



ALPINE
SHIRE COUNCIL

Budget Report – 2016/2017

Contents

1.	Link to the Council Plan	8
2.	Services and service performance indicators.....	10
3.	Financial statements	20
4.	Financial performance indicators	27
5.	Other budget information (required by the Regulations)	30
6.	Detailed list of Capital Works	34
7.	Rates and charges	39
8.	Summary of financial position	59
9.	Budget influences	63
10.	Analysis of operating budget.....	66
11.	Analysis of budgeted cash position	72
12.	Analysis of capital budget.....	77
13.	Analysis of budgeted financial position.....	82
14.	Dinner Plain.....	85
15.	Strategic resource plan	88
16.	Rating context and structure.....	90
17.	Summary of other strategies.....	93
18.	Appendix A: Fees and charges schedule.....	96
19.	Appendix B: Budget processes.....	110

Mayor's Introduction

It is my pleasure to present the budget for the 2016/17 financial year. This year Council is proud to introduce a budget which focuses on ratepayers and the community through the following initiatives:

- Rate revenue increase of just 2.3%, lower than the 2.5% cap set by the State Government.
- Lowering the Dinner Plain special rate from 80% of the general rate to 65% of the general rate, saving the average Dinner Plain ratepayer \$171.
- Reducing the early bird family season pool pass from \$99 to \$89.
- The lowest employee costs since 2011, while still maintaining a high level of service for our communities.

This budget also delivers one of Council's largest ever capital works programs of \$10.8 million with a number of exciting projects to commence including:

- Alpine Better Places in Porepunkah and Bright and planning works to commence in Myrtleford;
- Alpine Events Centre;
- Mount Beauty library redevelopment; and
- Total road and bridge works of over \$5.3 million.

With the reduction in operational costs comes a renewed capacity to put more money into capital works and deliver projects that:

- Support and build community safety and wellbeing;
- Attract visitors and investment; and
- Boost the local economy.

This budget shows that we are delivering on our commitment to reduce recurring operational spending, keeping the cost to ratepayers as low as possible and redirecting funds to important capital works rather than to the day-to-day cost of running Council.

We are fortunate to live in a shire that is unrivalled in natural beauty, boasts close-knit and supportive communities and attracts tens of thousands of visitors each year. Council recognises the importance of infrastructure and facilities that support our residents and encourage growth.

This budget aims to strike a balance between a low rate increase and a strong capital works program, to achieve on-the-ground benefits for our ratepayers and communities.

Cr Ron Janas
Mayor

Executive summary

Council has prepared a Budget for 2016/17 which is aligned to the vision in the Council Plan 2013/17. It seeks to maintain and improve services and infrastructure as well as deliver projects and services that are valued by our community, and do this with a lower rate increase than that mandated by the State Government.

This Budget projects a surplus of \$1.6 million which is influenced by:

- Rates and charges revenue only increasing by 2.3% and a reduction in the Dinner Plain special rate from 80% of the general rate to 65% of the general rate.
- Reduction on previous years employee costs of \$1 million to \$8.6 million. This is mainly attributed to HACC services being recommissioned to another provider by the Department of Health and Human Services. This is partly offset by only applying a 1.5% increment to salaries and wages in 2016/17 and projected in the long term financial plan.
- Roads to Recovery (R2R) funding expected to be received in 2016/17 of \$1.2 million.
- Reduction in user fees of \$427K. Partly attributed to the recommissioning of HACC services to another provider by the Department of Health and Human Services. User fees are also down partly due to a reduction in revenue derived from pools and facilities. This is mainly attributed to Council reducing the early bird family seasons pool pass from \$99 to \$89 to increase usage of the pool.

Key things we are funding

Council is focusing on its capital works program to provide greater benefits to the local community. This year the capital works program will be the largest program budgeted at \$9.4 million. Major projects being undertaken by Council are:

- Alpine Better Places – Mafeking Square (\$1.4 million), Myrtleford (\$90K) and Porepunkah (\$1.7 million);
- Alpine Events Park – Bright (\$664K);
- Renewal of roads (\$1.3 million); and
- Renewal of bridges (\$586K).

In addition to capital projects Council is undertaking projects that align with the Council Plan strategic objectives as follows:

Strategic Objective 1: Inspired community leadership

- Transition Myrtleford, Mount Beauty and Bright libraries to Council from High Country Library Corporation with a focus on customer service and process improvement.
- Continue to trial participative budgeting techniques.
- Strategically lobby and network with key decision makers to positively influence funding applications and opportunities.

Strategic Objective 2: Enhancing the environment and liveability

- Develop and implement a holistic strategy for the collection, transfer and disposal of waste, recyclables and green/organic waste.
- Cease landfill operations and transition to a landfill diversion strategy.
- Implement stage one of the Asset Management System to provide greater detail on how Council manages its assets and centralising asset maintenance, finance and valuation requirements.

- Undertake Council's tree planting and maintenance programs.

Strategic Objective 3: Strengthening the community

- Improve affordability and accessibility to community facilities;
- Review of the Municipal Public Health and Wellbeing Plan;
- Undertake year two of the Engage program aimed at capacity building in young people.

Strategic Objective 4: Prosperous economy, employment and investment

- Develop a new Alpine Shire Cycle Guide to assist with promoting North East Victoria as the chosen cycle destination in Australia.
- Event attraction including Spartan and Enduro World series to increase the economic benefit derived within the Alpine Shire.
- Market test operations of the Myrtleford Holiday Park to ensure long term sustainability.
- Review operations of Councils business facilities to achieve optimal efficiency.

Strategic Objective 5: Performance focused organisation

- Develop and implement automated business solutions (priorities include customer requests, time and attendance and purchase to pay).
- Review and update the Long Term Financial Plan (LTFP).
- Implement web based health and safety management system.
- Continue to simplify workflows and procedures.

The Rate Rise

Council's rate revenue rise will be 2.3%. This is likely to be one of the lowest rate revenue increases in the State and lower than the 2.5% order set by the Minister for Local Government on 14 December 2015 under the Fair Go Rates System. Service charges are expected to increase by 2.3% for the average ratepayer which is reflective of the cost to manage the waste business function. Council has also proposed to reduce the rate of the Dinner Plain special rate from 80% of the general rate in the dollar to 65%. Overall Council's rates and charges revenue will only increase by 2.1% compared to 2015/16.

Key drivers in determining the rates and charges for the year are:

- To minimise rate increases to ratepayers.
- To fund renewal and upgrade of infrastructure and community assets.
- To fund ongoing service delivery.
- Valuations as per the General Revaluation dated 1 January 2016 (as amended by supplementary valuations).

Refer Section 7 for further Rates and Charges details.

Budget Influences

External Influences

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

- The Victorian State Government has introduced a cap on rate increases from 2016/17. The cap for 2016/17 has been set at 2.5%.
- State-wide CPI is forecast to be 2.5% for the 2016/17 year.
- The Victorian Wage Price Index is projected to be 3.25% in 2016/17.
- Indexation freeze of the Victorian Grants Commission funding.
- Ongoing cost shifting. This occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. More information and examples are shown in the section below.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of the all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

Internal Influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2016/17 Budget. These matters have arisen from events occurring in the 2015/16 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2016/17 year. These matters and their financial impact are set out below:

- HACC services being recommissioned to another provider by the Department of Health and Human Services effective 30 June 2016.
- Library services being brought in-house with the disbandment of the High Country Library Corporation effective 1 August 2016.
- A rate rise lower than the rate cap.

Budget Reports

The following reports include all statutory disclosures of information and are supported by the analysis contained in sections 8 to 16 of this report.

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

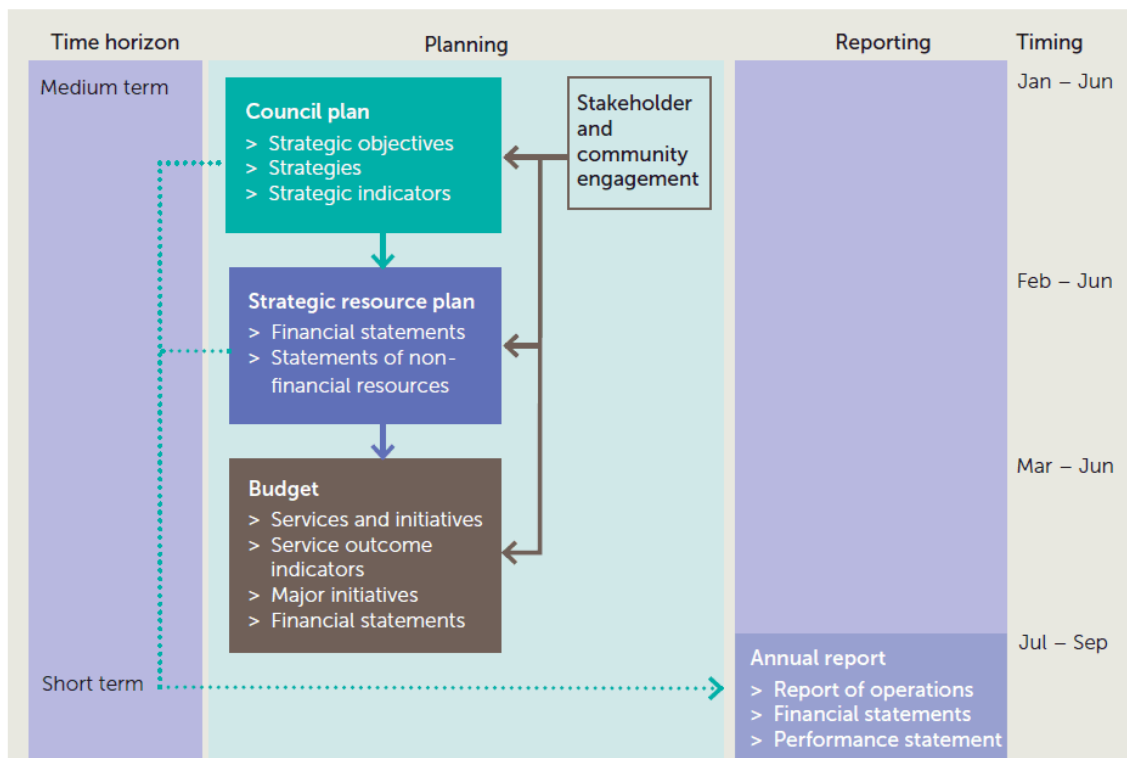
1. Links to Council Plan
2. Services and service indicators
3. Financial statements
4. Financial performance indicators
5. Grants and borrowings
6. Detailed list of capital works
7. Rates and charges

1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Vision 2030), medium term (Council Plan) and short term (Annual Budget) and then holding itself accountable (Annual Report).

1.1 Planning and accountability framework

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



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

In addition to the above, Council has a long term plan (Vision 2030) which articulates a community vision, mission and values. The Council Plan is prepared with reference to Council's long term financial 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 following a general election and is reviewed each year in advance of the commencement of the Annual Budget process.

1.2 Our purpose

Council's vision

"The Alpine Shire provides outstanding opportunities for its residents and visitors through sustainable growth in balance with the natural environment".

Alpine Shire 2030 Community Vision

Alpine Shire 2030 Community Vision is committed to planning for and delivering key priorities for the Alpine Shire Community. To achieve this, the Alpine Shire 2030 Community Vision was developed in 2005, and revised in 2010. The vision outlines how the community would like to see the Alpine Shire in 2030. While it is an aspirational document, the key directions in it feed down into the Council Plan, Strategic Resource Plan and Annual Budget, which is Council's means of delivering the vision. The seven key directions are:

- Unspoilt and natural environment;
- Sympathetic and balanced development;
- Economic prosperity;
- Identity and character of our towns, villages and rural communities;
- Services and facilities (health wellbeing and lifestyle);
- Linkages between communities; and
- Enhancing our strong and safe communities.

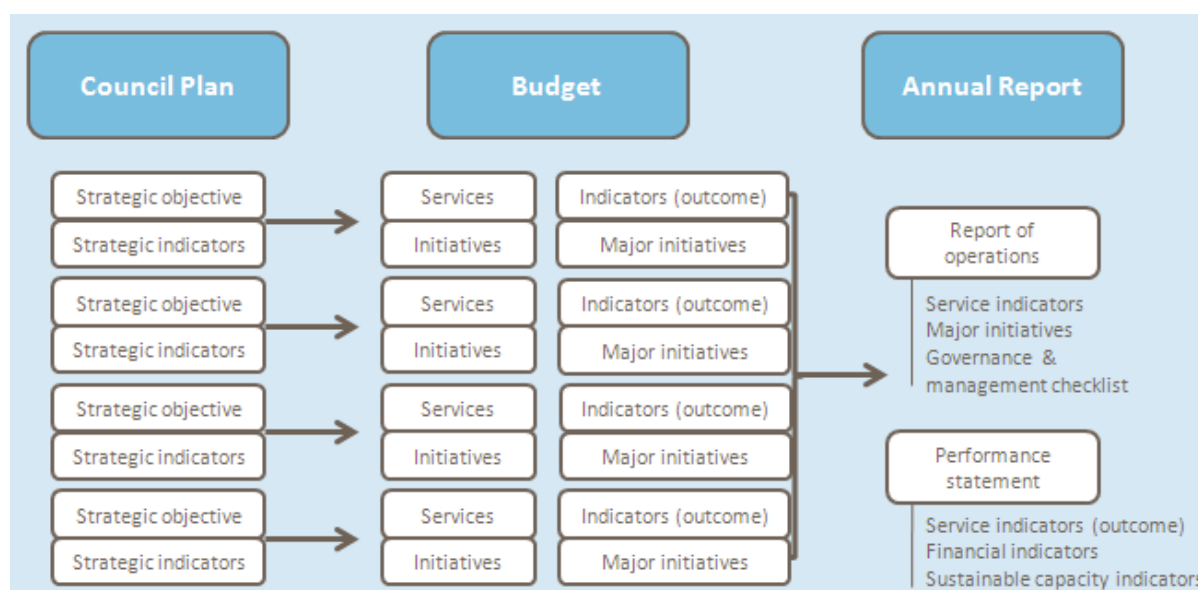
1.3 Strategic objectives

To achieve its vision, Council will deliver outcomes under five strategic themes as follows:

Themes	Description
1. Inspired community leadership	Council values effective community advocacy and partnerships.
2. Enhancing the environment and liveability	An environment managed for now and the future.
3. Strengthening the community	A community supported to be healthy, active and involved.
4. Prosperous economy, employment and investment	A dynamic local economy that is sustainable and supported to respond to opportunities and attract appropriate investment.
5. Performance focused organisation	A customer focused equitable and sustainable service to the community.

2. Services and service performance indicators

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



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

In 2015/16 Council centralised all wages costs into the Executive department 'Inspired Community Leadership' to ensure greater control over the expenditure. All other services listed below are exclusive of employee costs.

2.1 Inspired Community Leadership

To achieve our objectives within Inspired Community Leadership, 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

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Councillors and Executive	This area includes the Mayor, Councillors, Chief Executive Officer, Executive Management Team and associated support. It also includes HR support and all employee costs are also centralised in this area.	(268) <u>9,682</u> 9,414

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Libraries	<p>Libraries consist of the Alpine Shire library branches in Myrtleford, Bright and Mount Beauty and delivery of programs such as rhyme time, story time, school holiday programs and visiting authors. The library function also includes the operation of the High Country Library Network Hub. Alpine Shire Council undertakes the purchase of books and library materials, cataloguing services and transport of books between libraries to neighbouring Councils of Benalla, Mansfield and Wangaratta as a shared service.</p> <p>Note employee costs relating to the Library Hub and branch libraries are included in the Councillor and Executive.</p>	<p>(816)</p> <p>502</p> <p>(314)</p>

Major Initiative

- Transition Myrtleford, Mount Beauty and Bright libraries to Council from High Country Library Corporation with a focus on customer service and process improvement.

Initiatives

- Continue to trial participative budgeting techniques.
- Strategically lobby and network with key decision makers to positively influence funding applications and opportunities.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100

2.2 Enhancing the Environment and Liveability

To achieve our objectives within Enhancing the Environment and Liveability, 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

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Asset maintenance department		
Local Roads and Bridges	This area involves the maintenance of all Council's roads, and bridges. Council has 576km of roads, 120 bridges and over 40 major culverts. Spending in this area also covers roadside vegetation and drainage.	(46) <u>576</u> 530
Open Spaces	This service involves the maintenance of all of Council's open space areas such as playgrounds, parks, street trees, roundabouts and public reserves.	(747) <u>756</u> 9
Rail Trail Maintenance	The Murray to the Mountains Rail Trail is a significant piece of infrastructure which spans across three municipalities. This is an amount allocated for the maintenance of the trail in Alpine Shire.	26
Operations	Administration and management of Myrtleford, Bright and Mount Beauty works depots and other maintenance expenses.	(1,006) <u>1,006</u> -
Building Maintenance	This service is responsible for the maintenance of all of Council's buildings. This includes operational buildings such as depots, administration buildings and libraries as well as community buildings such as halls, senior citizens centres and childcare centres. This area is also responsible for rectifying damage caused by vandalism.	(380) <u>380</u> -
Emergency Management	This covers the administrative costs of Council's Emergency Management Planning role, maintenance of various flood warning infrastructure, and additional coordination activities which are fully grant funded.	(168) <u>168</u> -
Planning and amenity department		
Statutory planning	This function covers the assessment of planning applications, the provision of advice to developers and property owners and representing Council at the Victorian Civil and Administrative Tribunal. The cost of this service is partially offset by income received as planning application fees.	(125) <u>75</u> (50)
Municipal building services	This service provides statutory building services to the community and includes processing of building applications, emergency management responsibilities, fire safety inspections, audits of swimming pool barriers and investigations of complaints and illegal works. The cost of this service is almost offset by income received as application permits.	(188) <u>23</u> (165)

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Environmental health	This service provides for the registration and inspection of all food premises, waste water applications, investigation of complaints in relation to noise, odours, dealing with infectious disease outbreaks and other health issues.	(163) <u>155</u> (8)
Local laws	This area provides animal registrations, animal management, and local law enforcement.	(102) <u>54</u> (48)
Strategic planning	Strategic planning prepares and reviews amendments to the Alpine Planning Scheme, structure plans, strategies, master plans, urban growth plans, frameworks and design guidelines.	(6) <u>99</u> 93

Major Initiatives

- Develop and implement a holistic strategy for the collection, transfer and disposal of waste, recyclables and green/organic waste.
- Cease landfill operations and transition to a landfill diversion strategy.

Initiatives

- Implement stage one of the Asset Management System to provide greater detail on how Council manages its assets and centralising asset maintenance, finance and valuation requirements.
- Undertake Council's tree planting and maintenance programs.

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Statutory planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
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.

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] x100

2.3 Strengthening the Community

To achieve our objectives within Strengthening the Community, 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

Service area	Description of services provided	Expenditure (Revenue) Net Cost \$'000
Alpine@home		
Maternal and child health	This service assists to provide children with the 'best start' in life and supports the health and well-being of families and their children. Council also provides support to Alpine Children's Services. This function also includes immunisations.	(164) <u>7</u> (157)
Home and community care services	HACC services are being recommissioned to another provider by the Department of Health and Human Services.	(150) <u>150</u> -
Facilities department		
Property management	This service manages the Myrtleford Holiday Park and lease agreements including the Bright Caravan Park.	(659) <u>304</u> (355)
Airports	Provision and maintenance of aerodromes at Mount Beauty and Porepunkah.	(31) <u>31</u> -

Service area	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Waste management	Provision of waste management and recycling services across the Shire. This includes kerbside garbage and recycling collection services as well as the operation of the Myrtleford landfill and transfer stations at Mount Beauty and Porepunkah.	(339) <u>2,250</u> 1,911
Visitor information centres	This service comprises visitor information services located at Bright, Mount Beauty and Myrtleford. Income is derived from the sale of souvenirs, and the lease of the River-deck Café in Bright.	(188) <u>151</u> (37)
Swimming pools	This service involves the running of Bright Sports Centre, the provision of outdoor seasonal pools at Myrtleford and Mount Beauty and lifeguarding at the Bright and Porepunkah river pools.	(230) <u>193</u> (37)
School crossing supervisors	Council provides the school crossing supervisor function to schools within the Alpine Shire Council.	(18)
Recreation	Council supports the development and maintenance of 12 recreation reserves across the Shire and also supports recreation clubs and committees.	(149) <u>149</u> -

Major Initiative

- Review of the Municipal Public Health and Wellbeing Plan;

Initiatives

- Undertake year two of the Engage program aimed at capacity building in young people.
- Improve affordability and accessibility to community facilities;

Service Performance Outcome Indicators

Service	Indicator	Performance Measure	Computation
Home and Community Care	Participation	Participation in HACC service (Percentage of the municipal target population who receive a HACC service)	[Number of people that received a HACC service / Municipal target population for HACC services] x100
		Participation in HACC service by CALD people (Percentage of the municipal target population in relation to CALD people who 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

Service	Indicator	Performance Measure	Computation
Maternal and Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
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

2.4 Prosperous Economy, Employment and Investment

To achieve our objectives within Prosperous Economy, Employment and Investment, 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

Service areas	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Economic development	This service facilitates local and new business to develop and grow.	(64) <u>64</u> -
Tourism	Spending in this area is focused on marketing, product and industry development. The development and distribution of tourism collateral including the Shire's Official Visitors Guide, trail brochures, maps and retail and dining guide are also deliverables of this service.	(271) <u>271</u> -

Service areas	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
	Council also contributes to Tourism North East from this business unit.	
Festivals and events	Events are a major contributor to the economy. Council has a role in seeking and developing new events.	(277) <u>307</u> 30
Dinner Plain	Dinner Plain is an alpine village which has all income and expenditure quarantined. Any unspent funds relating to Dinner Plain are transferred to the Dinner Plain reserve and used in future years. This income excludes rates.	(60) <u>1,179</u> 1,119
Community development	This service is concerned with building community capacity. Key areas include community resilience, the community grant program and implementing the Liveability Plan.	(360) <u>343</u> (17)

Major Initiative

- Review operations of Councils business facilities to achieve optimal efficiency.

Initiatives

- Develop a new Alpine Shire Cycle Guide to assist with promoting North East Victoria as the chosen cycle destination in Australia.
- Event attraction including Spartan and Enduro World series to increase the economic benefit derived within the Alpine Shire.
- Market test operations of the Myrtleford Holiday Park to ensure long term sustainability.
- Review operations of Councils business facilities to achieve optimal efficiency.

2.5 Performance Focused Organisation

To achieve our objective of Quality Service, 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

Service areas	Description of services provided	Expenditure (Revenue)
		Net Cost \$'000
Corporate	Corporate services is concerned with supporting operations so that Council can perform the functions required. Costs in this area include the management of council investments, budget control, accounting, financial planning, revenue collection, information technology, customer service, occupational health and safety and other corporate overheads. Income is primarily derived from rates, investment income and user fees.	(570) <u>1,318</u> 748

Major Initiative

- Develop and implement automated business solutions (priorities include customer requests, time and attendance and purchase to pay).

Initiatives

- Review and update the Long Term Financial Plan (LTFP).
- Implement web based health and safety management system.
- Continue to simplify workflows and procedures.

2.6 Performance Statement

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

2.7 Reconciliation with budgeted operating result

	Net Cost		
	(Revenue)	Expenditure	Revenue
	\$'000	\$'000	\$'000
Inspired community leadership	9,100	10,184	(1,084)
Enhancing the environment and liveability	387	3,318	(2,931)
Strengthening the community	1,296	3,227	(1,931)
Prosperous economy, employment and investment	1,132	2,165	(1,033)
Performance focused organisation	748	1,318	(570)
Total services and initiatives	12,663	20,212	(7,549)
Other non-attributable	7,465		
Deficit before funding sources	20,128		
Funding sources:			
Rates & charges	(16,800)		
Capital grants	(1,665)		
Total funding sources	(18,465)		
Surplus for the year	1,663		

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 2025/26 has been extracted from the Strategic Resource Plan and Long Term Financial Plan.

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

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

3.1 Comprehensive Income Statement

For the 10 years ending 30 June 2026

	Forecast Actual	Budget	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Income											
Rates and charges	16,617	16,800	17,226	17,785	18,354	18,951	19,569	20,202	20,865	21,543	22,238
Statutory fees and fines	565	581	480	494	509	524	539	556	574	592	2,224
User fees	1,564	1,122	1,274	1,312	1,351	1,392	1,433	1,476	1,521	1,566	1,614
Contributions - cash	50	650	651	652	653	654	655	656	657	658	659
Contributions - non-monetary assets	103	106	109	112	115	118	122	126	130	134	138
Grants - Operating (recurrent)	2,861	4,031	4,098	4,055	4,225	4,288	4,464	4,535	4,719	4,798	4,990
Grants - Operating (non-recurrent)	88	193	3	3	3	3	3	3	3	3	3
Grants - Capital (recurrent)	1,056	1,223	529	529	529	529	529	529	529	529	529
Grants - Capital (non-recurrent)	1,125	442	500	500	500	500	500	500	500	500	500
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	149	-	-	-	-	-	-	-	-	-
Other income	656	846	747	792	813	832	882	899	918	939	960
Total income	24,685	26,143	25,617	26,234	27,052	27,791	28,696	29,482	30,416	31,262	33,855
Expenses											
Employee costs	9,311	8,690	8,837	9,060	9,187	9,460	9,639	9,922	10,112	10,311	10,513
Materials and services	9,341	10,576	9,924	10,220	10,660	11,035	11,482	11,974	12,455	12,918	14,086
Depreciation and amortisation	4,157	4,213	4,786	4,813	4,984	5,206	5,228	5,447	5,685	6,195	6,444
Landfill rehabilitation	246	185	152	134	115	113	77	78	80	54	55
Finance costs	22	-	-	-	-	-	-	-	-	-	-
Other expenses	512	816	840	865	891	918	945	973	1,002	1,032	1,063
Total expenses	23,589	24,480	24,539	25,092	25,837	26,733	27,370	28,395	29,335	30,511	32,161
Surplus (deficit) for the year	1,096	1,663	1,078	1,142	1,215	1,058	1,326	1,087	1,081	751	1,694
Other comprehensive income											
Items that will not be reclassified to surplus or deficit:											
Net asset revaluation increment /(decrement)	3,362	9,122	-	8,075	10,435	-	8,869	11,397	-	9,893	12,437
Share of other comprehensive income of associates and joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	-	-	-
Comprehensive result	4,458	10,786	1,078	9,218	11,650	1,058	10,194	12,484	1,081	10,644	14,131

3.2 Balance Sheet

For the 10 years ending 30 June 2026

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
			2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Assets											
Current assets											
Cash and cash equivalents	1,123	1,410	1,255	1,394	1,432	1,435	1,411	1,385	1,387	1,386	1,259
Trade and other receivables	1,406	1,509	1,465	1,494	1,541	1,580	1,631	1,672	1,724	1,768	1,956
Financial assets	10,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Inventories	132	122	113	104	118	114	112	112	114	113	113
Other assets	243	271	262	258	258	262	260	260	260	261	260
Total current assets	12,904	8,312	8,095	8,250	8,349	8,391	8,414	8,429	8,485	8,528	8,588
Non-current assets											
Trade and other receivables	5	3	-	-	-	-	-	-	-	-	-
Investments in regional library corporation	505	-	-	-	-	-	-	-	-	-	-
Property, infrastructure, plant & equipment	202,703	218,164	219,154	227,933	239,529	239,937	250,231	262,859	263,484	274,188	288,479
Inventories	155	159	164	169	174	179	184	190	196	202	208
Total non-current assets	203,368	218,326	219,318	228,102	239,703	240,116	250,416	263,049	263,680	274,390	288,687
Total assets	216,271	226,638	227,413	236,352	248,052	248,507	258,830	271,478	272,165	282,918	297,275
Liabilities											
Current liabilities											
Trade and other payables	1,620	1,873	1,769	1,822	1,899	1,965	2,043	2,128	2,212	2,293	2,490
Trust funds and deposits	793	938	1,081	1,081	1,081	1,081	1,081	1,081	1,081	1,081	1,081
Provisions	2,862	2,413	2,436	2,139	2,842	2,123	2,163	2,761	2,271	2,316	2,361
Income received in advance	30	30	30	30	30	30	30	30	30	30	30
Interest-bearing loans and borrowings	-	-	-	-	-	-	-	-	-	-	-
Total current liabilities	5,305	5,254	5,316	5,072	5,852	5,199	5,317	6,000	5,594	5,720	5,962
Non-current liabilities											
Provisions	3,061	2,723	2,388	2,383	1,682	1,763	1,804	1,314	1,355	1,369	1,383
Income received in advance	447	417	387	357	327	297	267	237	207	177	147
Interest-bearing loans and borrowings	-	-	-	-	-	-	-	-	-	-	-
Total non-current liabilities	3,508	3,140	2,775	2,740	2,009	2,060	2,071	1,551	1,562	1,546	1,530
Total liabilities	8,813	8,394	8,091	7,812	7,861	7,259	7,388	7,551	7,156	7,266	7,492
Net assets	207,458	218,244	219,322	228,540	240,190	241,248	251,442	263,927	265,008	275,652	289,783
Equity											
Accumulated surplus	85,996	88,018	89,096	90,239	91,454	92,512	93,838	94,925	96,006	96,758	98,452
Reserves	121,462	130,226	130,226	138,301	148,736	148,736	157,605	169,002	169,002	178,895	191,332
Total equity	207,458	218,244	219,322	228,540	240,190	241,248	251,442	263,927	265,008	275,652	289,783

3.3 Statement of Changes in Equity

For the 10 years ending 30 June 2026

	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2016 - Forecast				
Balance at beginning of the financial year	203,000	84,226	116,481	2,293
Comprehensive result	4,458	1,096	3,362	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	674	-	(674)
Balance at end of the financial year	207,458	85,996	119,843	1,619
2017 - Budget				
Balance at beginning of the financial year	207,458	85,996	119,843	1,619
Comprehensive result	10,786	1,663	9,122	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	359	-	(359)
Balance at end of the financial year	218,244	88,018	128,966	1,260
2018 - SRP				
Balance at beginning of the financial year	218,244	88,018	128,966	1,260
Comprehensive result	1,078	1,078	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	219,322	89,096	128,966	1,260
2019 - SRP				
Balance at beginning of the financial year	219,322	89,096	128,966	1,260
Comprehensive result	9,218	1,142	8,075	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	228,540	90,239	137,041	1,260
2020 - SRP				
Balance at beginning of the financial year	228,540	90,239	137,041	1,260
Comprehensive result	11,650	1,215	10,435	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	240,190	91,454	147,476	1,260
2021 - LTFP				
Balance at beginning of the financial year	240,190	91,454	147,476	1,260
Comprehensive result	1,058	1,058	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	241,248	92,512	147,476	1,260
2022 - LTFP				
Balance at beginning of the financial year	241,248	92,512	147,476	1,260
Comprehensive result	10,194	1,326	8,869	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	251,442	93,838	156,345	1,260
2023 - LTFP				
Balance at beginning of the financial year	251,442	93,838	156,345	1,260
Comprehensive result	12,484	1,087	11,397	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	263,927	94,925	167,742	1,260
2024 - LTFP				
Balance at beginning of the financial year	263,927	94,925	167,742	1,260
Comprehensive result	1,081	1,081	-	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	265,008	96,006	167,742	1,260
2025 - LTFP				
Balance at beginning of the financial year	265,008	96,006	167,742	1,260
Comprehensive result	10,644	751	9,893	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	275,652	96,758	177,635	1,260
2026 - LTFP				
Balance at beginning of the financial year	275,652	96,758	177,635	1,260
Comprehensive result	14,131	1,694	12,437	-
Transfer to reserves	-	-	-	-
Transfer from reserves	-	-	-	-
Balance at end of the financial year	289,783	98,452	190,072	1,260

3.4 Statement of Cash Flows

For the 10 years ending 30 June 2026

	Forecast Actual	Budget	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Cash flows from operating activities											
Rates and charges	16,518	16,792	17,207	17,760	18,328	18,924	19,541	20,174	20,835	21,513	22,206
Statutory fees and fines	565	581	480	494	509	524	539	556	574	592	2,224
User fees	1,564	1,122	1,274	1,312	1,351	1,392	1,433	1,476	1,521	1,566	1,614
Contributions - cash	50	650	651	652	653	654	655	656	657	658	659
Grants - operating	2,948	4,131	4,167	4,054	4,207	4,279	4,444	4,525	4,700	4,787	4,837
Grants - capital	2,181	1,665	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029	1,029
Interest	232	364	251	281	287	290	324	325	327	331	334
Other receipts	497	1,063	575	593	611	630	650	670	691	712	734
Trust funds deposits taken	2,463	2,463	2,471	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Trust funds deposits repaid	(2,318)	(2,318)	(2,328)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)	(2,400)
Employee costs	(9,549)	(8,848)	(8,800)	(9,003)	(9,154)	(9,391)	(9,593)	(9,850)	(10,063)	(10,261)	(10,461)
Materials and consumables	(10,532)	(11,975)	(11,356)	(11,515)	(11,639)	(12,714)	(12,392)	(12,909)	(13,959)	(13,920)	(15,005)
Net cash provided by operating activities	4,620	5,690	5,621	5,657	6,181	5,617	6,630	6,652	6,312	7,007	8,170
Cash flows from investing activities											
Payments for property, plant and equipment	(6,758)	(10,860)	(5,981)	(5,722)	(6,349)	(5,819)	(6,859)	(6,882)	(6,515)	(7,212)	(8,503)
Proceeds from sale of property, plant and equipment	364	458	205	205	205	205	205	205	205	205	205
Proceeds from investments	6	5,000	-	-	-	-	-	-	-	-	-
Net cash used in investing activities	(6,388)	(5,402)	(5,776)	(5,517)	(6,144)	(5,614)	(6,654)	(6,677)	(6,310)	(7,007)	(8,298)
Cash flows from financing activities											
Finance costs	(21)	-	-	-	-	-	-	-	-	-	-
Proceeds from borrowings	-	-	-	-	-	-	-	-	-	-	-
Repayment of borrowings	(946)	-	-	-	-	-	-	-	-	-	-
Net cash provided by (used in) financing activities	(967)	-	-	-	-	-	-	-	-	-	-
Net (decrease) increase in cash & cash equivalents	(2,736)	288	(156)	140	37	3	(24)	(25)	1	(0)	(127)
Cash and cash equivalents at beginning of the financial year	3,858	1,123	1,410	1,255	1,394	1,432	1,435	1,411	1,385	1,387	1,386
Cash and cash equivalents at end of the financial year	1,123	1,410	1,255	1,394	1,432	1,435	1,411	1,385	1,387	1,386	1,259

3.5 Statement of Capital Works

For the 10 years ending 30 June 2026

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
			2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Property											
Land	-	-	-	-	-	-	-	-	-	-	-
Land improvements	-	-	-	-	-	-	-	-	-	-	-
Total land	-	-	-	-	-	-	-	-	-	-	-
Buildings											
Buildings	963	1,086	1,226	1,422	1,900	2,075	2,349	2,280	2,333	2,569	2,597
Building improvements	-	-	-	-	-	-	-	-	-	-	-
Leasehold improvements	-	-	-	-	-	-	-	-	-	-	-
Total buildings	963	1,086	1,226	1,422	1,900	2,075	2,349	2,280	2,333	2,569	2,597
Total property	963	1,086	1,226	1,422	1,900	2,075	2,349	2,280	2,333	2,569	2,597
Plant and equipment											
Plant, machinery and equipment	160	1,613	447	460	474	488	503	518	534	550	566
Fixtures, fittings and furniture	41	115	252	260	268	276	284	293	301	310	320
Library books	-	76	75	75	75	75	75	75	75	75	75
Playground equipment	83	84	91	93	96	99	102	105	108	112	115
Total plant and equipment	284	1,888	865	889	913	938	964	991	1,018	1,047	1,076
Infrastructure											
Roads	2,566	5,075	3,165	2,383	2,450	1,854	2,279	2,524	2,262	2,614	3,868
Bridges	870	637	199	451	412	310	417	526	339	653	669
Footpaths and cycleways	286	139	17	24	30	37	46	53	61	69	76
Parks, open spaces and streetscapes	1,603	1,589	479	522	607	560	751	444	427	172	190
Drainage	85	303	30	32	36	44	53	63	76	89	102
Waste management	101	143	-	-	-	-	-	-	-	-	-
Total infrastructure	5,511	7,886	3,890	3,411	3,536	2,805	3,546	3,611	3,164	3,596	4,906
Total capital works expenditure	6,758	10,860	5,981	5,722	6,349	5,819	6,859	6,882	6,515	7,212	8,579
Represented by:											
New asset expenditure	-	519	-	-	-	-	-	-	-	-	-
Asset renewal expenditure	4,605	4,697	4,009	4,727	4,820	4,934	5,212	5,465	5,702	5,122	6,150
Asset upgrade expenditure	2,153	5,644	1,972	995	1,529	885	1,647	1,417	814	2,090	2,429
Asset expansion	-	-	-	-	-	-	-	-	-	-	-
Total capital works expenditure	6,758	10,860	5,981	5,722	6,349	5,819	6,859	6,882	6,515	7,212	8,579

3.6 Statement of Human Resources

For the 10 years ending 30 June 2026

	Forecast Actual	Budget	Strategic Resource Plan Projections			Long Term Financial Plan Projections					
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000	2022/23 \$'000	2023/24 \$'000	2024/25 \$'000	2025/26 \$'000
Staff expenditure											
Employee costs - operating	9,311	8,690	8,837	9,060	9,187	9,460	9,639	9,922	10,112	10,311	10,513
Employee costs - capital	685	764	787	811	835	860	886	913	940	968	997
Total staff expenditure	9,996	9,454	9,624	9,871	10,022	10,320	10,525	10,835	11,052	11,279	11,510
	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT	EFT
Staff numbers											
Employees	122	106	106	106	106	106	106	106	106	106	106
Total staff numbers	122	106	106	106	106	106	106	106	106	106	106

4. Financial performance indicators

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

Indicator	Measure	Notes	Forecast Actual	Budget	Strategic Resource Plan Projections			Trend
			2015/16	2016/17	2017/18	2018/19	2019/20	+/-
<i>Operating position</i>								
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	-0.8%	1.8%	-0.7%	-0.5%	-0.2%	-
<i>Liquidity</i>								
Working Capital	Current assets / current liabilities	2	243.2%	158.2%	152.3%	162.7%	142.7%	+
Unrestricted cash	Unrestricted cash / current liabilities		157.7%	99.3%	133.2%	142.3%	124.0%	+
<i>Obligations</i>								
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	0.0%	0.0%	0.0%	0.0%	0.0%	+
Loans and borrowings	Interest and principal repayments on interest bearing loans and borrowings / rate revenue		5.8%	0.0%	0.0%	0.0%	0.0%	+
Indebtedness	Non-current liabilities / own source revenue		18.1%	16.1%	14.1%	13.4%	9.6%	-
Asset renewal	Asset renewal expenditure / depreciation	4	110.8%	111.5%	83.8%	98.2%	96.7%	+

Indicator	Measure	Notes	Forecast	Budget	Strategic Resource Plan			Trend
			Actual		Projections			
			2015/16	2016/17	2017/18	2018/19	2019/20	+/-
Stability								
Rates concentration	Rate revenue / adjusted underlying revenue	5	54.7%	51.3%	53.8%	53.8%	53.5%	o
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.49%	0.49%	0.49%	0.50%	0.50%	o
Efficiency								
Expenditure level	Total expenditure / no. of property assessments		\$2,770	\$2,874	\$2,881	\$2,946	\$3,034	+
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,297	\$1,334	\$1,367	\$1,401	\$1,436	o
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year	6	14.2%	13.1%	13.1%	13.1%	13.1%	o

Key to Forecast Trend:

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

Notes to indicators

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

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease significantly in 2016/17 year due to a run down in cash reserves to fund the capital program. The trend in later years is to remain steady at an acceptable level.

3 Debt compared to rates – Council repaid all its borrowings in July 2015 and does not forecast to take out any further borrowings.

4 Asset renewal - This percentage indicates the extent of Council's renewal of assets 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 (required by the Regulations)

This section presents other budget related information required by the Regulations

This section includes the following statements and reports:

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

5.1 Grants - operating

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to increase by \$1.1 million compared to 2015/16. This is due to Council receiving \$1.7 million of its 2015/16 Financial Assistance Grants (FAGs) allocation in 2014/15. This is partly offset by the reduction in Home Care grants.

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

Operating Grant Funding Type and Source	Forecast	Budget 2016/17 \$'000	Variance \$'000
	Actual		
	2015/16 \$'000		
Recurrent - Commonwealth Government			
Victorian Grants Commission	1,679	3,438	1,759
General home care	660	-	(660)
Recurrent - State Government			
Immunisations	4	4	-
Valuations	56	58	2
School crossing supervisors	18	18	-
Senior citizens	7	43	36
Maternal and child health	166	160	(6)
Youth services	50	88	38
Emergency services	26	26	-
Libraries	-	175	175
Other	195	21	(174)
Total recurrent grants	2,861	4,031	1,170

Operating Grant Funding Type and Source	Forecast	Budget 2016/17 \$'000	Variance \$'000
	Actual		
	2015/16 \$'000		
Non-recurrent - Commonwealth Government			
Nil	-	-	-
Non-recurrent - State Government			
Community development	-	70	70
Weed management	-	20	20
VASP	85	40	(45)
Emergency services	-	60	60
Other	3	3	-
Total non-recurrent grants	88	193	105

5.1.1 Victoria grants commission allocation

Council allocates its Victorian Grants Commission (VGC) income to specific business functions within Council. The allocation is based on areas which benefit the community and is expenditure less the income of the business function. The table below sets out which business functions have VGCs grants allocated.

Business Function	VGC allocation \$'000
Open spaces	(722)
Operations	(1,006)
Building maintenance	(380)
Emergency management	(59)
HACC	(150)
Airports	(13)
Recreation	(124)
Economic development	(64)
Tourism	(529)
Festivals and events	(277)
Community development	(116)
Total budgeted VGC income	(3,440)

5.2 Grants - capital

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall the level of capital grants will decrease compared to 2015/16, however in 2016/17 Council is expecting to receive additional Roads to Recovery funding. The decrease is due to completion of capital projects including Mount Beauty Progressing Place CBD and lakeside and funding for Alpine Better Places not yet confirmed and thus excluded from the budget.

Section 6. "Analysis of Capital Budget" includes a more detailed analysis of the grants and contributions expected to be received during the 2016/17 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Capital Grant Funding Type and Source	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Recurrent - Commonwealth Government			
Roads to recovery	1,056	1,223	167
Recurrent - State Government			
Nil	-	-	-
Total recurrent grants	1,056	1,223	167
Non-recurrent - Commonwealth Government			

Capital Grant Funding Type and Source	Forecast		
	Actual	Budget	Variance
	2015/16 \$'000	2016/17 \$'000	\$'000
Nil			
Non-recurrent - State Government			
Roads	236	-	(236)
Transfer station upgrade	-	44	44
National disaster relief fund	285	-	(285)
Alpine Better Places	54	-	(54)
Alpine Events Park	-	187	187
Bridge renewal program	-	164	164
Recreational	120	30	(90)
Buildings	430	17	(413)
Total non-recurrent grants	1,125	442	(683)

5.3 Statement of borrowings

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

	2015/16 \$	2016/17 \$
Total amount borrowed as at 30 June of the prior year	946	-
Total amount to be borrowed	-	-
Total amount projected to be redeemed	(946)	-
Total amount of borrowings proposed as at 30 June	-	-

6. Detailed list of Capital Works

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

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

6.1 New works for 2016/17

6.2 Works carried forward from the 2015/16 year.

6.3 Summary

6.4 Road reseal summary

6.1 New works

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Property									
Buildings									
Bright - office	380	-	380	-	-	-	-	380	-
Bright - Art Galley storeroom	22	-	-	22	-	-	7	15	-
Bright - sports centre 24/7 access	25	-	-	25	-	-	-	25	-
Dinner Plain - depot fencing	25	-	-	25	-	-	-	25	-
Harrietville - community centre (VASP)	8	-	8	-	-	8	-	-	-
Myrtleford - old council chambers	55	-	55	-	-	-	-	55	-
Myrtleford - disabled access to Ovens Valley Canine Club	15	-	-	15	-	-	-	15	-
Total property	530	-	443	87	-	8	7	515	-
Plant and equipment									
Information technology - storage area network	100	-	100	-	-	-	-	100	-
Excavator	80	80	-	-	-	-	-	80	-
Large plant	469	-	469	-	-	-	-	469	-
Loader	90	90	-	-	-	-	-	90	-
Library books	76	76	-	-	-	-	-	76	-
Library hub furniture	15	15	-	-	-	-	-	15	-
Playground equipment	84	-	84	-	-	-	-	84	-
Small plant	20	-	20	-	-	-	-	20	-
Traffic counters	16	-	16	-	-	-	-	16	-
White fleet	200	-	200	-	-	-	-	200	-
Total plant and equipment	1,150	261	889	-	-	-	-	1,150	-
Infrastructure									
Roads									
Buffalo River - Back Creek Rd - gravel resheeting	51	-	51	-	-	-	-	51	-
Bright - Anderson St - pavement rehabilitation	60	-	60	-	-	60	-	-	-
Bright - Churchill Ave - pavement rehabilitation	40	-	40	-	-	40	-	-	-
Bright - Mafeking Square - Alpine Better Places	1,440	-	-	1,440	-	476	-	964	-
Dinner Plain - road renewal	50	-	50	-	-	24	-	26	-
Dinner Plain - Scrubbers End carpark rehabilitation	45	-	45	-	-	-	-	45	-
Gapsted - Stoney Creek Rd - gravel resheeting	22	-	22	-	-	-	-	22	-
Kerb and channel	60	-	60	-	-	-	-	60	-
Merriang - Merriang South Rd - gravel resheeting	12	-	12	-	-	-	-	12	-
Merriang - Merri Meadows Rd - gravel resheeting	9	-	9	-	-	-	-	9	-
Merriang - Merriang Gap Rd - gravel resheeting	32	-	32	-	-	-	-	32	-
Merriang - Merriang Homstead Rd - gravel resheeting	57	-	57	-	-	-	-	57	-
Mount Beauty - airport runway resealing	65	-	65	-	-	-	-	65	-
Myrtleford - Myrtle St - Alpine Better Places	90	-	-	90	-	-	-	90	-

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Myrtleford - O'Donnell Ave/Standish St kerb realignment	40	-	40	-	-	-	-	40	-
Myrtleford - Standish St - pavement rehabilitation	10	-	10	-	-	10	-	-	-
Resealing	730	-	730	-	-	100	-	630	-
Rosewhite - Havilah Rd - gravel resheeting	92	-	92	-	-	-	-	92	-
Tawonga South - Kiewa Valley Highway crossing	30	-	-	30	-	-	-	30	-
Porepunkah - Nicholsons St, park and gateway - Alpine Better Places	1,700	-	-	1,700	-	341	-	1,359	-
Wandiligong - School Ln	32	-	-	32	-	-	-	32	-
Total roads	4,667	-	1,375	3,292	-	1,051	-	3,616	-
Bridges									
Harrietville - East Ovens bridge (VASP)	8	8	-	-	-	8	-	-	-
Kancoona - Smarts Creek bridge	49	-	49	-	-	24	-	25	-
Myrtleford - Victoria bridge	60	-	60	-	-	-	-	60	-
Wandiligong - Morses Creek bridge network	280	-	280	-	-	140	-	140	-
Total bridges	397	8	389	-	-	172	-	225	-
Footpaths and cycleways									
Harrietville - tracks and trails signage (VASP)	15	-	-	15	-	15	-	-	-
Tawonga South - Pebble Beach to Damms Rd footpath design	20	20	-	-	-	-	-	20	-
Total footpaths and cycleways	35	20	-	15	-	15	-	20	-
Parks, open spaces and streetscapes									
Bright - Alpine Events Park	664	-	-	664	-	187	-	477	-
Bright - Pioneer Park oval drainage improvement	143	-	-	143	-	8	-	135	-
Bright - pool repair	60	-	60	-	-	-	-	60	-
Dinner Plain - strategic projects	40	40	-	-	-	-	-	40	-
Dinner Plain - safety improvements at Castran Corner	35	-	-	35	-	-	-	35	-
Mount Beauty - tennis courts 3 and 4	50	-	50	-	-	-	10	40	-
Myrtleford - McNamara reserve lighting upgrade	240	-	-	240	-	10	-	230	-
Myrtleford - pool	65	-	65	-	-	-	-	65	-
Myrtleford - Nimmo bridge beach	15	15	-	-	-	-	-	15	-
Replacement of bins	40	-	40	-	-	-	-	40	-
Total Parks, open spaces and streetscape	1,352	55	215	1,082	-	205	10	1,137	-
Drainage									
Urban drainage	85	-	21	64	-	-	-	85	-
Rural road drainage	158	-	-	158	-	-	-	158	-
Porepunkah Airfield drainage	30	-	-	30	-	-	-	30	-
Myrtleford - Standish St floodway modelling	10	-	-	10	-	-	-	10	-
Total drainage	283	-	21	262	-	-	-	283	-
Waste management									
Transfer station upgrades	83	-	-	83	-	44	-	39	-
Wheelie bin replacement	50	-	50	-	-	-	-	50	-

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Total landfill	133	-	50	83	-	44	-	89	-
Asset development wages capitalised	604	12	230	362		-	-	604	-
Total infrastructure	7,471	95	2,280	5,096	-	1,487	10	5,974	-
Total new capital works	9,151	356	3,612	5,183	-	1,495	17	7,639	-

6.2 Works carried forward from the 2015/16 year

Capital Works Area	Asset expenditure type					Summary of funding sources			
	Project cost \$'000	New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Contributions \$'000	Council cash \$'000	Borrowings \$'000
Property									
Bright - office	65	-	65	-	-	-	-	65	-
Mount Beauty library redevelopment	418	-	70	348	-	-	-	418	-
Total property	483	-	135	348	-	-	-	483	-
Plant and equipment									
Grader	405	-	405	-	-	-	-	405	-
Paveliner	333	-	333	-	-	-	-	333	-
Total plant and equipment	738	-	738	-	-	-	-	738	-
Infrastructure									
Roads									
Bright - Mafeking Square - Alpine Better Places	35	-	-	35	-	-	-	35	-
Kerb and channel	15	-	15	-	-	-	-	15	-
Myrtleford - Halls Rd kerb and channel	16	16	-	-	-	-	-	16	-
Total roads	66	16	15	35	-	-	-	66	-
Bridges									
Buckland Valley - Harris Ln bridge	197	-	197	-	-	-	-	197	-
Total bridges	197	-	197	-	-	-	-	197	-
Footpaths and cycleways									
Footpaths, tracks and trails	95	95	-	-	-	-	-	95	-
Total footpaths and cycleways	95	95	-	-	-	-	-	95	-
Parks, open spaces and streetscapes									
Bright - splash park screen	6	6	-	-	-	-	-	6	-
Dinner Plain - mountain bike trail implementation	40	40	-	-	-	-	-	40	-
Mount Beauty Progressing Places	42	-	-	42	-	-	-	42	-
Myrtleford Holiday park	36	-	-	36	-	-	-	36	-
Myrtleford - indoor sports centre feasibility study	6	6	-	-	-	-	-	6	-
Total Parks, open spaces and streetscape	130	52	-	78	-	-	-	130	-
Total infrastructure	488	163	212	113	-	-	-	488	-

Capital Works Area	Project cost \$'000	New \$'000	Asset expenditure type			Grants \$'000	Summary of funding sources		
			Renewal \$'000	Upgrade \$'000	Expansion \$'000		Contributions \$'000	Council cash \$'000	Borrowings \$'000
Total capital works carried forward from 2015/16	1,709	163	347	461	-	-	-	971	-

6.3 Summary

Capital Works Area	Project cost \$'000	New \$'000	Asset expenditure type			Grants \$'000	Summary of funding sources		
			Renewal \$'000	Upgrade \$'000	Expansion \$'000		Contributions \$'000	Council cash \$'000	Borrowings \$'000
Property	1,013	-	578	435	-	8	7	998	-
Plant and equipment	1,888	261	1,627	-	-	-	-	1,888	-
Infrastructure	7,959	258	2,492	5,209	-	1,487	10	6,462	-
Total capital works	10,860	519	4,697	5,644	-	1,495	17	9,348	-

6.4 Road reseal summary

The total road reseal budget is \$730K. Below is a list of the road segments which are to be resealed during the financial year.

Segment I.D.	Road Name	Town
35,36	Back Germantown Road	Bright
59,61,1804	Back Wandiligong Road	Bright
1814	Bright Sports Centre Carpark	Bright
254,255,256,257	Churchill Avenue	Bright
258	Cindy Court	Bright
260	Claret Court	Bright
261	Claret Court	Bright
3,123,151,729	Coronation Avenue	Bright
348	Delany Avenue	Bright
1393	Elm Court	Bright
415	Frasers Lane	Bright
207	Hawthorn Lane	Bright
1431	Hawthorn Lane	Bright
523	Heather Lane	Bright
658,659	Iarias Lane	Bright
1698	Kinchela Court	Bright
1377	Louie Court	Bright
725,726,727	Mcfadyens Lane	Bright
768,774	Mill Road	Bright
1803	Mount Porepukah Road	Bright
1813	Mountain Mist Drive	Bright
954	Orana Avenue	Bright
1375	Paiano Lane	Bright
982	Porcellatos Lane	Bright
986,987	Prices Road	Bright
1817	Pyke Street	Bright
1745	Quins Gap Road	Bright
1015	Rebecca Drive	Bright
1037	Riverside Avenue	Bright
1038	Riverside Avenue	Bright
1391, 1141,1142	Stackey Gully Road	Bright
1378	Tempo Court	Bright
1812	Tempo Crescent	Bright
121,812,191,220	Toorak Road	Bright
12,331,234	Tyntynder Lane	Bright
1254	Walkers Lane	Bright
1300	Woodlands Grove	Bright

Segment I.D.	Road Name	Town
1773	Farrington Lane	Freeburgh
1265	Websters Lane	Freeburgh
1105	Dunstan Track	Germantown
1122	Snowy Creek Road	Germantown
1657	Attridges Lane	Harrietville
1798	Cemetery Lane	Harrietville
417	Feathertop Lane	Harrietville
17	Great Alpine Road	Harrietville
1387	Great Alpine Road	Harrietville
1414	Great Alpine Road	Harrietville
548	Hoskings Lane	Harrietville
1714	Mountain View Walk	Harrietville
922	Newmans Lane	Harrietville
26	Armstrongs Lane	Porepunkah
53,54,56,57	Back Porepunkah Road	Porepunkah
1741, 167	Buckland Valley Road	Porepunkah
414	Francis Street	Porepunkah
722	Mccullough Street	Porepunkah
1478, 1479 , 1480, 1482, 1483, 1485, 1486, 1489	Murray to Mountains Rail Trail	Porepunkah
952,953	One Mile Creek Road	Porepunkah
127,012,711,272	Westons Lane	Porepunkah
83	Beers Lane	Wandiligong
237,238	Centenary Avenue	Wandiligong
263	Clarkes Road	Wandiligong
454	Grenvilles Road	Wandiligong
529	Higgs Lane	Wandiligong
568	Jagoes Gully Road	Wandiligong
677	Long Tunnel Track	Wandiligong
795,796,797,798,799	Morses Creek Road	Wandiligong
1074	Royal Bridge Track	Wandiligong
1118	Smithy Lane	Wandiligong
12,801,781	White Star Road	Wandiligong

7. Rates and charges

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

7.1 Rates and charges

7.2 Rating strategy

7.3 Differential farm rate policy

7.4 Differential commercial/industrial rate policy

7.5 Waste services charge policy

7.1 Rates and charges

In developing the Strategic Resource Plan (referred to in Section 15.) and LTFP, rates and charges were identified as an important source of revenue, accounting for approximately 50% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource and Long Term Financial Planning process.

The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2016/17 the FGRS cap has been set at 2.5%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

Whilst the State Government has set a rate cap of 2.5% for the 2016/17 financial year, Alpine Shire Council has already made significant changes to its operations over the last 2 years to improve its financial sustainability, including:

- a reduction of budgeted wages in 2016/17 of \$1.1 million compared to the forecast result at 30 June 2016; and
- increased delivery of the capital works program which is forecast to be 93% of the total budget in 2015/16.

This transformational change has been to minimise rate increases to ratepayers, maintain service delivery, improve innovation and deliver greater outcomes for the community.

This year Council is proposing a 2.3% increase in rate revenue which is lower than the rate cap and likely to be one of the lowest increases in the state. Council is also proposing to lower the Dinner Plain special rate from 80% of the general rate to 65% of the general rate.

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

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

Type or class of land	2015/16 cents/\$CIV	2016/17 cents/\$CIV	Change %
General rate for rateable residential properties	0.4968	0.4901	-1.3%
General rate for rateable Dinner Plain properties	0.4968	0.4901	-1.3%
Differential rate for rateable commercial/industrial properties	0.7097	0.7008	-1.2%
Differential rate for rateable farm properties	0.3519	0.3578	1.7%

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

Type or class of land	2015/16 annualised \$	2016/17 \$	Change %
Residential	7,833,775	7,997,095	2.1%
Dinner Plain	628,870	638,566	1.5%
Commercial/Industrial	2,243,878	2,343,717	4.4%
Farm	2,120,316	2,148,472	1.3%
Total amount to be raised by general rates	12,826,839	13,127,850	2.3%

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

Type or class of land	2015/16 #	2016/17 #	Change #
Residential	6,038	5,996	(42)
Dinner Plain	528	532	4
Commercial/Industrial	781	902	121
Farm	1076	1087	11
Total number of assessments	8,423	8,517	94

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

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

Type or class of land	2015/16 annualised \$	2016/17 \$	Change %
Residential	1,576,846,820	1,631,727,100	3.5%
Dinner Plain	126,584,138	130,293,000	2.9%
Commercial/Industrial	316,172,749	334,414,000	5.8%
Farm	602,502,984	600,512,600	-0.3%
Total value of land	2,622,106,691	2,696,946,700	2.9%

7.1.6 Rate in the dollar to be levied as special rates under section 163 of the Act for Dinner Plain properties compared with the previous financial year.

Type or class of land	2015/16 cents/\$CIV	2016/17 cents/\$CIV	Change %
Special rate for rateable Dinner Plain properties (Airport & farm not included - residential only)	0.4007	0.3186	-20.5%

7.1.7 The estimated total amount to be raised by special rates in relation to Dinner Plain properties and rates In Lieu, compared with the previous financial year.

Type or class of land	2015/16 annualised \$	2016/17 \$	Change %
Special rate for rateable Dinner Plain properties (Airport & farm not included - residential only)	507,223	415,113	-18.2%
In Lieu	110,000	110,000	0.0%
Total amount to be raised by special rates	617,223	525,113	-14.9%

7.1.8 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 2015/16 \$	Per Rateable Property 2016/17 \$	Change \$	Change %
Waste - 80 litre bin - weekly	230.00	235.30	5.30	2.3%
Waste - 240 litre bin - weekly	510.00	521.70	11.70	2.3%
Waste - 240 litre bin - fortnightly	230.00	235.30	5.30	2.3%
Recycling - 140 litre - fortnightly	75.80	77.50	1.70	2.2%
Recycling - 240 litre - fortnightly	75.80	77.50	1.70	2.2%
Recycling - 360 litre - fortnightly	75.80	77.50	1.70	2.2%
Recycling - 240 litre - weekly	151.60	155.10	3.50	2.3%
Recycling - 360 litre - weekly	151.60	155.10	3.50	2.3%
Dinner Plain standard service	770.50	788.20	17.70	2.3%
Dinner Plain commercial service	1,622.25	1,659.60	37.35	2.3%
Waste management charge	96.00	98.20	2.20	2.3%

7.1.9 The number of bins or assessments in relation to each charge type compared to the previous financial year.

Type of Charge	Bins 2015/16 #	Bins 2016/17 #	Change #
Waste - 80 litre bin - weekly	5,562	5,629	67
Waste - 240 litre bin - weekly	465	505	40
Waste - 240 litre bin - fortnightly	158	164	6
Recycling - 140 litre - fortnightly	421	405	(16)
Recycling - 240 litre - fortnightly	5,757	5,691	(66)
Recycling - 360 litre - fortnightly	52	242	190
Recycling - 240 litre - weekly	96	93	(3)
Recycling - 360 litre - weekly	58	74	16
Dinner Plain standard service	369	383	14
Dinner Plain commercial service	14	14	-
Total number of bins	12,952	13,200	248

Type of Charge	Assessments 2015/16 #	Assessments 2016/17 #	Change #
Waste management charge	6,841	6,916	75

7.1.10 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	2015/16 \$	2016/17 \$	Change %
Waste - 80 litre bin - weekly	1,279,260	1,324,504	3.5%
Waste - 240 litre bin - weekly	237,150	263,459	11.1%
Waste - 240 litre bin - fortnightly	36,340	38,589	6.2%
Recycling - 140 litre - fortnightly	31,912	31,388	-1.6%
Recycling - 240 litre - fortnightly	436,381	441,053	1.1%
Recycling - 360 litre - fortnightly	3,942	18,755	375.8%
Recycling - 240 litre - weekly	14,554	14,424	-0.9%
Recycling - 360 litre - weekly	8,793	11,477	30.5%
Dinner Plain standard service	284,315	301,881	6.2%
Dinner Plain commercial service	22,712	23,234	2.3%
Waste management charge	656,736	679,151	3.4%
Total	3,012,095	3,147,915	4.5%

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

Type of Charge	2015/16 annualised \$	2016/17 \$	Change %
Rates and charges	15,013,037	15,422,084	2.7%
Rates and charges - Dinner Plain	1,443,120	1,378,794	-4.5%
Total Rates and Charges	16,456,157	16,800,878	2.1%

7.1.12 Average change to assessment

To assist ratepayers in determining how changes to the rates may affect them, Council has included a table which shows what an average ratepayer may expect to pay. This table is split into each rating category.

Commercial/industrial rates show a decrease in the average rate per ratepayer due to an increase in the number of properties which fall within this category. This is due to a review which took place in February 2016 which identified residential properties now meeting the criteria of a commercial/industrial property. The Dinner Plain rates will also decrease due to a reduction in the special rate from 80% to 43% of the general rate.

Description	2015/16 \$	2016/17 \$	Change	Change
Average Residential Rates	1,297.41	1,333.74	36.33	2.80%
Waste - 80 litre bin - weekly	230.00	235.30	5.30	2.30%
Recycling - 240 litre - fortnightly	75.80	77.50	1.70	2.24%
Landfill rehabilitation and development charge	96.00	98.20	2.20	2.29%
Total average change	1,699.21	1,744.74	45.53	2.68%
Average Commercial/Industrial Rates	2,873.08	2,598.36	(274.73)	-9.56%
Waste - 80 litre bin - weekly	230.00	235.30	5.30	2.30%
Recycling - 240 litre - fortnightly	75.80	77.50	1.70	2.24%
Landfill rehabilitation and development charge	96.00	98.20	2.20	2.29%
Total average change	3,274.88	3,009.36	(265.53)	-8.11%
Average Farm Rates	1,970.55	1,976.52	5.96	0.30%
Waste - 80 litre bin - weekly	230.00	235.30	5.30	2.30%
Recycling - 240 litre - fortnightly	75.80	77.50	1.70	2.24%
Landfill rehabilitation and development charge	96.00	98.20	2.20	2.29%
Total average change	2,372.35	2,387.52	15.16	0.64%
Average Dinner Plain Rates	2,151.69	1,980.60	(171.09)	-7.95%
Dinner Plain standard service	770.50	788.20	17.70	2.30%
Total average change	2,922.19	2,768.80	(153.39)	-5.25%

Disclaimer: this table calculates the average rates and charges based on rate revenue divided by the number of properties and includes only one of each type of bin per rate category. For ratepayers who have more than one bin or a different size bin, or whose properties are greater than the average CIV, this will result in a different percentage change in the rates notice.

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

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

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

7.2 Rating strategy

7.2.1 Purpose

The purpose of this strategy statement is to identify the fairest and most equitable method of distributing the rate burden across the Alpine Shire.

Key considerations for Council when deciding on the most appropriate rating structure include:

- What is a fair and equitable distribution of rates and charges as required by the provisions of the Local Government Act 1989.
- Whether the current rating structure facilitates a fair and equitable distribution of rates and charges.
- To evaluate the use of differential rates and how they are applied to their respective categories, whether they are fair and equitable and if any anomalies exist between them.
- Optimising the rate base.
- Maintaining Dinner Plain as a discreet business unit.
- Evaluate the use of Special Rates and Charges.

7.2.2 Property rating overview

Rates and charges supply approximately 50% of Alpine Shire income and are based on property value. When levying rates, Council adheres to three overriding principles:

- **Equity:** including both horizontal and vertical equity in the basis of rating. Horizontal equity means that those in the same position, i.e. with the same property value, should be treated the same. Vertical equity demands that higher property values should attract a higher level of rates.
- **Efficiency:** that the rating system is easy to apply and is consistent with the major policy objectives of the Council.
- **Simplicity:** that the rating system is easy to understand. This ensures that the rating system is transparent and capable of being questioned and challenged by ratepayers.

Action: That equity, efficiency and simplicity be the overriding principles when applying rates in the Alpine Shire.

7.2.3 Objective

The Local Government Act 1989 provides that Council's rating policies should enable the Council to fulfil its purposes. The Local Government Act Objectives that are relevant in the context of a rating strategy are:

- to ensure the equitable imposition of rates and charges;
- to ensure transparency and accountability in Council decision making.

The Alpine Shire sets out to fulfil these objectives through the declaration of a general rate, differential rates and a special rate.

7.2.4 General Rates

Council will apply the general rates to a property unless the property falls into a specific differential rate category. The general rate is the cornerstone of Council's rating system. All differential rates are expressed as a percentage of the general rate.

Action: That the general rate be the default rate applied to all property unless it falls into another category in accordance with Council's rating policies.

7.2.5 Differential Rates

The Local Government Act enables a Council rating on a Capital Improved Value to raise rates by the application of differential rates, if the Council considers the differential rate will contribute to the equitable and efficient carrying out of its functions.

Differentials should be applied where specified local objectives can be achieved. There is no limit to the number of differential rates that can be applied.

The Alpine Shire currently has two differential rates:

- Farm rate; and
- Commercial/Industrial Rate.

7.2.6 Farm rate

Farm properties account for 16.3% of rate revenue (excluding special rates).

The objective of the farm rate policy is *"to allow for a reduced rate on all land declared as farm land which will more equitably spread the general rate burden over the rate base of the municipality given the broad nature of services provided by Council and their availability to the farming community."*

A differential farm rate at 73% of the general rate is regarded as a realistic discount and will provide an equitable distribution of rate reductions to this property group.

It is important to ensure that highly productive farming land is not rated at levels that force farmers to seek to subdivide and sell off parcels to remain viable.

Action: That the farm rate be applied to land that falls within the definition of Council's Farm Rate Policy.

7.2.7 Commercial/Industrial Rate

Commercial/Industrial properties account for 17.8% of the rates revenue (excluding special rates).

The objective of the commercial/industrial rate policy is *"to ensure equity in the application of the rating burden across the Shire. It provides for the higher costs of servicing commercial and*

industrial properties, specialist properties and undertaking economic development and tourism strategies. This is reflected in the application of a rate in the dollar which is higher than the rate in the dollar for other land.”

A commercial/industrial differential rate of 143% of the general rate is regarded as the necessary amount required to provide the additional services to this sector.

The tourism industry is the largest industry within the Shire. Festivals and events are a critical driver for the Alpine Shire economy and Council delivers a coordinated program to attract, develop and retain a strong calendar of events.

A significant portion of the money raised is invested to undertake economic development and tourism strategies, to support the growth and future wellbeing of both tourism and economic development within the Shire.

Investment in tourism and economic development, along with the physical location and general nature of commercial/industrial properties, results in a higher servicing cost to Council. Therefore, a differential rate is applied to ensure equity.

Action: That the commercial/industrial rate be applied to land that falls within the definition of Council’s Commercial/Industrial Rate Policy.

7.2.8 Valuation Method

Local Government may use the site value, capital improved value and net annual value system as a basis for property valuation.

Capital Improved Value (CIV) is Council’s preferred valuation method. CIV is essentially the market value of a property which is easily understood by the average ratepayer. It also provides the flexibility for differential rates if required. CIV is used by most Councils in Victoria and has been used uniformly by Alpine Shire since the 1995/96 financial year.

The formula for determining the rates payable on a property is: Capital Improved Value (CIV) multiplied by the rate in the dollar.

The rate in the dollar is adjusted as part of the annual budget process to ensure that the correct amount of rates are raised to fund Council’s operations.

Action: That Capital Improved Value be the basis for the calculation of rates.

7.2.9 Special Rates and Charges

Special rates and charges are a very useful mechanism for funding Council initiatives which directly benefit specific segments of the community. Council can require a person to pay a special rate or charge, if it considers that it will be of special benefit to the person required to pay it.

Special rates are based on the user pays principle. In that, ratepayers should pay for additional services that they receive above what is considered normal. It is also important to note that money collected from any special rate must be spent on the purpose for which it is collected.

Council has one special rate currently in operation, to fund the higher servicing costs at Dinner Plain Village.

Action: That special rates and charges be applied if the Council considers that there will be a special benefit to the person required to pay it.

7.2.10 Dinner Plain

Council operates Dinner Plain as a discreet Business function which makes it unique when compared to other towns within the shire. The servicing costs of Dinner Plain are significantly higher

than all other areas, due to the complex nature and special requirements of this resort. Council applies a general rate, a special rate and Waste Service charges to reflect the actual costs of servicing the village. Under this arrangement the General Rate Income funds traditional services, e.g. road maintenance, street lighting, fire services and administration. Whilst the special rate funds specialist services that are unique to the Dinner Plain village, e.g. snow clearance.

The level of the Dinner Plain special rate is set in consultation with the Dinner Plain Advisory committee. Any unspent money is placed in a reserve for use at Dinner Plain on future projects. Areas of overspending are funded from the reserve balance.

Action: That Dinner Plain continue to be operated as a discreet business function.

7.2.11 Service Rates and Service Charges

Service Rates and Charges may be declared for: provision of water supply, collection and disposal of refuse and the provision of sewage services. A service rate or charge may be declared on the basis of any criteria specified by the Council.

The annual service rate or charge is applied according to the service delivered and is fully funded from this area. It is not funded by general rates.

Alpine Shire levies the following annual service charges in addition to general or differential rates:

- Waste Collection
- Recycling Collection
- Waste management charge

Action: That service rates and charges continue to be levied for the collection of kerbside waste and recycling, for landfill rehabilitation and development, transfer station operations and other waste related expenditure.

7.2.12 Rebates and Concessions

Council may grant a rebate or a concession in relation to any rate or charge to assist the proper development of the municipal district, and to preserve, restore and maintain buildings or places of historical or environmental interest. Alpine Shire Council does not grant any rebates or concession of this nature.

The Local Government Act provides for concessions applicable under the State Concessions Act 1986. Eligible pensioners may apply for a rate concession on the principle place of residence funded by the State Government.

Action: That Alpine Shire Council continues to deliver pensioner concessions in accordance with the Local Government Act 1989 and the State Concessions Act 1986.

That Alpine Shire Council does not grant any other rebates or concessions.

7.2.13 Municipal Charge

A Municipal Charge is a flat charge per assessment that can be used to offset administrative costs of the Council and is in addition to general rates. The maximum charge that can be levied cannot exceed 20% of the revenue raised from general rates and the Municipal Charge.

It is different to a service rate or charge.

Municipal Charges have the effect of flattening the rate burden making people in lower valued properties pay more. The Alpine Shire does not have a large number of low value properties as some other Councils do. To place a charge on the rate notice to cover 'administrative costs' of the council,

is unpopular and hard for the ratepayer to understand. Accordingly, this mechanism has been deemed to be unsuitable.

Action: That Alpine Shire does not levy a Municipal Charge.

7.2.14 Rate Contributions

The residential sector comprises 60.5% of the total CIV and contributes to approximately 59.2% of the total rate revenue. The Commercial Industrial sector comprises approximately 12.4% of the total CIV and contributes 17.3% of the total rate revenue. The Farm sector comprises 22% of total CIV but contributes 15.9% of rate revenue due to the farm rate discount. Dinner Plain comprises 4.8% of total CIV and contributes 6.8% of total rate revenue due to the Dinner Plain Special Rate while the AGL Rates in Lieu Agreement contribution makes up 0.8% of total rate revenue.

7.2.15 Strategic Resource Plan

The Strategic Resource Plan (SRP) details the resources required to achieve Council's strategic objectives as expressed in the Council Plan, over the next four years (refer to section 15).

The Strategic Resource Plan is intended to achieve the following objectives:

- Maintain a strong cash position, ensuring Council remains financially sustainable in the short and long term.
- Achieve operating statement surpluses which allow for sufficient spending on Capital to reduce the renewal gap and to enable projects to create new and improved infrastructure to be considered.
- Maintain low debt levels.
- Continue to pursue recurrent grant funding for strategic capital projects from the State and Federal government.
- Ensure critical capital renewal projects are funded annually over the timeframe of the Strategic Resource Plan.

Rates and charges are by far the largest source of funding within Council's Strategic Resource Plan and Long Term Financial Plan and are therefore essential for Councils' financial sustainability.

Action: That Council's Strategic Resource Plan and Long term Financial Plan be the guiding documents for the setting of rates and charges.

7.2.16 Review

This statement will be reviewed in conjunction with Council's Strategic Resource Plan (SRP) and Long Term Financial Plan each year.

7.3 Differential farm rate policy

7.3.1 Policy statement

This policy establishes criteria for determining farm properties so that a differential rate may be applied in accordance with the Rating Strategy and section 161 of the *Local Government Act 1989*.

7.3.2 Purpose

To ensure that Council:

- has a sound and equitable basis on which to determine the distribution of the rate burden and ensure consistency with provisions of the Local Government Act 1989.
- applies the farm rate to properties that fit the definition of farm land contained in this policy.

7.3.3 Scope

This policy applies to Council when considering and determining the annual budget of rates and charges. Council officers must consider the application of this policy and that of other rates and charges policies when preparing revenue models or raising rates and charges.

This policy does not apply to land located in Bogong Village and the Dinner Plain Village area.

7.3.4 Objective

To allow for a reduced general rate on all land declared as farm land which will more equitably spread the general rate burden over the rate base of the municipality given the broad nature of services provided by Council and their availability to the farming community.

7.3.5 Policy details

An application must be made to change the classification of a property to the differential farm rate.

“Farm Land” means any rateable land which must satisfy the following criteria:-

7.3.5.1 area must be of 8Ha or over; or

7.3.5.1.1 be used primarily for grazing (including agistment), dairying, pig-farming, poultry farming, fish farming, tree farming, bee keeping, viticulture, horticulture, fruit growing or the growing of crops of any kind or for any combination of those activities; and

7.3.5.1.2 show that the primary source of income is derived from the land; and

7.3.5.2 that it is used by a business:-

7.3.5.2.1 that has a significant and substantial commercial purpose or character; and

7.3.5.2.2 that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and

7.3.5.2.3 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.

7.3.6 Supporting legislation/procedures/ guidelines

- Local Government Act 1989
- Alpine Shire Rating Strategy

7.3.7 Breaches and sanctions

Any variations outside this policy require Council approval.

7.4 Differential commercial/industrial rate policy

7.4.1 Policy statement

This policy establishes the criteria for determining commercial or industrial properties so that a differential rate may be applied in accordance with the Rating Strategy and section 161 of the *Local Government Act 1989*.

7.4.2 Purpose

To ensure that Council:

- has a sound and equitable basis on which to determine the distribution of the rate burden and ensure consistency with provisions of the Local Government Act 1989.
- applies the Commercial/Industrial differential rate to properties that fit the Commercial/Industrial Definition contained in this policy.

7.4.3 Scope

The policy applies to Council when considering and determining the annual budget of rates and charges. Council officers must consider the application of this policy and that of other rates and charges policies when preparing revenue models or raising rates and charges.

7.4.4 Objective

The objective of this policy is to ensure equity in the application of the rating burden across the Shire. It provides for the higher cost of servicing commercial and industrial properties, specialist properties and undertaking economic development and tourism strategies. This is reflected in the application of a rate in the dollar which is higher than the rate in the dollar for other land.

7.4.5 Policy details

Principles:

- A differential rate for Commercial or Industrial Land will apply to Commercial or Industrial properties.
- For the purpose of identification, a property is assumed to be Commercial or Industrial if it satisfies any of the definition(s) contained within this policy.
- This policy does not apply to land located in Bogong Village and the Dinner Plain Village area.

7.4.6 Definition and method of determination

Definition

Commercial or Industrial Land means land which:

- is used primarily for commercial or industrial purposes (including but not limited to any accommodation premises, motel or hotel used primarily to accommodate travellers, tourists or other persons engaged in recreational pursuits); or
- is adapted or designed to be used primarily for commercial or industrial purposes (including but not limited to any accommodation premises adapted or designed to be used primarily for accommodating travellers, tourists or other persons engaged in recreational pursuits); or

- is located in a Business 1 Zone, Industrial 1 Zone or Industrial 2 Zone under the Alpine Planning Scheme; or
- has a dwelling constructed on it, which is not the principal place of residence of the owner and which is made available for commercial hire, lease or licence to tourists, persons engaged in recreational pursuits or other like persons (on either a casual or permanent basis). This is defined as a 'holiday house'.

Method of Determination

- The classification of which properties fall within the definition (excluding 'holiday houses') will be assigned by the Alpine Shire Contract Valuer, or:
- The classification of which dwellings satisfies the definition of a 'holiday house' as stated above, will be assigned by the Manager Corporate and Director Corporate Performance.

7.4.7 Supporting legislation/procedures/ guidelines

- Local Government Act 1989
- Alpine Planning Scheme
- Valuer General Victoria Best Value Guidelines
- Alpine Shire Rating Strategy

7.4.8 Breaches and sanctions

Any variations outside this policy require Council approval.

7.5 Waste services charges policy

7.5.1 Policy statement

This policy establishes the criteria for determining the basis of the annual waste services charges in accordance with section 162 of the *Local Government Act 1989*.

7.5.2 Purpose

To ensure that Council:

- has a sound and equitable basis on which to determine the application of waste collection, recycling collection and waste management charges and ensure consistency with provisions of the *Local Government Act 1989*.
- applies waste collection, recycling collection and waste management charges to properties as determined by this policy.

7.5.3 Scope

This policy applies to Council when considering and determining the annual budget of rates and charges. Council officers must consider the application of this policy and that of other rates and charges policies when preparing revenue models or raising rates and charges.

7.5.4 Objective

The objective of this policy is to ensure equity in the application of waste services charges across the Shire. It outlines the application of waste costs on the following basis:

- Waste collection
- Recycling collection
- Waste management
- Dinner Plain waste services

7.5.5 Policy details

7.5.5.1 Waste collection

Council operates a waste kerbside collection service. The waste kerbside collection service is a compulsory charge to all ratepayers excluding the following:

- Dinner Plain ratepayers (refer to 7.5.5.4 - Dinner plain waste services); and
- Ratepayers provided an exemption from the standard waste kerbside service.

An exemption may be granted on the waste kerbside collection service on the following basis:

- Properties not included on a collection service route;
- Undeveloped land; or
- An existing commercial service already in place.

The waste kerbside collection will be charged to ratepayers on the following basis:

- size bin;
- quantity of bins; and
- frequency of collection.

The waste kerbside collection charge operates on a total cost recovery basis which can be applied across multiple years to avoid yearly fluctuations in charges being passed onto ratepayers. If revenue raised from the Waste kerbside collection charge exceeds that of expenditure incurred in a given year, then the balance will be transferred to a reserve, namely the 'Waste reserve'. The Waste reserve will then be used for future purposes. Balances retained in the Waste reserve must be considered each year in determining any future waste kerbside collection charge with the aim of minimising increments being applied to ratepayers.

7.5.5.2 Recycling collection

Council operates a recycling kerbside collection service. The recycling kerbside collection service is a compulsory charge to all ratepayers excluding the following:

- Dinner Plain ratepayers (refer to 7.5.5.4 - Dinner Plain waste services); and
- Ratepayers provided an exemption from the standard recycling kerbside service.

An exemption may be granted on the recycling kerbside collection service on the following basis:

- Properties not included on a collection service route;
- Undeveloped land; or
- An existing commercial service already in place.

The recycling kerbside collection will be charged to ratepayers on the following basis:

- size bin;
- quantity of bins; and
- frequency of collection.

The recycling kerbside collection charge operates on a total cost recovery basis which can be applied across multiple years to avoid yearly fluctuations in charges being passed onto ratepayers. If revenue raised from the Recycling kerbside collection charge exceeds that of expenditure incurred in a given year, then the balance will be transferred to a reserve, namely the 'Waste reserve'. The Waste reserve will then be used for future purposes. Balances retained in the Waste reserve must be considered each year in determining any future recycling kerbside collection charge with the aim of minimising increments being applied to ratepayers.

7.5.5.3 Waste management

Council operates three transfer stations and has a number of landfills which are closed and require remediation in the future as required by the Environmental Protection Authority Victoria (EPA). Council also provides a public place waste and recycling service. There are significant costs associated with the management of these sites and provision of these services. The waste management charge is raised to recover the costs incurred.

Expenditure included within the Waste management charge includes:

- Landfill rehabilitation expenditure;
- Landfill monitoring expenditure;
- Landfill and transfer stations capital works (renewal and development) expenditure;
- Transfer station operations;
- Waste diversion; and
- Public place bin renewals, purchases and service costs.

The Waste management charge (formally Landfill and rehabilitation charge) will be charged to all rateable assessments on which a building adapted for separate occupancy exists with the exception of Dinner Plain (refer to 7.5.5.4 – Dinner Plain waste services).

The Waste management charge will operate on a total cost recovery basis which can be applied across multiple years to avoid yearly fluctuations in charges being passed onto ratepayers. If revenue raised from the Waste management charge exceeds that of expenditure incurred in a given year, then the balance will be transferred to a reserve, namely the 'Waste reserve'. The Waste reserve will then be used for future purposes. Balances retained in the Waste reserve must be considered each year in determining any future Waste management charge with the aim of minimising increments being applied to ratepayers.

7.5.5.4 Dinner Plain waste services

Dinner Plain ratepayers are provided with a separate waste service due to the location of the village. The Dinner Plain waste service is charged on the following basis:

- Standard service; or
- Commercial service.

A commercial service is defined as a property that operates a business outside of a normal residential property rental.

The Dinner Plain waste services charge is in lieu of the waste collection, recycling collection and the Waste management charge.

Dinner Plain also operates as a separate business function within Council. If revenue raised from the Dinner Plain waste services charge exceeds that of expenditure incurred in a given year, then the balance will be transferred to a reserve, namely the 'Dinner Plain reserve'. The Dinner Plain reserve will then be used for future purposes. Balances retained in the Dinner Plain reserve must be considered each year in determining any future Dinner Plain waste services charges and Dinner Plain special rates with the aim of minimising increments being applied to ratepayers.

7.5.6 Supporting legislation/procedures/ guidelines

- Local Government Act 1989
- Alpine Shire Rating Strategy

7.5.7 Breaches and sanctions

Any variations outside this policy require Council approval.

Budget Analysis

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

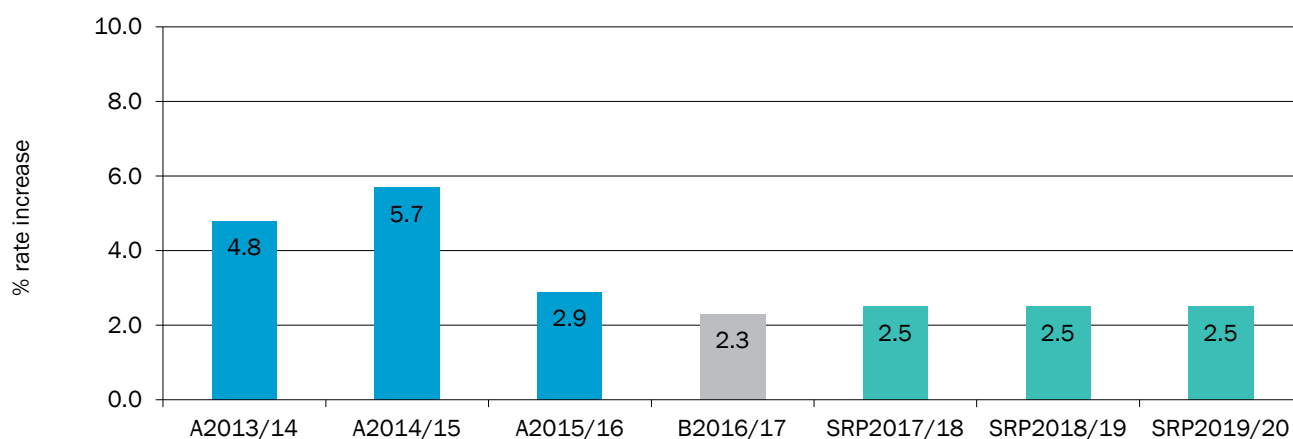
This section includes the following analysis and information:

8. Summary of financial position
9. Budget influences
10. Analysis of operating budget
11. Analysis of budgeted cash position
12. Analysis of capital budget
13. Analysis of budgeted financial position
14. Dinner Plain

8. Summary of financial position

Council has prepared a Budget for the 2016/17 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 objectives of the Council.

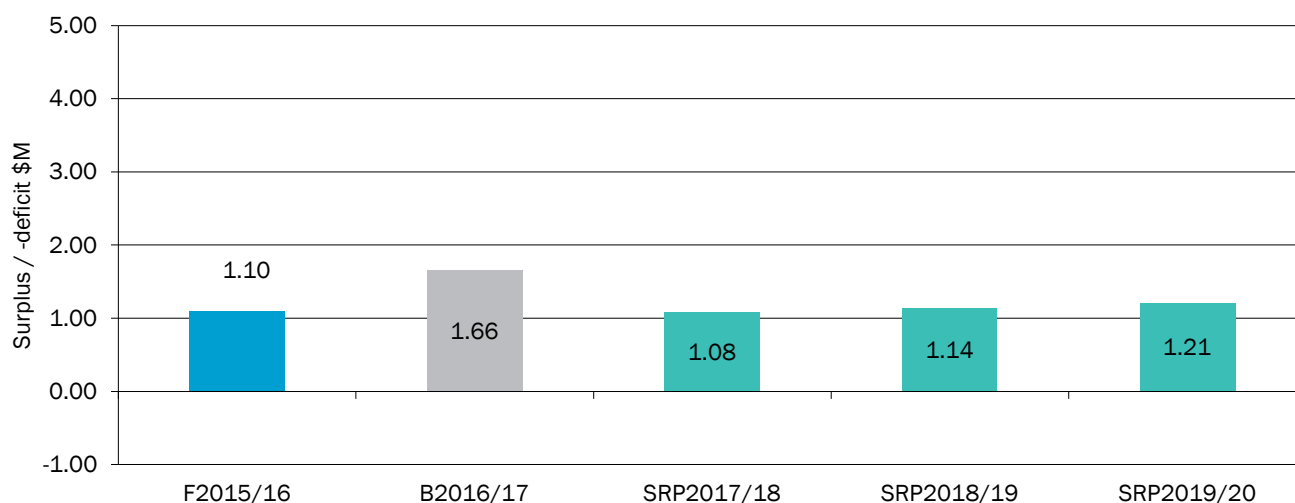
8.1 Total rates and charges



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

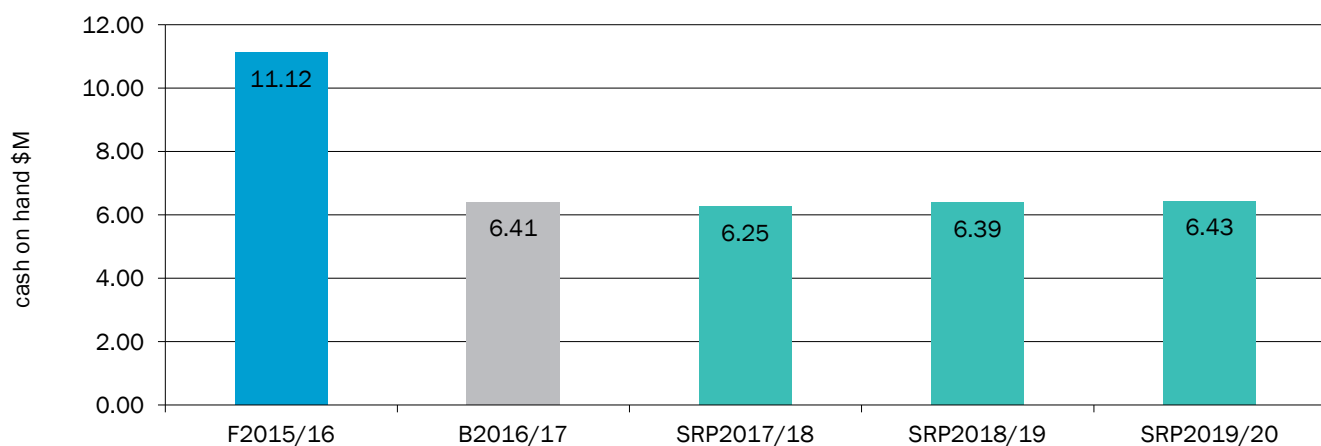
Refer to section 7 – Rates and charges

8.2 Operating result



Refer to section 10 – Analysis of the operating budget for a detailed analysis.

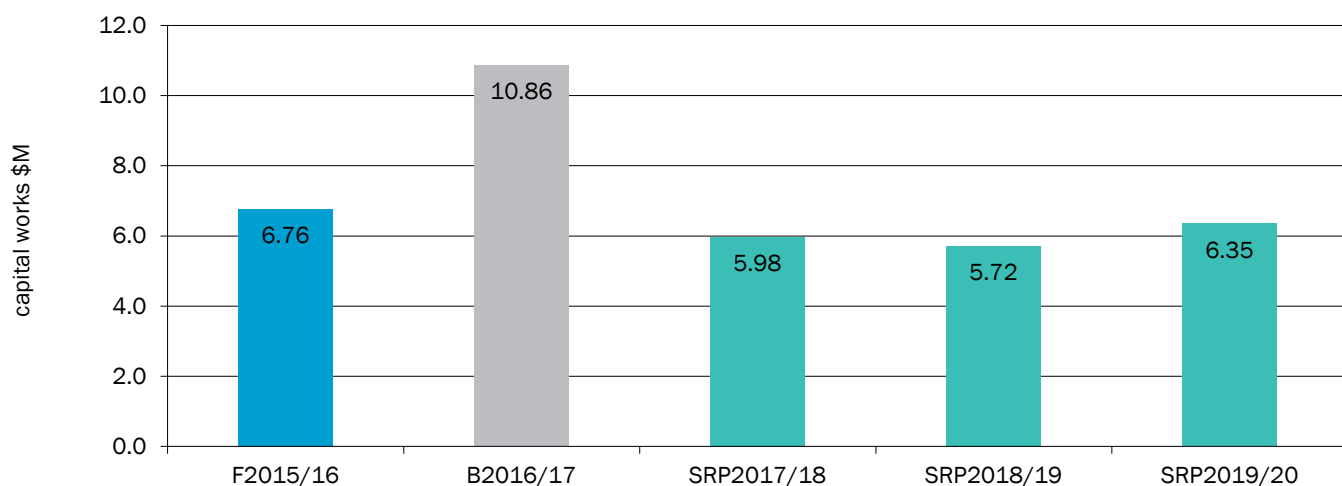
8.3 Cash and investments



Cash and investments are expected to decrease in 2016/17 due to the delivery of the capital works program including carry forward projects from 2015/16.

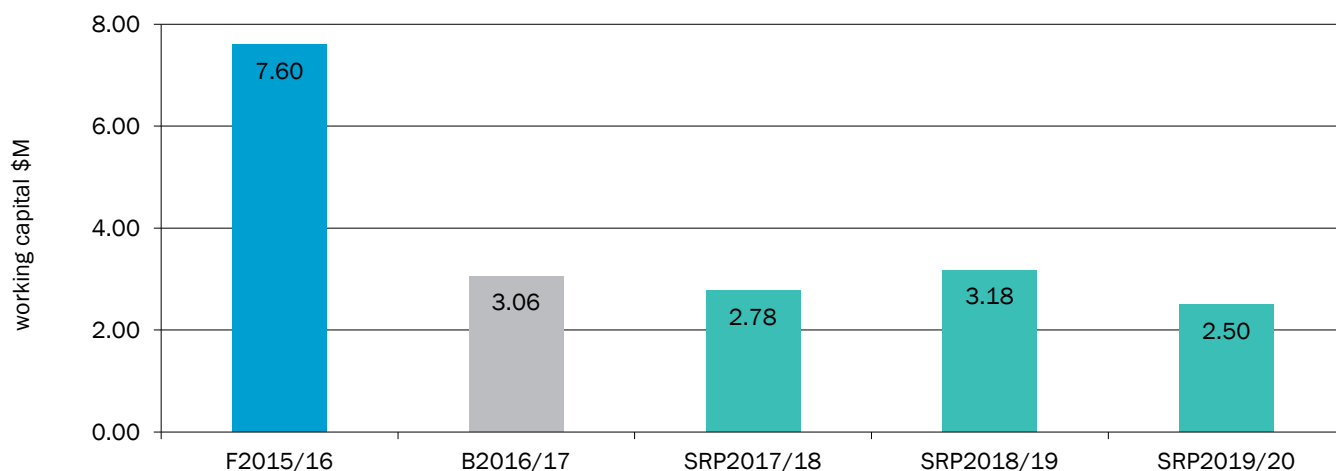
Refer also Section 4 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.

8.4 Capital works



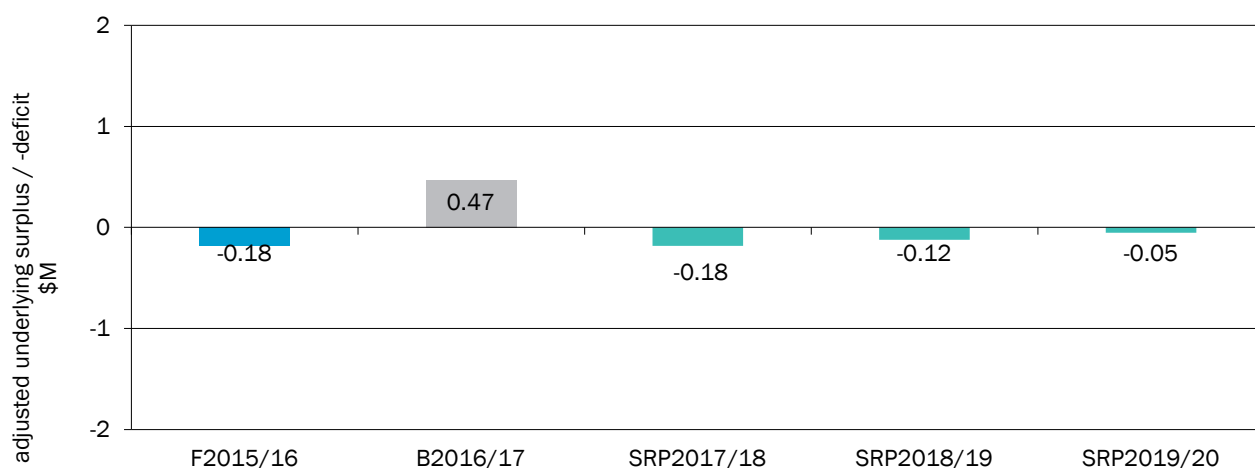
Refer also Section 4 for the Statement of Capital Works and Section 12 for an analysis of the capital budget.

8.5 Financial position



Refer also Section 4 for the Balance Sheet and Section 13 for an analysis of the budgeted financial position.

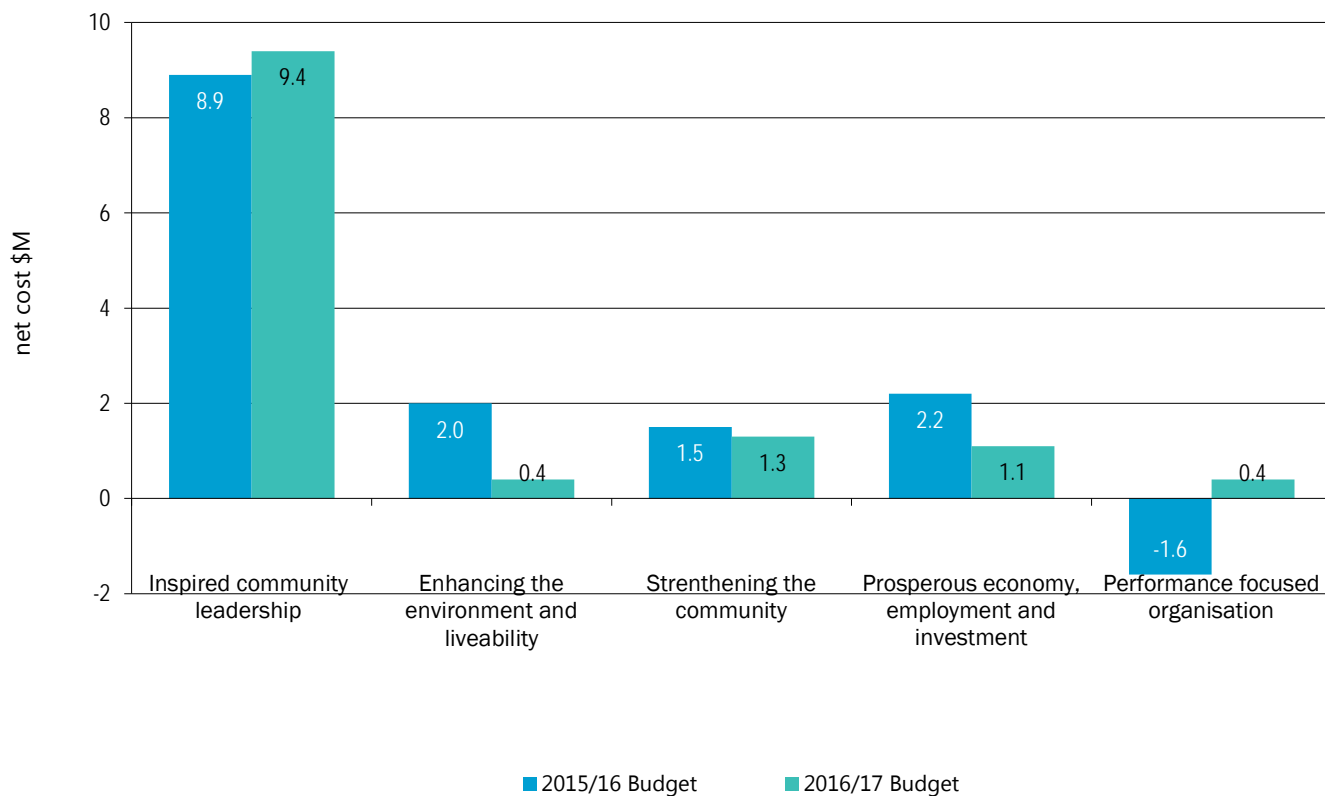
8.6 Financial sustainability



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

Refer Section 15 for more information on the Strategic Resource Plan.

8.7 Strategic objectives



The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Council Plan. 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 2016/17 year.

The services that contribute to these objectives are set out in Section 2.

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 Alpine Shire Council

The Alpine Shire is a small rural shire with the major townships of Bright, Mount Beauty and Myrtleford located across the Ovens and Kiewa valleys. The Alpine Shire covers an area of 4,790 square kilometres, and encompasses the Buffalo, Ovens and Kiewa Rivers and their tributaries.

Approximately 92% of the Shire is public land, including large tracts of the Alpine National Park, as well as the whole of the Mount Buffalo National Park. The remaining 8% of land comprises townships and farming land, which exist along the flood plains of the river valleys. The major townships are nestled in the valleys, located along the river systems.

The Alpine Shire surrounds some of Victoria's major ski resorts at Mount Hotham, and Falls Creek, with smaller snowfield attractions at Dinner Plain and Mount Buffalo.

Population

Approximately 12,000 people call the Alpine Shire home, but the population swells during peak tourism times. Alpine has a large population of over 55s, with the 2011 Census revealing that 38.2% of the population is aged over 55, compared to an Australian average of 25.6%. This ageing population presents unique challenges to Council in order to provide adequate services.

Industry

Alpine Shire has an industry mix that covers goods-producing industries (agriculture, manufacturing, construction) and services.

The key sectors are tourism, timber and forestry, agriculture (livestock and horticulture), services (health, education, community services), and retail.

Tourism is a major driver of the economy. Combined with the Alpine ski resorts, tourism is worth approximately \$264 million per annum to the region.

Budget implications

As a result of the Shire's demographic profile, over 18% of ratepayers are entitled to the pensioner rebate. As pensioners are often asset rich but income poor, the adoption of significant rate increases has a real impact on the disposable income of a significant proportion of our community. Council has hardship provisions in place but these can impact on cash balances when large volumes of ratepayers are involved.

9.2 External influences

- Consumer Price Index (CPI) increases on goods and services of 1.7% through the year to December quarter 2015 (ABS release 28 January 2015). State-wide CPI is forecast to be 2.5% for the 2016/17 year (Victorian Budget Papers 2015/16).
- Australian Average Weekly Earnings (AWE) growth for Public Sector full-time adult ordinary time earnings in the 12 months to May 2015 was 1.7% (ABS release 13 August 2015). The wages price index in Victoria is projected to be 3.25% per annum in 2016/17 and the subsequent two years (Victorian Budget Papers 2015/16).
- Freezing of the Victoria Grants Commission funding until 2020.
- Cost Shifting occurs where Local Government provides a service to the community on behalf of the State and Federal Government. Over time the funds received by local governments do not increase in line with real cost increases. Examples of services that are subject to Cost Shifting include school crossing supervision, and Library services. In all these services the level of payment received by Council from the State Government does not reflect the real cost of providing the service to the community.
- Councils across Australia raise approximately 3.5% of the total taxation collected by all levels of Government in Australia. In addition Councils are entrusted with the maintenance of more than 30% of the all Australian public assets including roads, bridges, parks, footpaths and public buildings. This means that a large proportion of Council's income must be allocated to the maintenance and replacement of these valuable public assets in order to ensure the quality of public infrastructure is maintained at satisfactory levels.
- The Fire Services Property Levy will continue to be collected by Council on behalf of the State Government with the introduction of the *Fire Services Property Levy Act 2012*.

9.3 Internal influences

As well as external influences, there are also a number of internal influences which are expected to have a significant impact on the preparation of the 2016/17 Budget. These matters have arisen from events occurring in the 2015/16 year resulting in variances between the forecast actual and budgeted results for that year and matters expected to arise in the 2016/17 year. These matters and their financial impact are set out below:

- A reduction in cash held due to receiving only half of the Financial Assistance Grant in 2015/16. Council received \$1.7 million in advance in the 2014/15 financial year. Council has not budgeted to receive Financial Assistance Grants in advance relating to 2016/17.
- A continued reduction on previous years in employee costs of \$1 million to \$8.6 million expense.
- Roads to Recovery (R2R) funding expected to be received in 2016/17 of \$1.2 million.
- HACC services being recommissioned to another provider by the Department of Health and Human Services.

9.4 Budget principles

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

- Existing fees and charges to be increased in line with CPI or market levels.
- Grants to be based on confirmed funding levels.
- New revenue sources to be identified where possible.
- Service levels to be maintained at 2015/16 levels with the aim to use less resources with an emphasis on innovation and efficiency.
- Operating revenues and expenses arising from completed 2015/16 capital projects to be included.

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 2016/17 to 2019/20 (Section 15.), Rating Information (Section 7 & 16.) and Other Long Term Strategies (Section 17.) including borrowings, infrastructure and service delivery.

10. Analysis of operating budget

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

10.1 Budgeted income statement

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Total income	10.2	24,685	26,143	1,458
Total expenses	10.3	(23,589)	(24,480)	(890)
Surplus (deficit) for the year		1,096	1,663	568
Grants – capital non-recurrent	10.2.6	(1,125)	(442)	683
Contributions - non-monetary assets		(103)	(106)	(3)
Contributions - cash		(50)	(650)	(600)
Adjusted underlying surplus (deficit)		(182)	465	648

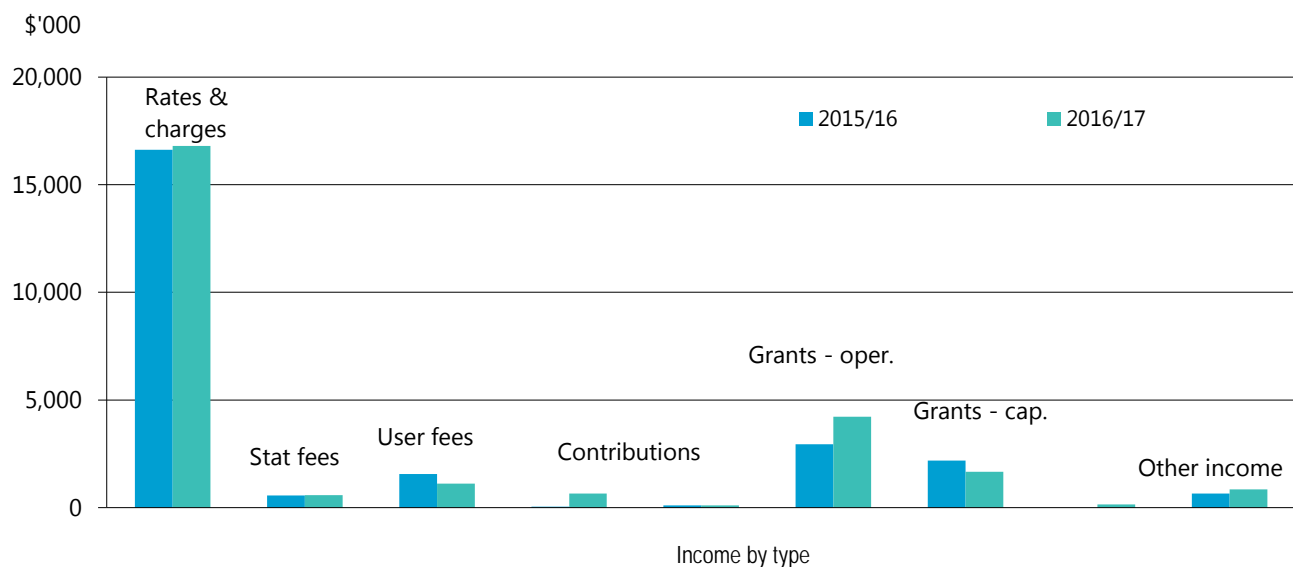
10.1.1 Adjusted underlying result

The adjusted underlying result is the net surplus or deficit 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.

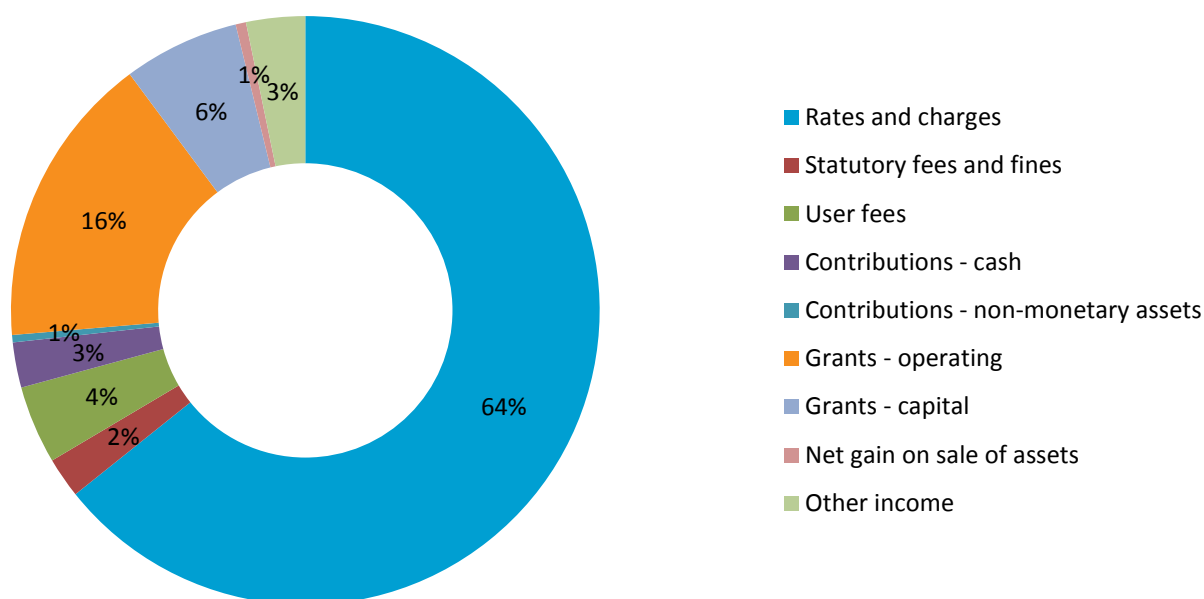
In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non-recurrent and capital contributions from other sources. Contributions of non-monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.

10.2 Income

Income Types	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Rates and charges	10.2.1	16,617	16,800	183
Statutory fees and fines	10.2.2	565	581	16
User fees	10.2.3	1,564	1,122	(442)
Contributions - cash	10.2.4	50	650	600
Contributions - non-monetary assets	10.2.4	103	106	3
Grants - operating	5.1.1	2,949	4,224	1,275
Grants - capital	5.1.2	2,181	1,665	(516)
		-		
Net gain on sale of assets	10.2.5		149	149
Other income	10.2.6	656	846	190
Total income		24,685	26,143	1,458



Source: Section 3



10.2.1 Rates and charges

It is proposed that income raised by rates and charges will be increased by 2.3%. This is made up of an increase in rates and charges of \$436K and offset by a reduction in the Dinner Plain special rate from 80% of the general rate to 65%. This equates to a reduction in special rate revenue of \$92K. The remainder of the variance is due to additional properties meeting the criteria for the Commercial/Industrial differential rate during the year 2015.16 year which were not budgeted for.

Section 7 – Rates and Charges - includes a more detailed analysis of the rates and charges to be levied for 2016/17 and the rates and charges information specifically required by the Regulations.

10.2.2 Statutory fees and fines

Statutory fees 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 are forecast to increase in line with CPI.

A detailed listing of statutory fees is included in Appendix A.

10.2.3 User fees

User charges relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of pools, halls and other community facilities. In setting the budget, the key principle for determining the level of user charges has been to ensure that increases are in line with CPI or market levels and to ensure community use is maximised.

User charges are projected to decrease due to HACC services being recommissioned to another provider by the Department of Health and Human Services.

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

10.2.4 Contributions

Contributions relate to monies paid by developers in regard to recreation, drainage and car parking in accordance with planning permits issued for property development or funds received from community groups to contribute to towards capital projects.

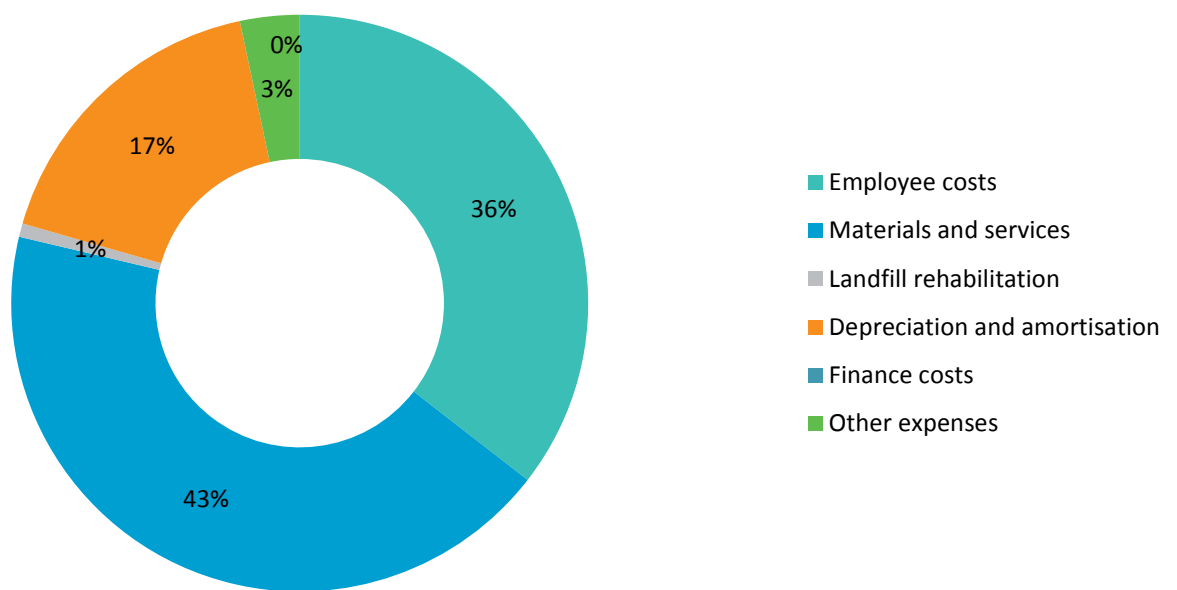
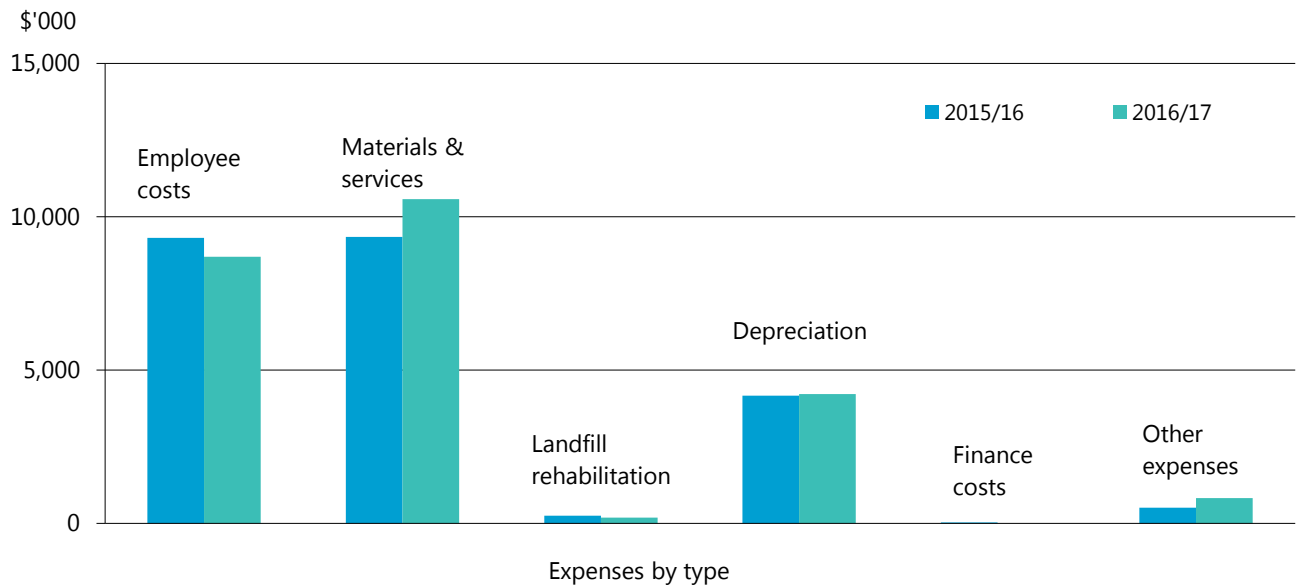
Cash contributions mainly consist of monies to be received from Benalla, Mansfield and Wangaratta Councils to operate the Library Hub as a shared service. This is a new business function.

10.2.5 Other income

Other income relates to a range of items such as interest income, rent from Council owned properties and sale of merchandise at Visitor Information Centres. Other income is budgeted to increase due to CPI as well as Council leasing out more properties than in previous years.

10.3 Expenses

Expense Types	Ref	Forecast	Budget 2016/17 \$'000	Variance \$'000
		Actual		
		2015/16 \$'000		
Employee costs	10.3.1	9,311	8,690	(621)
Materials and services	10.3.2	9,341	10,576	1,235
Landfill rehabilitation	10.3.3	246	185	(62)
Depreciation and amortisation	10.3.4	4,157	4,213	56
Finance costs	10.3.5	22	-	(22)
Other expenses	10.3.6	512	816	304
Total expenses		23,589	24,480	890



Source: Section 3

10.3.1 Employee costs

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

Employee costs are forecast for a further reduction on last year of \$1 million to \$8.6 million. This is due to:

- HACC services being recommissioned to another provider by the Department of Health and Human Services.
- 1.5% increase to salaries and wages.
- Outsourcing of labour in operational areas such as pools.

- Operational reviews to ensure resourcing is reflective of demand.
- Ongoing review of positions as they become vacant.

A summary of planned human resources expenditure categorised according to the organisational structure of Council is included below. Note that there are temporary wages included in the asset development departments capitalised wages.

Department	Budget 2016/17 \$'000	Permanent Full Time \$'000	Permanent Part Time \$'000
Alpine@Home	105	105	-
Asset Development	586	329	257
Asset Maintenance	2,643	2,557	86
Corporate	1,711	1,380	331
Economic and Community Development	509	207	302
Executive	871	761	110
Facilities	810	178	632
Planning and Amenity	1,011	574	437
Total expenditure	8,246	6,091	2,155
Casual and temporary	1,208		
Total employee costs	9,454		
Less capitalised wages			
Asset Development	(604)		
Asset Maintenance	(160)		
Total expenditure	8,690		

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

Department	Budget FTE	Permanent Full Time	Permanent Part Time
Alpine@Home	1.0	1.0	0.0
Asset Development	5.3	3.0	2.3
Asset Maintenance	35.2	34.0	1.2
Corporate	20.2	10.0	10.2
Economic and Community Development	5.5	2.0	3.5
Executive	6.2	5.0	1.2
Facilities	10.4	2.0	8.4
Planning and Amenity	10.5	6.0	4.5
Total permanent employees	93.3	62.0	31.3
Casual	13.2		
Total full time equivalent employees	106.5		

10.3.2 Materials and services

Materials and services include the purchases of consumables, payments to contractors for the provision of services and utility costs. Materials and services are forecast to increase. This is mainly attributed to Alpine Shire Council taking over the Alpine library branches and also operating the High Country Library Hub. This has been partly offset by:

- HACC services being recommissioned to another provider by the Department of Health and Human Services;
- Continued demand reduction programs; and
- Strong budget management.

The 2015.16 forecast is also higher than expected to due flood recovery works required during the year as a result of the mud slide in Ovens.

10.3.3 Landfill rehabilitation

Landfill rehabilitation costs are expected to decrease. This is due to Council ceasing its landfill operations and transitioning to a landfill diversion strategy. Council still has significant landfill rehabilitation costs in the future, however these will be less due to no new cells being constructed.

10.3.4 Depreciation and amortisation

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. Depreciation is expected to increase based on completion of new capital works.

Refer to Section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2016/17 year.

10.3.5 Finance costs

In July 2015, Council paid out all its loans and does not intend to borrow for any capital projects. Zero borrowings are also projected in the long term financial plan.

10.3.6 Other items of expense

Other items of expense relate to a range of unclassified items including contributions to community groups, advertising, Councillor allowances and other miscellaneous expenditure items.

11. Analysis of budgeted cash position

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

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

- **Operating activities** - Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt
- **Investing activities** - Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property and equipment
- **Financing activities** - Refers to cash generated or used in the financing of Council functions and include borrowings from financial institutions and advancing of repayable loans to other organisations. These activities also include repayment of the principal component of loan repayments for the year.

11.1 Budgeted cash flow statement

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Cash flows from operating activities	11.1.1			
<i>Receipts</i>				
Rates and charges		16,518	16,792	274
User fees and fines		2,129	1,703	(426)
Grants - operating		2,948	4,131	1,183
Grants - capital		2,181	1,665	(516)
Interest		232	364	132
Trust funds deposits taken		2,463	2,463	-
Other receipts		547	1,713	1,166
		27,018	28,831	1,813
<i>Payments</i>				
Employee costs		(9,549)	(8,848)	701
Trust funds deposits repaid		(2,318)	(2,318)	-
Materials and consumables		(10,532)	(11,975)	(1,444)
		(22,399)	(23,141)	(743)
Net cash provided by operating activities		4,620	5,690	1,070
Cash flows from investing activities	11.1.2			
Proceeds from sales of property, infrastructure, plant & equipment		364	458	94
Proceeds from investments		6	5,000	4,994
Payments for property, infrastructure, plant and equipment		(6,758)	(10,860)	(4,102)
Net cash used in investing activities		(6,388)	(5,402)	986
Cash flows from financing activities	11.1.3			
Finance costs		(21)	-	21
Proceeds from borrowings		-	-	-
Repayment of borrowings		(946)	-	946
Net cash used in financing activities		(967)	-	967
Net increase/(decrease) in cash and cash equivalents		(2,736)	288	3,023
Cash and cash equivalents at the beginning of the year		3,858	1,123	(2,736)
Cash and cash equivalents at end of the year	11.1.4	1,123	1,410	288

Source: Appendix A

11.1.1 Operating activities

The change in cash flows from operating activities is due mainly to:

- Council only receiving half of the Financial Assistance Grant in 2015/16 equating to \$1.7 million.
- Reduction in employee costs expected in 2016/17 of \$1 million.

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

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Surplus (deficit) for the year	1,096	1,663	568
Depreciation	4,157	4,213	56
Loss (gain) on sale of assets	-	(149)	(149)
Net movement in current assets and liabilities	(1,831)	732	2,563
Cash flows available from operating activities	3,422	6,459	3,038

11.1.2 Investing activities

Council is expecting to utilise \$5 million of cash from its term deposits in the 2016/17 financial year due to delivering the capital works program (which includes carry forward projects) and due to the Alpine Better Places projects grants not yet being confirmed, thus excluded from the budget.

The reduction in cash held in investments is expected and has been modelled in the Long Term Financial Plan prior to Council commencing works to ensure financial sustainability.

11.1.3 Financing activities

In 2015/16 Council budgeted to repay all its outstanding debt. This decision was made as Council was holding greater cash than expected due to timing of works and grants. The payout was made in July 2015 and has reduced recurring finance costs. Council has not forecast any future borrowings in its Long Term Financial Plan.

11.1.4 Cash and cash equivalents at end of the year

Overall, total cash and investments is forecast to decrease due to Council funding significant capital works from own source funds in 2016/17.

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 2016 it will have cash and investments of \$11 million, which has been restricted as shown in the following table. This is expected to decrease further in 2016/17 to \$4.2 million due to Council

funding the Alpine Better Places project from own source funds as grants have not yet been confirmed.

		Forecast		
		Actual	Budget	Variance
	Ref	2015/16	2016/17	
		\$'000	\$'000	\$'000
Total cash, investments and financial assets		11,123	6,410	(4,712)
Restricted cash and investments				
- Statutory reserves	11.2.1	(256)	(256)	-
- Cash held to carry forward capital works	11.2.2	(1,709)	-	1,709
- Trust funds and deposits		(793)	(938)	(145)
Unrestricted cash and investments	11.2.3	8,365	5,216	(3,148)
- Discretionary reserves	11.2.4	(1,363)	(1,004)	359
Unrestricted cash adjusted for discretionary reserves	11.2.5	7,002	4,212	(2,789)

11.2.1 Statutory reserves

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

11.2.2 Cash held to fund carry forward capital works

There is no amount shown as cash held to fund carry forward works at 30 June 2017, as it is expected that the capital works budget in the 2016/17 financial year will be fully expended. An amount of \$1.7K is forecast to be held at 30 June 2016 to fund capital works budgeted but not completed in the financial year. Section 6.2 contains further details on capital works funding.

11.2.3 Unrestricted cash and investments

The amount shown is in accordance with the definition of unrestricted cash included in the Section 3 of the Regulations. These funds are free of statutory reserve funds and cash to be used to fund capital works expenditure from the previous financial year.

11.2.4 Discretionary reserves

These funds are shown as discretionary reserves as, 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. The decisions about future use of these funds has been reflected in Council's Strategic Resource Plan and any changes in future use of the funds will be made in the context of the future funding requirements set out in the plan.

11.2.5 Unrestricted cash adjusted for discretionary reserves

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.

12. Analysis of capital budget

This section analyses the planned capital works expenditure budget for the 2016/17 year and the sources of funding for the capital budget. Further detail on the capital works program can be found in Section 6.

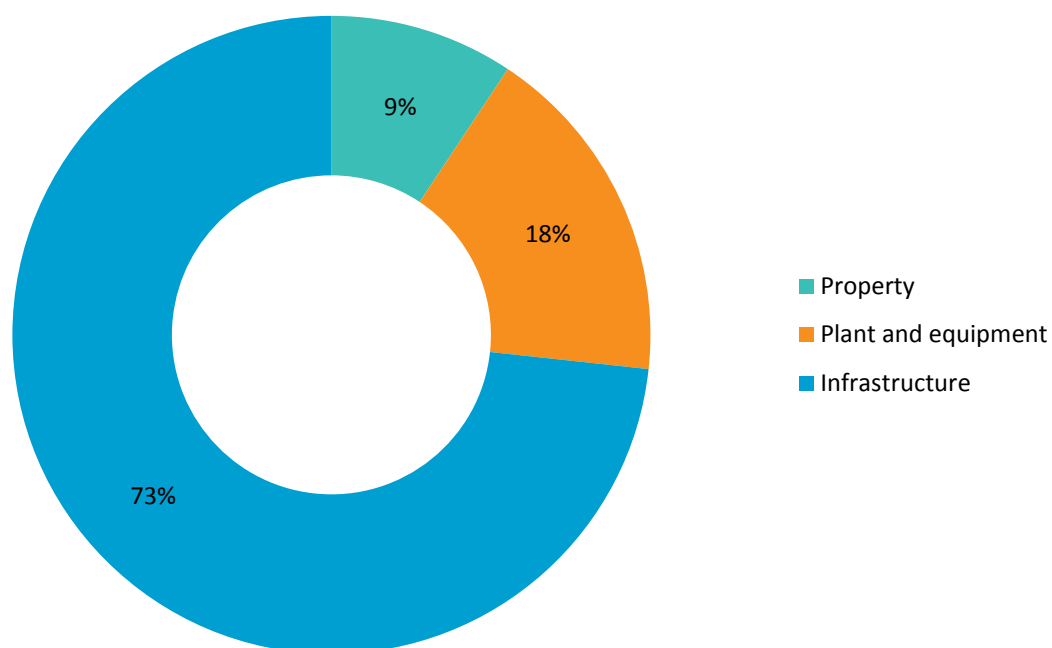
12.1 Capital works expenditure

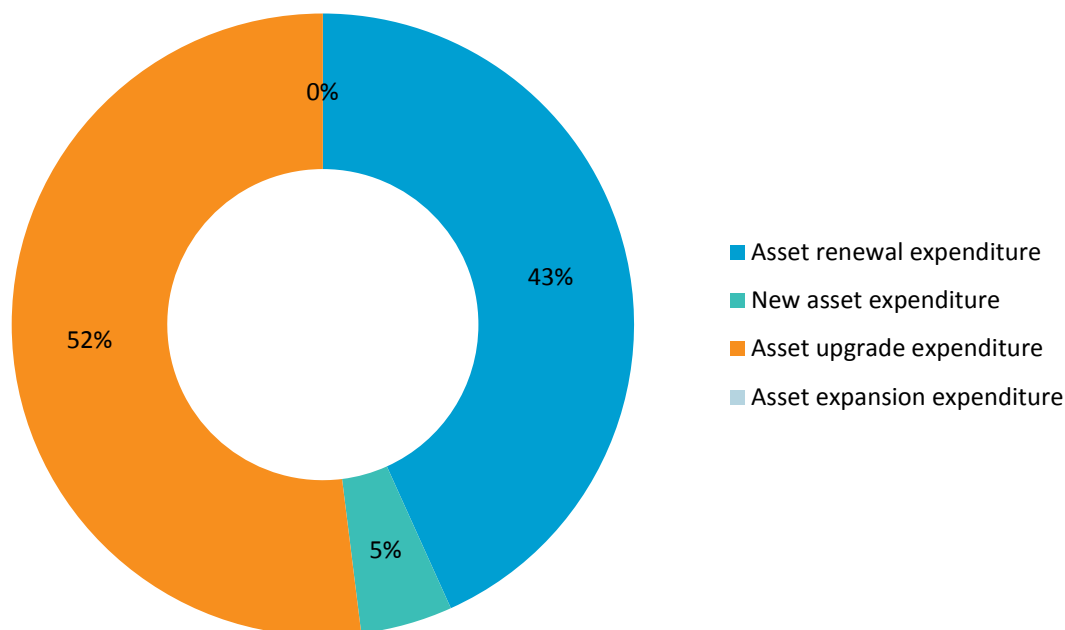
Capital Works Areas	Ref	Forecast	Budget 2016/17 \$'000	Variance \$'000
		Actual 2015/16 \$'000		
Works carried forward	12.1.1			
Property				
Buildings		360	483	123
Total property		360	483	123
Plant and equipment				
Plant, machinery and equipment		-	738	738
Fixtures, fittings and furniture		-	-	-
Playground equipment		-	-	-
Total plant and equipment		-	738	738
Infrastructure				
Roads		325	66	(259)
Bridges		187	197	10
Footpaths and cycleways		104	95	(9)
Parks, open spaces and streetscapes		506	130	(376)
Drainage		-	-	-
Waste management		101	-	(101)
Total infrastructure		1,223	488	(735)
Total works carried forward		1,583	1,709	126
New works				
Property	12.1.2			
Buildings		603	530	(73)
Total property		603	530	(73)
Plant and equipment	12.1.3			
Plant, machinery and equipment		160	875	715
Fixtures, fittings and furniture		41	115	74
Library books		-	76	76
Playground equipment		83	84	1
Total plant and equipment		284	1,150	866
Infrastructure	12.1.4			
Roads		2,241	4,667	2,426
Bridges		683	397	(286)
Footpaths and cycleways		182	35	(147)
Parks, open spaces and streetscapes		1,097	1,352	255
Drainage		85	283	198
Waste management		-	133	133
Capitalised wages		-	604	604
Total infrastructure		4,288	7,471	3,183

Capital Works Areas	Ref	Forecast	Budget 2016/17 \$'000	Variance \$'000
		Actual		
		2015/16 \$'000		
Total new works		5,175	9,151	3,976
Total capital works expenditure		6,758	10,860	4,102

Capital Works Areas	Ref	Forecast	Budget	Variance
		Actual		
		2015/16	2016/17	
		\$'000	\$'000	\$'000
Represented by:				
Asset renewal expenditure	6.1.5	4,605	4,697	92
New asset expenditure	6.1.5	-	519	519
Asset upgrade expenditure	6.1.5	2,153	5,644	3,491
Asset expansion expenditure	6.1.5	-	-	-
Total capital works expenditure		6,758	10,860	4,102

Source: Section 3. A more detailed listing of the capital works program is included in Section 6





12.1.1 Carried forward works

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016/17 year it is forecast that the projects to be carried forward from 2015/16 include the Mount Beauty Library redevelopment, purchase of a grader and paveliner, Harris Lane Bridge and footpaths tracks and trails.

Not included in the carry forward works is the Porepunkah landfill rehabilitation work. This project was budgeted to be completed in 2015/16, however will now be completed in 2016/17. This is not reflected in the carry forward works or capital budget due to the landfill rehabilitation work being provided for in Councils landfill provision which resides as a liability. The rehabilitation costs are capitalised at the time the landfill is constructed.

In 2015/16 Council budgeted for the purchase of a snow blower of \$215K. This will not proceed and the funds will be transferred back to the Dinner Plain reserve.

12.1.2 Property

The property class comprises buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2016/17 year, the main project is the Bright municipal office stage two. This is part of the annual renewal works program.

12.1.3 Plant and equipment

Plant and equipment includes plant, machinery and equipment, computers and telecommunications, library books and playground equipment.

For the 2016/17 year, there is expected to be renewal of key plant items to ensure smooth operation of Councils facilities and asset maintenance departments.

12.1.4 Infrastructure

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

Council has invested considerable energy into reviewing its asset management systems. This then allows for timely and transparent data on what assets require renewal in any given year. Council also uses innovative technology through the use of an application called Fulcrum to gather and update the data relating to its assets. This saves time and money and produces better results. Improvement in this area will continue in future years.

A listing of all projects being funded by Council in 2016/17 can be found in section 6.

12.1.5 Asset renewal, new assets, upgrade and expansion

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

12.2 Funding sources

Sources of funding	Ref	Forecast	Budget	Variance
		Actual 2015/16 \$'000		
2016/17 \$'000				\$'000
Works carried forward				
<i>Current year funding</i>				
Grants		129	-	(129)
Contributions		-	-	-
Borrowings		-	-	-
Council cash				
- operations		1,903	971	(932)
- proceeds on sale of assets		-	-	-
- reserve cash and investments		-	-	-
- unrestricted cash and investments		-	-	-
Total works carried forward	12.2.1	2,032	971	(1,061)
New works				
<i>Current year funding</i>				
Grants	12.2.2	1,663	1,495	(168)
Contributions		153	17	(136)
Borrowings		-	-	-
Council cash				
- operations	12.2.3	723	2,919	2,196
- proceeds on sale of assets	12.2.4	364	458	94
- reserve cash and investments	12.2.5	674	359	(315)
- unrestricted cash and investments		1,149	4,641	3,492
Total new works		4,726	9,889	5,163
Total funding sources		6,758	10,860	4,102

Source: Section 6

This table highlights how Council funds its new assets and infrastructure. Council plans to fund some asset and infrastructure development in 2016/17 from its operating cash balance and terms deposits due to:

- Alpine Better Places project in 2016/17 not yet having confirmed grant funding; and
- Catching up on a backlog of works carried forward from previous years.

13. Analysis of budgeted financial position

This section analyses the movements in assets, liabilities and equity between 2015/16 and 2016/17. It also considers a number of key financial performance indicators.

13.1 Budgeted balance sheet

	Ref	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Current assets	12.3.1			
Cash and cash equivalents		1,123	1,410	288
Trade and other receivables		1,406	1,509	103
Financial assets		10,000	5,000	(5,000)
Inventories		132	122	(10)
Other assets		243	271	28
Total current assets		12,904	8,312	(4,592)
Non-current assets	13.1.1			
Trade and other receivables		5	3	(2)
Investments in regional library corporation		505	-	(505)
Property, infrastructure, plant & equipment		202,703	218,164	15,460
Inventories		155	159	5
Total non-current assets		203,368	218,326	14,958
Total assets		216,271	226,638	10,366
Current liabilities	13.1.2			
Trade and other payables		1,620	1,873	253
Trust funds and deposits		793	938	145
Provisions		2,862	2,413	(449)
Income received in advance		30	30	-
Interest-bearing loans and borrowings		-	-	-
Total current liabilities		5,305	5,254	(51)
Non-current liabilities	13.1.2			
Provisions		3,061	2,723	(338)
Income received in advance		447	417	(30)
Interest-bearing loans and borrowings		-	-	-
Total non-current liabilities		3,508	3,140	(368)
Total liabilities		8,813	8,394	(419)
Net assets		207,458	218,244	9,947
Equity	13.1.3			
Accumulated surplus		85,996	88,018	2,022
Asset revaluation reserve		119,843	128,966	9,122
Other reserves		1,619	1,260	(359)
Total equity		207,458	218,244	10,786

	Forecast		
	Actual	Budget	Variance
	2015/16	2016/17	
	\$'000	\$'000	\$'000
Current assets	12,904	8,312	(4,592)
Current liabilities	5,305	5,254	(51)
Working capital	7,599	3,058	(4,541)
Restricted cash and investment current assets			
- Statutory reserves	(256)	(256)	-
- Cash used to fund carry forward capital works	(1,709)	-	1,709
Unrestricted working capital	5,634	2,802	(2,832)

13.1.1 Current Assets and Non-Current Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease due to Council catching up on a backlog of carry forward projects and funding the Alpine Better Places project from its own source funds as no grant funding has yet been confirmed.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery, inventories and other revenues due to be received in the next 12 months. Council does not expect other assets to change significantly.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc which has been built up by Council over many years. Increases are as a result of the capital works program and asset revaluations which occur each year.

13.1.2 Current Liabilities and Non-Current Liabilities

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2015/16 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees and the landfill rehabilitation provision.

Employee entitlements are expected to decrease due to the recommissioning of the HACC services to another provider by the Department of Health and Human Services.

13.1.3 Working Capital

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.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

In addition to the restricted cash shown above, Council is also projected to hold \$1.2 million in discretionary reserves at 30 June 2017. 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.

13.1.4 Equity

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

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

13.2 Key assumptions

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

- A total of 95.5% of total rates and charges raised will be collected in the 2016/17 year.
- Trade creditors to be based on total capital and operating expenditure less written down value of assets sold, depreciation and employee costs. Payment cycle is 30 days.
- Other debtors and creditors to remain consistent with 2015/16 levels
- Proceeds from the sale of property in 2015/16 will be received in full in the 2016/17 year.
- Loans were fully paid out in July 2015 and no future loans are forecast in the Long Term Financial Plan.
- Total capital expenditure to be \$10.8 million.

14. Dinner Plain

Dinner Plain operates as a separate business function within Council. All income and expenditure relating to Dinner Plain is quarantined. Unspent funds during the year are transferred to the Dinner Plain reserve, whilst any overspend on funds is transferred out of the reserve and classed as income for the business function in that year.

14.1 Dinner Plain operating statement

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
4.16 Dinner Plain rates and charges			
1601 Dinner Plain rates & charges	(1,298)	(1,054)	244
1602 Dinner Plain waste & recycling rates	(307)	(325)	(18)
4.16 Dinner Plain rates and charges total	(1,605)	(1,379)	226
4.17 Dinner Plain management			
1605 Dinner Plain village services	(60)	(61)	(1)
2903 Transfer to/(from) Dinner Plain reserves	-	(89)	(89)
4.17 Dinner Plain management total	(60)	(150)	(90)
Total income	(1,665)	(1,529)	136
4.16 Dinner Plain rates and charges			
2701 Dinner Plain marketing	125	100	(25)
2702 Bus services	186	185	(1)
2708 Dinner Plain events	60	80	20
2709 Snow clearing	125	125	-
2710 Dinner Plain TV	10	2	(8)
2711 Snow grooming	62	60	(2)
2712 Plant maintenance - Dinner Plain management	-	5	5
2713 DPAC operating fees - Dinner Plain management	-	2	2
2717 Employee costs - Dinner Plain	60	41	(19)
4.16 Dinner Plain rates and charges total	628	600	(28)
4.17 Dinner Plain management			
2703 Resort maintenance	84	82	(2)
2704 Dinner Plain waste management	252	307	55
2706 Public Facilities	87	55	(32)
2707 Council administration	461	220	(241)
2727 Employee costs - Dinner Plain management	-	41	41
4.17 Dinner Plain management total	884	705	(179)
Dinner Plain capital works			
Roads to Recovery income	-	(24)	(24)
Dinner Plain - road renewal	54	50	(4)
Dinner Plain - Scrubbers End car park rehabilitation	-	45	45

	Forecast Actual 2015/16 \$'000	Budget 2016/17 \$'000	Variance \$'000
Dinner Plain - mountain bike trail implementation	26	40	14
Dinner Plain - strategic projects	10	40	30
Dinner Plain - depot fencing	-	25	25
Dinner Plain - safety improvements at Castran Corner	-	35	35
Dinner Plain - Gravity adventure park	63	-	(63)
Dinner Plain - link road upgrade	21	-	(21)
Capitalised wages	-	13	13
Total Dinner Plain capital works	174	224	50
Total expenditure	1,686	1,529	(157)
Dinner Plain net result	21	-	(21)

14.1.1 Dinner Plain rates and charges

There is a reduction in Dinner Plain rates and charges in the 2016/17 budget due to a reduction in the Special Rate. Council is proposing to decrease the Special rate to 65% of the general rate. This results in a reduction in rate revenue for the Dinner Plain business function which will be funded from the Dinner Plain reserve in 2016/17.

14.1.2 Dinner Plain management

There is a reduction in the Dinner Plain management expenditure. This is due to the 2015/16 forecast including the payout of the Dinner Plain loan. Council paid out all its borrowings in July 2015, and the Dinner Plain portion was costed to the Council administration account.

Long term strategies

This section includes the following analysis and information:

15. Strategic resource plan
16. Rating context and structure
17. Other long term strategies

15. Strategic resource plan

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

15.1 Plan development

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

Council has prepared a SRP for the four years 2016/17 to 2019/20 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Council Plan and expresses them in financial terms for the next four years. Council has also included a Long Term Financial Plan which considers the financial operations of Council for the next ten years.

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

- Maintain existing service levels.
- Maintain a favourable operating result.
- Maximise Council's capital works program.
- Achieve a balanced budget on a cash basis.

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

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

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

15.2 Financial resources

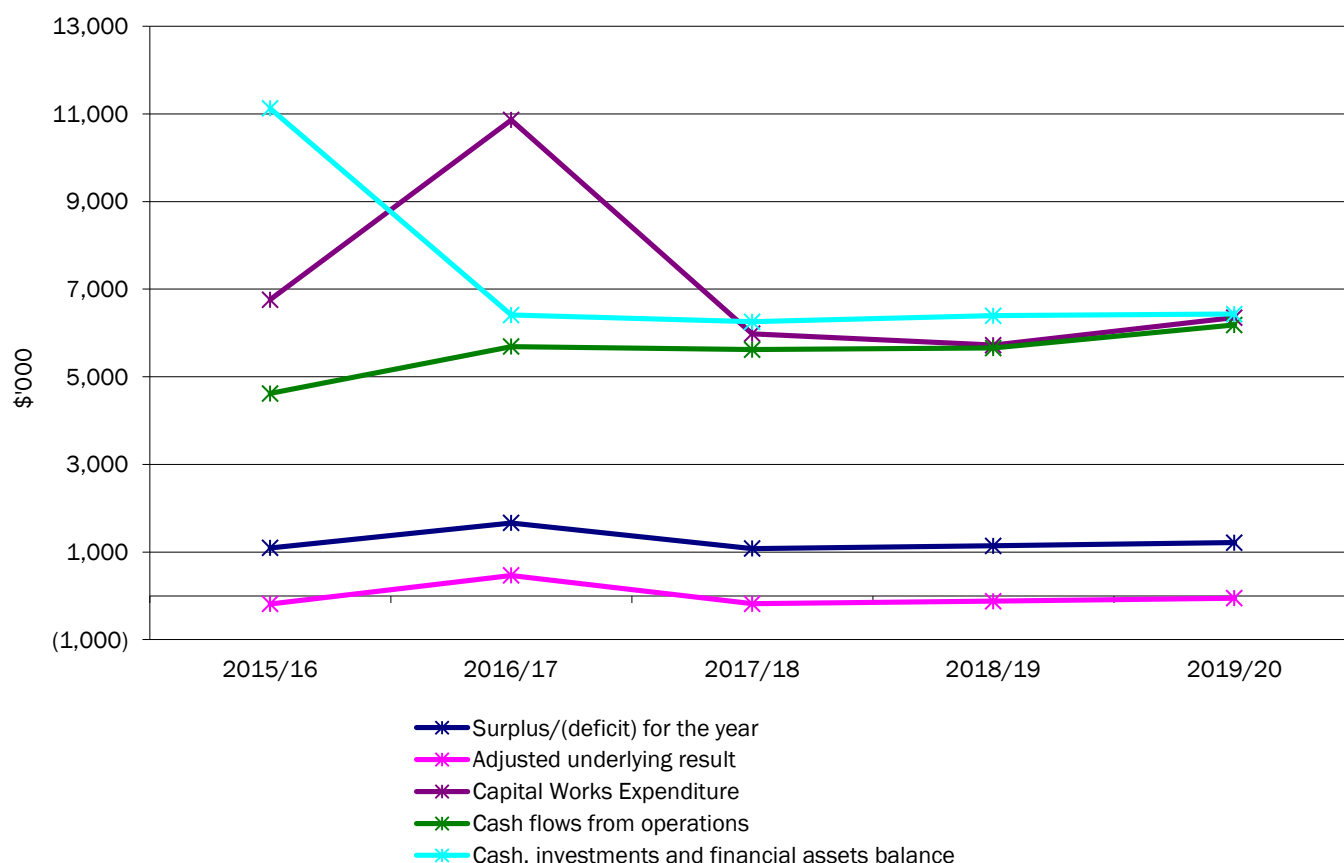
The following table summarises the key financial results for the next four years as set out in the SRP for years 2016/17 to 2019/20. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

Indicator	Forecast Actual	Budget	Strategic Resource Plan Projections			Trend +/-
	2015/16 \$'000	2016/17 \$'000	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	
Surplus/(deficit) for the year	1,096	1,663	1,078	1,142	1,215	+
Adjusted underlying result	(182)	465	(182)	(122)	(53)	o
Cash, investments and financial assets balance	11,123	6,410	6,255	6,394	6,432	o
Cash flows from operations	4,620	5,690	5,621	5,657	6,181	o
Capital works expenditure	6,758	10,860	5,981	5,722	6,349	o

Key to Forecast Trend:

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

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



The key outcomes of the SRP are as follows:

Financial sustainability (Section 11) - Cash and investments are forecast to decrease marginally over the four year period. This is with the exception of 2015/16 which expected the backlog of capital works carried forward to be delivered.

Rating levels (Section 7 and 16) - Rating levels are forecast to remain consistent at a rate of 2.5%.

Service delivery strategy (Section 2 and 17) - Service levels have been maintained throughout the four year period.

Borrowing strategy (Section 5 and 17) - There are no borrowings forecast.

Infrastructure strategy (Section 6, 12 and 17) - Capital expenditure over the four year period will total \$27 million.

16. Rating context and structure

This section contains information on Council's past and foreshadowed rating levels along with Council's rating structure and the impact of changes in property valuations. This section should be read in conjunction with Council's Rating Strategy (referred to in section 7), Farm differential policy, Commercial/industrial policy and Waste service charge policy.

16.1 Rating context

In developing the Strategic Resource Plan (referred to in Section 15.) and LTFP, rates and charges were identified as an important source of revenue, accounting for approximately 50% of the total revenue received by Council annually. Minimising future rate increases has therefore been an important component of the Strategic Resource Planning process. The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the Alpine Shire community.

16.2 Current year rates and charges

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

Year	Rate	Waste Management	Garbage	Recycling	Total Rates &
	Revenue Increase %	Charge Increase %	Charge Increase %	Charge Increase %	Charges Raised \$'000
2014/15	5.00	5.00	5.00	5.00	15,911
2015/16	3.85	8.84	6.33	3.13	16,617
2016/17	2.30	2.30	2.30	2.30	16,800
2017/18	2.50	2.50	2.50	2.50	17,226
2018/19	2.50	2.50	2.50	2.50	17,785
2019/20	2.50	2.50	2.50	2.50	18,354

16.3 Rating structure

Council has established a rating structure which aims to identify the fairest and most equitable method of distributing the rate burden across residents. Property values form the central basis of rating under the *Local Government Act 1989*.

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

Council makes a 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 farming purposes. This distinction is based on the concept that businesses should pay a fair and equitable contribution to rates, taking into account the benefits those commercial properties derive from the local community.

The farm differential rate applies a reduced rate on all land declared as farm land. This is to more equitably spread the general rate burden over the rate base of the municipality given the broad nature of services provided by Council and their availability to the farming community.

The commercial/industrial differential rate applies a higher rate on commercial/industrial properties (including holiday houses available for hire). This provides for the higher costs of servicing commercial and industrial properties, specialist properties and undertaking economic development and tourism strategies.

Council also applies a special rate to ratepayers at Dinner Plain. This provides for the additional servicing costs of Dinner Plain which are significantly higher than all other areas, due to the complex nature and special requirements of this resort such as snow clearing. Council has chosen to operate Dinner Plain as a discreet business function which makes it unique when compared to other towns within the shire. All special and general rates are quarantined for expenditure on Dinner Plain related expenditure. Where there are unspent funds at the end of the year, these funds will be transferred to a reserve, namely Dinner Plain Reserve, for expenditure in future years.

Council also levies annual service charges for the following:

- Waste collection
- Recycling collection
- Waste management

These service charges are consistent with previous years, however the Waste management charge has been renamed from Landfill rehabilitation and development charge. This is to provide greater detail of the items which the charge covers. Refer to section 7.5 'Waste services charges policy' for the criteria to which the charges apply.

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

Rate type	How applied	2015/16	2016/17	Change
Residential rates	Cents/\$ CIV	0.4968	0.4901	-1.3%
Commercial/industrial rates	Cents/\$ CIV	0.7097	0.7008	-1.2%
Farm rates	Cents/\$ CIV	0.3519	0.3578	1.7%
Dinner Plain special rates	Cents/\$ CIV	0.4007	0.3186	-20.5%
Landfill rehabilitation charge	\$/ property	\$96.00	\$98.20	2.3%
Kerbside collection charge	\$/ property	\$230.00	\$235.30	2.3%
Recycling charge	\$/ property	\$75.80	\$77.50	2.2%

16.4 General revaluation of properties

During the 2015/16 year, a revaluation of all properties within the municipality was carried out and will apply from 1 July 2016 for the 2016/17 year. The outcome of the general revaluation has been a small change in property valuations throughout the municipality. Overall, property valuations across the municipal district have increased by 2.9%.

In view of the outcomes of the general revaluation of all properties within the Council's municipal district during the 2015/16 year, Council has chosen not to make any changes to the existing rate structure. In aggregate, total rates and charges will increase by 1.2% (due to a reduction in the Dinner Plain special rate as already outlined) compared to 2015/16. This will be achieved by reducing the rate in the dollar to offset the increase in property valuations across the municipal district following the general revaluation.

16.5 Payment of rates

Council has traditionally offered the following payment options for all ratepayers:

- Lump sum on or before 15 February;
- By four instalments on or before 30 September, 30 November, 28 February and 31 May in accordance with Section 167 of the Local Government Act 1989.

Council continues to seek ways to improve its operations and minimise inefficiencies. Improved efficiencies within Council ultimately result in savings which will be passed onto ratepayers in future years. One area identified is rates administration. In the 2016/17 financial year Council will only offer rates payments by instalments on or before 30 September, 30 November, 28 February and 31 May.

The purpose of offering payments by instalments only is to:

- Reduce overdue rates payments and interest income derived from rates;
- Reduce administration by offering four payment dates rather than five;
- Balance payments received across the year; and
- Align rate payments with neighbouring Councils who also only offer rates by instalments.

17. Summary of other strategies

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

17.1 Borrowings

Council does not currently have any borrowings. Council was able to pay out its borrowings in full at the beginning of 2015/16. In developing the Strategic Resource Plan (SRP) and Long Term Financial Plan, Council has not provided for any borrowings, rather all projects are to be funded from revenue sources and existing cash reserves. This places Council in a strong financial position and ensures financial sustainability into the future. This is not to say that Council will not be required to borrow funds into the future, however each major capital project will be assessed to determine the most appropriate funding model at that time.

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

Year	New Borrowings \$'000	Principal Paid \$'000	Interest Paid \$'000	Balance 30 June \$'000
2013/14	-	196	75	1,142
2014/15	-	946	21	946
2015/16	-	-	-	-
2016/17	-	-	-	-
2017/18	-	-	-	-
2018/19	-	-	-	-

	2015/16 \$	2016/17 \$
Total amount borrowed as at 30 June of the prior year	946	-
Total amount to be borrowed	-	-
Total amount projected to be redeemed	(946)	-
Total amount of borrowings proposed as at 30 June	-	-

17.2 Infrastructure

The Council has developed an Infrastructure Strategy otherwise referred to as the 'Strategic Project Pipeline' (SPP). The SPP is based on the knowledge provided by Asset Management Plans and Community consultation which sets out the capital expenditure requirements of Council for the next 10 to 20 years on a project by project basis. The SPP ranks each project using two methods (MoSCoW and Stack rank) to determine the project delivery timeline. The ranking process has been determined by Council in consultation with the community.

Projects detailed in the SPP for the first two years include the cost to deliver the project. For later years projects have an indicative budget or are still under review. Each year when the annual budget is developed a number of factors are considered prior to a project being recommended for delivery. This includes:

- Asset renewal requirements;
- Ability to achieve savings (i.e. tendering for contractors based on location)
- Capital works forecast in future years as detailed in the Long Term Financial Plan;
- If the project is 'shovel ready'; and
- Availability of resources to deliver the project.

The SPP is a key input into the SRP and Long Term Financial Plan. It assists with predicting infrastructure consumption, renewal needs and considers infrastructure needs to meet future community service expectations.

A key objective of Council is to maintain or renew 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.

At present, Council is fortunate compared to most Council's in that its renewal gap is quite low. This is due to Council having a short road network (576kms) compared to other Council's and having taken full advantage of capital grants which have flowed to Council in recent years.

In updating the Infrastructure Strategy for the 2016/17 year, the following influences have had a significant impact:

- Increased Roads to Recovery (R2R) funding expected;
- Bridges renewal funding expected;
- Previous submissions received from the community; and
- Funding for the Alpine Better Places project not yet confirmed

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

Year	Total Capital Program \$'000	Grants \$'000	Summary of funding sources		
			Contributions \$'000	Council Cash \$'000	Borrowings \$'000
2014/15	6,559	3,859	-	2,700	-
2015/16	6,758	2,181	-	4,577	-
2016/17	10,860	1,495	17	9,348	-
2017/18	5,981	1,029	109	4,843	-
2018/19	5,722	1,029	112	4,581	-
2019/20	6,349	1,029	115	5,205	-

In addition to using cash generated from its annual operations and external contributions such as government grants, Council has significant 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, for example Dinner Plain.

17.3 Service delivery

Council's key objectives of service delivery incorporated into the Strategic Resource Plan and Long Term Financial Plan include:

- Minimising rate increases;
- Maintaining service delivery;
- Improving innovation and efficiency in service delivery; and
- Simplifying processes.

These key objectives are all developed based on a core component: the customer. Council continues to ensure that customer service is a primary focus alongside delivery of its capital works program on time and on budget.

There are a number of internal and external influences that have been identified through the budget development process which may have an impact on the scope and level of services to be provided over the next four to ten years. Council's approach to this is to continue to operate 'within its means' and look to the private sector for inspiration for efficiency improvements to ensure sustainability into the future.

There are also specific influences which are considered when developing the budget. These areas are summarised below.

20.3.1 Landfill restoration

Council maintains a provision to allow for the costs associated with rehabilitation and aftercare of its landfill sites as required by the Environmental Protection Authority. Council continues to budget each year to contribute to this provision in accordance with the Landfill Rehabilitation Strategy.

20.3.2 Dinner Plain

Dinner Plain operates as a self-governing and self-funding business unit within Council. This is due to the servicing costs of Dinner Plain being significantly higher than all other areas of the Shire because of the complex nature and special requirements of the village.

20.3.3 Valuation Services

The Council is required to revalue all properties within the municipality every two years. The last general revaluation was carried out as at 1 January 2016 effective for the 2016/17 year and the next revaluation will be undertaken as at 1 January 2018.

20.3.4 Fire services levy

The *Fire Services Property Levy Act 2012* requires Council to collect the Fire Services Property Levy for all rateable and non-rateable within the Municipality. In addition to this the Treasurer of Victoria has directed the Alpine Shire to collect the levy for land not located within the Municipality, being the Mount Hotham and Falls Creek Alpine Resorts. Council acts as a collection agency and remits the funds collected to the State Revenue Office, four times a year.

18. Appendix A: Fees and charges schedule

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

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Asset Maintenance	Open Spaces	Asset Maintenance - Open Spaces							
Asset Maintenance	Open Spaces	Elm Leaf Beetle Treatment		Yes	\$ 83.50	\$ 83.50	\$ 0.00	minimum charge per tree.	No
Asset Maintenance	Operations	Asset Maintenance - Operations							
Asset Maintenance	Operations	Traffic management plan		Yes	\$ 75.00	\$ 75.00	\$ 0.00	per plan	No
Asset Maintenance	Operations	Road occupation permit		Yes	\$ 32.00	\$ 32.00	\$ 0.00	per permit	No
Asset Maintenance	Operations	Variable messaging board		Yes	\$ 50.00	\$ 50.00	\$ 0.00	per day	No
Planning and Amenity	Health	Planning and Amenity - Health							
Planning and Amenity	Health	Class 1 food premises		No	\$ 524.00	\$ 524.00	\$ 0.00	Per annum	No
Planning and Amenity	Health	Class 2 food premises		No	\$ 455.00	\$ 455.00	\$ 0.00	Per annum	No
Planning and Amenity	Health	Class 3 food premises		No	\$ 260.00	\$ 260.00	\$ 0.00	Per annum	No
Planning and Amenity	Health	Class 4 food premises		No	\$ 0.00	\$ 0.00	\$ 0.00	Per annum	No
Planning and Amenity	Health	Class 2 temporary food premises & mobile food vendors		No	\$ 203.00	\$ 203.00	\$ 0.00	Per annum	No
Planning and Amenity	Health	Class 2 temporary food premises & mobile food vendors		No	\$ 52.50	\$ 52.50	\$ 0.00	per event	No
Planning and Amenity	Health	Class 3 temporary food premises & mobile food vendors		No	\$ 121.50	\$ 121.50	\$ 0.00	per annum	No
Planning and Amenity	Health	Class 3 temporary food premises & mobile food vendors		No	\$ 35.00	\$ 35.00	\$ 0.00	per event	No
Planning and Amenity	Health	Class 2 charitable and community groups		No	\$ 52.50	\$ 52.50	\$ 0.00	per annum	No
Planning and Amenity	Health	Class 2 charitable and community groups		No	\$ 0.00	\$ 0.00	\$ 0.00	per event	No
Planning and Amenity	Health	Class 3 charitable and community groups		No	\$ 29.00	\$ 29.00	\$ 0.00	per annum	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Health	Class 3 charitable and community groups		No	\$ 0.00	\$ 0.00	\$ 0.00	per event	No
Planning and Amenity	Health	New premises fee			Annual registration fee plus 50%				
Planning and Amenity	Health	Inspection and report fee			new fee	\$ 235.00		per registration	No
Planning and Amenity	Health	Major non compliance inspection fee			new fee	\$ 175.00		per registration	No
Planning and Amenity	Health	Major non compliance inspection fee (where a notice has been issued)			new fee	\$ 235.00		per registration	No
Planning and Amenity	Health	Hairdressers, beauty parlours etc.		No	\$ 190.50	\$ 190.50	\$ 0.00	per annum	No
Planning and Amenity	Health	Beauty Premises			new fee	\$ 150.00		per premises	No
Planning and Amenity	Health	Skin penetration establishments		No	\$ 126.00	\$ 126.00	\$ 0.00	per annum	No
Planning and Amenity	Health	Prescribed accommodation premises	Fixed	No	\$ 210.00	\$ 210.00	\$ 0.00	per annum	No
Planning and Amenity	Health	Septic tank		No	\$ 402.00	\$ 470.00	\$ 68.00	per approval	No
Planning and Amenity	Health	Health search		No	\$ 39.50	\$ 39.50	\$ 0.00	per hour or part thereof	No
Planning and Amenity	Health	Caravan park registration		No			\$ 0.00	as per legislation	Yes
Planning and Amenity	Health	Caravan park rigid annex approval fee		No	\$ 157.00	\$ 157.00	\$ 0.00	per approval	No
Planning and Amenity	Health	Transfer registration fee		No	50%	50%		of original registration fee	No
Planning and Amenity	Health	Late penalty fee		No	30%	30%		of original registration fee	No
Planning and Amenity	Health	That the Senior Environmental Health Officer be authorised to charge a reduced fee at his discretion in the case of a minor alteration to a septic tank system.		No					
Planning and Amenity	Streets & Roads	Planning and Amenity - Streets & Roads							
Planning and Amenity	Streets & Roads	Outdoor eating facility		No	\$ 145.00	\$ 145.00	\$ 0.00	per annum	No
Planning and Amenity	Roadside Trading	Planning and Amenity - Roadside Trading							
Planning and Amenity	Roadside Trading	Commercial participant		No	\$ 61.00	\$ 61.00	\$ 0.00	Per event.	No
Planning and Amenity	Roadside Trading	Business premises		No	\$ 145.00	\$ 145.00	\$ 0.00	per annum	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Roadside Trading	Approved site location		No	\$ 231.00	\$ 231.00	\$ 0.00		No
Planning and Amenity	Roadside Trading	Horse drawn vehicle		No	\$ 145.00	\$ 145.00	\$ 0.00	per year	No
Planning and Amenity	Roadside Trading	Advertising sign		No	\$ 67.00	\$ 67.00	\$ 0.00	per sign	No
Planning and Amenity	Roadside Trading	Busking	Commercial	No	\$ 31.00	\$ 31.00	\$ 0.00	per year	No
Planning and Amenity	Local Laws	Planning and Amenity - Local Laws							
Planning and Amenity	Local Laws	Dog registration	Full	No	\$ 71.00	\$ 71.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Dog registration	Reduced	No	\$ 26.00	\$ 26.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Cat registration	Full	No	\$ 71.00	\$ 71.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Cat registration	Reduced	No	\$ 26.00	\$ 26.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Animal registration tag replacement		Yes	\$ 7.00	\$ 7.00	\$ 0.00	per tag	No
Planning and Amenity	Local Laws	Pound release fee	Registered	No	\$ 70.00	\$ 70.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Pound release fee	Unregistered	No	\$ 138.00	\$ 138.00	\$ 0.00	per animal	Partially
Planning and Amenity	Local Laws	Failure to register a dog or cat		No				as per legislation	Partially
Planning and Amenity	Local Laws	Dinner Plain snowmobile permit		No	\$ 69.00	\$ 69.00	\$ 0.00	per snowmobile	No
Planning and Amenity	Local Laws	Dinner Plain dog permit		No	\$ 69.00	\$ 69.00	\$ 0.00	per animal	No
Planning and Amenity	Local Laws	Domestic animal business fee		No	\$ 123.00	\$ 123.00	\$ 0.00	per year	Partially
Planning and Amenity	Local Laws	Parking fine	Time limit	No	\$ 52.00	\$ 52.00	\$ 0.00	per offence	No
Planning and Amenity	Local Laws	Parking fine	All other	No				as per legislation	Yes
Planning and Amenity	Local Laws	Vehicle impound fee		No	\$ 103.00	\$ 103.00	\$ 0.00	per vehicle	No
Planning and Amenity	Local Laws	Vehicle storage fee		Yes	\$ 10.50	\$ 10.50	\$ 0.00	per day	No
Planning and Amenity	Local Laws	Animal sustenance fee		Yes	\$ 10.50	\$ 10.50	\$ 0.00	per day	No
Planning and Amenity	Local Laws	Cat trap hire deposit		No	\$ 50.00	\$ 50.00	\$ 0.00	per hire	No
Planning and Amenity	Local Laws	Cat trap hire fee		Yes	\$ 5.00	\$ 5.00	\$ 0.00	per hire	No
Planning and Amenity	Development	Planning and Amenity - Development							
Planning and Amenity	Development	Application for permit to work in a road reserve						as per legislation	Yes
Planning and Amenity	Building	Planning and Amenity - Building							
Planning and Amenity	Building	Lodgement fee	> \$5,000	Yes				as per legislation	Yes
Planning and Amenity	Building	State Government levy	> \$10,000	Yes				as per legislation	Yes

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Building	Commercial works <\$15,000	+ lodgement fee	Yes	competitive quote			minimum fee	No
Planning and Amenity	Building	Commercial works \$15,001 - \$40,000	+ lodgement fee	Yes	competitive quote			minimum fee	No
Planning and Amenity	Building	Commercial works >\$40,001		Yes	competitive quote				No
Planning and Amenity	Building	Carport, garage, sheds, verandah and other small extensions		Yes	\$ 566.50	\$ 566.50	\$ 0.00	minimum fee	No
Planning and Amenity	Building	Swimming pool (in-ground)		Yes	\$ 680.00	\$ 680.00	\$ 0.00	minimum fee	No
Planning and Amenity	Building	Swimming pool (above ground)		Yes	\$ 453.00	\$ 453.00	\$ 0.00	minimum fee	No
Planning and Amenity	Building	Restumping or demolition		Yes	\$ 566.50	\$ 566.50	\$ 0.00	minimum fee	No
Planning and Amenity	Building	Dwelling extensions and alterations		Yes	competitive quote			minimum fee	No
Planning and Amenity	Building	New dwelling		Yes	competitive quote			minimum fee	No
Planning and Amenity	Building	Multi unit development		Yes	competitive quote				No
Planning and Amenity	Building	Extension of time for building permit		Yes	\$ 257.50	\$ 257.50	\$ 0.00	per extension	No
Planning and Amenity	Building	Place of public entertainment (POPE)		Yes	\$ 453.50	\$ 453.50	\$ 0.00	per application	No
Planning and Amenity	Building	Minor amendment to building permit		Yes	\$ 129.00	\$ 129.00	\$ 0.00	per amendment	No
Planning and Amenity	Building	Major amendment to building permit		Yes	\$ 257.50	\$ 257.50	\$ 0.00	per amendment	No
Planning and Amenity	Building	Variation to ResCode (report and consent)		Yes	\$ 246.00	\$ 246.00	\$ 0.00	per variation	No
Planning and Amenity	Building	Additional inspection or re-inspection		Yes	\$ 227.00	\$ 227.00	\$ 0.00	per inspection	No
Planning and Amenity	Building	Additional inspection or re-inspection (remote area)		Yes	\$ 309.00	\$ 309.00	\$ 0.00	per inspection	No
Planning and Amenity	Building	Copy of building permit, endorsed plans, occupancy permit etc		Yes	\$ 35.00	\$ 35.00	\$ 0.00	per copy	No
Planning and Amenity	Building	Legal point of discharge information						as per legislation	Yes
Planning and Amenity	Building	Building information certificate						as per legislation	Yes
Planning and Amenity	Building	Essential service inspection and report		Yes	\$ 340.00	\$ 340.00	\$ 0.00	per inspection	No
Planning and Amenity	Building	Non-mandatory inspection		Yes	\$ 227.00	\$ 227.00	\$ 0.00	per inspection	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Building	Swimming pool inspection		Yes	\$ 227.00	\$ 227.00	\$ 0.00	per inspection	No
Planning and Amenity	Planning	Planning and Amenity - Planning					\$ 0.00		
Planning and Amenity	Planning	Public notification	Notice to neighbours	Yes	\$ 63.00	\$ 63.00	\$ 0.00	per general notification	No
Planning and Amenity	Planning	Public notification	Additional notices	Yes	\$ 7.50	\$ 7.50	\$ 0.00	per notice	No
Planning and Amenity	Planning	Public notification	Notice on land	Yes	\$ 80.00	\$ 80.00	\$ 0.00	up to two signs	No
Planning and Amenity	Planning	Public notification	Additional notices on land	Yes	\$ 12.50	\$ 12.50	\$ 0.00	each additional sign	No
Planning and Amenity	Planning	Public notification	Notice in papers	Yes	\$ 178.00	\$ 178.00	\$ 0.00	per notice	No
Planning and Amenity	Planning	Planning advice in writing - cert of verbal advice		Yes	\$ 120.00	\$ 120.00	\$ 0.00	per advice	No
Planning and Amenity	Planning	Sect 173 agreements		Yes	\$ 398.00	\$ 398.00	\$ 0.00	per agreement	No
Planning and Amenity	Planning	Certificate of title and restrictions covenant		Yes	\$ 60.00	\$ 60.00	\$ 0.00	per certificate	No
Planning and Amenity	Planning	Copy of planning or building permit and endorsed plans		Yes	\$ 35.00	\$ 35.00	\$ 0.00	per copy	No
Planning and Amenity	Planning	Planning panel - proponent request amendment		Yes	cost of panel				Yes
Planning and Amenity	Planning	Extension of time for planning permit certificate fee		no	\$ 103.00	\$ 103.00	\$ 0.00	per extention	No
Planning and Amenity	Planning	Class 1 – Change of use only		No				as per legislation	Yes
Planning and Amenity	Planning	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:							
Planning and Amenity	Planning	Class 2 - Dwellings \$10,000 to \$100,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 3 - Dwellings more than \$100,001		No				as per legislation	Yes
Planning and Amenity	Planning	To develop land (other than for a single dwelling per lot) if the estimated cost of development included in the application is:							
Planning and Amenity	Planning	Class 4 - \$10,000 or less		No				as per legislation	Yes

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Planning	Class 5 - \$10,000 to \$250,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 6 - \$250,000 to \$500,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 7 - \$500,000 to \$1,000,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 8 - \$1,000,000 to \$7,000,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 9 - \$7,000,000 to \$10,000,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 10 - \$10,000,000 to \$50,000,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 11 - Over \$50,000,000		No				as per legislation	Yes
Planning and Amenity	Planning	Class 12 - Subdivide existing building		No				as per legislation	Yes
Planning and Amenity	Planning	Class 13 - Subdivide land into two lots		No				as per legislation	Yes
Planning and Amenity	Planning	Class 14 - To effect a realignment of a common boundary between lots or to consolidate two or more lots		No				as per legislation	Yes
Planning and Amenity	Planning	Class 15 - To subdivide land		No				as per legislation	Yes
Planning and Amenity	Planning	Class 16 - To remove a restriction (within the meaning of the Subdivision Act 1988) over land if the land has been used or developed for more than 2 years before the date of the applications in a manner which would have been lawful under the Planning and Environment Act 1987 but for the existence of the restriction		No				as per legislation	Yes
Planning and Amenity	Planning	Class 17 - To create, vary or remove a restriction within the meaning of the Subdivision Act 1988 or to create or remove a right of way		No				as per legislation	Yes

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Planning	Class 18 - To create, vary or remove an easement other than a right of way or to vary or remove a condition in the nature of an easement other than a right of way in a Crown grant		No				as per legislation	Yes
Planning and Amenity	Planning	Amend an application for a permit after notice has been given for every class of application (other than Class 4)		No				as per legislation	Yes
Planning and Amenity	Planning	Amend an application for a permit after notice has been given for every class of application (other than Class 5)		No				as per legislation	Yes
Planning and Amenity	Planning	The fee for an application for any combination of the classes of application outlined above is the sum arrived at by adding the highest of the fees which would have applied if separate applications had been made plus 50% of each of the other fees which would have applied if separate applications had been made.							
Planning and Amenity	Planning	Application to amend the planning scheme	Stage 1	No				as per legislation	Yes
Planning and Amenity	Planning	Application to amend the planning scheme	Stage 2	No				as per legislation	Yes
Planning and Amenity	Planning	Application to amend the planning scheme	Stage 3	No				as per legislation	Yes
Planning and Amenity	Planning	Application to amend the planning scheme	Stage 4	No				as per legislation	Yes
Planning and Amenity	Subdivision	Planning and Amenity - Subdivision							
Planning and Amenity	Subdivision	Certification of a plan of subdivision	Fixed	No	\$ 103.00	\$ 103.00	\$ 0.00	per subdivision	Yes
Planning and Amenity	Subdivision	Certification of a plan of subdivision	Variable	No	\$ 20.50	\$ 20.50	\$ 0.00	per lot	Yes

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Planning and Amenity	Subdivision	Supervision of works		No	2.58%	2.58%		subdivision value	No
Planning and Amenity	Subdivision	Checking engineering plans		No	0.77%	0.77%		subdivision value	No
Planning and Amenity	Subdivision	Public open space contributions		No	<= 5.0%	<= 5.0%		subdivision value	Yes
Facilities	Waste	Facilities - Waste							
Facilities	Waste	Putrescible and hard waste	minimum charge \$6.50	Yes	\$ 42.00	\$43.00	\$ 1.00	per cubic metre	No
Facilities	Waste	Putrescible and hard waste	minimum charge	Yes	\$ 6.00	\$6.50	\$ 0.50	per large bag	No
Facilities	Waste	Concrete and bricks		Yes	\$ 35.00	\$36.00	\$ 1.00	per cubic metre	No
Facilities	Waste	Timber and green organic material		Yes	\$ 16.50	\$17.00	\$ 0.50	per cubic metre	No
Facilities	Waste	Whitegoods (all)		Yes	\$ 10.00	\$10.50	\$ 0.50	each	No
Facilities	Waste	Steel		Yes	\$ 12.00	\$12.00	\$ 0.00	per cubic metre	No
Facilities	Waste	Oil		Yes	\$ 0.50	\$0.50	\$ 0.00	per litre	No
Facilities	Waste	Car Bodies		Yes	\$ 20.00	\$25.00	\$ 5.00	per item	No
Facilities	Waste	Aluminium, cardboard, steel cans, plastic bottles and containers	1st 1/4 cubic meter free	Yes	\$ 10.00	\$10.50	\$ 0.50	per cubic metre	No
Facilities	Waste	Paint cans 10 litres and over of any size containing paint		Yes	\$ 3.00	\$3.50	\$ 0.50	per litre	No
Facilities	Waste	Car batteries		Yes	\$ 2.00	\$2.50	\$ 0.50	each	No
Facilities	Waste	LPG cylinders		Yes	\$ 5.00	\$5.50	\$ 0.50	each	No
Facilities	Waste	Tyres small/4WD		Yes	\$ 8.00	\$9.00	\$ 1.00	each	No
Facilities	Waste	Tyres large - truck		Yes	\$ 12.50	\$13.50	\$ 1.00	each	No
Facilities	Waste	Tyres large - tractor or truck		Yes	\$ 85.00	\$85.00	\$ 0.00	each	No
Facilities	Waste	Small/medium appliances		Yes	\$ 5.00	\$7.50	\$ 2.50	each	No
Facilities	Waste	Large appliances		Yes	\$ 10.00	\$15.00	\$ 5.00	each	No
Facilities	Waste	Asbestos - Porepunkah only	Minimum charge \$5	Yes	\$ 75.00	\$75.00	\$ 0.00	per cubic metre	No
Facilities	Waste	Green organic mulch sales		Yes	Free	Free		per cubic metre	No
Facilities	Waste	Crushed concrete sales		Yes	\$ 36.00	\$37.50	\$ 1.50	per cubic metre	No
Facilities	Waste	Mattress - any size		Yes	\$ 26.00	\$27.00	\$ 1.00	each	No
Facilities	Waste	Single seater couch		Yes	\$ 10.00	\$15.00	\$ 5.00	each	No
Facilities	Waste	Two seater, sofa or larger couch		Yes	\$ 20.00	\$25.00	\$ 5.00	each	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Facilities	Waste	Ski's or snowboards		Yes	\$ 5.00	\$5.50	\$ 0.50	per pair or board	No
Facilities	Swimming Pools	Facilities - Swimming Pools							
Facilities	Swimming Pools	Adult daily		Yes	\$ 4.90	\$5.00	\$ 0.10	per person	No
Facilities	Swimming Pools	Child/concession daily		Yes	\$ 2.50	\$ 2.50	\$ 0.00	per person	No
Facilities	Swimming Pools	Supervising parent		Yes	\$ 4.00	\$ 4.00	\$ 0.00	per person	No
Facilities	Swimming Pools	Family season - early bird		Yes	\$ 99.00	\$ 85.00	-\$ 14.00	per season	No
Facilities	Swimming Pools	Adult season		Yes	\$ 88.00	\$ 75.00	-\$ 13.00	per season	No
Facilities	Swimming Pools	Child/concession season		Yes	\$ 45.00	\$ 40.00	-\$ 5.00	per season	No
Facilities	Swimming Pools	Adult 10 visit pass		Yes	\$ 44.00	\$ 44.00	\$ 0.00	per 10 visits	No
Facilities	Swimming Pools	Child/concession 10 visit pass		Yes	\$ 22.50	\$ 22.50	\$ 0.00	per 10 visits	No
Facilities	Swimming Pools	Community stadium hire		Yes	\$ 26.00	\$ 26.00	\$ 0.00	per hour	No
Facilities	Swimming Pools	Aqua fit/concession		Yes	\$ 7.20	\$ 7.20	\$ 0.00	per session	No
Facilities	Swimming Pools	Aqua fit/adult		Yes	\$ 10.30	\$ 10.30	\$ 0.00	per session	No
Facilities	Swimming Pools	Arthritis group		Yes	\$ 3.00	\$ 3.00	\$ 0.00	per hour	No
Facilities	Swimming Pools	Lane hire		Yes	\$ 28.50	\$ 28.50	\$ 0.00	per hour	No
Facilities	Swimming Pools	Learn to swim		Yes	\$ 16.30	\$ 16.50	\$ 0.20	one lesson	No
Facilities	Swimming Pools	Learn to swim		Yes	\$ 52.00	\$ 52.50	\$ 0.50	private lesson	No
Facilities	Swimming Pools	Pool hire with lifeguard		Yes	\$ 100.00	\$ 100.00	\$ 0.00	per hour	No
Facilities	Swimming Pools	Pool hire no lifeguard		Yes	\$ 64.00	\$ 65.00	\$ 1.00	per hour	No
Facilities	Swimming Pools	Seniors Hour		Yes	\$ 3.00	\$ 3.00	\$ 0.00	per hour	No
Facilities	Bright Sports Centre	Facilities - Bright Sports Centre							
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Adult - 3 month	Yes	\$ 257.50	\$ 250.00	-\$ 7.50	per person	No
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Concession - 3 month	Yes	\$ 187.50	\$ 180.00	-\$ 7.50	per person	No
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Family - 3 month	Yes	\$ 445.00	\$ 445.00	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Monthly Direct Debit Adult	Yes	\$ 80.00	\$ 70.00	-\$ 10.00	per person	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Monthly Direct Debit Concession	Yes	\$ 58.50	\$ 50.00	-\$ 8.50	per person	No
Facilities	Bright Sports Centre	Silver membership - gym, group exercise and squash	Monthly Direct Debit Family	Yes	\$ 145.00	\$ 145.00	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Adult - 3 month	Yes	\$ 321.40	\$ 321.00	-\$ 0.40	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Concession 3 month	Yes	\$ 251.50	\$ 251.50	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Family - 3 month	Yes	\$ 525.00	\$ 525.00	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Adult - 12 month	Yes	\$ 1,150.00	\$ 1,150.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Concession - 12 month	Yes	\$ 920.00	\$ 920.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Monthly Direct Debit Adult	Yes	\$ 100.00	\$ 100.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Monthly Direct Debit Concession	Yes	\$ 80.00	\$ 80.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Gold membership - gym, group exercise and pool	Monthly Direct Debit Family	Yes	\$ 165.00	\$ 165.00	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Swimming pool only	Adult - 3 month	Yes	\$ 117.40	\$ 117.40	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Swimming pool only	Concession - 3 Month	Yes	\$ 75.20	\$ 75.50	\$ 0.30	per person	No
Facilities	Bright Sports Centre	Swimming pool only	Family - 3 month	Yes	\$ 303.50	\$ 303.50	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Swimming pool only	Adult casual visit	Yes	\$ 6.40	\$ 6.50	\$ 0.10	per person	No
Facilities	Bright Sports Centre	Swimming pool only	Child/concession - casual visit	Yes	\$ 3.90	\$ 4.00	\$ 0.10	per person	No
Facilities	Bright Sports Centre	Swimming pool only	Family - Casual Visit	Yes	\$ 16.50	\$ 16.50	\$ 0.00	per family	No
Facilities	Bright Sports Centre	Swimming pool only	Adult 10 visit card	Yes	\$ 58.70	\$ 59.00	\$ 0.30	per card	No
Facilities	Bright Sports Centre	Swimming pool only	Concession/child 10 visit card	Yes	\$ 38.00	\$ 38.00	\$ 0.00	per card	No
Facilities	Bright Sports Centre	Casual gym entry	Adult Casual	Yes	\$ 14.00	\$ 14.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Casual gym entry	Concession - Casual	Yes	\$ 10.70	\$ 10.00	-\$ 0.70	per person	No
Facilities	Bright Sports Centre	Casual gym entry	Adult 10 visit card	Yes	\$ 126.50	\$ 126.50	\$ 0.00	per card	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Facilities	Bright Sports Centre	Casual gym entry	Concession 10 visit card	Yes	\$ 94.30	\$ 90.00	-\$ 4.30	per card	No
Facilities	Bright Sports Centre	Hydro program		Yes	\$ 4.60	\$ 4.60	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Learn to swim program		Yes	\$ 16.30	\$ 16.50	\$ 0.20	per person per session	No
Facilities	Bright Sports Centre	Learn to swim program - Early payment discount 10%		Yes				per person	no
Facilities	Bright Sports Centre	Learn to swim private lesson		Yes	\$ 51.50	\$ 52.50	\$ 1.00	per lesson	No
Facilities	Bright Sports Centre	Corporate membership 10% discount on membership prices		Yes					No
Facilities	Bright Sports Centre	Casual group exercise class entry	Regular Class - Non Member	Yes	\$ 11.20	\$ 11.00	-\$ 0.20	per person	No
Facilities	Bright Sports Centre	Casual group exercise class entry	Active Seniors Class - Non Member	Yes	\$ 7.00	\$ 7.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Casual group exercise class entry	Intro Seniors Class	Yes	\$ 6.00	\$ 6.00	\$ 0.00	per person	No
Facilities	Bright Sports Centre	Squash court	Adult	Yes	\$ 6.20	\$ 6.25	\$ 0.05	per person	No
Facilities	Bright Sports Centre	Squash court	Child/concession	Yes	\$ 4.30	\$ 4.40	\$ 0.10	per person	No
Facilities	Bright Sports Centre	Squash court hire		Yes	\$ 17.50	\$ 17.50	\$ 0.00	per hour	No
Facilities	Bright Sports Centre	Multi purpose room hire		Yes	\$ 24.00	\$ 24.50	\$ 0.50	per hour	No
Facilities	Bright Sports Centre	Pool hire with lifeguard		Yes	\$ 100.00	\$ 100.00	\$ 0.00	per hour	No
Facilities	Bright Sports Centre	Personal training one client		Yes	\$ 56.70	\$ 50.00	-\$ 6.70	per hour	No
Facilities	Bright Sports Centre	Personal training two clients		Yes	\$ 67.00	\$ 60.00	-\$ 7.00	per hour	No
Facilities	Bright Sports Centre	Shower Only		Yes	\$ 3.50	\$ 3.50	\$ 0.00	per person	No
Facilities	Community Centres	Facilities - Community Centres							
Facilities	Community Centres	Hall or kitchen only hire	Max \$150/day	Yes	\$ 15.00	\$ 15.00	\$ 0.00	per hour	No
Facilities	Community Centres	Hall and kitchen hire	Max \$250/day	Yes	\$ 25.00	\$ 25.00	\$ 0.00	per hour	No
Facilities	Community Centres	Bond		Yes	\$ 260.00	\$ 260.00	\$ 0.00	per hire	No
Facilities	Community Centres	Hall hire insurance (any hall)		Yes	\$ 33.00	\$ 35.00	\$ 2.00	per hire	No
Facilities	Myrtleford Caravan Park	Facilities - Myrtleford Caravan Park							
Facilities	Myrtleford Caravan Park	Powered site	Off peak	Yes	\$ 29.00	\$30.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Powered site	Peak	Yes	\$ 40.00	\$41.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Unpowered site	Off peak	Yes	\$ 27.00	\$27.50	\$ 0.50	per night	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Facilities	Myrtleford Caravan Park	Unpowered site	Peak	Yes	\$ 35.00	\$35.50	\$ 0.50	per night	No
Facilities	Myrtleford Caravan Park	Powered ensuite site	Off peak	Yes	\$ 42.00	\$43.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Powered ensuite site	Peak	Yes	\$ 55.00	\$56.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Two bedroom cabin	Off peak	Yes	\$ 135.00	\$135.00	\$ 0.00	per night	No
Facilities	Myrtleford Caravan Park	Two bedroom cabin	Peak	Yes	\$ 160.00	\$175.00	\$ 15.00	per night	No
Facilities	Myrtleford Caravan Park	Park cabin	Off peak	Yes	\$ 119.00	\$120.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Park cabin	Peak	Yes	\$ 142.00	\$145.00	\$ 3.00	per night	No
Facilities	Myrtleford Caravan Park	Standard cabin	Off peak	Yes	\$ 100.00	\$110.00	\$10.00	per night	No
Facilities	Myrtleford Caravan Park	Standard cabin	Peak	Yes	\$ 119.00	\$129.00	\$10.00	per night	No
Facilities	Myrtleford Caravan Park	Budget cabin	Off peak	Yes	\$ 89.00	\$98.00	\$9.00	per night	No
Facilities	Myrtleford Caravan Park	Budget cabin	Peak	Yes	\$ 113.00	\$122.00	\$9.00	per night	No
Facilities	Myrtleford Caravan Park	Linen hire		Yes	\$ 7.00	\$7.50	\$ 0.50	per person	No
Facilities	Myrtleford Caravan Park	Bunkhouse	Adult	Yes	\$ 29.00	\$29.00	\$ 0.00	per night	No
Facilities	Myrtleford Caravan Park	Bunkhouse	Child	Yes	\$ 19.00	\$19.00	\$ 0.00	per night	No
Facilities	Myrtleford Caravan Park	Additional people	Adult	Yes	\$ 14.00	\$15.00	\$ 1.00	per night	No
Facilities	Myrtleford Caravan Park	Additional people	5-15 years	Yes	\$ 7.00	\$7.00	\$ 0.00	per night	No
Facilities	Myrtleford Caravan Park	Annals		Yes	\$ 1,420.00	\$1,445.00	\$ 25.00	per annum	No
Facilities	Myrtleford Caravan Park	Storage		Yes	\$ 395.00	\$395.00	\$ 0.00	per annum	No
Facilities	Myrtleford Caravan Park	Storage		Yes	new	\$1.10		daily	No
Facilities	Myrtleford Caravan Park	Permanents		Yes	\$ 85.00	\$ 87.00	\$ 2.00	per week	No
Facilities	Myrtleford Caravan Park	Electricity charges for permanent residence		Yes	maximum charge as per SP Ausnet scheduled fee				No
Facilities	Myrtleford Caravan Park	Showers		Yes	\$ 5.00	\$ 5.00	\$ 0.00	per person	No
Facilities	Myrtleford Caravan Park	Dump point use		Yes	\$ 5.00	\$ 5.00	\$ 0.00	per use	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Corporate	Finance	Corporate - Finance							
Corporate	Finance	Land information certificate	Within 7 days	Yes				as per legislation	Yes
Corporate	Finance	Land information certificate	Within 24 hrs	Yes	\$ 50.00	\$ 50.00	\$ 0.00	per certificate	No
Corporate	Finance	Copy of rates notice	Post 1999	Yes	\$ 12.00	\$ 12.00	\$ 0.00	per notice per year	No
Corporate	Finance	Copy of rates notice	Pree 1999	Yes	\$ 40.00	\$ 40.00	\$ 0.00	per notice per year	No
Corporate	Finance	Freedom of information		Yes				as per legislation	Yes
Corporate	Finance	Records retrieval		Yes	\$ 40.00	\$ 40.00	\$ 0.00	minimum charge	No
Corporate	Finance	Records retrieval		Yes	\$ 80.00	\$ 80.00	\$ 0.00	per hour	No
Corporate	Finance	Disabled parking permit			free	free			No
Corporate	Libraries	Corporate - Libraries							
Corporate	Libraries	Overdue fine > than 2 days	Adult	Yes	new fee	\$ 0.20		per day	No
Corporate	Libraries	Overdue fine > than 2 days	Junior	Yes	new fee	\$ 0.10		per day	No
Corporate	Libraries	Overdue fine > than 2 days	Inter library	Yes	new fee	\$ 0.50		per day	No
Corporate	Libraries	Overdue fine with lost status		Yes	new fee	\$ 5.00		per item	No
Corporate	Libraries	Non-collection of reserved items	Adult & Junior	Yes	new fee	\$ 1.00		per item	No
Corporate	Libraries	Printing/photocopying	Black & white	Yes	new fee	\$ 0.20		per page	No
Corporate	Libraries	Printing/photocopying	Colour	Yes	new fee	\$ 1.00		per page	No
Corporate	Libraries	Maximum unpaid fines before borrowing privileges are suspended	Adults	Yes	new fee	\$ 10.00		per member	No
Corporate	Libraries	Maximum unpaid fines before borrowing privileges are suspended	Junior	Yes	new fee	\$ 5.00		per member	No
Corporate	Libraries	Minor damage to an item or barcode		Yes	new fee	\$ 2.20		per item	No
Corporate	Libraries	DVD or CD ROM replacement cover		Yes	new fee	\$ 2.20		per item	No
Corporate	Libraries	CDB covers		Yes	new fee	\$ 10.00		per item	No
Corporate	Libraries	Lost or damaged items	Adult book	Yes	new fee	\$ 26.00		per item	No
Corporate	Libraries	Lost or damaged items	Junior book	Yes	new fee	\$ 14.00		per item	No
Corporate	Libraries	Lost or damaged items	Light romance	Yes	new fee	\$ 2.00		per item	No
Corporate	Libraries	Lost or damaged items	Periodical	Yes	new fee	\$ 9.00		per item	No
Corporate	Libraries	Lost or damaged items	Book on disk	Yes	new fee	\$ 100.00		per item	No

Department	Business Unit	Fee name	Fee - sub component	GST?	2015/16 Fee/Charge	2016/17 Fee/Charge	\$ Change	Unit of measure	Regulated?
Corporate	Libraries	Lost or damaged items	Single disk	Yes	new fee	\$ 19.00		per item	No
Corporate	Libraries	Lost or damaged items	DVD	Yes	new fee	\$ 27.00		per item	No
Corporate	Libraries	Lost or damaged items	MP3	Yes	new fee	\$ 105.00		per item	No
Corporate	Libraries	Printout from microfilm printer		Yes	new fee	\$ 0.50		per page	No
Corporate	Libraries	Replacement of lost or damaged cards		Yes	new fee	\$ 2.50		per card	No
Corporate	Libraries	Request for items not in stock and obtained by inter library loan		Yes	As charged by supplier			per item	No
Corporate	Libraries	Postage charges for inter library loan		Yes	As charged by supplier			per item	No
Corporate	Libraries	Inter library loan strap/barcode		Yes	new fee	\$ 3.30		per item	No
Corporate	Libraries	Requests for photocopies not in stock and obtained on inter library loan		Yes	As charged by supplier			per item	No
Corporate	Libraries	Research fee		Yes	new fee	\$ 10.00		per half hour	No
Corporate	Libraries	Telephone - local phone call only		Yes	new fee	\$ 0.50		per local call	No
Corporate	Libraries	Faxes (Australia only)		Yes	new fee	\$ 4.00		first page	No
Corporate	Libraries	Faxes (Australia only)		Yes	new fee	\$ 1.00		additional pages	No
Corporate	Libraries	CD for public use		Yes	new fee	\$ 2.00		per disk	No
Corporate	Libraries	Programs and activities		Yes	Cost recovery basis			per attendee	No
Corporate	Libraries	Playaways	Earphones	Yes	new fee	\$ 1.00		per set	No
Corporate	Libraries	Playaways	Battery cover	Yes	new fee	\$ 2.50		per item	No
Corporate	Libraries	USB stick		Yes	new fee	\$ 8.00		per item	No
Corporate	Libraries	Disc cleaning		Yes	new fee	\$ 4.00		per disk	No

Note: This is the first year Council will be operating the libraries. Whilst they are new fees they are comparable to the fees declared last year by the High Country Library Corporation.

19. Appendix B: Budget processes

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

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

The 2016/17 budget, which is included in this report, is for the year 1 July 2016 to 30 June 2017 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a 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 ending 30 June 2017 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards and the Local Government Model Accounts. 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.

A 'proposed' budget is prepared in accordance with the Act and submitted to Council in May 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.

With the introduction of the State Governments Rate Capping legislation in 2015 Councils are now unable to determine the level of rate increase and instead must use a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following financial year.

If a Council wishes to seek a rate increase above the maximum allowable it must submit a rate variation submission to the Essential Services Commission (ESC). The ESC will determine whether the rate increase variation submission has been successful by 31 May. In many cases this will require Councils to undertake 'public notice' on two separate proposed budgets simultaneously, i.e. the Ministers maximum rate increase and the Council's required rate increase.

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

Budget Process	Timing
1. Minister of Local Government announces maximum rate increase	Dec
2. Officers update Council's long term financial projections	
3. Council to advise ESC if it intends to make a rate variation submission	Jan/Feb
4. Council submits formal rate variation submission to ESC	Mar
5. Proposed budget(s) submitted to Council for approval	Apr/May
6. ESC advises whether rate variation submission is successful	May

Budget Process	Timing
7. Public notice advising intention to adopt budget	May
8. Budget available for public inspection and comment	May
9. Public submission process undertaken	May/Jun
10. Submissions period closes (28 days)	Jun
11. Submissions considered by Council/Committee	Jun
12. Budget and submissions presented to Council for adoption	Jun
13. Copy of adopted budget submitted to the Minister	Jul
14. Revised budget where a material change has arisen	

End of Alpine Shire Council Budget Report