coordinate and providing training and employment opportunities for aboriginal people.	432 (424) 8
Tourism	Implement recommendations from the Tourism Product Audit and Visitor Information Centre Review.	580 (13) 568
International Relations	Deliver International Relations services in accordance with the Latrobe City International Relations Plan.	151 0 151
Regional Partnerships	Provide regional leadership and facilitate a successful transition	184 0 184

Major Initiative

- 1) Implement the Economic Development Strategy
- 2) Advocate for the Gippsland Logistics Precinct
- 3) Engage an industry specialist to undertake specific research to determine (and quantify) the potential to attract/establish health technology businesses.
- 4) Implementation of an inclusive employment program to ensure our workforce demographic reflects that of the community in which we operate.
- 5) Commence a masterplan report for the Regional City Growth Corridor Stage 1 - Regional City Employment Precinct.

Service Performance Outcome Indicators

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

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Services & Service Performance Indicators

2.2 Objective 2: Encourage improved education & training outcomes in Latrobe City.

To achieve our objective to encourage improved education & training outcomes in Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Library services	Deliver Library services and programs in accordance with the Library Plan 2011-2017.	1,549 (541) 1,008
Early Learning & Care	Deliver early Learning, Family Day Care, and Preschool services in accordance with Council adopted policies, and work with other providers to improve and integrate support services for all children in the municipality.	9,149 (7,963) 1,186

Major Initiative

- 6) Establish a centralised system for the engagement and recording of Volunteers/Labour Hire. In addition develop a policy and procedure position.
- 7) Deliver the Latrobe City Council internship program

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Services & Service Performance Indicators

2.3 Objective 3: Improve the liveability and connectedness of Latrobe City

To achieve our objective to Improve the liveability and connectedness of Latrobe City, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure
		(Revenue) Net Cost \$'000
Latrobe Regional Airport	Maintain, develop and operate Latrobe Regional Airport in accordance with Civil Aviation Safety Authority regulations and the Latrobe Regional Airport Masterplan.	893 (479) 414
Arts	Deliver the Annual Latrobe Regional Gallery Exhibitions program and deliver Education and Public Participation programs across all arts facilities. Deliver the Annual Performing Arts Performances program. Manage and maintain Halls and Venues across the City.	2,724 (653) 2,071
Civil Works Projects	Deliver Civil works projects across Latrobe City in accordance with relevant legislation and guidelines.	6,361 0 6,361
Infrastructure Design	Design civil works projects in consultation with the Latrobe City community.	1,548 0 1,548
Waste Services	Deliver and manage contracts for waste services across the municipality, including kerbside collection, transfer stations, organic resource processing, hard waste services and co-mingled recycling processing in accordance with contract requirements, standards and best value principles.	6,051 (5) 6,046
Building Services	Provide building advice, statutory services and enforcement action in accordance with the Building Act.	548 (167) 380
Environment Sustainability	Provide Environmental planning, advice and services to internal and external stakeholders.	669 0 669
Landfill Services	Operate and maintain the Latrobe City Hyland Highway Municipal Landfill facility in accordance with Environment Protection Authority licence conditions.	5,027 (2,993) 2,034
Statutory Planning	Provide statutory planning services, advice and enforcement action in accordance with the Latrobe Planning Scheme and Planning and Environment Act.	1,620 (278) 1,342
Strategic Planning	Provide strategic planning services and advice in accordance with the Latrobe Planning Scheme and Planning and Environment Act.	630 0 630
Urban Growth	Develop, assess and coordinate the implementation of Development Plans and Development Contribution Plans for growth areas of Latrobe City.	389 0 389

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Services & Service Performance Indicators

Major Initiative

- 8) Continue to progress the Latrobe Creative Precinct project
- 9) Develop a feasibility study/business case for the Gippsland Region Motor Sports Complex.
- 10) Advocate for funding for the Moe Rail Precinct Revitalisation Project - Stage 2
- 11) Deliver Live Work Latrobe Stage 2
- 12) Implement the Lake Narracan Precinct Structure Plan

2.4 Objective 4: Improve the amenity and accessibility of Council services

To achieve our objective to Improve the amenity and accessibility of Council services, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Community Information	Deliver professional customer service at all Latrobe City Council service centres and libraries in accordance with the Customer Service Plan 2012-2016.	3,768 (67) 3,701
Aboriginal Liaison	Strengthen the relationship between the local Aboriginal Community and Latrobe City Council by delivering on the Statement of Commitment.	47 0 47
Communications	Provide communications, marketing and public relations services on behalf of Latrobe City Council.	1,061 0 1,061
Community Engagement	Provide community engagement support services to Latrobe City Council.	331 0 331
Disability Access and Inclusion	Develop and implement the Rural Access Plan and develop and implement the Disability Action Plan.	131 (137) (5)
Community Grants	Assist local community groups through the coordination and delivery of the annual Latrobe City community grants program.	425 0 425

Major Initiative

- 13) Instal a turf bench and 3 synthetic wickets at Traralgon West Sporting Complex.

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Services & Service Performance Indicators

2.5 Objective 5: Provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens.

To achieve our objective to provide a connected, engaged and safe community environment, which is improving the well-being of all Latrobe City citizens, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Aged and Disability Services	Deliver the Home and Community Care (HACC) program in accordance with Department of Health guidelines and Disability Service programs.	6,995 <u>(6,560)</u> 435
Early Childhood Health & Development	Deliver enhanced maternal and child health services in accordance with Council adopted policies.	2,799 <u>(1,201)</u> 1,598
Leisure Facilities	Maintain and operate Latrobe City leisure centres, outdoor pools and stadiums together with managing and maintaining caravan park and day visitor facilities.	6,489 <u>(4,255)</u> 2,235
Parks, Gardens and Playgrounds	Manage and maintain parks and gardens across Latrobe City and maintain and develop playgrounds in accordance with the Latrobe City Council Playground Strategy.	4,511 <u>(67)</u> 4,444
Recreation and Open Space Planning	Provide Recreation and Open Space Planning advice for Latrobe City.	1,709 <u>(220)</u> 1,489
Recreation Liaison	Manage and maintain sporting reserves and work with community groups across Latrobe City.	1,912 <u>(77)</u> 1,835
Social support	Deliver the Planned Activity Group and Meals on Wheels Programs to eligible clients.	384 <u>(108)</u> 275
Health Services	Minimise the incidence of food borne illness pursuant to the Food Act. Deliver an Immunisation program in accordance with the Public Health and Wellbeing Act.	957 <u>(513)</u> 444
Infrastructure Planning	Provide Traffic Management and Asset Management planning, advice and services for Latrobe City in accordance with statutory and regulatory timeframes.	2,889 <u>(327)</u> 2,563
Local Laws	Deliver customer focussed Local Law services across the municipality in accordance with Local Law No. 2 and other relevant legislation.	2,435 <u>(1,387)</u> 1,048
Property and Statutory	Administer property management, advice and services of Latrobe City Council.	699 <u>(229)</u> 470
Community Strengthening	Build community leadership, connectedness, inclusiveness and wellbeing by advocating on behalf of the community, and partnering with them to deliver and facilitate a range of projects, programs, strategies and action plans.	1,036 <u>0</u> 1,036
Emergency Management	Provide Emergency Management services including preparedness, planning, response and recovery.	492 <u>(145)</u> 347

Major Initiative

- 14) Construct the pavilion at Latrobe City Sports Hockey Field pavilion.
- 15) Progress Council's decision in respect to the delivery of the Gippsland Regional Aquatic Centre.
- 16) Progress the Catterick Crescent Sporting Precinct masterplan
- 17) Construction of a shared pathway between Morwell and Traralgon.
- 18) Establish the LV Leadership Program and advocate for joining funding from the Building Better Regions Fund.
- 19) Advocate for external funding for the Churchill East West Walking Path
- 20) Continue to advocate on behalf of the community in relation to the Morwell Mine Fire.
- 21) Administer the funding in relation to the Installation of a synthetic green at the Moe Bowling Green.
- 22) Installation of lighting to two (2) pitches at Harold Preston Reserve.
- 23) Upgrade of car parking and construction of a second entry/exit point at Harold Preston Reserve.
- 24) Progress the recommendations of the Play Space Implementation Plan
- 25) Progress the recommendations of the Tracks, Trails & Paths Strategy
- 26) Implement a Lighting Projects program
- 27) Construction of a local level play space at Maryvale Reserve to provide for residents of Heritage Boulevard.
- 28) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path from Morwell to Churchill
- 29) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path from Yallourn North Township to George Bates Reserve
- 30) Conduct a desktop analysis in investigate Year 2 Aspirational paths for the off-road path around the north side of Lake Narracan

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Services & Service Performance Indicators

Service Performance Outcome Indicators

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)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
Home and community care	Participation	Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people that receive a HACC service)	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Maternal and child health	Participation	Participation in MCH key ages and stages visits (Percentage of children attending the MCH key ages and stages visits)	Number of actual MCH visits / Number of expected MCH visits] x100
Maternal and child health	Participation	Participation in MCH key ages and stages visits by Aboriginal children (Percentage of Aboriginal children attending the MCH key ages and stages visits)	[Number of actual MCH visits for Aboriginal children / Number of expected MCH visits for Aboriginal children] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (The number of visits to pool facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Waste collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

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Services & Service Performance Indicators

2.6 Objective 6 : Ensure Council operates openly, transparently and responsibly

To achieve our objective to ensure Council operates openly, transparently and responsibly, we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Performance & Innovation	Administer corporate planning and reporting of Latrobe City Council and implement Council's innovation and continuous improvement programs.	775 0 775
Mayoral & Council Support	Council Operations, provision of support services to Councillors, deliver civic functions and events across for Latrobe City Council.	641 0 641
Governance	Council meeting management, Freedom of Information, internal audit, committee management, statutory registers and legal support functions.	967 (41) 926
Financial Services	Administer financial management, advice and services of Latrobe City Council, administer procurement processes for goods and services within Latrobe City Council, administer payroll for Latrobe City Council staff and administer the database of properties within Latrobe City Council, including property valuation and municipal rate collection.	4,090 (386) 3,704
Information Services	Maintain the Latrobe City Council IT network infrastructure, assets, purchasing and licences and provide an effective secure environment for storage and disaster recovery. Develop and maintain a Geographical Information System (GIS) for broad use by the organisation. Maintain corporate information and Council documentation and information applications in accordance with regulatory guidelines.	4,577 0 4,577
Office of the CEO	Actively participate in the Gippsland Local Government Network.	618 0 618
People & Development	To provide advice, education and support to ensure the success of the organisation through effective leadership, resourcing and people management initiatives. To deliver a variety of learning initiatives and develop the knowledge, skills and confidence of our people.	1,312 0 1,312
Risk and Compliance	Provide Latrobe City Council with risk management support and advice, coordinate Occupational Health and Safety responsibilities and develop and implement a compliance framework. Administer Freedom of Information requests, Information Privacy requirements, maintain public registers, policies, audit activities and electoral functions for Latrobe City Council.	2,001 (2) 1,999

Services & Service Performance Indicators

Major Initiative

- 31) Implement the recommendations of the CT Management Fees & Charges Review.
- 32) Capture the necessary asset data to enable the development of Latrobe City Council's maintenance management system.
- 33) Commence service reviews.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Animal management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x 100
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
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.

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Services & Service Performance Indicators

2.7 Objectives 7: Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.

To achieve our objective to grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city., deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives and service performance indicators for each business area are described below.

Services

Business Area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Events	Facilitate the attraction of new events and support existing events across Latrobe City and deliver Latrobe City Council's annual Australia Day program as per the 2013-2017 Latrobe City Events Strategy and Action Plan.	946 0 946
Major Projects	Deliver major infrastructure projects from the Annual Capital Works Program.	1,987 0 1,987
Building Maintenance	This unit is to deliver the cyclic maintenance program on Latrobe City Council buildings.	5,766 0 5,766
Infrastructure Maintenance	This unit is to provide maintenance services for Latrobe City's road, drainage, signage, footpath and tree networks and to Deliver cleansing services across the municipality, including footpath and street sweeping, public toilets, bus shelters, barbeques, rotundas and picnic shelters in accordance with specified standards and schedules.	16,199 (2,430) 13,769

Major Initiative

34) Host two international exhibitions from Belgium and UK/South Africa at the updated Latrobe Regional Gallery.

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Services & Service Performance Indicators

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)	[Number of VCAT decisions that upheld Council's decision in relation to a planning application / Number of decisions in relation to planning applications subject to review by VCAT] x100

2.10 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 2017/18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 4) and sustainable capacity, which are not included in this budget report. The full set of prescribed performance indicators are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the report of operations.

2.11 Reconciliation with budgeted operating result

	Net Cost (Revenue) \$'000	Expenditure \$'000	Revenue \$'000
Support job creation and industry diversification to enable economic growth in Latrobe City.	1,669	2,106	436
Encourage improved education & training outcomes in Latrobe City.	2,194	10,698	8,504
Improve the liveability and connectedness of Latrobe City	21,886	26,461	4,575
Improve the amenity and accessibility of Council services	5,560	5,764	204
Provide a connected, engaged and safe community environment, which is improving the the well-being of all	18,219	33,308	15,089
Ensure Council operates openly, transparently and responsibly	14,552	14,981	429
Grow the civic pride of our municipality and solidify Latrobe City's image as a key regional city.	22,467	24,897	2,430
Total activities & initiatives	86,548	118,216	31,668
Other non-attributable	(1,950)		
Deficit before funding	84,598		
Funding sources:			
Rates & charges	76,869		
Capital grants	5,727		
Grants Commission	9,000		
Developer Contributions	3,090		
Total funding sources	94,686		
Surplus for the year	10,088		

3. Financial Statements

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

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

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

2017/18 Budget Financial Statements

3.1 Comprehensive Income Statement

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Income					
Rates and charges	75,105	76,869	78,659	80,485	82,346
Grants - Operating	23,718	22,889	23,118	23,349	23,582
Grants - Capital	6,116	5,307	11,192	11,192	1,192
Statutory Fees & Fines	1,929	2,184	2,228	2,272	2,318
User Charges	14,257	14,566	14,857	15,154	15,458
Contributions - Monetary	372	510	92	94	96
Contributions - Non-Monetary	3,000	3,000	3,000	3,000	3,000
Net gain on disposal of property, infrastructure, plant & equipment	11	0	0	0	0
Other Income	4,025	3,688	3,762	3,837	3,914
Total income	128,533	129,013	136,908	139,383	131,906
Expenses					
Employee costs	55,205	55,453	57,393	59,403	61,482
Materials and services	41,491	34,500	35,190	35,894	36,612
Bad and doubtful debts	21	12	13	13	14
Depreciation and amortisation	24,657	24,969	25,284	25,772	26,269
Borrowing Costs	882	742	753	690	606
Other Expenditure	3,393	3,249	3,314	3,380	3,448
Total expenses	125,649	118,925	121,947	125,152	128,431
Surplus (deficit) for the year	2,884	10,088	14,961	14,231	3,475
Other comprehensive income					
Net Asset Revaluation movement	0	23,468	23,899	24,737	25,518
Total comprehensive result	2,884	33,556	38,860	38,968	28,993

2017/18 Budget Financial Statements

3.2 Balance Sheet

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Current assets					
Cash and cash equivalents	12,311	13,418	15,340	11,236	15,140
Trade and other receivables	7,050	7,191	7,763	7,865	7,422
Other financial assets	40,000	40,000	40,000	40,000	40,000
Other Assets	2,200	2,244	2,244	2,244	2,244
Total current assets	61,561	62,853	65,347	61,345	64,806
Non-current assets					
Property, infrastructure, plant and equipment	1,173,364	1,204,092	1,240,413	1,275,113	1,303,295
Other financial assets	2	2	2	2	2
Intangible assets	696	1,275	375	1,175	275
Total non-current assets	1,174,062	1,205,369	1,240,790	1,276,290	1,303,572
Total assets	1,235,623	1,268,222	1,306,137	1,337,635	1,368,378
Current liabilities					
Trade and other payables	6,382	6,510	6,581	6,706	6,871
Provisions	16,251	14,861	16,211	14,677	16,159
Interest bearing loans & borrowings	1,869	1,593	9,642	1,130	1,234
Trust funds & deposits	2,722	2,777	2,833	2,889	2,947
Total current liabilities	27,224	25,741	35,267	25,402	27,211
Non-current liabilities					
Provisions	19,355	19,124	13,295	14,169	12,346
Interest bearing loans & borrowings	14,281	15,038	10,397	11,917	13,683
Total non-current liabilities	33,636	34,162	23,692	26,086	26,029
Total liabilities	60,860	59,903	58,959	51,488	53,240
Net assets	1,174,763	1,208,319	1,247,178	1,286,146	1,315,138
Equity					
Accumulated surplus	664,899	674,896	689,765	703,902	707,280
Asset revaluation reserve	506,566	530,034	553,932	578,669	604,187
Other Reserves	3,298	3,389	3,481	3,575	3,671
Total equity	1,174,763	1,208,319	1,247,178	1,286,146	1,315,138

2017/18 Budget Financial Statements

3.3 Statement of Changes in Equity

For the four years ending 30 June 2021

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
Balance at beginning of the financial year	1,174,763	664,899	506,566	3,298
Surplus for the year	10,088	10,088	0	0
Net asset revaluation increment	23,468	0	23,468	0
Transfer to reserves	0	(90)	0	90
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,208,319	674,896	530,034	3,389
2019				
Balance at beginning of the financial year	1,208,319	674,896	530,034	3,389
Surplus for the year	14,961	14,961	0	0
Net asset revaluation increment	23,899	0	23,899	0
Transfer to reserves	0	(92)	0	92
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,247,178	689,765	553,932	3,481
2020				
Balance at beginning of the financial year	1,247,178	689,765	553,932	3,481
Surplus for the year	14,231	14,231	0	0
Net asset revaluation increment	24,737	0	24,737	0
Transfer to reserves	0	(94)	0	94
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,286,146	703,902	578,669	3,575
2021				
Balance at beginning of the financial year	1,286,146	703,902	578,669	3,575
Surplus for the year	3,475	3,475	0	0
Net asset revaluation increment	25,518	0	25,518	0
Transfer to reserves	0	(96)	0	96
Transfer from reserves	0	0	0	0
Balance at end of the financial year	1,315,138	707,280	604,187	3,671

2017/18 Budget Financial Statements

3.4 Statement of Cash Flows

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	75,067	76,528	80,249	82,171	84,534
Grants - operating	23,719	22,888	23,585	23,838	24,209
Grants - capital	6,116	5,307	11,418	11,426	1,224
Statutory Fees & Fines	1,929	2,184	2,273	2,320	2,379
User Charges	14,457	14,766	15,158	15,472	15,868
Interest	1,550	1,448	1,477	1,507	1,537
Contributions - monetary	372	510	92	94	96
Other Receipts	2,475	2,240	2,333	2,381	2,443
Net GST refund/payment	0	0	3,968	4,170	3,554
Employee costs	(54,707)	(55,098)	(59,126)	(61,144)	(63,240)
Materials and services	(41,346)	(34,168)	(36,584)	(37,285)	(38,005)
Trust Funds and Deposits	(10)	(54)	56	57	58
Other Payments	(5,556)	(7,074)	(8,445)	(6,411)	(4,479)
Net cash from operating activities	24,066	29,477	36,454	38,596	30,178
Cash flows from investing activities					
Proceeds from property, plant and equipment	1,159	467	514	514	514
Proceeds from sale of investments	12,884	0	0	0	0
Payments for property, plant and equipment	(31,712)	(28,576)	(37,700)	(35,532)	(28,050)
Net cash used in investing activities	(17,669)	(28,109)	(37,186)	(35,018)	(27,536)
Cash flows from financing activities					
Finance costs	(882)	(742)	(753)	(690)	(606)
Proceeds from borrowings	0	2,350	5,000	2,650	3,000
Repayment of borrowings	(1,884)	(1,869)	(1,593)	(9,642)	(1,130)
Net cash provided by (used in) financing activities	(2,766)	(261)	2,654	(7,682)	1,264
Net increase/(decrease) in cash & cash equivalents	3,631	1,107	1,922	(4,104)	3,906
Cash & cash equivalents at beginning of year	8,680	12,311	13,418	15,340	11,236
Cash & cash equivalents at end of year	12,311	13,418	15,340	11,236	15,142

2017/18 Budget Financial Statements

3.5 Statement of Capital Works

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17	2017/18	2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Property					
Land	458	0	0	0	0
Buildings	6,019	7,520	18,844	15,378	7,048
Heritage Buildings	14	196	0	0	0
Total property	6,491	7,716	18,844	15,378	7,048
Plant and Equipment					
Plant, Machinery & Equipment	2,427	1,652	1,617	1,617	1,617
Fixtures, Fittings & Furniture	9	10	10	10	10
Computers & Telecommunications	697	469	600	600	600
Artworks	15	15	15	15	15
Total Plant and Equipment	3,147	2,146	2,242	2,242	2,242
Infrastructure					
Roads	12,915	10,415	9,975	9,975	9,975
Footpaths & Cycleways	1,687	5,000	1,637	1,637	1,637
Bridges & Culverts	725	940	300	650	300
Off Street Carparks	186	125	130	130	130
Drainage	2,700	725	700	700	700
Recreational, Leisure & Community Facilities	1,913	0	0	0	0
Parks, Open Space & Streetscapes	645	610	445	590	468
Waste Management	1,273	900	0	1,000	3,000
Other Infrastructure	29	0	0	0	0
Total Infrastructure	22,073	18,715	13,187	14,682	16,210
Total capital works expenditure	31,712	28,576	34,273	32,302	25,500
Represented by:					
New asset expenditure	4,538	7,432	15,572	13,255	3,623
Asset renewal expenditure	22,215	18,687	16,862	17,380	19,964
Asset expansion expenditure	1,155	525	762	762	762
Asset upgrade expenditure	3,804	1,932	1,077	905	1,151
Total capital works expenditure	31,712	28,576	34,273	32,302	25,500

2017/18 Budget Financial Statements

3.6 Statement of Human Resources

For the four years ending 30 June 2021

	Forecast	Budget	Strategic Resource Plan		
	Actual		Projections		
	2016/17		2018/19	2019/20	2020/21
	\$'000	\$'000	\$'000	\$'000	\$'000
Staff expenditure					
Employee costs - operating	55,205	55,453	57,393	59,403	61,482
Employee costs - capital	1,451	1,235	1,525	1,431	1,108
Total staff expenditure	56,656	56,688	58,918	60,834	62,590
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Employees	547.2	547.3	547.3	547.3	547.3
Total staff numbers	547.2	547.3	547.3	547.3	547.3

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

Division	Budget	Comprises	
	2017/18	Full Time	Part Time
	\$'000	\$'000	\$'000
Office of the CEO	704	704	0
City Development	8,203	6,549	1,653
Corporate Services	7,289	6,449	840
Infrastructure & Recreation	12,913	10,784	2,129
Community Services	19,537	8,712	10,825
Waste & Landfill	831	831	0
Total	49,476	34,029	15,447
Casuals and other	5,977		
Total Operating Employee Costs	55,453		
Capitalised labour costs	1,235		
Total Employee Costs	56,688		

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

Division		Full Time	Part Time
		FTE	FTE
Office of the CEO	5.0	5.0	0.0
City Development	84.9	64.0	20.9
Corporate Services	71.7	63.4	8.3
Infrastructure & Recreation	145.2	117.0	28.2
Community Services	190.6	89.5	101.1
Waste & Landfill	8.8	8.8	0.0
Total	506.2	347.7	158.5
Casuals and other	28.7		
Total Operating FTE	534.9		
Capitalised FTE	12.4		
Total FTE	547.3		

2017/18 Budget Financial Performance Indicators

4. Financial performance indicators

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

Indicator	Measure	Notes	Forecast		Budget 2017/18	Strategic Resource Plan Projections			Trend +o/-
			Actual 2015/16	Actual 2016/17		2018/19	2019/20	2020/21	
Operating Position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	(3.9%)	(3.2%)	2.0%	1.5%	0.9%	0.3%	-
Liquidity									
Working Capital	Current assets / current liabilities	2	271.2%	226.1%	244.2%	185.3%	241.5%	238.2%	o
Unrestricted Cash	Unrestricted cash / current liabilities		147.2%	23.1%	28.2%	25.6%	18.8%	31.3%	+
Obligations									
Loans & Borrowings	Interest bearing loans and borrowings / rate revenue	3	24.9%	21.5%	21.6%	25.5%	16.2%	18.1%	+
Loans & Borrowings	Interest and principal repayments / rate revenue		9.3%	3.7%	3.4%	3.0%	12.8%	2.1%	+
Indebtedness	Non-current liabilities / own source revenue		42.9%	35.3%	35.1%	23.8%	25.6%	25.0%	+
Asset renewal	Asset renewal expenditure / depreciation	4	64.0%	93.6%	78.4%	69.2%	69.9%	78.7%	o
Stability									
Rates concentration	Rate revenue / adjusted underlying revenue	5	64.3%	61.5%	63.1%	63.5%	63.7%	63.9%	o
Rates effort	Rate revenue / property values (CIV)		0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	o

2017/18 Budget Financial Performance Indicators

Indicator	Measure	Notes	Forecast		Budget 2017/18	Strategic Resource Plan Projections			Trend +/-
			Actual 2015/16	Actual 2016/17		2018/19	2019/20	2020/21	
Efficiency									
Expenditure level	Total expenditure / no. of assessments		\$3,118	\$3,298	\$3,122	\$3,201	\$3,285	\$3,371	-
Revenue level	Residential rate revenue / No. of residential assessments		\$1,535	\$1,582	\$1,608	\$1,640	\$1,673	\$1,706	+
Workforce turnover	No. of resignations & terminations / average no. of staff		15.0%	11.5%	11.5%	11.5%	11.5%	11.5%	o

Key to Forecast Trend:

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

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. Decreasing underlying surpluses are forecast over the period, indicating that Council needs to continue to find expenditure savings and efficiencies within the rate capping environment in order to remain financially sustainable.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2018/19 year due to an interest only loan moving in to current liabilities.

3 Debt compared to rates - Trend indicates Council's reducing reliance on debt against its annual rate revenue through redemption of long term debt.

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

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

5. Other Budget Information

This section presents other budget related information required by the Regulations. The following statements and reports are included:

- 5.1.1 Grants operating
- 5.1.2 Grants capital
- 5.1.3 Statement of borrowings

2017/18 Budget

Other Budget Information

5.1.1 Grants Operating (\$0.830 million decrease)

Operating grants and contributions include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of grants and contributions is expected to decrease by (3%) or (\$0.830 million) compared to 2016/17. This decrease primarily relates to Disability services funding which will be administered under the National Disability Insurance Scheme (NDIS) in the future. Non-recurrent grant funding is expected to decrease as generally only funding confirmed at the time of budget preparation is included in operating budgets.

	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Aged & Disability Services	2,656	2,681	25
Employment Development	309	404	95
Family & Children Services	101	6	(96)
<i>Recurrent - State Government</i>			
Victorian Grants Commission General Purpose	8,946	9,000	54
Victorian Grants Commission Local Roads	2,416	2,430	14
Aged & Disability Services	2,404	1,948	(455)
Family & Children Services	5,110	4,837	(273)
Community Support	142	137	(6)
Libraries	503	512	9
Recreation, Parks and Gardens	16	20	4
Arts	155	155	0
Local Laws	92	88	(4)
Total Recurrent Grants	22,850	22,219	(632)
<i>Non Recurrent - Commonwealth Government</i>			
Recreation, Parks and Gardens	70	0	(70)
Arts	11	0	(11)
<i>Non Recurrent - State Government</i>			
Healthy Communities	15	0	(15)
Recreation, Parks and Gardens	178	220	42
Community Support	52	0	(52)
Aged & Disability Services	55	100	45
Arts	4	250	246
Economic Development & Planning	65	0	(65)
Emergency Management	405	100	(305)
Events & International Relations	10	0	(10)
Family & Children Services	3	0	(3)
Total Non-recurrent Grants	868	670	(198)
Total Operating Grants	23,718	22,889	(830)

2017/18 Budget

Other Budget Information

5.1.2 Grants Capital (\$0.809 million decrease)

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of grants and contributions is expected to decrease by \$0.809 million compared to 2016/17 mainly associated with specific funding received in 2016/17 for Heavy Industrial Park Wetlands project and temporary higher Roads to Recovery allocation. Recent funding announcements by the State and Federal Government with regards to various Recreational facilities have not been incorporated into the budget due to a lack of details as to the timing of these projects and funding at the time of preparing this document. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2017/18 year.

	Forecast 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
<i>Recurrent - Commonwealth Government</i>			
Roads to Recovery	2,752	1,192	(1,560)
<i>Recurrent - State Government</i>			
Total Recurrent Grants	2,752	1,192	(1,560)
<i>Non Recurrent - Commonwealth Government</i>			
Footpaths & Cycleways	0	1,600	1,600
<i>Non Recurrent - State Government</i>			
Caravan Parks	0	0	0
Buildings	919	650	(269)
Roads	396	0	(396)
Footpaths & Cycleways	6	1,865	1,859
Recreation, Leisure & Community Facilities	527	0	(527)
Drainage	1,451	0	(1,451)
Carparks	53	0	(53)
Traffic Management	13	0	(13)
Total Non-recurrent grants	3,365	4,115	750
Total Capital grants	6,116	5,307	(809)

5.1.3 Statement of Borrowings

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

	2016/17 \$'000	2017/18 \$'000
Total amount borrowed as at 30 June of the prior year	18,034	16,150
Total amount to be borrowed	0	2,350
Total amount projected to be redeemed	(1,884)	(1,869)
Total amount proposed to be borrowed as at 30 June	16,150	16,631

6. Capital works program

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

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

- New works for 2017/18
- Works carried forward from the 2015/16 year.

The capital works detailed report also includes a list of works that, although not classified as assets for accounting purposes, will be undertaken in conjunction with the capital works program. The funding for these works and associated expenditure forms part of the operating budget.

2017/18 Budget Capital Works Program

Capital works program

For the year ending 30 June 2017

6.1.1 New works

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
PROPERTY									
Buildings									
Bus Shelter Removal & Replacement Program	30	0	30	0	0	0	0	30	0
Building Renewal Program	1,678	0	1,678	0	0	0	0	1,678	0
Kitchen Renewal at Community Buildings	100	0	100	0	0	0	0	100	0
Latrobe Creative Precinct project	2,350	2,350	0	0	0	0	0	0	2,350
Latrobe City Synthetic Sports field Pavilion	1,365	1,365	0	0	0	650	420	295	0
Roof Replacement Program	100	0	100	0	0	0	0	100	0
Install Solar panel system on Council Buildings	40	0	0	40	0	0	0	40	0
Latrobe Leisure Maintenance and Upgrade Program	651	0	651	0	0	0	0	651	0
Total Buildings	6,313	3,715	2,558	40	0	650	420	2,893	2,350
TOTAL PROPERTY	6,313	3,715	2,558	40	0	650	420	2,893	2,350

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
PLANT AND EQUIPMENT									
Plant, Machinery and Equipment									
Plant Replacement Program	738	0	738	0	0	0	0	738	0
Fleet Replacement Program	829	0	829	0	0	0	0	829	0
Latrobe Leisure Equipment Replacement Program	50	0	50	0	0	0	0	50	0
Replacement of Surveying Equipment	35	0	35	0	0	0	0	35	0
Total Plant, Machinery and Equipment	1,652	0	1,652	0	0	0	0	1,652	0
Fixtures, Fittings and Furniture									
Office Furniture & Equipment Replacement Program	10	0	10	0	0	0	0	10	0
Total Fixtures, Fittings and Furniture	10	0	10	0	0	0	0	10	0
Computers and Telecommunications									
IT Equipment Replacement Program	469	0	469	0	0	0	0	469	0
Total Computers and Telecommunications	469	0	469	0	0	0	0	469	0
Artworks									
Artwork Acquisitions	15	15	0	0	0	0	0	15	0
Total Artworks	15	15	0	0	0	0	0	15	0
TOTAL PLANT AND EQUIPMENT	2,146	15	2,131	0	0	0	0	2,146	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
INFRASTRUCTURE									
Roads									
Gravel Road Resheet Program	970	0	970	0	0	0	0	970	0
Local Road Reseal Program	5,315	0	5,315	0	0	0	0	5,315	0
Difficult to Maintain Pavements Program	50	0	0	50	0	0	0	50	0
Road Rehabilitation Program	3,095	0	3,095	0	0	1,192	0	1,903	0
Rural Gravel Road Sealing Program	200	0	0	200	0	0	0	200	0
Traffic & Pedestrian Safety Program	75	0	0	75	0	0	0	75	0
Total Roads	9,705	0	9,380	325	0	1,192	0	8,513	0
Bridges									
Bridge and Major Culvert works	150	0	150	0	0	0	0	150	0
Construct Bridges	685	0	685	0	0	0	0	685	0
Total Bridges	835	0	835	0	0	0	0	835	0
Footpaths and Cycleways									
Footpath Replacement Program	1,105	0	1,105	0	0	0	0	1,105	0
Gravel Path Renewal Project	30	0	30	0	0	0	0	30	0
Traralgon to Morwell Shared Pathway	3,465	3,465	0	0	0	3,465	0	0	0
Tracks, Trails and Paths Program	400	0	0	400	0	0	0	400	0
Total Footpaths and Cycleways	5,000	3,465	1,135	400	0	3,465	0	1,535	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	cash \$'000	Borrow's \$'000
Drainage									
Minor Pipe Systems Repairs	150	0	150	0	0	0	0	150	0
Stormwater Management/Outfall Repair Program	50	0	50	0	0	0	0	50	0
Total Drainage	200	0	200	0	0	0	0	200	0
Parks, Open Space and Streetscapes									
Play Space Implementation Plan Program	485	0	235	250	0	0	0	485	0
Retaining Wall Renewal Program	50	0	50	0	0	0	0	50	0
Risk management and safety works for medians	75	0	0	75	0	0	0	75	0
Total Parks, Open Space and Streetscapes	610	0	285	325	0	0	0	610	0
Off Street Car Parks									
Off Street Car Park Resealing Program	50	0	50	0	0	0	0	50	0
Upgrade of car parking and construction of a second entry/exit point at Harold Preston Reserve.	75	0	0	75	0	0	0	75	0
Total Off Street Car Parks	125	0	50	75	0	0	0	125	0
TOTAL INFRASTRUCTURE	16,475	3,465	11,885	1,125	0	4,657	0	11,818	0
TOTAL NEW CAPITAL WORKS FOR 2017/18	24,934	7,195	16,574	1,165	0	5,307	420	16,857	2,350

2017/18 Budget Capital Works Program

6.1.2 Works carried forward from the 2016/17 year

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
PROPERTY									
Buildings									
Latrobe Leisure Maintenance and Upgrade Program	110	0	110	0	0	0	0	110	0
Latrobe Regional Gallery Refurbishment & Lighting Upgrade	225	0	0	225	0	0	0	225	0
Building Renewal Program	289	0	289	0	0	0	0	289	0
Latrobe Creative Precinct project design	237	237	0	0	0	0	0	237	0
Latrobe Leisure Stadiums Evaporative Cooling	346	0	0	346	0	0	0	346	0
Total Buildings	1,207	237	399	571	0	0	0	1,207	0
Heritage buildings									
Traralgon Court House Upgrades	196	0	0	196	0	0	0	196	0
Total Heritage buildings	196	0	0	196	0	0	0	196	0
TOTAL PROPERTY	1,403	237	399	767	0	0	0	1,403	0
INFRASTRUCTURE									
Roads									
Road Rehabilitation Program	710	0	710	0	0	0	0	710	0
Total Roads	710	0	710	0	0	0	0	710	0
Bridges									
Bridge and Major Culvert works	105	0	105	0	0	0	0	105	0
Total Bridges	105	0	105	0	0	0	0	105	0
Drainage									
Drainage Augmentation - Furlonger St to Nixon Ct Precinct	525	0	0	0	525	0	0	525	0
Total Drainage	525	0	0	0	525	0	0	525	0

2017/18 Budget Capital Works Program

	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
Waste Management									
Landfill Cell Construction	900	0	900	0	0	0	0	900	0
Total Waste Management	900	0	900	0	0	0	0	900	0
TOTAL INFRASTRUCTURE	2,240	0	1,715	0	525	0	0	2,240	0
TOTAL CARRIED FWD WORKS FROM 2016/17	3,642	237	2,113	767	525	0	0	3,642	0
TOTAL CAPITAL WORKS	28,576	7,432	18,687	1,932	525	5,307	420	20,500	2,350

6.2 CAPITAL WORKS (OPERATING)

(These projects are of a capital nature but do not meet the definition of capital expenditure due to them either not being on Council owned/or controlled assets or not relating to an asset class recognised by Council. Expenditure on these projects appears in the Budgeted Comprehensive Income Statement).

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000

6.2.1 NEW WORKS FOR 2017/18

PROPERTY

Buildings									
Demolition of Dilapidated Council Buildings	120	0	0	0	0	0	0	120	0
Total Buildings	120	0	0	0	0	0	0	120	0
TOTAL PROPERTY	120	0	0	0	0	0	0	120	0

2017/18 Budget Capital Works Program

	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
PLANT AND EQUIPMENT									
Computers and Telecommunications									
Transfer to IT Equipment Replacement Reserve	200	0	0	0	0	0	0	200	0
Total Computers and Telecommunications	200	0	0	0	0	0	0	200	0
TOTAL PLANT AND EQUIPMENT	200	0	0	0	0	0	0	200	0
INFRASTRUCTURE									
Drainage									
Transfer to Drainage Reserve	259	0	0	0	0	0	0	259	0
Total Drainage	259	0	0	0	0	0	0	259	0
Recreational, Leisure & Community Facilities									
Traralgon West Sporting Complex Cricket Pitch upgrades	55	0	0	0	0	20	0	35	0
Traralgon Tennis Centre Perimeter Fencing	10	0	0	0	0	0	0	10	0
Hard Court Bitumen Resurfacing Program	400	0	0	0	0	0	0	400	0
Harold Preston Reserve Pitch Lighting	415	0	0	0	0	100	0	315	0
Morwell Recreation Wall Retaining Wall	30	0	0	0	0	0	0	30	0
Ted Summerton Reserve Drainage Investigation	25	0	0	0	0	0	0	25	0
George Bates Reserve Oval Drainage Remediation	25	0	0	0	0	0	0	25	0
Ronald Reserve Oval Drainage Investigation	25	0	0	0	0	0	0	25	0
Recreation Reserve Lighting Projects	40	0	0	0	0	0	0	40	0
Moe Bowling Club Synthetic Green (<i>grant auspiced by LCC</i>)	100	0	0	0	0	100	0	0	0
Total Recreational, Leisure & Community Facilities	1,125	0	0	0	0	220	0	905	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
Public Lighting									
Public Lighting and Flag Pole Replacement Program	75	0	0	0	0	0	0	75	0
Total Public Lighting	75	0	0	0	0	0	0	75	0
Parks, Open Space and Streetscapes									
Unserviceable Street Furniture Replacement Program	50	0	0	0	0	0	0	50	0
Total Parks, Open Space and Streetscapes	50	0	0	0	0	0	0	50	0
Waste Management									
Transfer Station Upgrades	100	0	0	0	0	0	0	100	0
Landfill Rehabilitation	2,925	0	0	0	0	0	0	2,925	0
Transfer to Waste Reserve	2,045	0	0	0	0	0	0	2,045	0
Total Waste Management	5,070	0	0	0	0	0	0	5,070	0
Other Infrastructure									
Municipality and Town Entry Signage Replacement Program	100	0	0	0	0	0	0	100	0
Fire Hydrants	10	0	0	0	0	0	0	10	0
Total Other Infrastructure	110	0	0	0	0	0	0	110	0
Other									
Community grants program	360	0	0	0	0	0	0	360	0
Small Town Capital Works Program	70	0	0	0	0	0	0	70	0
Total Other	430	0	0	0	0	0	0	430	0
TOTAL INFRASTRUCTURE	7,119	0	0	0	0	220	0	6,899	0
TOTAL NEW CAPITAL WORKS (OPERATING) FOR 2017/18	7,439	0	0	0	0	220	0	7,219	0

2017/18 Budget Capital Works Program

Capital Works Area	Project cost \$'000	Asset expenditure type				Summary of funding sources			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contrib'ns \$'000	Council cash \$'000	Borrow's \$'000
6.2.2 WORKS CARRIED FORWARD FROM 2016/17									
Land									
Dunbar Road Traralgon Site Rehabilitation	152	0	0	0	0	0	0	152	0
Total Land	152	0	0	0	0	0	0	152	0
Recreational, Leisure & Community Facilities									
Drainage Replacement - Ronald Reserve Soccer Pitch	36	0	0	0	0	0	0	36	0
Total Recreational, Leisure & Community Facilities	36	0	0	0	0	0	0	36	0
Public Lighting									
Public Lighting and Flag Pole Replacement Program	186	0	0	0	0	0	0	186	0
Lighting Improvement Project -Morwell Water Hole Path	59	0	0	0	0	0	0	59	0
Total Public Lighting	245	0	0	0	0	0	0	245	0
Waste Management									
Landfill Rehabilitation Program- Hyland Highway, Moe & Morwell	900	0	0	0	0	0	0	900	0
Total Waste Management	900	0	0	0	0	0	0	900	0
TOTAL CARRIED FWD WORKS (OPERATING) FROM 2016/17	1,332	0	0	0	0	0	0	1,332	0
TOTAL CAPITAL WORKS (OPERATING)	8,771	0	0	0	0	220	0	8,551	0
TOTAL CAPITAL WORKS PROGRAM FOR 2017/18	37,347	7,432	18,687	1,932	525	5,527	420	29,051	2,350

7. Rates and charges

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

In developing the Strategic Resource Plan (referred to in Section 14.), rates and charges were identified as an important source of revenue, accounting for 59.3% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the Fair Go Rates System (FGRS) which sets out the maximum amount councils may increase rates in a year. For 2017/18 the FGRS cap has been set at 2.0%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

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

The 2017/18 operating position is impacted by wages growth and reductions in government funding. It will therefore be necessary to achieve future income growth whilst containing costs in order to achieve an underlying breakeven operating position by 2017/18 as set out in the Strategic Resource Plan. The contribution from operations toward capital investment of \$16.452 million for the 2017/18 year is less than the desired level and therefore, unless it can be increased in the future it will be difficult to maintain robust capital works programs.

In order to achieve these objectives whilst maintaining service levels and a robust capital expenditure program, overall rates and charges will increase by 2.35% in 2017/18 raising total rates of \$76.869 million, including \$0.233 million generated from supplementary rates. General rates and municipal charge increase by 2.0% or \$1.088 million while garbage charges increase by \$6.00 per service which equates to 1.93% or \$0.208 million. In addition the State Government imposed Landfill levy increases by 2.0% or \$0.014 million. Payments made in lieu of rates under the Electricity Act and rating agreements are tied to current year (March) CPI levels rather than forecasted levels. The March 2017 Melbourne All Groups CPI is 2.5%.

2017/18 Budget Rates & Charges

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

Type or class of land	2016/17 cents/\$CIV	2017/18 cents/\$CIV	Change
General rate for rateable residential properties	0.00466490	0.00475557	1.9%
General rate for rateable commercial properties	0.00466490	0.00475557	1.9%
General rate for rateable industrial properties	0.00466490	0.00475557	1.9%
General rate for rateable farm properties	0.00349867	0.00356668	1.9%
General rate for rateable derelict properties	n/a	0.01426672	n/a
Rate concession for rateable recreational properties	0.00233245	0.00237778	1.9%
Rate concession for rateable recreational properties with gaming facilities	0.00279894	0.00285334	1.9%

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

Type or class of land	2016/17 \$	2017/18 \$	Change
General	45,909,923	47,740,952	4.0%
Farm	2,924,153	2,550,968	(12.8%)
Derelict properties	0	20,159	n/a
Recreational 1*	26,733	26,563	(0.6%)
Recreational 2	55,475	56,553	1.9%
Total amount to be raised by general rates	48,916,284	50,395,195	3.0%

*Includes additional rate rebates totalling \$23,686 to be applied to two Recreational 1 properties.

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

Type or class of land	2016/17	2017/18	Change
General	36,790	37,117	0.9%
Farm	1,290	1,094	(15.2%)
Derelict properties	0	2	n/a
Recreational 1	12	11	(8.3%)
Recreational 2	4	4	0.0%
Total number of assessments	38,096	38,228	0.3%

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

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

Type or class of land	2016/17 \$	2017/18 \$	Change
General	9,841,568,000	10,038,961,000	2.0%
Farm	835,790,000	715,222,000	(14.4%)
Derelict properties	n/a	1,413,000	n/a
Recreational 1	21,423,000	21,423,000	0.0%
Recreational 2	19,820,000	19,820,000	0.0%
Total	10,718,601,000	10,796,839,000	0.7%

2017/18 Budget Rates & Charges

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

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Municipal	131.00	134.00	2.3%

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

Type of Charge	2016/17 \$	2017/18 \$	Change
Municipal	4,956,123	5,085,836	2.6%

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

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Garbage collection	311.00	317.00	1.9%
Landfill levy	20.00	20.40	2.0%

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

Type of Charge	2016/17 \$	2017/18 \$	Change
Garbage collection	10,639,961	10,963,563	3.0%
Landfill levy	684,858	705,758	3.1%

Where exemptions are granted, waste services will be charged for services utilized as follows:

Type of Charge	Per Rateable Property 2016/17 \$	Per Rateable Property 2017/18 \$	Change
Garbage 120L Bin	211.00	215.00	1.9%
Garbage 240L Bin	311.00	317.00	1.9%
Garbage 240L Bin - Special	240.00	245.00	2.1%
Recycling	53.00	54.00	1.9%
Organics/Green Waste	47.00	48.00	2.1%

2017/18 Budget Rates & Charges

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

	2016/17 \$	2017/18 \$	Change
General Rates	48,916,284	50,395,195	3.0%
Municipal Charges	4,956,123	5,085,836	2.6%
Garbage Charges	10,639,961	10,963,563	3.0%
Landfill Levy	684,858	705,758	3.1%
Payments in lieu of rates	9,261,534	9,485,617	2.4%
Supplementary rates and charges	109,240	233,031	113.3%
Total	74,568,000	76,869,000	3.1%

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

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

7.12 Differential rates

Rates to be levied

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

- A farm rate of 0.00356668 for all rateable farm properties.
- A derelict properties rate of 0.01426692 for all rateable derelict properties.

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

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

Farm Land

Farm land is as defined in Section 2 of the Valuation of Land Act 1960, namely, any rateable land which is not less than 2 hectares in area and which is used primarily for carrying on one or more of the following businesses or industries:

- (i) grazing (including agistment)
- (ii) dairying
- (iii) pig farming
- (iv) poultry farming
- (v) fish farming
- (vi) tree farming
- (vii) bee keeping
- (viii) viticulture
- (ix) horticulture
- (x) fruit growing
- (xi) the growing of crops of any kind, and

that is used by a business:

- (i) that has a significant and substantial commercial purpose or character; and
- (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
- (iii) that 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 it is operating.

The reasons for the use of this rate are that:

- (i) the types and classes of land to which the rate applies can be easily identified;
- (ii) it is appropriate to have a farm rate so as to fairly rate farm land;
- (iii) the level of the farm rate is appropriate having regard to all relevant matters including the use to which farm land is put and the amount to be raised by Council's Municipal charge;
- (iv) the level of the farm rate is appropriate to ensure that the burden of the payment of general rates is fairly apportioned across all rateable land within the Municipal district;

which objectives the Council considers are consistent with the economical and efficient carrying out of its functions.

Derelict Properties

Latrobe City Council proposes the introduction in the 2017/2018 Annual Budget of a differential rate relating to derelict properties across the municipality. The differential rate is proposed to be set at the maximum level, being 4 times the lowest differential rate, as allowed under Section 161 (5) of the Local Government Act 1989.

Objective

The objective of the differential rate for derelict properties is to promote the responsible management of land and buildings through incentivising the proper development and maintenance of such land and buildings so as not to pose a risk to public safety or adversely affect public amenity.

Definition/Characteristics

Properties will be considered derelict where 1 and 2 apply –

1. The property, which includes both buildings and/or land, is in such a state of disrepair that it is unfit for human habitation or other occupation, and has been in such a condition for a period of more than 3 months.

The definition of “unfit for human habitation or other occupation” is a property that is unsuitable for living or working in on a daily basis. The property is likely to lack, or have restricted access to, essential services or facilities including but not limited to water, and/or operational effluent discharge facilities, and the property is considered unsafe or unsuitable for use as a place of business or domestic inhabitation on a daily basis.

and

2. The property meets one or more of the following criteria -
 - (a) The property has become unsafe and poses a risk to public safety, including but not limited to:
 - the existence on the property of vermin, rubbish/litter, fire hazards, excess materials/goods, asbestos or other environmental hazards; or
 - the property is a partially built structure where there is no reasonable progress of the building permit
 - (b) The property adversely affects public amenity;
 - (c) The property provides an opportunity to be used in a manner that may cause a nuisance or become detrimental to the amenity of the immediate area;
 - (d) The condition of the property has a potential to adversely impact the value of other properties in the vicinity;
 - (e) The property affects the general amenity of adjoining land or the neighbourhood by the appearance of graffiti, any stored unregistered motor vehicles, machinery or parts thereof, scrap metal, second hand building materials, building debris, soil or similar materials, or other items of general waste or rubbish.

Types and Classes of land subject to the differential rate

Any land having the relevant characteristics described above.

Geographic Location

Wherever located within the boundaries of the municipality.

Use of Land

Any use permitted or described under the relevant planning scheme.

Planning Scheme Zoning

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

Types of Buildings

All buildings which are currently constructed on the land or which have been constructed during the current financial year.

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 differential rate is the level which Council considers is necessary to achieve the objective specified above and is set at the maximum level, being 4 times the lowest differential rate, as allowed under Section 161 (5) of the Local Government Act 1989.

The actual amount of the differential rate for derelict properties will be four times the amount of the lowest differential rate, which is the Farm Rate, which is 75% of the General Rate. The rate in the dollar for the derelict properties will be 0.01426672 and will generate \$20,159, which represents 0.03% of total rates and charges revenue.

Recreational Land

Recreational land is defined in accordance with Section 4 of the Cultural & Recreational Lands Act 1963 (C&RL).

The Cultural & Recreational Lands Act 1963 requires councils to take into consideration the services provided by the municipal council in relation to such lands and the benefit to the community derived from the land when determining the quantum of the amount payable in lieu of rates.

Latrobe City Council has a two concession rates in relation to recreational land. Type 1 eligible lands include land which meets the definition of C&RL that do not provide gaming facilities. The rate concession for Type 1 land is set at 50% of the general rate. In addition, there are two recreational assessments which receive an additional rebate. These rebates are applied as a result of significant changes in the CIV valuations resulting from the rezoning of land and changes in valuation methodologies. It was considered that without applying a rebate the levied amounts would fail to take into consideration the requirements under the C&RL Act. Type 2 eligible lands include land which meets the definition of C&RL that provide gaming facilities. The rate concession for Type 2 land is set at 60% of the general rate.

General Rate

The General Rate is applied to any rateable land that is not defined as farm land or

The reasons for the use of that rate are that:-

- (i) the types and classes of land to which the rate applies can be easily identified;
- (ii) it is appropriate to have a general rate so as to fairly rate lands other than recreational and farm lands;
- (iii) the level of this rate is appropriate having regard to all relevant matters including the use to which farm land is put and the amount to be raised by Council's Municipal charge;

- (v) the level of the farm rate is appropriate to ensure that the burden of the payment of general rates is fairly apportioned across all rateable land within the Municipal district.

Budget Analysis

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

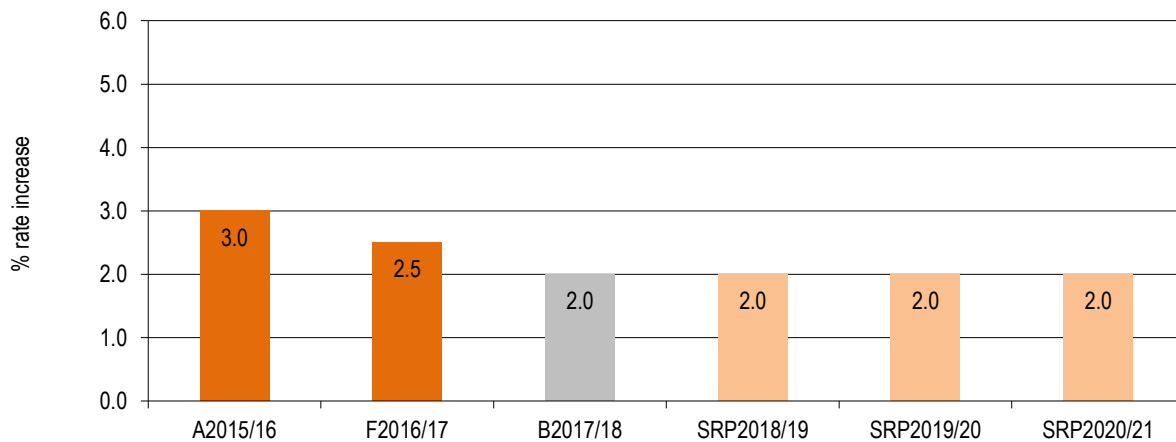
This section includes the following analysis and information.

- 8 Summary of financial position
- 9 Budget influences
- 10 Analysis of operating budget
- 11 Analysis of budgeted cash position
- 12 Analysis of capital budget
- 13 Analysis of budgeted financial position

Summary of Financial Position

Council has prepared a Budget for the 2017/18 financial year which seeks to balance the demand for services and infrastructure with the community’s capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic activities of the Council.

8.1 Rates & Charges

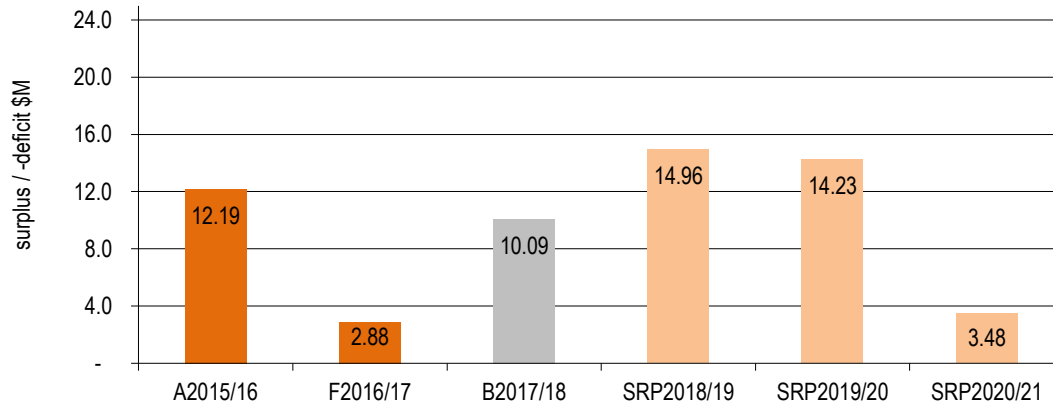


A = Actual F = Forecast B = Budget SRP = Strategic Resource Plan estimates

It is proposed that overall rates and charges increase by 2.35% for the 2017/18 year which includes a 2.0% increase in general rates, 2.0 to 2.5% increase in rating agreements in line with contractual and legislative requirements. Total rates of \$76.869 million are to be raised, including \$0.233 million generated from supplementary rates. General rates and municipal charge increase by 2.0% or \$1.088 million. Garbage Charges will increase by 1.90% or \$6.00 for the standard three bin service generating an additional \$0.208 million The Landfill levy will increase by \$0.40 or 2.0% as a result of the State Government’s EPA landfill levy, at this time it is not certain what the levy on municipal waste will be for 2017/18 so the increase has been kept in line with Council's overall rates increase. In the interests of clarity the EPA levy component will again be disclosed separately from Council's garbage charge on the 2017/18 rates notice.

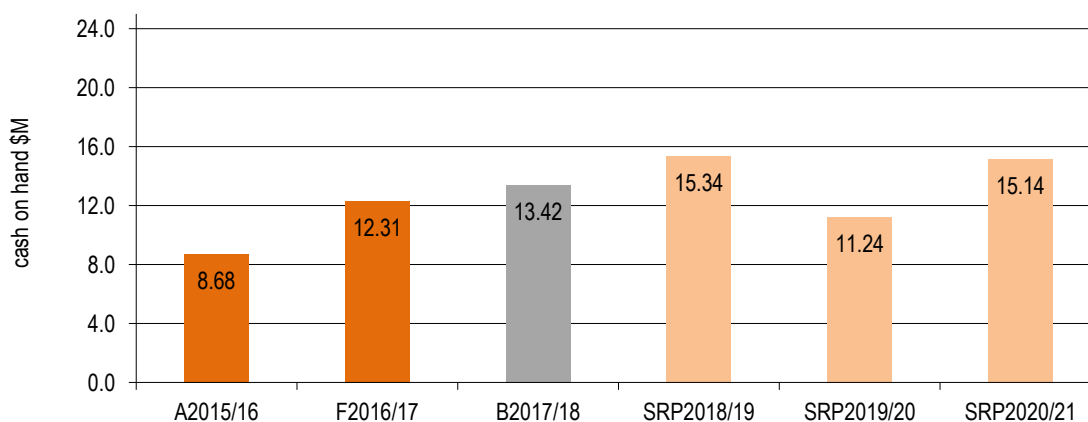
2017/18 Budget Summary of Financial Position

8.2 Operating result



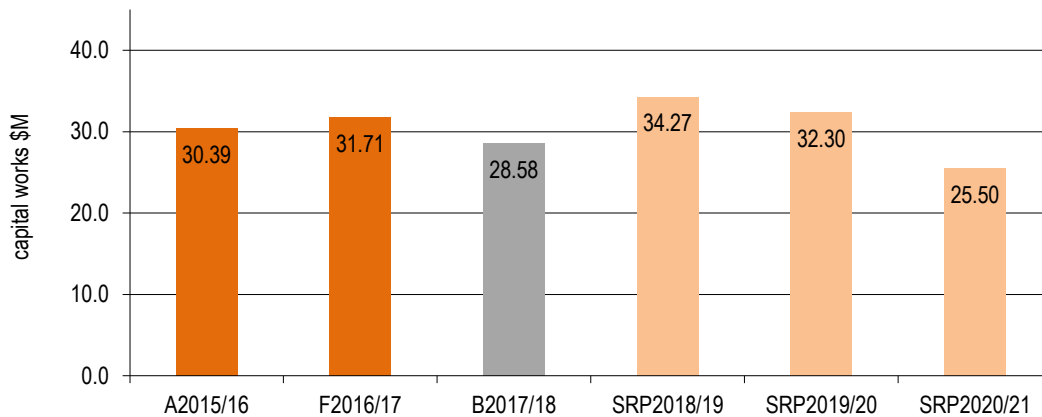
The expected operating result for the 2017/18 year is a surplus of \$10.088 million, after capital grants and contributions, which is an increase of \$7.204 million from 2016/17. The improved operating result is mainly due to reduced budgeted expenditure on materials and services as a result of higher carry forward funding expenditure in the 2016/17 financial year. The adjusted underlying result, which excludes items such as non-recurrent capital grants and developer contributions is a surplus of \$2.463 million, which is an increase of \$6.315 million over 2016/17 mainly resulting from the carry forward of works from 2015/16 which were funded through accumulated surplus and reserves in 2016/17. (The forecast operating result for the 2016/17 year is a surplus of \$2.884 million with an underlying result of a \$3.852 million deficit).

8.3 Cash and investments



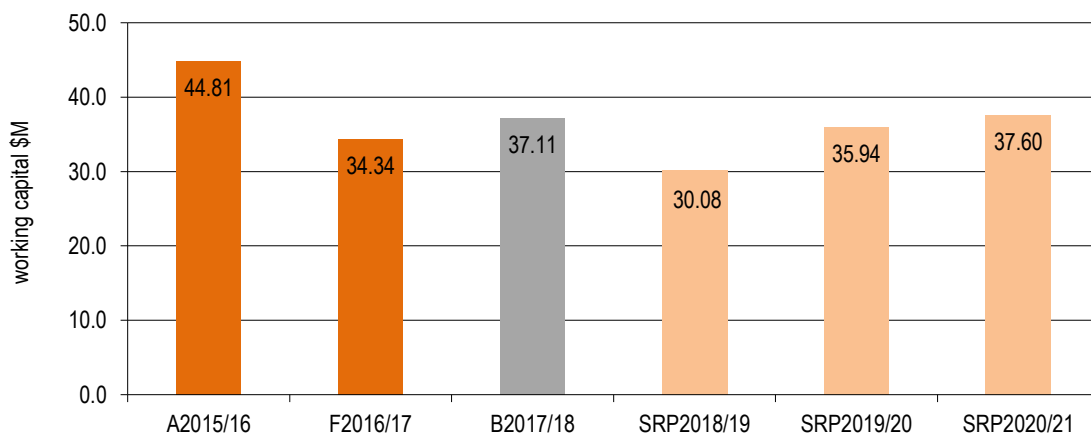
Cash and investments are expected to increase by \$1.107 million during the year to \$13.418 million as at 30 June 2018. This is due mainly to funding generated that will be put into reserves to meet future commitments for landfill cell construction and rehabilitation and interest only loan repayments. The cash balance remaining is predominantly associated with liabilities for employee provisions and interest only borrowings together with landfill reserves to assist in funding future landfill cell constructions (Cash and investments are forecast to be \$12.311 million as at 30 June 2017).

8.4 Capital works



The capital works program for the 2017/18 year is expected to be \$28.576 million of which \$3.642 million relates to projects which will be carried forward from the 2016/17 year. The carried forward component is funded from the 2016/17 budget with the exception of project management wages of \$0.131 million which will be funded from operations in 2017/18. Of the \$28.576 million of capital funding required, \$20.500 million will come from Council cash, \$2.350 million from borrowings and \$5.727 million from external grants. The Council cash includes asset sales (\$0.467 million) which is made up of fleet, plant & equipment sales and sale of property, cash held at the start of the year (\$6.249 million) and cash gained through Council Operations (\$16.452 million). The capital expenditure program has been set and prioritised based on a process of consultation that has enabled Council to assess needs and develop sound business cases as appropriate.

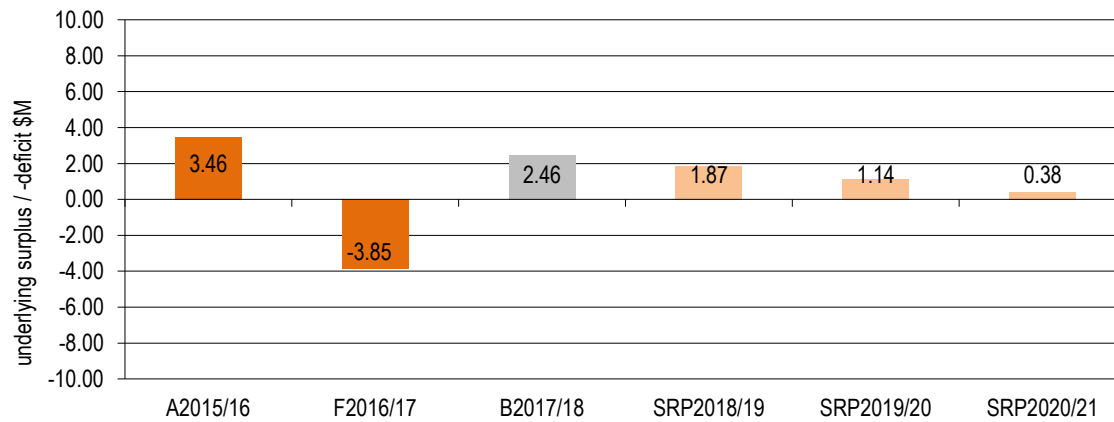
8.5 Financial position / Working Capital



The financial position is expected to improve with net assets (net worth) to increase by \$33.556 million to \$1,208.319 million. Net current assets (working capital) will increase by \$2.775 million to \$37.112 million as at 30 June 2018. This is mainly due to funds being put aside into notional reserves to fund future requirements such as landfill construction and rehabilitation and interest only loan repayments. (Total equity is forecast to be \$1,174.763 million as at 30 June 2017).

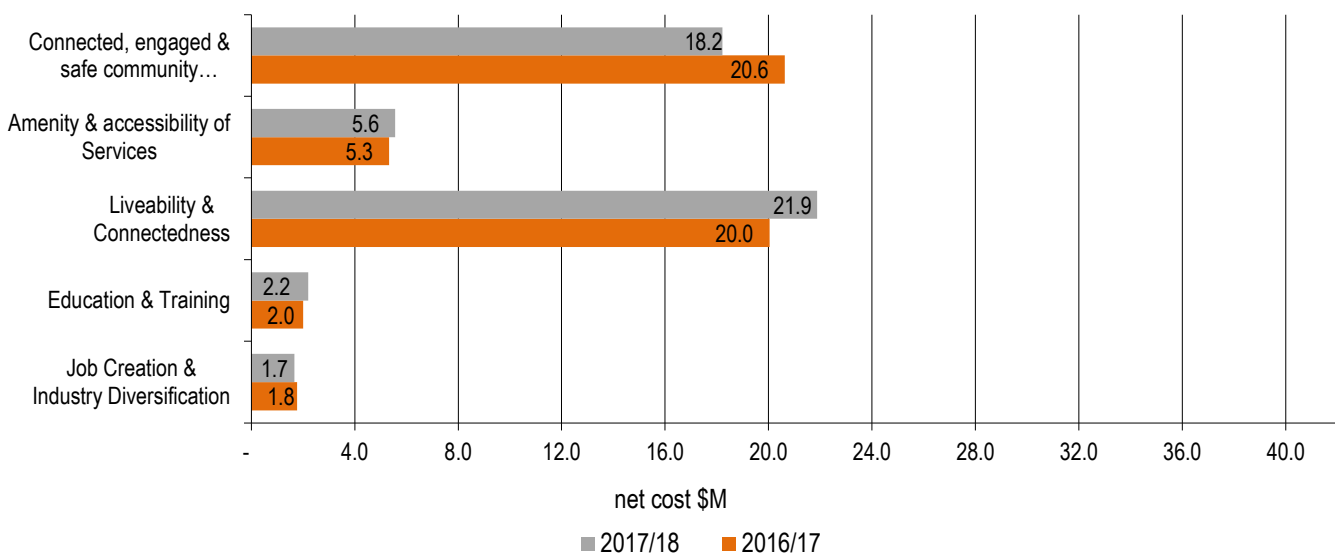
2017/18 Budget Summary of Financial Position

8.6 Financial sustainability



A high level Strategic Resource Plan for the years 2017/18 to 2020/21 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Council Plan. While the Plan projects that Council's operating result is positive for the duration of the Strategic Resource Plan, the underlying result which is a measure of financial sustainability, shows Council achieving a positive result from 2017/18 onwards. The difference between the surplus and underlying result is mainly due to substantial capital revenue forecast to be received during this period to fund a number of major capital works projects.

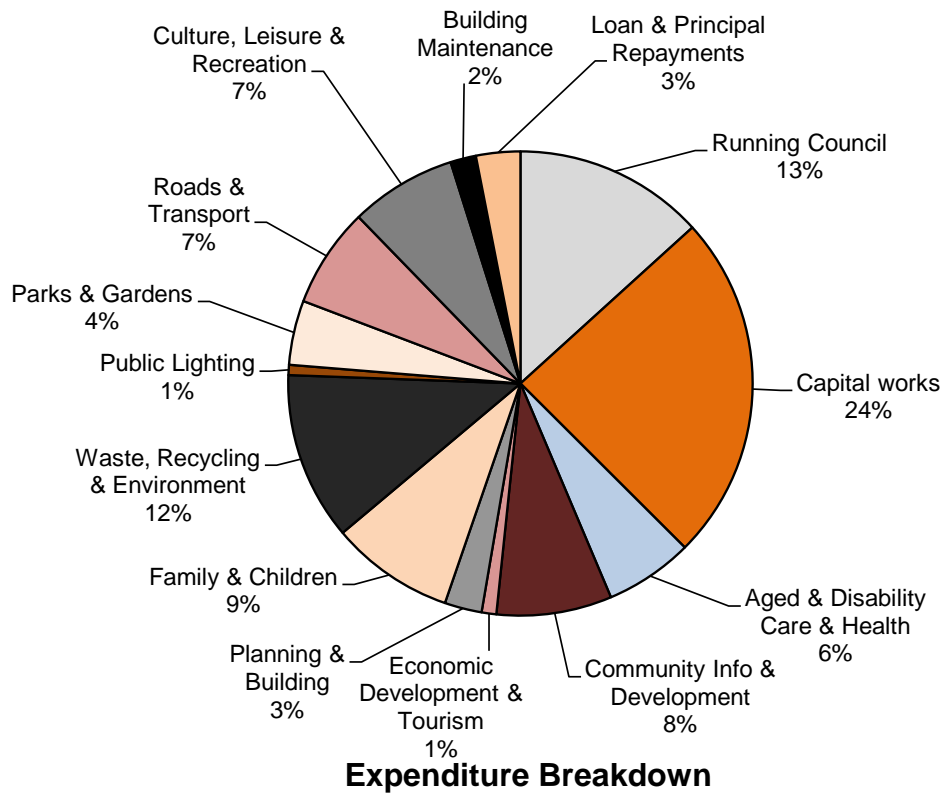
8.7 Strategic objectives



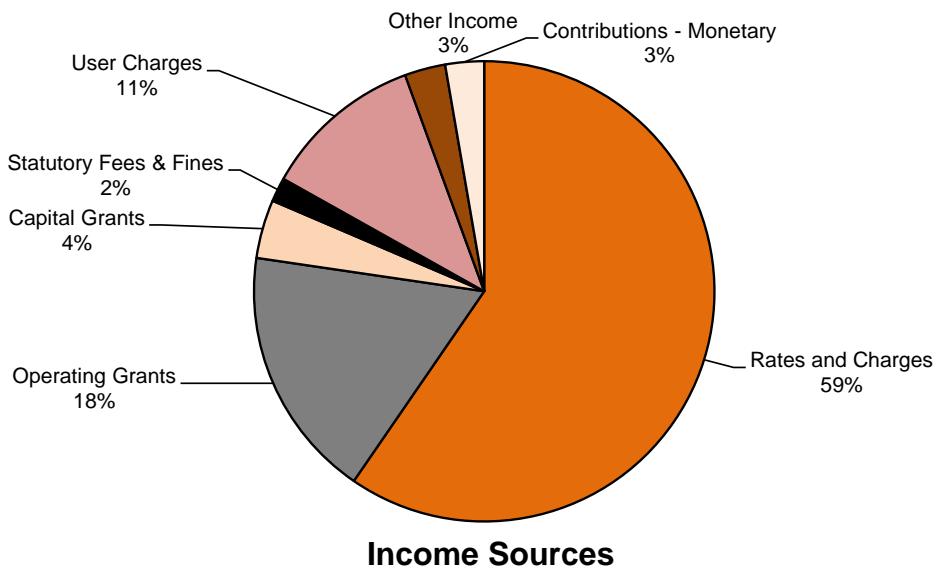
The Annual Budget includes a range of activities and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Council Plan for the 2017/18 year.

2017/18 Budget Summary of Financial Position

8.8 Where rates are spent



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers.



The above chart provides an indication of where Council's income sources are derived.

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

9. Budget influences

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

9.1 Snapshot of Latrobe City Council

Latrobe City is made up of four major urban centres: Churchill, Moe/Newborough, Morwell and Traralgon, with smaller townships of Boolarra, Glengarry, Toongabbie, Tyers, Traralgon South, Yallourn North, and Yinnar.

Latrobe Valley is located only 70 minutes from the outskirts of Melbourne with a population of over 73,000 residents. Latrobe City boasts all of the recreational and cultural facilities of a large diverse regional centre with the added benefit of being nestled amongst some of the best tourist attractions in the state.

Population

The population of Latrobe City has grown over the past 9 years from 70,536 people in 2006, to 73,548 in 2015 an increase of 4.3%. (Source: Regional Population Growth 2012-13, ABS).

9.2 External influences

In preparing the 2017/18 budget, a number of external influences have been taken into consideration, as they are likely to impact significantly on the services delivered by Council in the budget period. These include:

- The state government's cap on rates to CPI levels (2.0%).
- A wage rate rise of 3.00% p.a.; in line with Councils' current Collective Agreement effective from September 2015.
- Banding increases of approximately 0.5% p.a.
- Superannuation Guarantee of 9.5%.
- Consumer Price Index (CPI) increases on goods and services of 1.5% through the year to December quarter 2016 (ABS release 25 January 2017). State-wide CPI is forecast to be 2.0% for the 2017/18 year (Victorian Budget Papers 2016/17)
- Removal of the freeze on indexation of Victoria Grants Commission funding is anticipated.
- Increases in line with CPI in the levy payable to the State Government upon disposal of waste into landfill. The levy on municipal waste has increased from \$7 per tonne in 2009/10 to \$31.09 per tonne in 2016/17, no advice has yet been received on the fee levels for 2017/18 onwards.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government in line with the Fire Services Property Levy Act 2012.
- The closure of an electricity generator has the potential to impact on Council's ability to collect rates and maintain its current rate base.

9.3 Internal influences

As well as external influences, there were also a number of internal influences arising from the 2016/17 year which have had a significant impact on the setting of the budget for 2017/18. The most significant of these is the funds received in 2016/17 that will be required to be carried forward for capital projects.

9.4 Budget principles

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

- Existing fees and charges to be increased in line with CPI or market levels;
- Grants to be based on confirmed funding levels or estimated at a maximum increase of 1% less than CPI;
- Service levels to be maintained at 2016/17 levels with an aim to use less resources with an emphasis on innovation and efficiency;
- New initiatives or staff proposals to be justified through a business case;
- Contract labour to be minimised.
- On a cash basis Council budgets for a break even result, with any cash remaining at year end required to meet current and future liabilities together with current commitments.

9.5 Long term strategies

The budget includes consideration of a number of long term strategies and contextual information to assist Council to prepare the Budget in a proper financial management context. These include a Strategic Resource Plan for 2017/18 to 2020/21 (section 14), Rating Information (section 15) and Other Long Term Strategies (section 16) including borrowings, infrastructure and service delivery.

2017/18 Budget Analysis of Operating Budget

10. Analysis of operating budget

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

10.1 Budgeted income statement

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Total income	10.2	128,533	129,013	480
Total expenses	10.3	(125,649)	(118,925)	6,724
Surplus (deficit) for the year		2,884	10,088	7,204
Grants –non-recurrent capital	10.2.3	(3,365)	(4,115)	(750)
Contributions -non-monetary	10.2.7	(3,000)	(3,000)	0
Capital contributions -other	10.2.6	(372)	(510)	(138)
Underlying surplus (deficit)	10.1.1	(3,853)	2,463	6,316

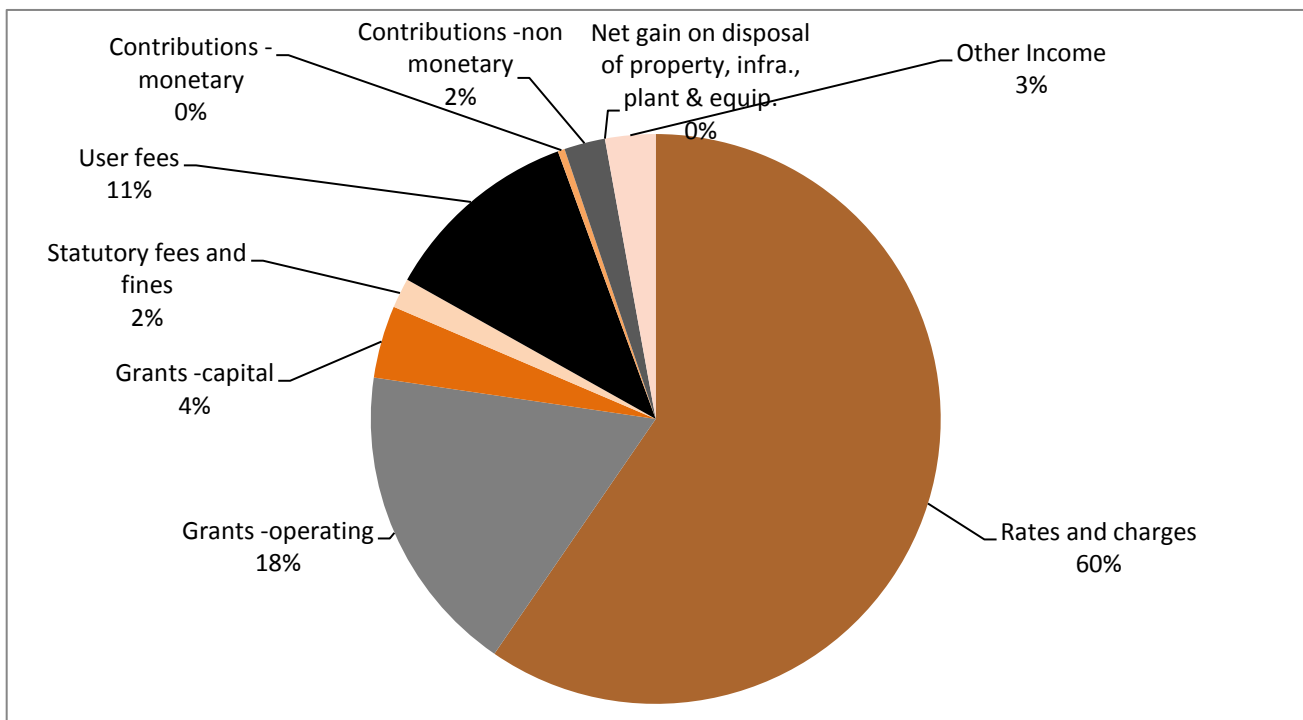
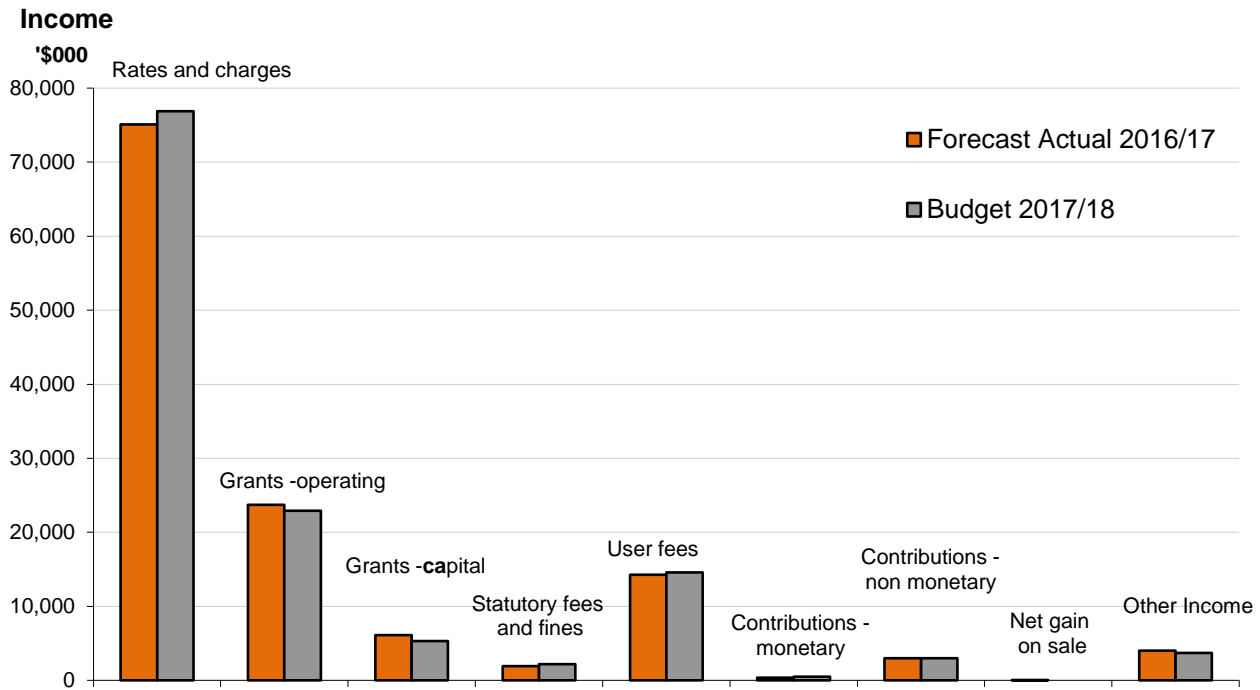
10.1.1 Adjusted underlying surplus (\$6.316 million increase)

The adjusted underlying result is the net surplus for the year adjusted for non-recurrent capital grants, non-monetary asset contributions, and capital contributions from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The underlying result for the 2017/18 year is a surplus of \$2.463 million which is an increase of \$6.316 million over the 2016/17 year. The forecast underlying deficit in 2016/17 is the result of expenditure incurred relating to government grants and other funding generated in previous financial years which was carried forward in accumulated surplus and reserves. On a cash basis Council budgets for a break even result each year. In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

10.2 Income

Income Types	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Rates and charges	10.2.1	75,105	76,869	1,764
Grants -operating	5.1.1	23,718	22,889	(829)
Grants -capital	5.1.2	6,116	5,307	(809)
Statutory fees and fines	10.2.2	1,929	2,184	255
User fees	10.2.3	14,257	14,566	309
Contributions -monetary	10.2.4	372	510	138
Contributions -non monetary	10.2.5	3,000	3,000	0
Net gain on disposal of property, infra., plant & equip.	10.2.6	11	0	(11)
Other Income	10.2.7	4,025	3,688	(337)
Total income		128,533	129,013	480

2017/18 Budget Analysis of Operating Budget



10.2.1 Rates and charges (\$1.764 million increase)

It is proposed that rates and charges income will increase by a total of 2.3% or \$1.764 million over the total rate income for 2016/17, to \$76.869 million. Income generated from General rates and Municipal charges are proposed to increase by 2.0% in accordance with the State Government Rate Cap. Garbage Charges and EPA Levy are proposed to increase by a combined 1.9% excluding growth while payments in lieu of rates received under the Electricity Act and Rating Agreements (which are tied to the actual CPI rate at March each year) are expected to increase by up to 2.5% to \$9.485 million. Section 7. "Rating Information" includes a more detailed analysis of the rates and charges to be levied for 2017/18.

10.2.2 Statutory fees and fines (\$0.255 million increase)

Statutory fees and fines relate mainly to fees and fines levied in accordance with legislation and include animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements. Statutory fees and fines are forecast to increase by 13.2% or \$0.255 million compared to 2016/17. The increase is due to additional revenue budgeted in Local Laws fines, Health Services, Planning and Fire Hazard Removal. A detailed listing of statutory fees is included in Appendix A.

10.2.3 User fees and charges (\$0.309 million increase)

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include waste services, animal fees, use of leisure, entertainment and other community facilities and the provision of human services such as family day care and home care services. In setting the budget, the key principles for determining the level of user charges has been to ensure that increases do not exceed CPI increases and/or market levels. The increase of \$0.309 million in user fees and charges expected from 2016/17 to 2017/18 is in line with anticipated CPI rises of 2.0%. A detailed listing of fees and charges is set out in Appendix A.

10.2.4 Contributions - monetary (\$0.138 million increase)

Contributions relate to monies paid by developers in regard to public open space, drainage and other infrastructure in accordance with planning permits issued for property development together with non government contributions towards capital works projects. The 2017/18 budget is higher compared to 2016/17 due to receipt of contributions towards the Latrobe City Synthetic Sports Field Pavilion.

10.2.5 Contributed - non monetary (No change)

This item relates to expected infrastructure assets handed over to Council from developers of new subdivisions and occasionally may also include any other asset that is gifted to Council e.g. donated artworks. No change is anticipated in the 2017/18 budget.

10.2.6 Net gain on disposal of property, infrastructure, plant and equipment (\$0.011 million decrease)

Proceeds from the disposal of Council assets is forecast to be \$0.467 million for 2017/18, which is inline with the written down value of the assets to be sold therefore resulting in zero gain. Proceeds relate to the planned cyclical replacement of a portion of the plant and vehicle fleet (\$0.467 million). A minor gain on disposal of \$0.011 million is forecast in 2016/17.

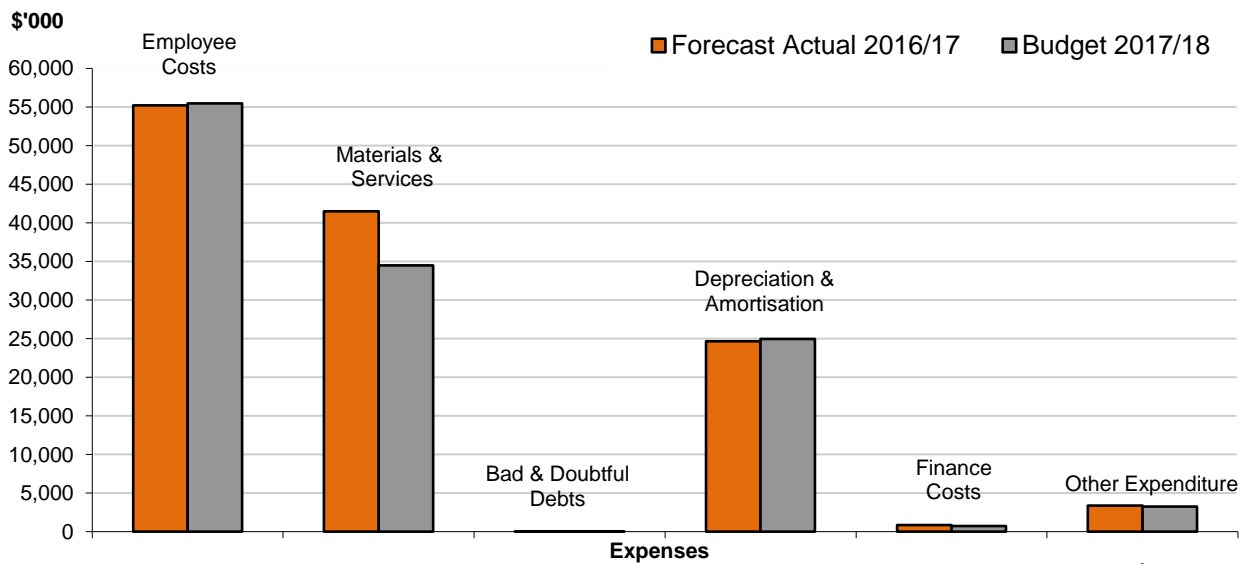
10.2.7 Other income (\$0.337 million decrease)

Other income relates to a range of items such as property rental/leases, private works, cost recoups and other miscellaneous income items. It also includes interest income on rate arrears and investments. It is projected that other income will decrease by \$0.337 million in 2017/18 mainly due to diminishing investment returns due to lower cash holdings as funds carried forward from previous years are expended and a reduction in reimbursements and local contributions that are generally one-off receipts.

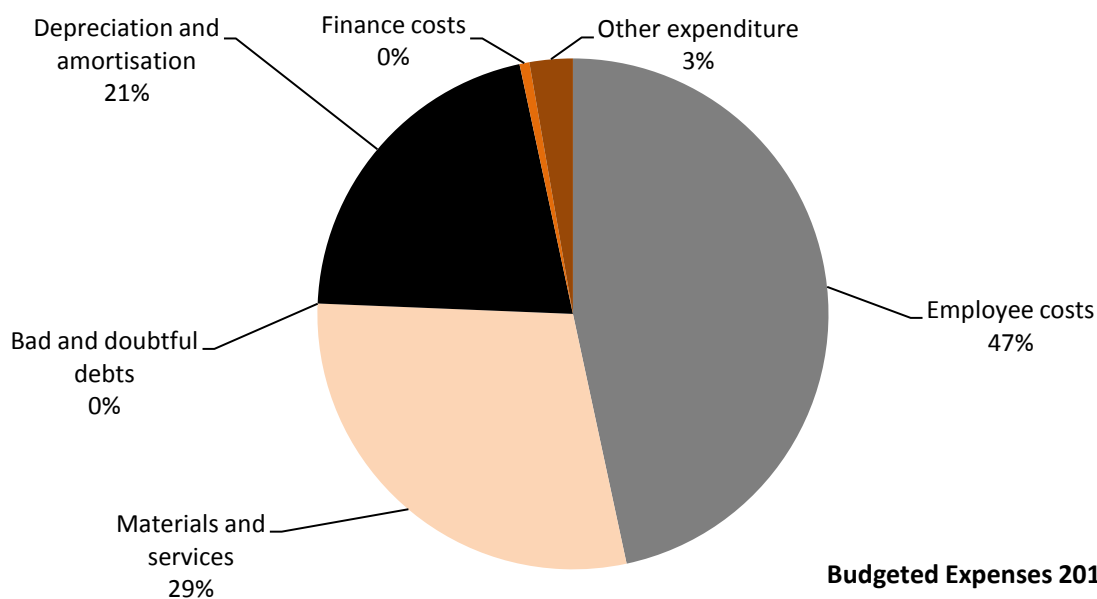
2017/18 Budget Analysis of Operating Budget

10.3 Expenses

Expense Types	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Employee costs	10.3.1	55,205	55,453	248
Materials and services	10.3.2	41,491	34,500	(6,991)
Bad and doubtful debts	10.3.3	21	12	(9)
Depreciation and amortisation	10.3.4	24,657	24,969	312
Finance costs	10.3.5	882	742	(140)
Other expenditure	10.3.6	3,393	3,249	(144)
Total expenses		125,649	118,925	(6,724)



Source: Appendix A



Budgeted Expenses 2016/17

2017/18 Budget Analysis of Operating Budget

10.3.1 Employee costs (\$0.248 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs such as allowances, leave entitlements, employer superannuation, WorkCover, etc.

Employee costs are forecast to increase by 0.4% or \$0.248 million compared to 2016/17 forecast. Salary and Wages have been budgeted in accordance with Council's Enterprise Bargaining Agreement and annual award increases for banded staff.

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

Division		Full Time \$'000	Part Time \$'000
Office of the CEO	704	704	0
City Development	8,203	6,549	1,653
Corporate Services	7,289	6,449	840
Infrastructure & Recreation	12,913	10,784	2,129
Community Services	19,537	8,712	10,825
Waste & Landfill	831	831	0
Total	49,476	34,029	15,447
Casuals and other	5,977		
Total Operating Employee Costs	55,453		
Capitalised labour costs	1,235		
Total Employee Costs	56,688		

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

Division		Full Time FTE	Part Time FTE
Office of the CEO	5.0	5.0	0.0
City Development	84.9	64.0	20.9
Corporate Services	71.7	63.4	8.3
Infrastructure & Recreation	145.2	117.0	28.2
Community Services	190.6	89.5	101.1
Waste & Landfill	8.8	8.8	0.0
Total	506.2	347.7	158.5
Casuals and other	28.7		
Total Operating FTE	534.9		
Capitalised FTE	12.4		
Total FTE	547.3		

2017/18 Budget Analysis of Operating Budget

The most significant increases in employee costs by service unit are summarised below:

Division	Service Unit	Forecast Actual	Budget	Variance
		2016/17 \$'000	2017/18 \$'000	\$'000
Infrastructure & Recreation	Infrastructure Operations	6,132	6,520	388
	Infrastructure Development	3,980	4,202	222
City Development	Arts & Events	2,130	2,473	343
	Municipal Services	3,082	3,332	250
	Planning Services	1,961	2,164	202

10.3.2 Materials and services (\$6.991 million decrease)

Materials and Services are forecast to decrease by 16.6% or \$6.991 million compared to 2016/17. This is made up of reductions across a number of areas including expenditure funded from operating grants and monies carried forward which are expected to be lower in 2017/18. In addition Council continues to strive to find efficiencies in such items of expenditure as contractors/contract staff, consultants and legal costs.

10.3.3 Bad and doubtful debts (\$0.009 million decrease)

Bad and doubtful debts are expected to have a slight decrease for the 2017/18 financial year.

10.3.4 Depreciation and amortisation (\$0.312 million increase)

Depreciation and amortisation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The projected increase of \$0.312 million is mainly due to the completion of the 2016/17 capital works program and the full year effect of depreciation on the 2016/17 capital works program.

Refer to section 12. "Analysis of Capital Budget" for a more detailed analysis of Council's capital works program for the 2017/18 year.

10.3.5 Finance costs (\$0.140 million decrease)

Finance costs relate to interest charged by financial institutions on borrowed funds. The budgeted decrease in these costs is due to no new loans being taken up in 2016/17 while one loan reached full maturity.

10.3.6 Other Expenditure (\$0.144 million decrease)

Other expenditure relates to a range of unclassified items including contributions to community groups, audit costs, levies, lease and rent payments and other miscellaneous expenditure items. Other expenditure is expected to decrease by \$0.144 million in 2017/18 predominantly due to a forecast decrease in the amount of commercial waste being delivered to the landfill, resulting in an overall reduction in the amount of landfill levy fees payable to the State Government.

2017/18 Budget Analysis of Budgeted Cash Position

11. Analysis of budgeted cash position

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

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

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

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

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

2017/18 Budget

Analysis of Budgeted Cash Position

11.1 Budgeted cash flow statement

	Ref	Forecast Actual 2015/16 \$'000	Budget 2017/18 \$'000	Variance \$'000
Cash flows from operating activities	11.1.1			
<i>Receipts</i>				
Rates and charges		75,067	76,528	1,461
Grants - operating		23,719	22,888	(831)
Grants - capital		6,116	5,307	(809)
Statutory Fees & Fines		1,929	2,184	255
User Charges		14,457	14,766	309
Interest		1,550	1,448	(102)
Contributions - monetary		372	510	138
Other Receipts		2,475	2,240	(235)
		125,685	125,871	186
<i>Payments</i>				
Employee costs		(54,707)	(55,098)	(391)
Materials and services		(41,346)	(34,168)	7,178
Trust Funds and Deposits		(10)	(54)	(44)
Other Payments		(5,556)	(7,074)	(1,518)
		(101,619)	(96,394)	5,225
Net cash provided by operating activities		24,066	29,477	5,411
Cash flows from investing activities	11.1.2			
Proceeds from sales of property, plant & equipment		1,159	467	(692)
Proceeds from sales of other financial assets		12,884	0	(12,884)
Payments for property, plant & equipment		(31,712)	(28,576)	3,136
Net cash used in investing activities		(17,669)	(28,109)	(10,440)
Cash flows from financing activities	11.1.3			
Finance costs		(882)	(742)	140
Proceeds from borrowings		0	2,350	2,350
Repayment of borrowings		(1,884)	(1,869)	15
Net cash used in financing activities		(2,766)	(261)	2,505
Net increase (decrease) in cash held		3,631	1,107	(2,524)
Cash and cash equivalents at the beginning of the year		8,680	12,311	3,631
Cash and cash equivalents at the end of the year	11.1.4	12,311	13,418	(1,107)

2017/18 Budget

Analysis of Budgeted Cash Position

11.1.1 Operating activities (\$5.411 million increased net inflow)

The increase in cash inflows from operating activities is due mainly to reductions in materials and services expenditure mainly as a result of higher expenditure in 2016/17 relating to funding carried over from previous years.

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

	Forecast Actual 2015/16 \$'000	Budget 2017/18 \$'000	Variance \$'000
Surplus (deficit) for the year	2,884	10,088	7,204
Depreciation and amortisation	24,657	24,969	312
Loss (gain) on disposal of property, infrastructure, plant & equipment	(11)	0	11
Finance Costs	882	742	(140)
Developer contributed assets	(3,000)	(3,000)	0
Net movement in current assets and liabilities	(1,346)	(3,322)	(1,976)
Cash flows available from operating activities	24,066	29,477	5,411

11.1.2 Investing activities (\$10.440 million increased net outflow)

The increased outflow is largely a result of other financial assets (investments with a term of greater than 90 days) being expected to remain at the same level in 2017/18, compared to 2016/17 when \$12.884 million is forecasted to be returned to cash mainly in order to pay for capital works projects carried forward from prior financial years. Proceeds of sale of property plant and equipment is also expected to reduce mainly due to the sale of the ex Moe Early Learning Centre and other land in the 2016/2017 financial year. These decreased inflows are partially offset by lower outflows/payments for property, plant and equipment (Capital Works) due to less projects expected to be carried forward in the 2017/18 financial year.

11.1.3 Financing activities (\$2.505 million decreased net outflow)

New borrowings of \$2.35 million (Nil in 2016/17) are budgeted for 2017/18 thus creating an increase in cash inflows from the 2016/17 financial period. Council's existing loan profile also results in decreased outflows of finance costs (\$0.140 million) and principal repayments (\$0.015 million) compared to 2016/17.

11.1.4 Cash and cash equivalents at end of the year (\$1.107 million increase)

Total cash holdings are forecast to increase by \$1.107 million primarily due to funding to be generated that will be transferred to reserve to fund future landfill cell construction and rehabilitation together with the future repayments of interest only borrowings.

2017/18 Budget

Analysis of Budgeted Cash Position

11.2 Restricted and unrestricted cash and investments

Cash and cash equivalents held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement above indicates that Council is estimating at 30 June 2017 it will have cash and investments of \$13.418 million, which has been restricted as shown in the following table.

	Ref	Forecast		Variance
		Actual 2015/16 \$'000	Budget 2017/18 \$'000	
Total cash and investments		12,311	13,418	1,107
Restricted cash and investments				
- Statutory reserves	11.2.1	(3,298)	(3,389)	(91)
- Cash held to carry forward capital works	11.2.2	(3,512)	0	3,512
- Trust funds and deposits	11.2.3	(2,722)	(2,777)	(55)
Unrestricted cash and investments	11.2.4	2,779	7,252	4,473

11.2.1 Statutory reserves (\$3.389 million)

These funds must be applied for specified statutory purposes in accordance with various legislative requirements. While these funds earn interest revenues for Council, the funds are not available for other purposes. During the 2017/18 year \$0.091 million is budgeted to be transferred to Statutory Reserves with no planned transfers from reserve for capital projects. Statutory reserves include funds held by Council for specific development purposes including off street parking, road works, street lighting, drainage, playgrounds and public open space and tree planting development.

11.2.2 Cash held to fund carry forward capital works (\$0.0 million)

There is no amount shown as cash held to fund carry forward works at 30 June 2018, as it is expected that the capital works budget in the 2017/18 financial year will be fully completed. An amount of \$3.512 million is forecast to be held at 30 June 2017 to fund capital works budgeted but not completed in the 2016/17 financial year. Section 12.2 contains further details on capital works funding.

11.2.3 Trust funds and deposits (\$2.777 million)

These funds include security deposits, contract retention and other sundry deposits and bonds. These must be held and refunded in accordance with various legislative and contractual requirements. Whilst these funds earn interest income for Council, they are not available for other purposes.

11.2.4 Unrestricted cash and investments (\$7.252 million)

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. A high level of working capital is required as 60% of Council's rate income is not received until February and onwards each year. The cash balance remaining is predominantly associated with liabilities for employee provisions together with landfill reserves to assist in funding future landfill cell constructions.

2017/18 Budget Analysis of Capital Budget

12. Analysis of capital budget

This section of the report analyses the planned capital expenditure budget for the 2017/18 year and the sources of funding for the budget.

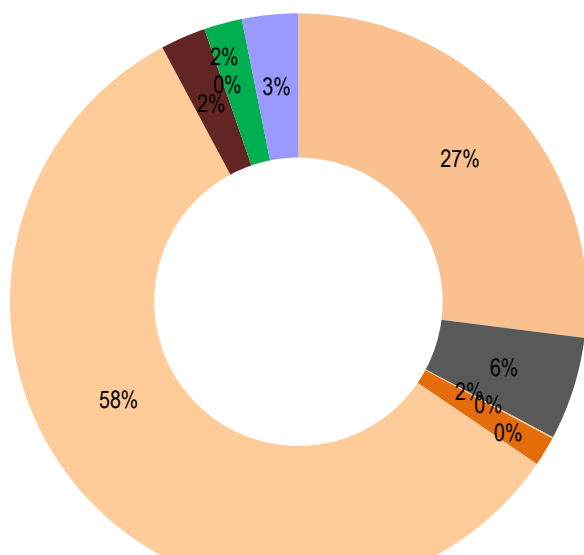
12.1 Capital works

Capital Works Areas	Ref	Forecast	Budget	Variance
		Actual 2016/17 \$'000	2017/18 \$'000	\$'000
Works carried forward	12.1.1			
<i>Property</i>				
Total Land		0	0	0
Buildings		696	1,207	510
Building Improvements		0	0	0
Heritage Buildings		14	196	183
Total Buildings		710	1,403	693
Total Property		710	1,403	693
<i>Plant & Equipment</i>				
Plant, Machinery & Equipment		701	0	(701)
Fixtures, fittings and furniture		0	0	0
Computers & Telecommunications		0	0	0
Total Plant & Equipment		701	0	(701)
<i>Infrastructure</i>				
Roads		3,819	710	(3,110)
Footpaths & Cycleways		214	0	(214)
Bridges & Culverts		399	105	(294)
Off Street Carparks		81	0	(81)
Drainage		2,451	525	(1,926)
Parks, Open Space & Streetscapes Recreational, Leisure & Community Facilities		1,913	0	(1,913)
Aerodromes		0	0	0
Other Infrastructure		29	0	(29)
Waste Management		0	900	900
Total Infrastructure		9,036	2,240	(6,796)
Total works carried forward		10,446	3,642	(6,804)
New works				
<i>Property</i>				
Land	12.1.2	458	0	(458)
Total Land		458	0	(458)
Buildings		5,322	6,313	991
Building Improvements		0	0	0
Heritage Buildings		0	0	0
Total Buildings		5,322	6,313	991
Total Property		5,781	6,313	532
<i>Plant & Equipment</i>				
Plant, Machinery & Equipment	12.1.3	1,726	1,652	(74)
Fixtures, Fittings & Furniture		9	10	1
Computers & Telecommunications		697	469	(228)
Artworks		15	15	0
Total Plant & Equipment		2,447	2,146	(301)

2017/18 Budget Analysis of Capital Budget

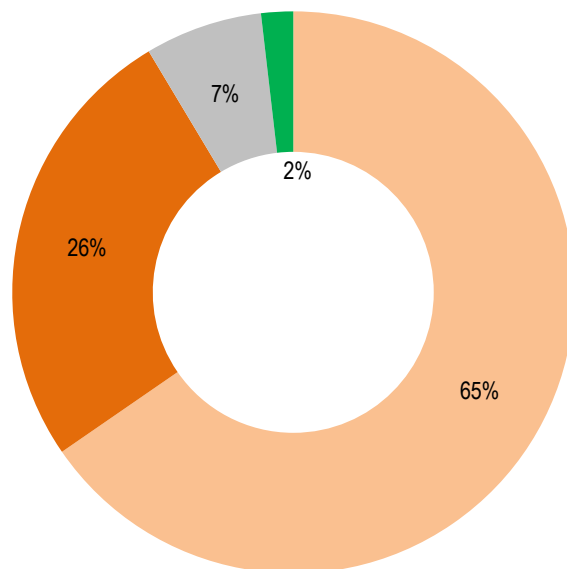
Infrastructure	12.1.4			
Roads		9,097	9,705	608
Footpaths & Cycleways		1,473	5,000	3,527
Bridges & Culverts		326	835	509
Off Street Carparks		105	125	20
Drainage		249	200	(49)
Parks, Open Space & Streetscapes		516	610	94
Waste Management		1,273	0	(1,273)
Total Infrastructure		13,039	16,475	3,436
Total new works		21,266	24,934	3,668
Total capital works		31,712	28,576	(3,136)
Represented by:				
Asset renewal expenditure	12.1.5	22,215	18,687	(3,528)
New asset expenditure	12.1.5	4,538	7,432	2,895
Asset upgrade expenditure	12.1.5	3,804	1,932	(1,872)
Asset expansion expenditure	12.1.5	1,155	525	(630)
Total capital works		31,712	28,576	(3,136)

Budgeted capital works 2016/17



- Land, Buildings & Improvements
- Plant, Machinery & Equipment
- Artworks
- Fixtures, Fittings & Furniture
- Computers & Telecommunications
- Roads/Paths/Bridges/Carparks
- Drainage
- Recreational, Leisure & Community Facilities
- Parks, Open Space & Streetscapes
- Waste Management

Budgeted capital works 2016/17



- Asset renewal expenditure
- New asset expenditure
- Asset upgrade expenditure
- Asset expansion expenditure

A more detailed listing of capital works is included in section 6.

2017/18 Budget Analysis of Capital Budget

12.1.1 Carried forward works (\$3.642 million)

At the end of each financial year there are projects which are either incomplete or not commenced due to planning issues, weather delays, extended consultation etc. For the 2016/17 year it is forecast that \$3.642 million of capital works will be incomplete and be carried forward into the 2017/18 year. There significant projects include the Landfill Cell 5 construction (\$0.900 million), Road Rehabilitation (\$0.675 million) and Drainage Augmentation projects (\$0.525 million).

12.1.2 Property (\$6.313 million)

Land, Buildings & Improvements includes community facilities, municipal offices, sports facilities, pavilions. For the 2017/18 year, \$6.313 million will be expended, the more significant projects include Latrobe Creative Precinct Design (\$2.350 million), Building Renewal program (\$1.678 million), Latrobe City Synthetic Sports field Pavilion (\$1.365 million) and the Latrobe Leisure Maintenance and Upgrade Program (\$0.651 million).

12.1.3 Plant & Equipment (\$2.146 million)

Plant and equipment includes plant, motor vehicles, machinery and equipment, office furniture & equipment, computers and telecommunications, leisure equipment and artworks. For the 2017/18 year, \$2.146 million will be expended on the ongoing cyclical replacement of plant, fleet, IT equipment, performing arts equipment, leisure equipment and office furniture & equipment, together with purchase of new artworks and a new surveying equipment.

12.1.4 Infrastructure (\$16.475 million)

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure, community facilities, parks, open space, streetscapes, waste management, off street car parks and other structures. For the 2017/18 year, \$16.475 million will be expended. The more significant projects include Local Roads Reseals (\$5.315 million), Traralgon to Morwell Shared Pathway (\$3.465 million), Road Rehabilitation (\$3.095 million), Gravel Road Resheet Program (\$0.970 million), Footpath Replacements (\$1.105 million), Playground Improvement Program (\$0.485 million) and Bridge Construction, repairs and Major Culvert Works (\$0.685 million).

12.1.5 Asset renewal (\$18.687 million), new assets (\$7.432 million), upgrade (\$1.932 million) and expansion (\$0.525 million)

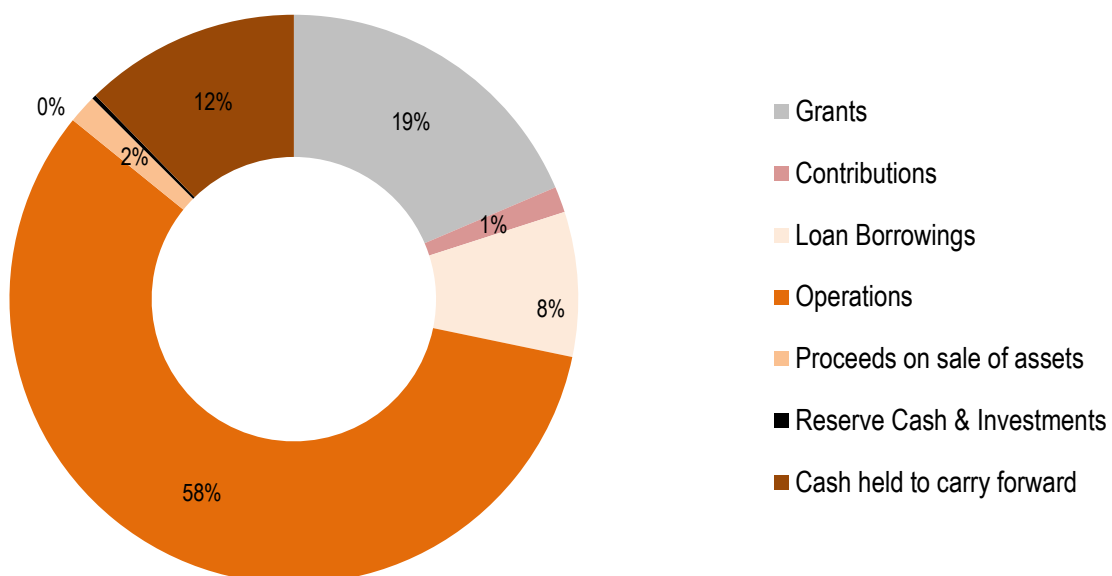
expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional burden for future operation, maintenance and capital renewal. The major projects included in the above categories, which constitute expenditure on new assets are Traralgon to Morwell Shared Pathway (\$3.465 million), Latrobe Creative Precinct (\$2.350 million) and the Latrobe City Synthetic Sports field Pavilion (\$1.365 million). The remaining capital expenditure represents renewals and upgrades/expansion of existing assets.

2017/18 Budget Analysis of Capital Budget

12.2 Funding sources

Sources of funding	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Works carried forward				
<i>Current year funding</i>				
Grants		2,037	0	(2,037)
Contributions		0	0	0
Council cash				
- Operations		464	131	(333)
- Reserve Cash & Investments		0	0	0
- Cash held to carry forward		7,945	3,512	(4,434)
Total works carried forward	12.2.1	10,446	3,642	(6,804)
New works				
<i>Current year funding</i>				
Grants	12.2.2	4,079	5,307	1,228
Contributions	12.2.3	75	420	345
Loan Borrowings	12.2.4	0	2,350	2,350
Council cash				
- Operations	12.2.5	15,596	16,321	725
- Proceeds on sale of assets	12.2.6	525	467	(58)
- Reserve Cash & Investments	12.2.7	990	69	(921)
Total new works		21,266	24,934	3,668
Total funding sources		31,712	28,576	(3,136)

Budgeted total funding sources 2016/17



A more detailed listing of capital works is included in section 6.

2017/18 Budget Analysis of Capital Budget

12.2.1 Carried forward works (\$3.642 million)

A total of \$3.512 million of incomplete works during 2016/17 will be funded from the accumulated surplus. Project Management on these works of \$0.131 million will be funded from the 2017/18 operations.

12.2.2 Grants (\$5.307 million)

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants are budgeted to be received for the Traralgon to Morwell Shared Pathway (\$3.465 million), Roads to Recovery program (\$1.192 million) and the Latrobe City Synthetic Sports field Pavilion (\$1.365 million).

12.2.3 Contributions (\$0.420 million)

Capital contributions include all monies received from community sources for the purposes of funding the capital works program. In 2017/18 \$0.420 million is budgeted for the Latrobe City Synthetic Sports field Pavilion project.

12.2.4 Loan borrowings (\$2.350 million)

New borrowings of \$2.350 million are proposed in 2017/18 to enable the completion of detailed design work for the Latrobe Creative Precinct. All other Capital Works are to be funded by Grants and Council cash.

12.2.5 Operations (\$16.321 million)

During the year Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$16.321 million will be generated from operations to fund the 2017/18 capital works program. Refer section 11. "Budgeted Cash Position" for more information on funds from operations.

12.2.6 Proceeds from sale of assets (\$0.467 million)

Proceeds from sale of assets includes fleet, plant & equipment sales of \$0.467 million. These asset sales have been assumed to sell at the current book value.

12.2.7 Reserve Cash & Investments (\$0.069 million)

Reserve Cash is to be used in 2017/18 to fund Computers & Telecommunications replacement requirements.

2017/18 Budget

Analysis of Budgeted Financial Position

13. Analysis of budgeted financial position

This section of the budget report analyses the movements in assets, liabilities and equity between 2015/16 and 2017/18. It also considers a number of key performance indicators.

13.1 Budgeted balance sheet

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Current assets	13.1.1			
Cash and cash equivalents		12,311	13,418	1,107
Trade and other receivables		7,050	7,191	141
Other Financial Assets		40,000	40,000	0
Other Assets		2,200	2,244	44
Total current assets		61,561	62,853	1,292
Non-current assets	13.1.2			
Trade and other receivables		0	0	0
Property, infrastructure, plant and equipment		1,173,364	1,204,092	30,728
Other Financial Assets		2	2	0
Intangible Assets		696	1,275	579
Total non-current assets		1,174,062	1,205,369	31,307
Total assets		1,235,623	1,268,222	32,599
Current liabilities	13.1.3			
Trade and other payables		6,382	6,510	128
Provisions		16,251	14,861	(1,390)
Interest bearing loans and borrowings		1,869	1,593	(276)
Other current liabilities		2,722	2,777	55
Total current liabilities		27,224	25,741	(1,483)
Non-current liabilities	13.1.4			
Provisions		19,355	19,124	(231)
Interest bearing loans and borrowings		14,281	15,038	757
Total non-current liabilities		33,636	34,162	526
Total liabilities		60,860	59,903	(957)
Net assets		1,174,763	1,208,319	33,556
Equity	13.1.5			
Accumulated surplus		664,899	674,896	9,997
Asset revaluation reserve		506,566	530,034	23,468
Other Reserves		3,298	3,389	91
Total equity		1,174,763	1,208,319	33,556

Source: Section 3

2017/18 Budget

Analysis of Budgeted Financial Position

13.1.1 Current assets (\$1.292 million increase)

The increase in current assets is mainly due to an increase in cash reserves associated with future landfill cell construction and rehabilitation and interest only loan repayment requirements. A more detailed analysis of this change is included in section 11. "Analysis of budgeted cash position".

13.1.2 Non current assets (\$31.307 million increase)

The increase in non-current assets is the net result of the capital works program, asset revaluation movements, the depreciation of non-current assets and the disposal through sale of property, plant and equipment. Intangible assets will decrease due to increased amortisation of rehabilitation costs associated with a new cell to be completed before 30 June 2018.

13.1.3 Current liabilities (\$1.483 million decrease)

The decrease in current liabilities (that is, obligations council must pay within the next year) is predominantly due to reduced landfill rehabilitation provision expenditure currently planned of \$1.825 million and reduced loan principal of \$0.310 million for the 2018/19 financial year. This is reduced by an increase in Trade and other payables of \$0.128 million based on the timing of planned payment schedule and an increase in accrued employee benefits of \$0.435 million.

13.1.4 Non current liabilities (\$0.526 million increase)

The increase in non current liabilities (that is, obligations council must pay beyond the next year) is predominantly a result of new borrowings planned for 2017/18. Provisions decrease by a net of \$0.231 million due to landfill rehabilitation works to be carried out partially offset by a marginal increase in employee benefits.

13.1.5 Equity (\$33.556 million increase)

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

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations. Asset valuations are predicted to increase by 2% or \$23.468 million.
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of \$10.088 million results directly from the surplus for the year together with the movement in statutory reserves.

2017/18 Budget

Analysis of Budgeted Financial Position

13.1.6 Working capital (\$2.775 million increase)

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

Council has also committed further current assets to specific and restricted purposes, represented by reserves, which may not yet be represented as current liabilities at 30 June.

	Ref	Forecast Actual 2016/17 \$'000	Budget 2017/18 \$'000	Variance \$'000
Current assets		61,561	62,853	1,292
Current liabilities		27,224	25,741	1,483
Working capital	13.1.6	34,337	37,112	2,775
Restricted cash and investment current assets				
- Statutory reserves		(3,298)	(3,389)	(91)
- Cash held to fund carry forward capital works		(3,512)	0	3,512
Unrestricted working capital		27,527	33,723	6,196

In addition to the restricted cash shown above, Council also holds amounts in accumulated surplus as notional discretionary reserves. Although not restricted by a statutory purpose, 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. Examples of these purposes is future landfill cell construction and rehabilitation, and repayment of interest only borrowings when they fall due.

13.2 Key assumptions

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

- A total of 97% of total rates and charges raised will be collected in the 2017/18 year (2016/17: 97% forecast actual).
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment term is 30 days.
- Other debtors and creditors to remain consistent with 2016/17 levels.
- Repayment of loan principal to be \$1.869 million.
- New borrowings of \$2.350 million in 2017/18.
- Total capital expenditure to be \$28.576 million.
- Employee entitlements to be increased by the Collective Agreement outcome offset by the impact of more active management of leave entitlements of staff.

2017/18 Budget Long Term Strategies

This section includes the following analysis and information.

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

14. Strategic resource plan

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

14.1 Plan development

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

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

- Maintain existing service levels
- Achieve a breakeven underlying operating result.
- Reduce the infrastructure gap
- Ensure borrowings are only used to fund new assets or lump sum funding calls by the Trustee of the Local Authorities Superannuation Fund (LASF).
- Achieve a balanced budget on a cash basis.

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

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

14.2 Financial resources

The following table summaries the key financial results for the next four years as set out in the SRP for years 2017/18 to 2020/21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

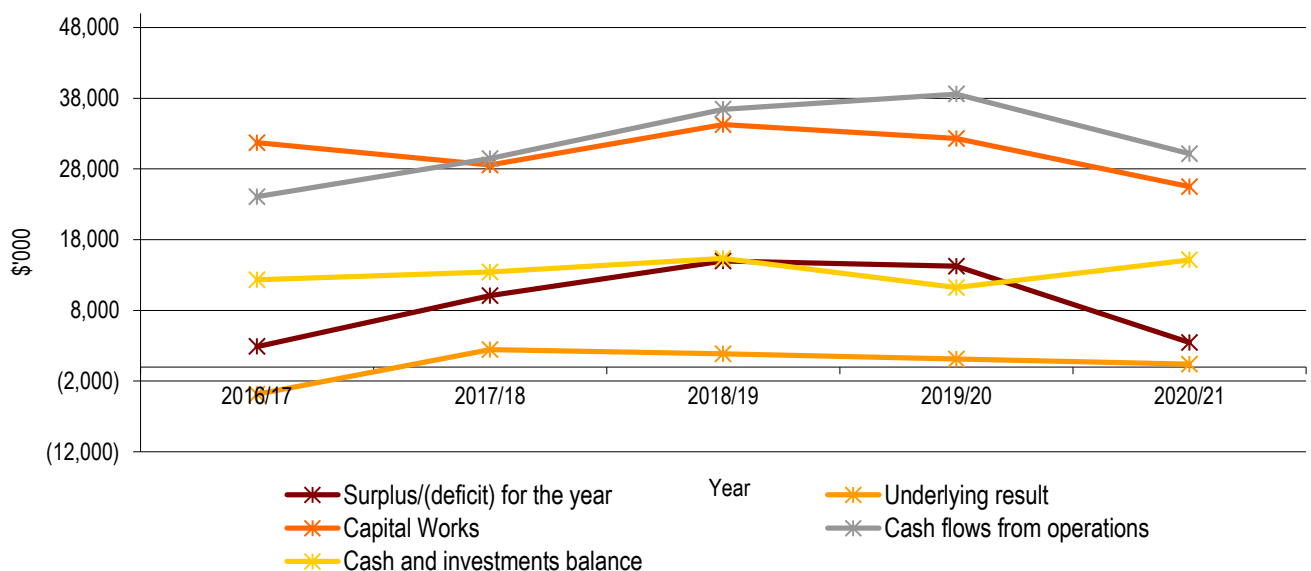
2017/18 Budget Strategic Resource Plan

	Forecast	Budget	Strategic Resource Plan			Trend
	Actual		Projections			
	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	+o/-
Surplus/(deficit) for the year	2,884	10,088	14,961	14,231	3,475	o
Adjusted underlying result	(3,853)	2,463	1,869	1,137	379	-
Cash and investments balance	12,311	13,418	15,340	11,236	15,140	o
Cash flows from operations	24,066	29,477	36,454	38,596	30,178	o
Capital works expenditure	31,712	28,576	34,273	32,302	25,500	-

Key to Forecast Trend:

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

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



The key outcomes of the Plan are as follows:

- **Financial sustainability (section 11)** - Cash and investments is forecast to increase over the four year period from \$13.418 million to \$15.140 million. While the budget is primarily balanced on a cash basis each year there will always be variations as a result of funds received in one period that are carried over to meet future requirements e.g. capital works carry forwards, loan principal repayments on interest only borrowings, works funded from landfill reserve funds etc.
- **Rating strategy (section 15)** – Modest rate increases are forecast over the four years at an average of 2.00% which reflects the expected CPI levels for that time in accordance with the rate cap.

- **Service delivery strategy (section 16)** – Service levels have been maintained throughout the four year period. Despite this, operating surpluses are forecast over the four year period as a result of significant capital grant revenue being received to fund the annual capital works program. In addition, excluding the effects of non-operating items such as capital contributions, the underlying result sees a surplus achieved in all of the four year period. The underlying result is a measure of financial sustainability and is an important measure as once-off items can often mask the operating result.
- **Borrowing strategy (section 16)** – Borrowings are forecast to decrease from \$16.631 million to \$14.156 million over the four year period. This includes new borrowings of \$2.35 million in 2017/18, \$5.0 million in 2018/19, \$2.65 million in 2019/20 and \$3.0 million in 2020/21.
- **Infrastructure strategy (section 16)** - Capital expenditure over the four year period will total \$120.651 million at an average of \$30.163 million.

15. Rating information

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

15.1 Rating Context

In developing the Strategic Resource Plan (referred to in Section 14), rates and charges were identified as an important source of income, accounting for approximately 59% of the total income received by Council annually. Planning for future rate increases has therefore been an important component of the Long Term Financial Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Latrobe community.

15.2 Future rate increases

The following table sets out future projected rate increases and total rates to be raised, based on the forecast financial position of Council as at 30 June 2016 and the long term financial plan.

Year	General Rate Increase %	Municipal Charge Increase %	Garbage Charge Increase %	Landfill Levy Increase %	Total Rates Raised \$'000
2016/17	2.5	2.6	2.3	2.6	75,105
2017/18	1.9	2.3	1.9	2.0	76,869
2018/19	2.0	2.0	2.0	2.0	78,659
2019/20	2.0	2.0	2.0	2.0	80,485
2020/21	2.0	2.0	2.0	2.0	82,346

15.3 Rating structure

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

- Property values, 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 other administrative costs of the Council.

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

Council makes a further distinction within the property value component of rates based on the purpose for which the property is used, that is, whether the property is used for residential, commercial, industrial or farm purposes.

Council has previously made a decision to apply a Capital Improved Value (CIV) basis to calculating individual property rates on the grounds that it provides the most equitable distribution of rates across the municipality. There are currently no plans to change this basis.

The rating structure comprises three differential rates (general, farm and derelict properties) and rate concessions for recreational land. These rates are structured in accordance with the requirements of section 161 "Differential Rates" of the Act. Under the Cultural and Recreational Lands Act 1963, provision is made for a Council to grant a rating concession to any "recreational lands" which meet the test of being "rateable land" under the Act. The farm rate is set at 75 % of the general rate and the derelict properties rate is set at the maximum being four times the farm rate. The rate concession for recreational land is set at 50% of the general rate with the exception of recreational land with gaming machines which will be set at 60% of the general rate. In addition, there are two recreational assessments which receive an additional rebate. These rebates are applied as a result of significant changes in the CIV valuations resulting from the rezoning of land and changes in valuation methodologies. It was considered that without applying a rebate the levied amounts would fail to take into consideration the requirement under the Cultural and Recreational Lands Act 1963 of the need for having regard to the services provided by Council in relation to such lands, and the benefit to the community derived from such recreational lands. Council re-affirmed its intention to maintain the existing rating relativities for farm rates in the 2017/18 Budget. Council also has a municipal charge, a garbage charge and the State Government Landfill Levy charges as allowed under the Act.

2017/18 Budget Rating Information

The following table summarises the rates to be determined for the 2017/18 year. A more detailed analysis of the rates to be raised is contained in section 7.

Rate type	How applied	2016/17	2017/18	Change
General Rates (Residential, Industrial & Commercial)	Cents/\$ CIV	0.00466490	0.00475557	1.9%
Farm Rates	Cents/\$ CIV	0.00349867	0.00356668	1.9%
Derelict Properties	Cents/\$ CIV	n/a	0.01426672	n/a
Recreational 1	Cents/\$ CIV	0.00233245	0.00237778	1.9%
Recreational 2	Cents/\$ CIV	0.00279894	0.00285334	1.9%
Municipal charge	\$/ property	\$131.00	\$134.00	2.3%
Garbage charge	\$/ property	\$311.00	\$317.00	1.9%
Landfill levy charge	\$/ property	\$20.00	\$20.40	2.0%

15.4 General revaluation of properties

The general valuation of all properties within the municipality is as at 1 January 2016 and will be first applied to the 2017/18 financial year.

Council will be maintaining the existing differential rate for the farming properties and discounts for cultural recreation land for the 2017/18 year and introducing a new differential rate for derelict properties. Therefore, in aggregate, total rates and charges will increase by 2.0% excluding supplementary rates growth and payments in lieu of rates compared to 2016/17.

16. Other strategies

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

16.1 Borrowings

In developing the Strategic Resource Plan (SRP) (see section 14), borrowings were identified as an important funding source for the capital works programs. In the past, Council has borrowed to finance specific infrastructure projects and significant unfunded defined benefits superannuation liability calls.

The SRP includes the results of an analysis of Council's debt position against the recommended ratios used by the Victorian State Government to assess the loan capacity of local governments. It also shows the results of the 'obligations' indicators that are part of the prescribed financial reporting indicators. The outcome of the analysis highlighted that a debt of \$16.631 million could be comfortably accommodated. Council's future borrowing requirements may be influenced by external government funding opportunities that require some contribution from council in order to finance major capital projects.

For the 2017/18 year, Council proposes new borrowings of \$2.350 million to undertake the detailed design of the new Latrobe Creative Precinct and after making loan repayments of \$1.869 million, total borrowings will increase to \$16.631 million as at 30 June 2018. Total new borrowings of \$10.0 million are forecast for the Latrobe Creative Precinct over the next three years with further borrowings of \$3.0 million forecast in year 2020/21 to allow Council to pursue another priority major strategic project e.g. Latrobe City Convention Centre, Gippsland Regional Aquatic Facility, Catterick Crescent Indoor Sports Stadium redevelopment or the Latrobe Regional Motorsports Complex. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2016/17	0	1,884	882	16,150
2017/18	2,350	1,869	742	16,631
2018/19	5,000	1,593	753	20,038
2019/20	2,650	9,642	690	13,046
2020/21	3,000	1,130	606	14,916

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

	2016/17 \$	2017/18 \$
Total amount borrowed as at 30 June of the prior year	18,034	16,150
Total amount to be borrowed	0	2,350
Total amount projected to be redeemed	(1,884)	(1,869)
Total amount proposed to be borrowed as at 30 June	16,150	16,631

16.2 Infrastructure

The Council has developed an Asset Management Strategy and is currently reviewing and developing various Asset Management Plans, which sets out the capital expenditure requirements of the Council for the next 10 years by class of asset and project and is a key input to the long term financial plan. It predicts infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations. The Strategy development process includes a rigorous process of consultation and evaluation. The key aspects of the process are as follows:

- Long term capital planning process which integrates with the Council Plan, Strategic Resource Plan and Annual Budget processes.
- Listing of all known capital projects and adopted strategies and plans, prioritised within classes on the basis of evaluation criteria.
- Transparent process for evaluating and prioritising capital projects.
- Methodology for allocating annual funding to classes of capital projects.
- Standard templates for officers to document capital project submissions.

The capital planning process is undertaken annually and used to ensure that Asset Management Strategy represents the current capital expenditure requirements of the Council.

A key objective of the Asset Management Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community. A measure of Council's performance in respect to infrastructure management is the sustainability index. This is the proportion of the total asset value consumed (equivalent to the annual depreciation charge), compared to the amount spent in preserving the asset (expenditure aimed at ensuring the asset reaches its intended useful life) on an annual basis. A value of 100% (or greater in the short term) is the desired target and the Long Term Financial Plan aims to maintain a sustainability index of 100%.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.

Year	Total Capital			Council	
	Program \$'000	Grants \$'000	Contributions \$'000	Cash \$'000	Borrowings \$'000
2016/17	31,712	6,116	75	25,521	0
2017/18	28,576	5,307	420	20,500	2,350
2018/19	34,273	11,192	0	18,081	5,000
2019/20	32,302	11,192	0	18,460	2,650
2020/21	25,500	1,192	0	21,308	3,000

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public resort and recreation. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.

16.3 Service delivery

This section of the report considers the Council's service delivery strategy including strategy development, key influences and service delivery outcomes. A number of service delivery strategies will be developed and/or reviewed during 2017/18 year. Latrobe 2026 and the Council Plan 2017-2021 identify key service area reviews and strategy development for service areas. The Rating Information (see section 15) also refers to modest rate increases into the future. With these key objectives as a basis, a number of internal and external influences have been identified through discussions with management which will have a significant impact on the scope and level of services to be provided over the next four years.

The general influences affecting all operating revenue and expenditure include the following:

	2017/18	2018/19	2019/20	2020/21
	%	%	%	%
Consumer Price Index	2.0	2.0	2.0	2.0
Rate increases	2.0	2.0	2.0	2.0
Property growth	0.7	0.7	0.7	0.7
Wages growth	3.5	3.5	3.5	3.5
Government funding (excl. Federal Assistance Grants)	1.0	1.0	1.0	1.0
Statutory fees	2.0	2.0	2.0	2.0
Investment return	2.8	2.8	2.8	2.8

The service delivery outcomes measured in financial terms are shown in the following table.

Year	Surplus (Deficit) for the year \$'000	Adjusted Underlying Surplus (Deficit) \$'000
2016/17	2,884	(3,853)
2017/18	10,088	2,463
2018/19	14,961	1,869
2019/20	14,231	1,137
2020/21	3,475	379

Service levels have been maintained throughout the four year period. The operating surplus forecast for 2016/17 year is primarily in line with the original budget forecast after taking into account the effect of capital income and funding that had been received in 2015/16 for programs/projects in 2016/17. Excluding the effects of non-operating income such as capital contributions, the underlying result predicts a surplus for 2017/18 and for the following four years.

Appendix A

Fees and charges schedule

The Fees and Charges adopted as part of the 2017/18 budget process are set out in the attached document, entitled "Latrobe City Fees and Charges 2017/18".

COMMENTARY

The 2017/18 fees and charges have been developed within the following parameters:

·Unless otherwise stated in the document, the following measures have been used to determine the 2017/18 fees and charges:

- o Consumer Price Index (CPI) (with a rounding factor)
- o Competitive market influences
- o The % increase in the previous financial year
- o The type of service

PROPOSED 2017/18 FEES AND CHARGES COMMENTARY BY DIVISION / SERVICE

COMMUNITY SERVICES (Pages 96-102)

Direct Care (Pages 96-97)

Direct care services include home care, personal care, respite care, meals on wheels, home maintenance, planned activity groups and senior citizen centres. These services derive a significant component of their funding from the state government, with the balance being made up of fees set by Council and a contribution from rates revenue.

The fees charged for these services takes into account the CPI increase, any changes to government funding arrangements and the overall affordability of these services to eligible clients. Consideration has also been given to the level of fee increase over the past five years.

Meals on Wheels – The increase in subsidised and full cost meals is reflective of the increase in meal costs.

Planned Activity Group – Fees have been increased to reflect actual cost of programs. All programs include a meal.

Public Libraries (Pages 98-99)

Core library services are provided at no cost to the community. A small amount of revenue is derived from ancillary services based on cost recovery.

Photocopying fees have been consolidated to simplify the fee structure.

A decision has been made to remove fines for overdue items.

Children Services (Pages 100-101)

Family Day Care fees are set in conjunction with the contract providers and incorporate consideration of benchmarking results and actual increased costs associated with providing the service.

The Early Learning and Care Services have been reviewed in terms of proposed fees based on industry benchmarking information taking into consideration National Competition Policy requirements.

Family Health Service (Pages 102)

The proposed fees take into account the CPI increase, in addition the Flu Vaccine has been updated to include additional strains at a slightly

INFRASTRUCTURE & RECREATION (Pages 103-118)

Sports Stadiums, Grounds & Reserves (Pages 103-104)

All fees have generally been reviewed in line with CPI.

Indoor Sports Centres (Pages 105-108)

A full review of all fees and charges was undertaken with consideration given to benchmarking against neighbouring Councils, changes in operational costs and community and business needs.

Hazelwood Traffic School (Pages 110)

All fees have generally been reviewed in line with CPI.

Hire of Portable Toilet (Pages 110)

All fees have generally been reviewed in line with CPI.

Caravan Parks (Pages 111)

The majority of fees have generally been reviewed in line with CPI. The permanent onsite fee calculation has changed from 21 nights to 23 nights

Asset Protection (Pages 112-115)

Non statutory fees have been increased in line with CPI.

Transfer Stations (Pages 116-117)

Fees have been reviewed with the facility operator in accordance with the contract and include agreed increases in accordance with increased costs

Landfill Fees (Pages 118)

It is proposed that fees for 2017/18 increase to cover costs of operations, construction, rehabilitation and increased EPA landfill levy fees. Cost and conditions included for accepting non Latrobe City residential domestic asbestos.

CITY DEVELOPMENT (Pages 119-139)

Health Services (Pages 119-120)

The proposed fees take into account the CPI increase and level of fees increases over past years and changes to the relevant Acts.

Local Laws (Pages 122-124)

Parking and animal fees and other local laws permit fees have been reviewed taking into account CPI, benchmarking with other Councils and updated prescribed fees.

Building Services (Pages 125)

Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees. Other fees set by Council have generally been reviewed in line with CPI.

Statutory Planning (Pages 126-129)

Statutory Fees can only be increased by the Minister for Planning. There have been major changes to the planning permit application fees which are incorporated in the fee schedule.

Planning Scheme Amendment (Pages 130)

Statutory Fees can only be increased by the Minister for Planning. There have been major changes to planning scheme amendment fees which are incorporated in the fee schedule.

Latrobe Regional Gallery (Pages 131)

All fees have generally been reviewed in line with CPI.

Performing Arts and Community Halls (Pages 132)

A review of the fee structure has been undertaken the the fees have been consolidated and are in alignment with the Fees & Charges Pricing Policy

Latrobe Regional Airport (Pages 138)

Annual licence fees are proposed to increase by CPI. Current lease agreements at the airport allow for an annual CPI review.

Visitor Information Centre (Pages 139)

Benchmarking of fees and charges has been undertaken with charges updated in accordance these results. Fees associated with internet access have been removed

CORPORATE SERVICES (Page 140-141)

Freedom of Information (Pages 140)

All fees are in accordance with regulations

Property and Legal (Pages 141)

All fees have generally been reviewed in line with CPI. Some of these are statutory fees and as such are set by regulation.

FEES AND CHARGES

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FEES AND CHARGES
2017/18

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COMMUNITY SERVICES

Direct Care

SERVICE TYPE DIRECT CARE		BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Home Care/Personal Care	Single Low Income	<i>Per hour.</i>	6.70	6.80
	Couple Low Income	<i>Per hour.</i>	9.00	9.20
	Linkages Program	<i>Per Hour</i>	9.10	9.30
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
	Full Cost	<i>Overtime</i>	77.95	79.55
	Veterans	<i>Respite (fee as per agreement)</i>	42.65	43.55
	Veterans	<i>HCPC (fee as per agreement)</i>	47.70	48.70
Emergency Home Care	Single.	<i>Per hour</i>	11.90	12.10
	Couple.	<i>Per hour.</i>	16.90	17.20
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
Respite Care	Subsidised.	<i>Per hour</i>	4.30	4.40
	Linkages Program	<i>Per hour</i>	5.30	5.40
	Full Cost	<i>Per hour (Excluding Public Holidays)</i>	52.00	53.00
	Full Cost	<i>Per hour (Public Holidays)</i>	97.20	99.10
	Full Cost	<i>Overtime</i>		
Overnight Respite	Full Cost	<i>Per hour</i>	193.80	197.70
	Full Cost	<i>24 hour care</i>	366.10	373.40
Meals on Wheels Service <i>(includes all costs of providing meals)</i>	Subsidised.	<i>Per meal</i>	8.90	9.10
	Full cost meals.	<i>Per meal.</i>	14.80	15.10
Home Maintenance	Single.	<i>Per hour</i>	10.30	10.60
	Couple.	<i>Per hour.</i>	12.40	12.60
	Full Cost	<i>Per hour (Mon - Fri)</i>	66.80	68.10
	Linkages Program	<i>Per hour</i>	19.90	20.30
	Landfill Fees.	<i>*refer waste disposal fees schedule.</i>		

COMMUNITY SERVICES

Direct Care

SERVICE TYPE DIRECT CARE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Planned Activity Group (PAG)			
Subsidised with Meal (Centre Based)	Per session	10.60	11.00
Subsidised without Meal (Outing)	Per session	5.60	5.80
Morning Melodies (plus cost of event paid at entry)	Per session	10.60	10.80
Special Events (costs to be advertised with notification of the event)	Per session		
Full Cost (Level 1 & 2 Funding)	Per session	27.40	27.90
Full Cost (Level 3 & 4 Funding)	Per session	37.40	40.00
Residing in Supported Accommodation	Per session	90.00	90.00
Senior Citizens Centres Hire			
HACC eligible organisation/groups.		No Charge	No Charge
Community organisations/groups:			
Per hour.	<i>8am – 5pm.</i>	17.20	17.50
Evening.	<i>5pm – midnight.</i>	140.00	142.80
Full Day & Evening.	<i>8am – midnight.</i>	231.50	236.10
Commercial organisations			
Per hour	<i>8am – 5pm.</i>	29.10	29.70
Evening	<i>5pm – midnight.</i>	228.30	232.90
Full Day & Evening	<i>8am – midnight.</i>	377.00	384.50
Security Deposit:			
Without alcohol.		285.40	291.10
With alcohol.		516.90	527.20

COMMUNITY SERVICES

Public Libraries

SERVICE TYPE PUBLIC LIBRARIES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Facsimile – within Australia only	<i>First page</i>	3.10	3.20
	<i>Each additional page</i>	1.00	1.00
Consumables	USB Drive – 2GB	9.20	9.40
	Individual Head Sets	6.20	6.30
Research Fee	Public Request.	13.80	14.10
	Commercial/Community Group Request.	27.70	28.30
Moe Library Meeting Room	<i>Per half hour.</i>		
	(Charged in 30 minute blocks, with a <i>minimum 1 block to be charged</i>)		
	Community and Not For Profit Groups.	No Charge	No Charge
	Commercial.	28.70	29.30
	Commercial.	140.40	143.20
Fees	Replacement Cards.	3.40	3.50
	Inter Library Loan	No Charge POA POA	No Charge POA POA
Damaged or Lost Items	Processing	7.40	7.50
	Beyond Repair Magazine	3.60	3.80

COMMUNITY SERVICES

Public Libraries

SERVICE TYPE PUBLIC LIBRARIES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Photocopying Black & White A4 Black & White A3 Colour Printing A4 Colour Printing A3	<i>Per side</i> <i>Per side</i> <i>Per side</i> <i>Per side</i>	0.20 to 0.30 0.33 to 0.65 0.70 to 1.40 0.80 to 1.60	0.20 0.40 0.70 0.90
Laminating A4 A3	<i>Per sheet.</i> <i>Per sheet.</i>	2.50 3.50	2.50 3.50
Calico Library Bags New Members Additional/Replacement	<i>Per Bag</i>	- -	Free 2.50

COMMUNITY SERVICES

Children services

SERVICE TYPE CHILDRENS SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Family Day Care			
Fees During Core Hours	<i>(8am–6pm weekdays)</i>	7.50	7.80
Fees Outside of Core Hours	<i>Per child/hour weekdays</i>	8.00	8.40
Fee for weekend care	<i>Per child/hour weekend</i>	8.70	9.40
Public Holidays	<i>Per child/hour.</i>	10.40	10.70
Administration Fee	<i>Per hour of care provided.</i>	0.90	1.00
Communication Fee		10.30	12.50
Induction Training	<i>New care providers pp.</i>	35.90	35.90
Travel Charges	<i>Per km</i>	0.95	1.20
Holding Fee	<i>% of fee per child per hour.</i>	100%	1.00
Meal Charges Per Child (Carers' home)			
Breakfast	<i>Each</i>	3.10	3.00
Lunch	<i>Each</i>	3.60	3.50
Dinner	<i>Each</i>	4.10	4.00
Snacks	<i>Each</i>	2.10	2.00
Early Learning Centre <i>(includes Carinya, Moe Place and Traralgon)</i>			
Full Time Care	<i>5 full days/child/week.</i>	400.00	440.00
Full Day Care	<i>Per day</i>	90.00	93.00
Half Day Care	<i>Per half day</i>	55.00	58.00
Holding Fee	<i>% Per place</i>	100%	100%
After Kinder Care	<i>Hourly</i>	15.00	15.00

COMMUNITY SERVICES

Children services

SERVICE TYPE CHILDRENS SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Moe PLACE	Moe Early Learning Centre			
	Moe Vacation Care	<i>Full Day Care</i>	70.00	70.00
		<i>Excursion Levy -Local</i>	12.50	15.00
		<i>Excursion Levy - Out of Gippsland</i>	16.50	20.00
	Basketball Stadium			
	Court Hire - General	<i>Per hour</i>	46.00	48.00
	Half Court Hire - General	<i>Per hour</i>	23.00	25.00
	Court Hire - Schools	<i>Per hour</i>	37.00	39.00
	Half Court Hire - Schools	<i>Per hour</i>	18.00	20.00
	Court Hire	<i>Per Day (9am - 6pm)</i>	200.00	210.00
Community Kitchen				
Kitchen Hire	<i>Per hour</i>	14.00	14.00	
Kitchen Hire	<i>Per day</i>	50.00	50.00	
Meeting Rooms <i>(Moe Place, Churchill Hub)</i>	Meeting Rooms			
	Community and Not For Profit Groups.	<i>Per hour</i>	No Charge	No Charge
	Commercial	<i>Per hour</i>	25.00	25.50
		<i>Per Day</i>	150.00	153.00
Preschools				
	Enrolment administration fee	<i>3 & 4 year old programs</i>	30.00	30.00
	Preschool – 4 yr old program	<i>Per Term (effective Jan 2018)</i>	250.00	265.00
	Prekinder – 3 yr old program	<i>Per Term (effective Jan 2018)</i>	215.00	230.00

COMMUNITY SERVICES
Family Health Services

SERVICE TYPE FAMILY HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Vaccinations Purchases			
Hep B.	<i>Per dose.</i>	30.40	31.00
Twinrix.	<i>Per dose.</i>	105.10	105.10
Varilrix.	<i>Per dose.</i>	94.60	96.70
Flu.	<i>Per dose.</i>	28.40	30.00
Hep A.	<i>Per dose.</i>	94.60	94.60
Boostrix.	<i>Per dose.</i>	49.40	50.00
Immunisation			
History Application Fee		25.20	25.70
Nurse			
Attend Corporate Sessions	<i>Per nurse per hour</i>		60.00

INFRASTRUCTURE & RECREATION						
<i>Sports Stadiums, Grounds & Reserves</i>						
SERVICE TYPE	BASIS	2016/17		2017/18		
		\$ (GST Inc)		\$ (GST Inc)		
Latrobe City Sports & Entertainment Stadium		* Peak	* Off Peak	* Peak	* Off Peak	
Commercial Rate						
Event Hire (pitches, toilets, change rooms, ticket booths, stadium seating for 1800 & lighting) (Front row premium seats = 40)		<i>Hourly Hire (8am - 5pm) per hour</i>	290.00	188.10	296.00	192.00
		<i>Hourly Hire (5pm - midnight) per hour</i>	581.00	376.20	595.00	385.00
		<i>Day Hire (8am to 5pm)</i>	1,173.50	586.30	1,200.00	600.00
		<i>Night Hire (5pm to midnight)</i>	2,342.90	1,168.30	2,396.00	1,195.00
		<i>All Day (8am to midnight)</i>	3,511.20	1,755.60	3,590.00	1,795.00
Commission charges		<i>Percentage of Gross Ticket Sales</i>	10.0%	10.0%	10.0%	10.0%
		<i>Percentage of gross merchandise sales</i>	12.5%	12.5%	12.5%	12.5%
Ticketing service is available through Latrobe Performing Arts & Venues		<i>Per ticket sold</i>	4.00	4.00	4.10	4.10
		<i>Per complimentary ticket issued</i>	0.70	1.10	0.70	1.10
Community Rate						
Event Hire (pitches, toilets, change rooms, ticket booths, stadium seating for 1,800, lighting) (Front row premium seats = 40)		<i>Hourly Hire (8am - 5pm) per hour</i>	144.50	91.20	148.00	93.00
		<i>Hourly Hire (5pm - midnight) per hour</i>	291.10	183.50	298.00	188.00
		<i>Day Hire (8am to 5pm)</i>	573.00	291.10	586.00	298.00
		<i>Night Hire (5pm to midnight)</i>	1,140.80	573.00	1,167.00	586.00
		<i>All Day (8am to midnight)</i>	1,712.80	862.00	1,747.10	879.20
Sporting Use			# Night	# Day	# Night	# Day
(includes pitches, toilets & change rooms only)						
Schools		<i>Per day or night session</i>	117.90	58.90	120.00	60.00
Latrobe City Clubs & Groups		<i>Per day or night session</i>	230.60	118.90	236.00	121.00
Non Latrobe City Clubs & Groups		<i>Per day or night session</i>	346.50	173.20	354.00	177.00
Sundry Charges			Commercial	Community	Commercial	Community
Kiosk Hire (2 available)		<i>Per kiosk per session</i>	172.20	86.10	176.00	88.00
External Public Address System Hire		<i>Per session</i>	118.90	58.40	121.00	59.00
^ Bar Hire (2 available)		<i>Per bar per session</i>	346.50	173.20	354.00	177.00
Social Club Rooms (excluding bar and kitchen) is available for hire with the cost subject to use of the facility			-	-	-	-
Line marking costs, other than soccer, is at the hirers expense			-	-	-	-
Waste Management - Additional charges may apply dependant on size and type of event.			-	-	-	-

INFRASTRUCTURE & RECREATION						
Sports Stadiums, Grounds & Reserves						
SERVICE TYPE			BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Latrobe City Synthetic Sports Facility (Churchill)						
Synthetic Field						
Whole Field	Hockey Association / Soccer Club		Per season		Seasonal Agreement	- Seasonal Agreement
	Hockey Tournaments		Per day	294.20		301.00
	Primary Schools (1)		Per annum	572.00		585.00
	Secondary Schools (2)		Per annum	1,144.90		1,171.00
	Casual Users		Per hour	63.00		64.00
	Lights		Per hour	26.10		27.00
				-		
Half Field	Hockey Tournaments		Per day	147.10		150.00
	Casual Users		Per hour	29.40		30.00
	Lights		Per hour	21.00		21.40
Ted Summerton Reserve Pavilion Hire - Social and Community Activities						
	User Groups		Per hour	No Charge		No Charge
	Not for Profit Groups		Per hour	14.80		15.10
	Commercial Groups		Per hour	27.20		27.70
Gaskin Park Stadium						
	Stadium Hire		Per hour.	21.50		21.90
Grounds						
Seasonal Facility Charge (3) (Refer to Council Policy)						
Senior	Category A		Per Six Month Allocation	3,023.80		3,092.00
	Category B		Per Six Month Allocation	1,197.20		1,224.00
	Category C		Per Six Month Allocation	319.80		326.20
Junior	Category A		Per Six Month Allocation	1,507.80		1,542.00
	Category B		Per Six Month Allocation	724.70		740.00
	Category C		Per Six Month Allocation	193.80		198.00
Casual Use						
	Latrobe City Schools		Per day	No Charge		No Charge
	Latrobe City Sporting Clubs and Recreation/Community Groups		+ additional bins, cleaning & utility costs	36.70		37.00
	Non Latrobe City Sporting Clubs and Recreation/Community Groups			129.30		132.00
	For Profit Groups Businesses and Sporting Groups			482.80		494.00
Hard Court Surfaces						
	Via seasonal allocation program for netball and tennis courts		Per court, per annum	99.90		102.00
Personal Trainers/Boot Camps						
	All trainers/boot camp		per month			53.00

*Peak – Friday to Sunday plus Public Holidays / Off Peak – Monday to Thursday excluding Public Holidays

Night refers to the hours of 5:00pm to midnight / Day refers to the hours 8:00am to 5:00pm

^ Bar hire is subject to Liquor License and other conditions

(1) Primary schools can opt to pay either Casual User rates or an annual hire fee. The annual hire fee is a flat rate with unlimited hours of use subject to availability

(2) Secondary schools can opt to pay either Casual User rates or an annual hire fee. The annual hire fee is a flat rate with unlimited hours of use subject to availability

(3) Clubs/sporting groups utilising multiple venues will only be charged for one venue, that being the highest category venue.

INFRASTRUCTURE & RECREATION

Indoor Sports Centres

SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Indoor Pool – Swims	Adult <i>16 years and over.</i>	6.20	6.40
	Child <i>Child 5–15 yrs & High School Student</i>	4.40	4.50
	Concession <i>Pension, Seniors & Health Care Card</i>	4.70	4.80
	Family* <i>*As listed on Medicare Card</i>	16.70	17.00
	Schools <i>Per child</i>	3.70	3.80
	Children <i>4 years and under with adult swim.</i>	No Charge	No Charge
Visit Pass Card – (Indoor pools) 12 Month expiry from date of issue	Adult <i>Multipass x 10 – 10% discount</i>	55.80	57.60
	Child <i>Multipass x 10 – 10% discount</i>	39.60	40.50
	Concession <i>Multipass x 10 – 10% discount</i>	42.30	43.20
	Family <i>Multipass x 10 – 10% discount</i>	150.30	153.00
Indoor Pool – Swim Sauna Spa	Adult <i>Each</i>	10.30	10.50
	Concession <i>Each</i>	8.20	8.40
	After Entry/Class <i>Each</i>	5.20	5.30
	Adult <i>Multipass x 10 – 10% discount</i>	92.70	95.00
	Concession <i>Multipass x 10 – 10% discount</i>	73.80	75.30
Indoor pool – swim sauna (CHURCHILL ONLY)	Adult <i>Each</i>	8.90	9.10
	Concession <i>Each</i>	7.30	7.40
	After Entry/class <i>Each</i>	4.20	4.30
Indoor Pool – Swim Lessons	Infants <i>Per class - Supervision 1:8</i>	12.60	12.80
	Preschool <i>Supervision 1:5</i>	13.20	13.50
	School Age <i>Per class</i>	13.90	14.20
	Adult <i>Per class</i>	13.80	14.00
	Transition/Lap It Up <i>Per class</i>	8.40	8.60
	Aust Swim Teacher <i>Per instructor per hour</i>	55.40	56.60
Indoor Pool – Swim Lessons - Concession (20% Discount)	Health Care Card Infants <i>Per class - Supervision 1:8</i>	10.10	10.20
	Health Care Card Preschool <i>Supervision 1:5</i>	10.60	10.80
	Health Care Card School Age <i>Per class</i>	11.10	11.40
	Health Care, Pension & Senior Card Adult <i>Per class</i>	11.10	11.20
Private Learn to Swim Lessons	1:1 <i>Per half hour class per person</i>	36.90	37.60
	1:2 <i>Per half hour class per person</i>	27.70	28.30
	1:3 <i>Per half hour class per person</i>	22.60	23.00

INFRASTRUCTURE & RECREATION

Indoor Sports Centres

SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Private Learn to Swim Lessons - Concession (20% Discount)			
Concession – Health Care Card 1:1	<i>Per half hour class per person</i>	29.50	30.10
Concession – Health Care Card 1:2	<i>Per half hour class per person</i>	22.10	22.60
Concession – Health Care Card 1:3	<i>Per half hour class per person</i>	18.10	18.40
Other - Indoor Pools			
Lane Hire	<i>Per hour.</i>	45.00	45.90
Carnival Hire	<i>Per day 9am – 5pm</i>	916.00	937.00
School Carnival Hire	<i>Per day 9am - 3pm</i>	862.00	882.00
Wet Out of Hours – incl 1 Life Guard plus 1 Duty Manager	<i>Per hour plus entry fee</i>	79.00	81.00
Locker Hire	<i>Per locker per person</i>	1.00	1.00
Carnival Fee – incl 1 Life Guard plus 1 Duty Manager	<i>Per hour.</i>	190.00	194.00
Fitness Program			
Group Fitness. Concession	<i>Per class Pension, Seniors & Health Care Card</i>	12.30 9.70	12.60 10.00
Personal Training. Personal Training.	<i>1 hour. ½ hour.</i>	57.00 35.00	58.50 36.00
Casual Gym. Casual Concession Gym.	<i>Per person Pension, Seniors & Health Care Card</i>	15.20 12.10	15.50 12.40
Youth Fit 5-12 Youth Fit 13-15 Life Fit Gym	<i>Class for specific ages</i>	5.90 8.20 6.20	6.00 8.40 6.30
Visit Pass Cards – Group Fitness (12 Months Expiry from date of issue)			
Adult.	<i>Multipass x 10. – 10% discount</i>	110.70	113.40
Concession.	<i>Multipass x 10. – 10% discount</i>	87.30	90.00
Youth Fit 5-12	<i>Multipass x 10. – 10% discount</i>	53.10	54.00
Youth Fit 13-15	<i>Multipass x 10. – 10% discount</i>	73.80	75.60
Personal Training	<i>Multipass x 10. – discount – 1 Hour</i>	513.00	526.50
Personal Training	<i>Multipass x 10. – discount – ½ Hour</i>	315.00	324.00
Visit Pass Cards - Gym (12 Months Expiry from date of issue)			
Adult	<i>Multipass x 10. – 10% discount</i>	136.80	139.50
Concession	<i>Multipass x 10. – 10% discount</i>	108.90	111.60

INFRASTRUCTURE & RECREATION

Indoor Sports Centres

SERVICE TYPE INDOOR SPORTS CENTRES	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)	
Stadium (1) Spectators – Regular competition. Adult Competition. Concession Competition. Junior Competition (during competition times only) Adult Training Concession Training Junior Training (0-17 years) Schools Court Hire - General Court Hire - Schools Tournament Fee* * Local associations are eligible for a 30% discount to host their association tournaments at their local facility. Maximum 2 tournaments per year Dry Out of Hours Fee Meeting Room Hire # Session is defined as 1 hour for Domestic basketball teams 2 hours for Squad & Representative basketball teams 2 hours for Badminton (in recognition of set up and pack up times)		No Charge	No Charge		
	<i>Per player per game</i>	6.20	6.30		
	<i>High School Students playing in Senior Competitions, Pension, Seniors & Health Care Card Holders</i>	4.80	5.00		
	<i>Per player per game</i>	4.40	4.50		
	<i>Per player per session #</i>	4.20	4.30		
	<i>High School Students playing in Senior Competitions, Pension, Seniors & Health Care Card Holders</i>	3.50	3.60		
	<i>Per player per session #</i>	3.30	3.40		
	<i>Per student</i>	3.30	3.40		
	<i>Per court/hour.</i>	47.00	48.00		
	<i>Per court/hour.</i>	38.00	39.00		
	<i>Per Court per Day (9am – 5pm)</i>	205.00	210.00		
	<i>Per hour (plus entry fee)</i>	57.00	58.00		
	<i>Per hour</i>	27.70	28.30		
	Visit Pass Cards - Stadium		x10 (10% discount)	X20 (15% discount)	x10 (10% discount)
12 Month expiry from date of issue (One pass per hour or game)	Adult Stadium Competition Multipass.	55.80	105.40	56.70	107.10
	Concession Competition Multipass.	43.30	81.60	45.00	85.00
	Junior Competition Multipass.	39.60	74.80	40.50	76.50
	Junior Training Multipass	N/A	59.00	N/A	57.80

INFRASTRUCTURE & RECREATION				
<i>Indoor Sports Centres</i>				
SERVICE TYPE INDOOR SPORTS CENTRES		BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Athletic and Cycling Track	Adult.	<i>Per participant</i>	4.40	4.50
	Concession.	<i>Per participant</i>	3.90	4.00
	Junior.	<i>Per participant</i>	2.90	3.00
	Adult	<i>Multipass x 10 – 10% discount</i>	39.60	40.50
	Concession.	<i>Multipass x 10 – 10% discount</i>	35.10	36.00
	Junior.	<i>Multipass x 10 – 10% discount</i>	26.00	27.00
	School.	<i>Per student</i>	2.90	3.00
	Club Hire.	<i>Per hour.</i>	44.00	44.90
	Other/Athletic Carnival.	<i>Full day 9am – 3pm.</i>	541.00	554.00
Cycling Club Hire of Bike Track.	<i>Per annum.</i>	936.00	957.00	
Squash Courts	Hire.	<i>Per hour.</i>	14.40	14.70
Fitness Room Hire	Hire.	<i>Per hour.</i>	46.00	47.00
Membership				
Membership Service Areas		<i>Gym Fitness - as per fitness timetable (including Aqua Aerobic Pool (including pool & sauna)</i>		
Membership Administration Fee (per membership)		Upon joining	66.60	68.00
Bronze Membership Any one (1) of the above Membership Service Areas		Non Concession	46.10	47.00
		Concession *	41.40	42.40
Silver Membership Any two (2) of the above Membership Service Areas		Non Concession	56.40	57.50
		Concession *	50.80	52.00
Gold Membership All three (3) of the above Membership Service Areas		Non Concession	67.20	69.00
		Concession *	60.50	62.00
Corporate (must have 4 new members to qualify)		<i>Discounts valid on full price memberships only. Not valid on concession memberships</i>		
		4-10 people	10.00%	10.00%
		11-20 people	12.50%	12.50%
		21+ people	15.00%	15.00%

(1) Schools pay court hire fee or individual student admission.

*Concessions on direct debit and term memberships are offered only to customers on Aged Pension, Senior or Disability Support Pension.

Concessions are offered to valid health care card holders up to the expiry date of the health care card (must have minimum one month on card).

INFRASTRUCTURE & RECREATION

Outdoor Pools

SERVICE TYPE OUTDOOR POOLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Entry Fees	Adult. <i>16 years and over.</i> Children/ Student. <i>Child 5 – 15 yrs & High School Student</i> Concession. <i>Pension, Seniors & Health Care Card</i> Family. <i>As listed on Medicare Card.</i> Schools <i>Per child</i> Children. <i>4 years and under with adult swim.</i>	4.70 3.60 3.80 13.70 3.60 No Charge	4.80 3.70 3.90 14.00 3.70 No Charge
Season Tickets (Multi-venue)	Single Adult Tickets. <i>16 years and over.</i> Children/ Student. <i>Child 5 – 15 yrs & High School Student</i> Concession. <i>Pension, Seniors & Health Care Card</i> Family. <i>As listed on Medicare Card.</i>	94.80 71.80 74.30 231.00	97.00 73.20 75.80 236.00
Competitions – School Swim Carnival Hire	School Carnival Full Day (9am - 3pm) <i>Includes 1 Duty Manager.</i> Other Carnival Full Day (9am - 5pm) <i>Weekends or Public Holidays</i> School Carnival Half Day (9am-12pm / 12pm-3pm) <i>Mon - Fri</i> Supervision Required at 1:100 ratio. <i>Per hour.</i>	444.00 754.00 308.00 54.50	452.90 769.10 315.00 55.60
Out Of Advertised Operating Hours Hire	Includes 1 Life Guard plus 1 Duty Manager.	<i>Per hour + entry fee per person</i>	79.00 81.00
Learn To Swim	VIC Swim Programs.	<i>Normal Entry Fee</i>	<i>Normal Entry Fee</i>

INFRASTRUCTURE & RECREATION <i>Hazelwood Power Traffic Safety School</i>			
SERVICE TYPE HAZELWOOD POWER TRAFFIC SAFETY SCHOOL	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Education Group : Playgroups, kindergartens, special school & school groups No Educator (Bond \$70)	<i>Per hour.</i>	39.00	40.00
Education Group : Playgroups, kindergartens, special school & school groups With Educator (No Bond)	<i>Per hour.</i>	65.50	66.80
Mobile Bike Education Trailer No Educator – Hire of bike trailer (Deposit \$200) With Educator – Educator Services (No Deposit) Plus hire of bike trailer	<i>Per day</i> <i>Per hour</i> <i>Per day</i>	33.80 30.80 33.80	34.50 31.40 34.50
Hire of Hand Cranked Tricycles With responsibility for repair or replacement of damaged unit	<i>Per bike/day.</i>	2.00	2.00
Private Groups No Educator (Deposit \$70) With Educator (No Deposit)	<i>Per hour.</i> <i>Per hour.</i>	62.50 123.00	64.00 126.00

INFRASTRUCTURE & RECREATION & RECREATION <i>Rental of Asset</i> <i>Rental of Asset</i>			
SERVICE TYPE HIRE OF PORTABLE TOILET MODULE	BASIS	2016/17 \$ (GST Inc)	2016/17 \$ (GST Inc)
Hire of portable toilet module	<i>Per Weekend</i>	232.00	237.00

INFRASTRUCTURE & RECREATION

Caravan Parks

SERVICE TYPE CARAVAN PARKS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)	
Hazelwood & Narracan – Caravan & Camping				
Site Fee Schedule	Permanent On Site.	<i>Non powered per annum (includes 23 days/nights) prior to 2017/18 21 days/nights</i>	1,015.00	1,040.00
	Permanent On Site.	<i>Non powered per annum (includes 23 days/nights) prior to 2017/18 21 days/nights</i>	1,470.00	1,510.00
	Powered Site.	<i>Per night (Upto 4 people)</i>	38.00	39.00
	Powered Site.	<i>Weekly. (Upto 4 people)</i>	200.00	205.00
	Extra Person.	<i>Per night.</i>	15.20	15.50
	Unpowered Site.	<i>Per night - Family</i>	32.10	33.50
	Unpowered Site.	<i>Weekly - Family</i>	140.40	143.50
	Overnight.	<i>Per person.</i>	12.40	12.60
	Children.	<i>Aged 7 – 17 yrs.</i>	7.40	7.50
Aquatic Centre Hall Hire.	<i>6 hours.</i>	162.00	165.50	
Lake Narracan - Boat Launching				
Day Pass (8am - 6pm)	<i>Sat-Sun & Public Holidays*</i>	19.50	20.00	
Day Pass (8am - 6pm)	<i>Monday – Friday *</i>	17.50	18.00	
Half Day Pass (8am - 1pm or 1pm - 6pm)	<i>Sat-Sun & Public Holidays</i>	12.40	12.70	
Half Day Pass (8am - 1pm or 1pm - 6pm)	<i>Monday – Friday</i>	9.60	9.80	

*Latrobe City residents no charge Monday to Friday, excluding public holidays. Full fees are applicable on Saturday and Sundays

INFRASTRUCTURE & RECREATION
Asset protection

SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)
		Rural	Urban	
Asset Protection Fees				
Road Openings.	<i>Provision of traffic management.</i>	180.00	180.00	184.00
Road Openings.	<i>No traffic management required.</i>	90.00	90.00	92.00
Occupation of Parking Bays.	<i>Per bay per day</i>	45.00	45.00	46.00
Road Occupations.	<i>Provision of traffic management.</i>	180.00	180.00	184.00
Road Occupations.	<i>No traffic management required.</i>	90.00	90.00	92.00
Building Site Asset Inspections: Cost of Works < \$15,000	<i>Excluding all Reblocking, Urban Front Fencing & Demolitions</i>	-	-	-
Cost of Works > \$15,000	<i>Including all Reblocking, Urban Front Fencing & Demolitions</i>	95.00	180.00	97.00
Asset Protection Fees for Service Installations in Areas by Parties Other Than Utilities or Their Agents				
Road Length less than 100m.		180.00	180.00	184.00
Each Additional 100m of Road Length.		95.00	95.00	97.00
Asset Protection Fee for Vehicle Crossing Works		75.00	95.00	97.00
Asset Protection Fee for Drainage Tapping in Urban Areas at Drainage Easements and Nature Strips Including Provision of Legal Point of Discharge or Drainage Information		-	95.00	97.00
Security Deposit as Detailed in Clause 10 of the Vehicle Crossing Policy			1,500.00	1,500.00
Parking Headworks Charge as Defined in Clause 11 of the Vehicle Crossing Policy			3,500.00	3,500.00

INFRASTRUCTURE & RECREATION
Asset protection

SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Security Bonds as Specified in Local Law No.3 Cost of Works < \$15,000:	<i>Rural, Residential, Industrial and Commercial Building Sites for Builders with a 12 month Satisfactory Performance Record; Excluding all Reblocking, Front Fencing & Demolitions.</i> <i>Rural, Residential, Industrial and Commercial Building Sites for Builders with an Unsatisfactory Performance Record.</i>	- 500.00	500.00
Cost of Works > \$15,000: Rural Building Site; Residential Building Site; Residential Building Site; Residential Building Site; Residential Building Site; Industrial Building Site; Commercial Building Site; Multiple Building Sites	<i>Including Reblocking, Residential Front Fences & Demolition Works</i> No adjacent footpaths. With adjacent footpaths. Corner allotment, adjacent footpaths. Multiple units, adjacent footpaths. <i>Builders with a 12 month Satisfactory Performance Record</i>	500.00 500.00 1,000.00 1,500.00 2,000.00 2,500.00 5,250.00 10,500.00	500.00 500.00 1,000.00 1,500.00 2,000.00 2,500.00 5,250.00 10,500.00

INFRASTRUCTURE & RECREATION
Asset protection

SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Enquiries - Legal Point of Discharge or Drainage Information Urban Areas	Per enquiry	32.00	32.75
Charge for Restoration of Road Openings in Urban and Rural Areas		Actual cost plus 10% of the actual cost to cover administration expenses	Actual cost plus 10% of the actual cost to cover administration expenses
Asset Protection Penalty for Infringement Notice as Specified in Section 19 of Local Law No.3	Set by Statute (State Government)	Penalty Units are defined by Section 5 of the Monetary Units Act 2004 147.61 2	Penalty Units are defined by Section 5 of the Monetary Units Act 2004 147.61 2 -
Fees for Utilities and Their Agents for Applications Under Schedule 7 to the Road Management Act 2004 for Municipal Roads on which the maximum speed limit for vehicles at any time is <u>more</u> than 50kms per hour	Set by Statute (State Government)	Fee Units are defined by Section 5 of the Monetary Units Act 2004 (as at 1/7/2013) 1 Fee Unit = 13.24	Fee Units are defined by Section 5 of the Monetary Units Act 2004 (as at 1/7/2013) 1 Fee Unit = 13.24
Works, other than minor works conducted on, or on any part of the roadway, shoulder or pathway.	Set by Statute (State Government)	45 -	45 -
Works, other than minor works not conducted on, or on any part of the roadway, shoulder or pathway.	Set by Statute (State Government)	25 -	25 -
Minor works conducted on, or on any part of the roadway, shoulder or pathway.	Set by Statute (State Government)	11 -	11 -
Minor works not conducted on, or on any part of the roadway, shoulder or pathway.	Set by Statute (State Government)	5 -	5 -

INFRASTRUCTURE & RECREATION
Asset protection

SERVICE TYPE ASSET PROTECTION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Fees for Utilities and Their Agents for Applications Under Schedule 7 to the Road Management Act 2004 for Municipal Roads on which the maximum speed limit for vehicles at any time is <u>not more</u> than 50kms per hour	<i>Set by Statute (State Government)</i>	Fee Units are defined by Section 5 of the Monetary Units Act 2004	Fee Units are defined by Section 5 of the Monetary Units Act 2004
	<i>Set by Statute (State Government)</i>	20	20 -
	<i>Set by Statute (State Government)</i>	5	5 -
	<i>Set by Statute (State Government)</i>	11	11 -
	<i>Set by Statute (State Government)</i>	5	5 -

INFRASTRUCTURE & RECREATION

Waste Management - Transfer Stations

SERVICE TYPE TRANSFER STATION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
		General Waste	General Waste
Sedan/Wagon	<i>Seat up.</i> <i>Seat down.</i>	11.00 15.00	11.50 15.50
Utilities	Water line up to 1.8m Long Tray. Water Line over 1.8m Long Tray. Heaped up to 1.8m Long Tray. Heaped over 1.8m Long Tray.	<i>Height to 30cm</i> <i>Height to 30cm</i> <i>Height to 60cm</i> <i>Height to 60cm</i>	15.00 26.00 21.00 32.00
Single Axle Trailers	Water Line up to 1.8m Long. Water Line 1.8m to 2.75m Long. Heaped up to 1.8m Long. Heaped 1.8m to 2.75m Long. Boxed up to 1.8m Long. Boxed 1.8m to 2.75m Long.	<i>Height to 30cm</i> <i>Height to 30cm</i> <i>Height to 60cm</i> <i>Height to 60cm</i> <i>Height to 90cm</i> <i>Height to 90cm</i>	20.00 28.00 28.00 41.00 41.00 65.00
Tandem Axle Trailers	Water Line up to 2.75m Long. Water Line 2.75m to 3.75m Long. Heaped up to 2.75m Long. Heaped 2.75m to 3.75m Long. Boxed up to 2.75m Long. Boxed 2.75m to 3.75m Long.	<i>Height to 30cm</i> <i>Height to 30cm</i> <i>Height to 60cm</i> <i>Height to 60cm</i> <i>Height to 90cm</i> <i>Height to 90cm</i>	28.00 45.00 45.00 80.00 85.00 110.00
Small Items	Mobile Garbage Bin (wheelie bin). Kitchen / Dining Chairs. Stools.	<i>Per item</i> <i>Up to three.</i> <i>Up to three.</i>	5.50 5.50 5.50
E-Waste (Electrical Items)	All e-waste including Computers, monitors, TVs and peripherals	<i>Per item</i>	5.50
Mattresses	Single Double/Queen/King	<i>Per item</i> <i>Per item</i>	15.00 21.00
Medium Items	Lounge Chairs. Small Cupboards. 2 Seat Sofa.	<i>Up to two</i> <i>HDL – 1.3m x 0.6m x 1.2m.</i>	12.50 12.50 12.50

INFRASTRUCTURE & RECREATION

Waste Management - Transfer Stations

SERVICE TYPE TRANSFER STATION FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Large Items Large Cupboards. 3 Seat Sofa.	<i>HDL – 2.5m x 0.7m x 1.6m.</i>	22.00	23.00
		22.00	23.00
Tyres Car and Motor Cycle. Light Truck & 4WD.		5.50	5.60
		10.00	10.50
Tyres on Rims Car. Light Truck and Fork Lifts.		10.50	11.00
		20.50	22.00
Recyclable Goods – Free of Charge (1)		No Charge	No Charge
Other Waste Management Domestic Waste Card (2) Synthetic Mineral Fibre (SMF) Plastic Bags	<i>Per annum. Each</i>	185.00	190.00
		4.00	4.10

INFRASTRUCTURE & RECREATION			
<i>Waste Management - Landfill</i>			
SERVICE TYPE WASTE MANAGEMENT - LANDFILL (1)	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Clean Fill <div style="text-align: right;">(1) Clean Fill – Only if required at Landfill.</div>	<i>Per tonne – including landfill levy.</i>	42.25	43.00
Putrescible Waste & Inert Waste	<i>Per tonne (excluding contractual arrangements) Minimum charge 1 tonne (Includes State Government Landfill Commercial Levy \$51.30 per tonne)</i>	168.00	171.00
Dead Animals <div style="text-align: right;">Less than 30kg. Ex Vets</div>	<i>Per animal Per bag (max 30kg)</i>	13.40 13.40	13.50 13.50
Industrial Waste <div style="text-align: right;">Synthetic Mineral Fibre Wrapped - Domestic Plastic Bags for Packaging</div>	<i>Per cubic metre (m3) Per bag</i>	30.00	30.00 4.00
Hazardous Waste <div style="text-align: right;">Asbestos – Domestic. Latrobe City Residents Non-Latrobe City Residents</div>	<i>Per m3 Per 20kg package (2) must be removed and deposited by the resident, otherwise prescribed waste rate.</i>	50.00 50.00	50.00 50.00

(1) Dry clean fill can only be deposited by contractors by prior arrangement and will only be accepted if fill material is required. It will be charged at the rate of \$40 per tonne, which includes the increase in EPA Commercial levy. There is no public access to landfill.

(2) Maximum of 6 x 20kg packages correctly wrapped per customer.

CITY DEVELOPMENT
Health Services

SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Septic Tanks – New Installations			
All System Types	<i>In excess of two.</i>	640.90	655.00
Inspections.		136.60	140.00
Alteration – Major.		394.00	405.00
Alteration – Minor.		172.30	180.00
Search Fee.	<i>Maximum.</i>	63.00	65.00
Conveyancing Enquiry.		212.30	220.00
Extension to Septic Tank Application.	<i>More than two years old.</i>	331.00	340.00
			-
Health Premises			
New Premises Registration	<i>Commercial Hairdressing-Low</i>	505.00	520.00
New Premises Registration	<i>Beauty Treatments-Medium</i>	505.00	520.00
New Premises Registration	<i>Mobile Home Hair Dressing etc-Low</i>	230.00	235.00
New Premises Registration	<i>Comm Skin Pen/Colonic-High</i>	515.00	530.00
New Premises Registration	<i>Ear-piercing Single Use-Medium</i>	285.00	290.00
New Premises Registration	<i>Combination or 2 or more services</i>	515.00	515.00
Renewal Premises Registration	<i>Commercial Hairdressing-Low</i>	390.00	390.00
Renewal Premises Registration	<i>Beauty Treatments-Medium</i>	430.00	440.00
Renewal Premises Registration	<i>Mobile Home Hair Dressing etc-Low</i>	180.00	180.00
Renewal Premises Registration	<i>Comm Skin Pen/Colonic-High</i>	505.00	520.00
Renewal Premises Registration	<i>Ear-piercing Single Use-Medium</i>	170.00	175.00
Renewal Premises Registration	<i>Combination or 2 or more services</i>	505.00	505.00
Commercial Accommodation			
New Registration.	<i>Includes motels and hostels.</i>	590.00	605.00
Annual Renewal.	<i>Includes motels and hostels.</i>	520.00	530.00
Caravan Parks and Movable Homes <i>(Statutory Fee)</i>	Statutory fees are unable to be amended by Council. This fee is set under the Residential Tenancies Act (Caravan Parks and Movable Dwellings)		
		<i>Triennium Fees</i>	
		<i>1-25 sites</i>	TBA
		<i>26-50 sites</i>	TBA
		<i>51-100 sites</i>	TBA
		<i>101-150 sites</i>	TBA

CITY DEVELOPMENT
Health Services

SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Transfer of Registration	Food Process within 5 Days.	<i>Maximum.</i> 425.50	435.00
	Food Process within 10 Days.	<i>Maximum.</i> 367.80	380.00
	Health Process within 5 Days.	<i>Maximum.</i> 220.70	225.00
	Health Process within 10 Days.	<i>Maximum.</i> 165.00	170.00
Plan Approval Fee <i>(Non-compulsory establishment inspection fee)</i>	Food Premises.	<i>Per hour</i> 126.00	130.00
	Health Premises.	<i>Per hour</i> 100.00	105.00
Food & Water Sample Administration Fee	Sample administration fee	<i>2nd non compliant follow up.</i> 195.00	200.00
COMMERCIAL FOOD PREMISES			
Class 1 (Full Time)	New	<i>Hospitals / Nursing Homes</i> 715.00	730.00
	Renewal	650.00	665.00
Class 2A (Full Time)	New	<i>Restaurants, Fast Food, Deli's</i> 680.00	695.00
	Renewal	625.00	640.00
	New	<i>Supermarkets / Large Manufacturers</i> 1,335.00	1,365.00
	Renewal	1,080.00	1,100.00
Class 2B (Part Time)	New	<i>Minimal unpacked potential hazardous foods</i> 450.00	460.00
	Renewal	400.00	410.00
Class 3A (Full Time)	New	<i>Minimal unpacked potential hazardous foods</i> 390.00	400.00
	Renewal	345.00	350.00
	New	<i>Water Carters</i> 165.00	170.00
	Renewal	135.00	140.00
Class 3B (Part Time)	New	<i>Food is secondary activity (e.g. Movie Theatre)</i> 335.00	245.00
	Renewal	260.00	265.00
Class 4 Low Risk Packaged	New	<i>Liquor Outlets, Video Stores, Newsagents, Pharmacies etc.</i> Exempt	
	Renewal	Exempt	

CITY DEVELOPMENT
Health Services

SERVICE TYPE HEALTH SERVICES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Additional Inspection Fee (non compliance after 2 visits)			
Class 1 (Full Time)	<i>Per Hour (Minimum)</i>	185.00	190.00
Class 2A (Full Time)	<i>Per Hour (Minimum)</i>	160.00	164.00
Class 2B (Part Time)	<i>Per Hour (Minimum)</i>	160.00	164.00
Class 3A (Full Time)	<i>Per Hour (Minimum)</i>	135.00	140.00
Class 3B (Part Time)	<i>Per Hour (Minimum)</i>	110.00	115.00

CITY DEVELOPMENT			
<i>Local Laws</i>			
SERVICE TYPE LOCAL LAWS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Parking (In accordance with Road Safety Act 1986)	Parking Infringements. <i>Section 1</i> <i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	78-155	TBC
Dog & Cat Registration Fees (In accordance with Domestic Animal Act 1994)	Full Registration Pensioner Concession Domestic Animal Business. Dangerous, Menacing or renewals only for Restricted Dog Breeds	<i>Per Animal</i> <i>Per Animal</i> <i>Per annum</i> <i>Full registration per animal</i>	39.00 40.00 20.00 210.10 215.00 123.00 125.00
Dog & Cat Infringements (In accordance with Domestic Animal Act 1994)	<i>Section 1</i> <i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	78-311	TBC
Pound Release Fees – Domestic Animals Dog or cat release (where owner is identifiable by Council) Dog or cat release (where owner is unidentifiable by Council)	<i>Per animal plus charges below</i> <i>Per animal plus charges below</i>	31.80 107.60	32.40 109.80
*In Addition to Release Fees – Where Applicable (In accordance with Domestic Animal Act 1994)	Subsequent Releases Food and keep fees Male dog desexing Female dog desexing Male cat desexing Female cat desexing Dog or cat microchipping Vaccination fee Vet Check fee	<i>Per animal</i> <i>Per animal per day</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i> <i>Per animal</i>	115.80 16.00 195.00 314.00 105.00 189.00 58.00 70.00 50.00
Animal Sales (In accordance with Domestic Animal Act 1994)	Cat sale (including desexing fee) Dog sale (including desexing fee) Dog or cat sale (already desexed)	<i>Per animal</i> <i>Per animal</i> <i>Per animal</i>	205.00 367.00 162.00

CITY DEVELOPMENT
Local Laws

SERVICE TYPE LOCAL LAWS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Livestock			
Pound Release Large (horse, cow, bull, etc).	<i>Per animal</i>	169.10	173.00
Pound Release Small (sheep, pig, goat etc)	<i>Per animal</i>	92.30	94.00
Food and Keep Fees.	<i>Per animal per day.</i>	25.60	26.00
Livestock Infringements	<i>Penalties will be applied as per the livestock act.</i>	311-622	TBC
Livestock attendance for VicRoads	<i>Per Attendance</i>	579.10	594.00
Other Fees/Infringements			
Disabled Parking First Permit.	<i>Each</i>	No Charge	No Charge
Disabled Parking Additional Permits.	<i>Each.</i>	5.10	5.00
Dog/Cat Replacements Tag.	<i>Each.</i>	3.10	3.20
Shopping Trolley Release Fee.	<i>Per trolley</i>	164.00	170.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act	<i>Per vehicle</i>	630.40	645.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act	<i>Plus tow fee per vehicle if applicable</i>	246.00	N/A
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act.	<i>Per vehicle</i>	333.10	340.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act.	<i>Plus standard tow fee per vehicle</i>	153.80	157.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act.	<i>Plus immediate tow fee per vehicle</i>	266.50	274.00
Release fee for vehicles impounded in accordance with Schedule 11 of the Local Government Act.	<i>Plus daily storage fee</i>	12.30	15.00
School Crossing Flags.	<i>Per set.</i>	87.10	89.00
Fire Hazard Infringement.	<i>Set by Statute (State Government)</i>	1,555.00	TBA
Fire Hazard Infringement.	<i>Per penalty unit</i>	-	-
Fire Hazard Infringement.	<i>Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	-	-
Fire Hazard Infringement.		-	-
Fire Hazard Infringement.		-	-

CITY DEVELOPMENT
Local Laws

SERVICE TYPE LOCAL LAWS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Other Fees/Infringements			
Litter Infringement. (In accordance with the Environment Protection Act 1970)	<i>Set by Statute (State Government) Penalty Units are defined by Section 5 of the Monetary Units Act 2004</i>	311-1866	TBC
Local Laws Permit.	<i>All Clauses otherwise specified</i>	51.30	53.00
Local Law Infringements. (Local Law No 2)	<i>Per penalty unit</i>	100.00	N/A
Temporary outdoor eating facilities	<i>Per annum fee (inclusive of permit application fee) Consisting of up to 4 tables and a maximum of 12 chairs.</i>	143.50	145.00
Temporary outdoor eating facilities over four tables and/or over 12 chairs.	<i>Per annum fee (inclusive of permit application fee) Consisting of over 4 tables and/or over 12 chairs.</i>	287.00	295.00
Roadside Trading Permit	<i>Clause 82 – Local Law No. 2.</i>	410.00	420.00
Caravans as Temporary Accommodation permit.	<i>Clause 142 – Local Law No. 2 – Incorporates 6 month permit application for Health permit to reside in caravan.</i>	317.80	N/A
Administration Fee	<i>Administration Fee for the reconciliation and generation of an invoice to a property owner which has had force clear works completed by Council.</i>		50.00

CITY DEVELOPMENT
Building Developments

SERVICE TYPE BUILDING PERMITS/FEES	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Permit time extensions and inspections for lapsed permits	<i>Minimum.</i>	150.00	150.00
Preparation of Section 173 Agreements For building over easements.	<i>Per agreement</i>	410.00	420.00
Building File Search Fee	<i>Linked to statutory fee set by regulation 327</i>	50.00	52.50
Report and Consent		-	
First	<i>Each</i>	250.00	260.00
Additional	<i>Each</i>	125.00	130.00
Temporary Structure Siting Approvals	<i>Treated as a Report and Consent</i>	250.00	260.00
Pope – Occupancy Permits	<i>Treated as a Report and Consent</i>	250.00	260.00

*NOTE Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees.

CITY DEVELOPMENT
Statutory Planning

SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
<p>Many of these fees are those prescribed under the Planning and Environment (Fees) Regulations 2016 and the Subdivision (Permit and Certification Fees) Regulations, but are not a complete representation of the Regulations. Reference should be made to the Regulations to obtain the complete wording of individual fee regulations (GST exempt).</p> <p align="center">* NOTE – Statutory Fees are subject to change at the discretion of the Minister for Planning.</p>			
Planning Permit Application - Use Only	<i>Statutory State Government Fees</i>	514.60	1,240.70
To develop land or to use and develop land for a single dwelling per lot, or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of development included in the application is:	<i>Statutory State Government Fees</i>	Up to \$10,000 \$10,001 - \$100,000. \$100,001 - \$500,000 \$500,001 - \$1,000,000 \$1M to \$2M	188.20 592.50 1,212.80 1,310.40 1,407.90
To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:	<i>Statutory State Government Fees</i>	Up to \$10,000 \$10,001 to \$250,000 \$250,001 to \$500,000 \$500,001 to \$1,000,000 \$1,000,001 to \$7,000,000 \$7,000,001 to \$10,000,000 \$10,000,001 to \$50,000,000 More Than \$50,000,000	104.60 619.10 724.70 835.40 1,181.80 4,957.90 8,265.60 16,533.30 Up to \$100,000 \$100,001 to \$1,000,000 \$1,000,001 to \$5,000,000 \$5,000,001 to \$15,000,000 \$15,000,001 to \$50,000,000 More Than \$50,000,000
Subdivision To Subdivide an Existing Building. To Subdivide Land into Two Lots. To effect a realignment of a common boundary between lots Consolidate two or more lots. To Subdivide Land. To remove a restriction (within the meaning of the Subdivision Act 1988) over land if the land has been used or developed for more than 2 years before the date of the applications in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction.	<i>Statutory State Government Fees</i>	395.70 395.70 395.70 395.70 800.50 255.20	1,240.70 1,240.70 1,240.70 1,240.70 1,240.40 1,240.70

CITY DEVELOPMENT
Statutory Planning

SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Subdivision To create, vary or remove a restriction within the meaning of the Subdivision Act 1988; or to create or remove a right of way.	<i>Statutory State Government Fees</i>	554.50	1,240.70
To create, vary or remove an easement other than a right of way; or to vary or remove a condition in the nature of an easement other than a right of way in a Crown grant.	<i>Statutory State Government Fees</i>	414.10	1,240.70
Supervision of Works.		2.5% of value of works	2.5% of value of works
Checking of Engineering Plans.		2.5% of value of works	2.5% of value of works
To Amend an Application To amend an application for a permit after notice of the application has been given under Section 52.	<i>Statutory State Government Fees</i>	104.60	102.00
To Amend a Permit To amend an application to amend a permit after late	<i>Statutory State Government Fees</i>	104.60	N/A
To amend a permit to use land if that amendment is to change the use for which the land may be used.	<i>Statutory State Government Fees</i>	502.00	N/A
To change a statement of what the permit allows;	<i>Statutory State Government Fees</i>	502.00	1,240.70
To change any of all of the conditions which apply to the permit;	<i>Statutory State Government Fees</i>	502.00	512.00
In any way not otherwise provided for in this regulation.	<i>Statutory State Government Fees</i>	502.00	1,240.70
To amend a permit to develop land or to use and develop land for a single dwelling per lot or to undertake development ancillary to the use of the land for a single dwelling per lot if the estimated cost of an additional development to be permitted by the amendment is:	<i>Statutory State Government Fees</i>	\$10,000 - \$100,000. 239.00	Up to \$100,000 592.50
		> \$100,000. 490.00	\$101,000 - \$1M 1,310.40
			\$1M to \$2M 1,407.90

CITY DEVELOPMENT
Statutory Planning

SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
To Amend A Permit (Continued) To amend a permit to develop land if the estimated cost of any additional development to be permitted by the amendment is:	<i>Statutory State Government Fees</i>	<\$10,000 102.00 > \$10,001 to \$250,000 604.00 > \$250,001 to \$500,000 707.00 > \$500,001 815.00	Up to \$100,000 1,080.40 >\$100,001 to \$1M 1,456.70 815.00
		To amend a permit to: Subdivide an existing building; Subdivide land into two lots; Effect a realignment of a common boundary Consolidate two or more lots.	<i>Statutory State Government Fees</i>
Combined Permit Applications Certification An application to certify a plan.	<i>Statutory State Government Fees</i> <i>Application fee plus amount per lot</i> <i>Exempt subdivisions, consolidations etc.</i>	Procedural. 100.00	164.50
		Recertification. 20.00	20.40
		Recertification. 100.00	164.50
Certificates of Compliance The fee for a certificate under Section 97N.	<i>Statutory State Government Fees</i>	147.00	306.70
Satisfaction Matters The fee for determining a matter where a planning scheme specifies that the matter must be done to the satisfaction of a responsible authority or referral authority.	<i>Statutory State Government Fees</i>	102.00	306.70
Administration Charges Extend the Expiry Date of a Permit. Search for and Provide a copy of a permit Liquor Licence Applicant Information Requests Written response to planning queries Secondary Consent Public Notification on behalf of Applicant.	<i>Per permit</i> <i>Per permit</i> <i>Per application</i> <i>Per response</i> <i>This figure is based on average of Council fees across Gippsland</i> <i>Per permit</i> <i>Standard administration fee</i>	137.90	1st Request 150.00 2nd Request 225.00 3rd Request 300.00
		137.90	134.65
		61.35	141.00
		61.35	62.75
		107.15	300.00
		34.40	35.10

CITY DEVELOPMENT
Statutory Planning

SERVICE TYPE PLANNING PERMITS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Photocopying Charges on Behalf of Applicant	<i>Black & White A4 per sheet</i>	0.25	0.25
	<i>Colour A4 per sheet</i>	1.20	1.20
	<i>Black and White A3 per sheet</i>	0.50	0.50
	<i>Colour A3 per sheet</i>	1.55	1.55
	<i>Black & White AO1 per sheet</i>	8.60	8.80
	<i>Colour AO1 per sheet</i>	10.85	11.05
	<i>Black & White A1 per sheet</i>	7.05	7.15
	<i>Colour A1 per sheet</i>	8.60	8.80
	<i>Black & White A2 per sheet (plotter)</i>	5.35	5.45
	<i>Colour A2 per sheet (plotter)</i>	6.55	6.65

CITY DEVELOPMENT
Strategic Planning

SERVICE TYPE AMENDMENTS TO PLANNING SCHEMES	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)		
		Prior to 13 Oct 2016	After 13 Oct 2016	Prior to 13 Oct 2017	After 13 Oct 2017	
		Stage One	Considering a request to amend the planning scheme; and Taking action required by Division 1 of Part 3 of the Planning and Environment Act 1987; and Considering any submissions which do not seek a change to the amendment; and If applicable, abandoning the amendment in accordance with Section 28.	Statutory State Government Fees	798.00	1,435.80
Stage Two	Considering submissions which seek a change to an amendment, and where necessary referring the submissions to a panel; and Providing assistance to a panel in accordance with Section 158; and Making a submission in accordance with Section 24(b); and Considering the report in accordance with Section 27; and After considering submissions and the report in accordance with Section 27, if applicable, abandoning the amendment in accordance with Section 28.	Statutory State Government Fees				
		1-10 submissions	798.00	7,116.35	7116.35	14,232.70
		11-20 submissions	798.00	14,218.80	14218.80	28,437.60
		21+ submissions	798.00	19,007.20	19007.20	38,014.40
Stage Three	Adopting the amendment or part of the amendment in accordance with Section 29; and Submitting the amendment for approval in accordance with Section 31.	Statutory State Government Fees	524.00	226.55	226.55	453.10
Stage Four	Considering a request to approve an amendment in accordance with Section 35; and Giving notice of approval of an amendment in accordance with Section 36.	Statutory State Government Fees	798	226.55	226.55	453.10
Administration Charges	General written advice of planning scheme amendment histories.			62.00		63.20
	Costs and expenses for a Planning Panel to be appointed, hear and consider submissions, and prepare a report under Part 8 of the Planning and Environment Act 1987.	Full fee recovery of government charges		Various		Various

*NOTE Statutory Fees can only be increased by the Minister for Planning. At the time of the budget preparation there was no indication of likely alteration to these statutory fees.

CITY DEVELOPMENT
Latrobe Regional Gallery

SERVICE TYPE LATROBE REGIONAL GALLERY	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Community Access Gallery	Rental. Bond.	<i>Per week.</i>	166.10 189.60
Meeting Room : Room with board table	Commercial Rental	<i>Half day.</i> <i>Full day.</i>	107.60 189.60
	Community Rental	<i>Half day.</i> <i>Full day.</i>	50.20 95.30
Meeting Room 2 - Friends Room: Room with kitchen table and lounge	Commercial Rental	<i>Half day.</i> <i>Full day.</i>	107.60 189.60
	Community Rental	<i>Half day.</i> <i>Full day.</i>	50.20 95.30
Studio Workshop - Commercial	Rental.	<i>Half day</i>	107.60
		<i>Full day.</i>	229.60
		<i>Evening.</i>	286.00
Studio Workshop - Community	Rental.	<i>Half day.</i>	50.20
		<i>Full day.</i>	105.60
		<i>Evening.</i>	145.60

CITY DEVELOPMENT

Performing Arts Centre

SERVICE TYPE PERFORMING ARTS CENTRE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Performing Arts Centre - Standard Rate <i>(Performances and Rehearsals)</i>			
Town Hall	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		1,000.00 500.00 75.00
Little Theatre	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		850.00 425.00 60.00
Other Events Non Theatrical - Standard Rate <i>* Session extensions up to 3 hours charged pro rata at the session rate</i>			
Town Hall	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm -</i>		334.00
Little Theatre	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm -</i>		200.00
Performing Arts Centre - Community Rate <i>(Performances and Rehearsals)</i>			
Town Hall	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		400.00 200.00 30.00
Little Theatre	<i>Per performance 2nd performance same day Rehearsal rate - per hour</i>		340.00 170.00 24.00
Other Events - Community Rate <i>* Session extensions up to 3 hours charged pro rata</i>			
Town Hall	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		335.00
Little Theatre	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		285.00

CITY DEVELOPMENT
Community Halls

SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Kernot Hall – Standard Rate*			
<i>* Session extensions up to 3 hours charged pro rata at the session rate</i>			
Hall 1	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		500.00
Hall 2	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		200.00
Whole Hall.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		700.00
Foyer	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		300.00
Kitchen.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		250.00
Kernot Hall – Community Rate			
Hall 1	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		200.00
Hall 2	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		80.00
Whole Hall.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		280.00
Foyer	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		120.00
Kitchen.	<i>Per Session (Morning -8am-1pm, Afternoon - 1pm-6pm, or Evening 6pm - 11pm)</i>		100.00
Moe Town Hall - Standard			
Standard Rate.	<i>Per Session (5 Hours)</i>		405.00
Community Rate	<i>Per Session (5 Hours)</i>		162.00

CITY DEVELOPMENT
Community Halls

SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)		2017/18 \$ (GST Inc)
		* Peak	* Off Peak	
Newborough Public Hall Standard Rate <i>(Bazaars, Fetes, Stalls, Presentation Nights, School Concerts, Weddings,</i>	<i>8am – 5pm – daytime – per hour. 5pm –midnight –evening –per session.</i>			50.00
				350.00
Community Rate <i>(Bazaars, Fetes, Stalls, Presentation Nights, School Concerts, Weddings,</i>	<i>8am – 5pm – daytime – per hour. 5pm –midnight –evening –per session.</i>	31.80	18.50	20.00
		260.40	137.40	140.00
Ronald Reserve Hall – Community Rate <i>(Bazaars, Fetes, Stalls, Presentation, Nights, School Concerts, Weddings, Social Events and Meetings)</i>	<i>Per hour.</i>	18.50	18.50	20.00
Churchill Community Hall – Community Rate <i>(Bazaars, Fetes, Stalls, Presentation, Nights, School Concerts, Weddings, Social Events and Meetings)</i>	<i>Per hour.</i>	18.50	18.50	20.00
		-	-	
Traralgon Court House – Court Room	Commercial Rate <i>Per day (8am - 5pm)</i>	88.20	N/A	90.00
	Community Rate <i>Per day (8am - 5pm)</i>	-	-	
		57.40	29.70	36.00
Loy Yang Power Latrobe Community Sound Shell – Standard Rate Hire	<i>Plus clean up costs.</i>		323.90	330.00
Loy Yang Power Latrobe Community Sound Shell - Community Rate Daytime & Evening	<i>All Hours</i>			No Charge
Traralgon East Community Centre Hall Hire.	<i>Per hour.</i>		18.50	20.00
Kath Teychenne Centre – Meeting Room Community and Not For Profit Groups. Commercial.	<i>Per hour</i>		No Charge	No Charge
	<i>Per hour</i>		28.70	30.00

CITY DEVELOPMENT
Community Halls

SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Lighting Standard <p align="center">Kernot Hall I (Standard Rig Open White)</p> <p align="center">Moe Town Hall (Standard Rig Open White)</p> <p align="center">Performing Arts Centre (Standard Rig White/Colour-2 specials)</p> <p align="center">Loy Yang Power Latrobe Community Sound Shell (Standard Rig)</p> Other <p align="right">Technician Fees</p> <p align="right">Portable 6 x 400 watt lights</p>	<p align="center"><i>Per event/performance</i></p> <p align="center"><i>Per event/performance</i></p> <p align="center"><i>Per event/performance</i></p> <p align="center"><i>Per session plus production equipment/resources</i></p> <p align="center"><i>2 x Technicians per hour (min 3 hours)</i></p> <p align="center"><i>Per Day (Including 3 hours of Technician)</i></p>	 <p align="right">205.00</p> <p align="right">769.80</p> <p align="right">86.10</p> <p align="right">248.10</p>	<p align="right">200.00</p> <p align="right">150.00</p> <p align="right">225.00</p> <p align="right">800.00</p> <p align="right">90.00</p> <p align="right">250.00</p>
Piano <p align="right">Within hire period</p>	<p align="center"><i>First day (includes tuning) subsequent per day</i></p>		<p align="right">275.00</p> <p align="right">100.00</p>
Technician <p align="right">All Hirers</p>	<p align="center"><i>All hirers, min 3 hrs - Per technician per hour (plus applicable penalties)</i></p>		<p align="right">45.00</p>
Front Of House <p align="right">Usher/Merchandise Seller</p> <p align="right">Front of House Manager</p>	<p align="center"><i>All hirers - per hour (min 3 hrs) plus applicable penalties</i></p> <p align="center"><i>All hirers - per hour (min 3 hrs) plus applicable penalties</i></p>		<p align="right">40.00</p> <p align="right">45.00</p>

CITY DEVELOPMENT
Community Halls

SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Audio			
Kernot Hall PA System	<i>Per performance / event</i>		160.00
LPAC PA System	<i>Per performance / event</i>		160.00
Audio & Lighting Package			
Kernot Hall	<i>Per performance / event</i>	-	325.00
LPAC	<i>Per performance / event</i>	-	350.00
Miscellaneous			
Venue Hire Penalty Rate	<i>After 11pm– per hour</i>	138.40	140.00
Kiosk	<i>Per hour</i>	25.60	26.00
Replacement salto disc	<i>Per item</i>	25.00	25.00
Excess rubbish removal (> 3m ² per hire)	<i>each additional 3m²</i>	105.00	105.00
Equipment			
Test and tag electrical equipment	<i>Per item</i>	8.70	9.00
Rostra	<i>Per unit per performance/event</i>		20.00
Follow Spot or Smoke Machine or Mirror Ball	<i>Per unit per performance/event</i>		60.00
Rope, glue, gaffer tape, batteries and other consumables	<i>Per item</i>		Calculated based on Consumption
Radio Microphones	<i>per unit/per performance/event</i>		70.00
Folding tables – wooden	<i>Per item</i>	11.30	12.00
Chairs – plastic	<i>Per item</i>	3.10	3.00
Hall Hirers Public/Products Liability Insurance			
\$10m cover with \$250 excess (subject to policy terms & conditions)	Per hire up to 52 times per year	16.40	20.00
Performers/Stall holders/Artists/Street stallholders/Buskers/Tutors and Instructors – Available to uninsured, non-high risk applicants, involved in Council event/program/facility/permit holders.	Per hire	35.90	36.00

CITY DEVELOPMENT
Community Halls

SERVICE TYPE COMMUNITY HALLS	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Ticketing <div style="text-align: right; padding-right: 20px;"> All Hirers / All Venues <i>(Including Soundshell)</i> </div>	Ticketing Fee per ticket <i>Ticket value less than \$25.00</i> <i>Ticket value between \$25 - \$49.99</i> <i>Ticket value greater than \$49.99</i> <i>Complimentary tickets issued</i> <i>Fee per ticketing transaction</i> <i>Tickets purchased via Telephone or Online</i> <i>Credit card transactions</i>		2.00 3.00 4.00 0.75 2.00 Bank Fee
Merchandise Commission	Commercial - All Venues	<i>Total Sales</i>	12.50%

CITY DEVELOPMENT
Latrobe Regional Airport

SERVICE TYPE LATROBE REGIONAL AIRPORT	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Airport Annual Licence Fees	Recreational	145.90	149.00
	Light Commercial	727.20	742.00
	Commercial	1,456.70	1,486.00

These fees are set annually by the Latrobe Regional Airport Board and therefore the proposed 2015/16 fees may be subject to amendment following that process.

CITY DEVELOPMENT
Visitor Information Centre

SERVICE TYPE VISITORS INFORMATION CENTRE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Brochure Racking Fee Operators within Gippsland region wishing to display their brochure in the visitor centre	<i>Annual</i>	87.00	89.00
Photocopying & Printing	Black and White A4 <i>Per sheet (single or double sided)</i> Colour A4 <i>Per sheet (single or double sided)</i>	0.30 1.30	0.50 1.50

CORPORATE SERVICES
Governance

SERVICE TYPE GOVERNANCE	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Freedom of Information Application Fee	<i>Set by Freedom of Information (Access Charges) Regulations 2004</i>	* As per regulations	* As per regulations
Access Charges	<i>Set by Freedom of Information (Access Charges) Regulations 2004</i>	* As per regulations	* As per regulations

CORPORATE SERVICES

Property & Legal

SERVICE TYPE PROPERTY AND LEGAL	BASIS	2016/17 \$ (GST Inc)	2017/18 \$ (GST Inc)
Property and Legal			
Road Discontinuance/Closure & Sale of Land Application Fee.	<i>Per application</i>		150.00
Annual Lease/License Charge Non Commercial or Community & Non Profit Organisation.	<i>Per lease or licence per annum</i>	75.00	80.00
Off Street Car Parks			
Seymour Street Car Park (Traralgon) Car park space leases After Hours Call out Fee – Seymour Street Car Park	<i>Per space per annum</i> <i>Per callout</i>	1,230.00 Charged directly by Security Firm	1,230.00 Charged directly by Security Firm
Commercial Road Car Park (Morwell) Car park space leases	<i>Per space per annum</i>	828.90	830.00
Replacement Permit Stickers Replacement Permit Sticker	<i>First replacement in the financial year</i> <i>Subsequent replacements in the same financial year</i>		No Charge 21.00

Budget processes

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

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

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

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

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

2017/18 Budget Budget Process

Budget process	Timing
1. Officers update Council's long term financial projections	Sep - Nov
2. Officers prepare operating and capital budgets	Nov - Jan
3. Council considers draft budgets at informal briefings	Feb
4. Proposed budget submitted to Council for approval	Apr
5. Public notice advising intention to adopt budget	Apr
6. Council's Audit Committee review draft budget	Apr/May
7. Budget available for public inspection and comment	Apr/May
8. Submissions period closes (28 days)	May
9. Submissions considered by Council/Committee	May
10. Budget and submissions presented to Council for adoption	June
11. Copy of adopted budget submitted to the Minister	June