Maroondah City Council
Proposed Budget 2018/19

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Front page image: *Works to construct the HE Parker multi sports complex began in March 2018. The new indoor and outdoor facility will cater for netball, volleyball, badminton, table tennis and wheelchair sports.*

Message from the Mayor and Chief Executive Officer

On behalf of Maroondah City Council, we are pleased to present the proposed 2018/19 Budget to the Maroondah community.

The community's vision as outlined in M*aroondah 2040: Our Future Together* is the foundation from which Council shapes its long term plans for the municipality. Following extensive community and key stakeholder consultation this long term vision for the future of Maroondah was adopted in late 2014. The community aspirations and priorities are grouped into eight broad outcome areas that provide the structure for the Maroondah City Council Plan 2017-2021 (Council Plan).

The Council Plan has been developed based on the community directions in Maroondah 2040 and a range of community consultation activities undertaken over recent months. The Council Plan sets the key directions and priority actions for the medium term to work towards the aspirations of the Maroondah community looking ahead to the year 2040. The community outcomes areas (Strategic Objectives) and 40 priority actions (Major Initiatives and Initiatives) are detailed in Section 2 of this document.

The Maroondah City Council budget for 2018/19 links to the achievement of the Council Plan as part of an integrated planning framework. The 2018/19 budget outlines the provision of financial resources for the next 12 months and details how these resources will be applied to meet the actions and initiatives detailed in the Council Plan, as well as delivering the more than 120 services and the extensive range of programs and activities that Council provides to the Maroondah community.

Budget Highlights

The 2018/19 budget contains 40 initiatives, including 16 major initiatives, as identified in the Council Plan. These initiatives will contribute to the achievement of the four-year Council Plan key directions and ultimately the preferred outcome as outlined in Maroondah 2040.

Some major initiatives include:

- Undertake operational readiness planning, and construct the $16.5m HE Parker Multi Sports Complex;
- Design and construct the $3.0m HE Parker Sporting Pavilion redevelopment;
- Commence construction of the $2.7m Silcock Sporting Pavilion redevelopment in Croydon;
- Design and construct the $2.5m Jubilee Sporting Pavilion redevelopment (Subject to external funding);
- Construct a new $2m Croydon Town Square; and
- Design and construct the Springfield Sporting Pavilion redevelopment.

An extensive Capital Works Program of $43.681 million will be undertaken in 2018/19. This capital investment includes funding of $12.945 million from external grants; $0.160 million from contributions; $1.267 million from asset sales; and $29.309 million from Council operations and cash holdings.

Highlights of the 2018/19 Capital Works Program include:

Program	$ (million)	Details
Buildings	**$22.211**	• Community Facilities Building renewal ($1.898 million) – Council continues to maintain assets at a high standard to ensure our community has access to safe and appropriate facilities. The 2018/19 program includes work at Central Ringwood Community Centre, Croydon Sporting Pavilion, HE Parker Scout Hall, HE Parker Sporting Pavilion, Jubilee Park Croquet Pavilion, Maroondah Montessori Pre School, Maroondah Pre School and Quambee Sporting Pavilion. • Completion of construction of the HE Parker multi sports complex 2018/19 ($14.75 million) • Renewal of ventilation systems at Community Facilities ($0.55 million) • Upgrade and renewal of Sporting Facilities ($0.32 million) • Community Facilities Improvements ($0.20 million) – to improve accessibility to Council facilities for people with disabilities
Roads	**$4.325**	• Road reseal works ($1.730 million) • Reconstruction of Ford Street, Ringwood ($0.40 million) • Kerb and channel replacement works ($0.66 million) • Local area traffic management ($0.27 million)
Footpaths & cycleways	**$3.090**	• Footpath replacement works ($1.50 million) • Footpath construction program ($0.78 million) • Taralla Creek Trail improvement works ($0.10 million) • Disability footpath access ($0.30 million) • Bike path overlay/reseals ($0.33 million)
Carparks	**$0.460**	• Carpark resealing ($0.26 million)
Drainage	**$3.467**	• Stormwater drainage infrastructure renewal including Scenic Avenue, Ringwood East catchment Stage 3B drainage upgrade works ($0.4 million); Hull Road Croydon easement drain upgrade ($0.25 million); and the final stage of Power Street, Croydon North catchment drainage upgrade works ($0.75 million)
Recreational, leisure and community facilities	**$3.206**	• Sports fields surface renovations for Mullum Mullum Oval 2 ($0.8 million) • Renewal of sports field lighting ($0.21 million) • Netball and tennis court, including surfaces, lines, nets and fencing ($0.20 million)
Parks and open space	**$1.260**	• Playground renewal ($0.59 million) • Bridge replacement works in Council's reserves ($0.20 million) • Park inventory and signage replacement ($0.17 million)

The Rate Rise

The Local Government (Fair Go Rates) Act was passed by the Victorian Parliament in November 2015. The Act introduced a rate cap based on CPI plus or minus any adjustment, and allows for multiple caps to be set by the Minister for Local Government and variations to the cap should Councils obtain approval to raise rate revenue by a greater amount than that imposed by the cap.

The Minister for Local Government has determined that for 2018/19 the average property rate will rise by 2.25%. Maroondah City Council will not be seeking a variation to the rate cap.

As this is a revaluation year, valuations will be as per the General Revaluation dated 1 January 2018 (as amended by supplementary valuations).

Further information on Rates and Charges can be found in Section 6 Notes to financial statements within this document.

Differential Rates

Maroondah has adopted differential rating as it considers that differential rating contributes to the equitable distribution of the rating burden. Differential rating allows classes of properties to be assessed at different levels from the general rate set for the municipality. Shifting part of the rate burden from some groups of ratepayers to others through different "rates in the dollar" for each class of property to equitably distribute the rate burden for property owners.

Under the *Local Government Act* (1989), Council is entitled to apply differential rates provided it uses Capital Improved Valuations for its base for rating. Further information regarding differential rating is provided in Section 6 Notes to financial statements within this document.

Waste

As well documented, the recycling industry has been significantly impacted over the last three to six months.

The 'National Sword Policy' implemented by China's General Administration of Customs on 1 January 2018 aims to improve recovery and reuse of domestic solid waste while restricting the import of contaminated paper, cardboard and plastics. The policy has severely disrupted recycling markets worldwide with significant impacts on Victoria. The policy most directly impacts kerbside recycling services, as recyclables from households are usually on-sold in a mixed form. While most of Victoria's kerbside recyclable material is processed in Victoria or Australia, significant quantities are exported to China for processing; resulting in the new restrictions are having significant impacts on recycling processors.

The changes have immediately impacted regional Victoria and this is now being felt by metropolitan councils, as recycling processors seek to reset current contractual arrangements with councils. The local government sector expects to see the withdrawal of rebate payments to Councils which will be replaced by gate fees for recyclable material sorting. With this change, and in order for this Council to maintain its recycling service, the charge for recycling has been reviewed and adjusted to meet the costs associated with Council continuing its current recycling contract while continuing to be sustainably responsible in the process.

The waste service charge incorporating kerbside collection and recycling will increase by 27%.

Rate Cap Impact

Council will continue to manage the challenge of a rate capped environment through a disciplined and thorough budget preparation process. The identification of savings and continuous review of services, combined with supplementary rate growth will assist in managing the challenges of rate capping. Council has aimed to manage this challenge without impacting the capital works program significantly, as it aims to continue meeting its annual asset renewal targets as well as providing a funding base that allows for new infrastructure delivery to the community.

In addition to the issue of a cap on rates, Maroondah also faces a range of other challenges, which include:

- Funding the renewal of infrastructure and community assets;
- Continued cost shifting from the Victorian State Government;
- Continued population growth within the municipality; and
- Funding expectations of enhanced service provision.

This budget has been developed through a rigorous process of consultation and review and Council endorses it as a balanced, sustainable and responsible platform to ensure enhanced services, protection of Council's $1.57 billion in net assets, the delivery of $43.68 million extensive capital projects, a surplus of $18.0 million, and a financially prudent future for our community.

Cr Nora Lamont
Mayor

Mr Steve Kozlowski
Chief Executive Officer

1. Link to the Council Plan

This section describes how the Annual Budget links to the achievement of the Council Plan as part of Council's Integrated Planning Framework. This Framework guides the Council in identifying community needs and aspirations over the long term (Maroondah 2040 Community Vision), medium term (Council Plan 2017-2021) and short term (Service Delivery Plans and Annual Budget) and then holding itself accountable (Annual Report and Audited Statements).

1.1 Council Planning and Performance Framework

Council's strategic documents are linked to an Integrated Planning Framework. Council's Integrated Planning Framework ensures that all of Council's activities and financial resources are aligned in order to meet the aspirations, needs and expectations of the Maroondah community. The framework ensures a clear linkage between community needs and aspirations, vision, strategies, policies and the day-to-day activities of Council.

Figure 1: Maroondah City Council's Integrated Planning Framework

This framework is underpinned by the shared long term community vision outlined in *Maroondah 2040: Our Future Together*, which was developed and then adopted in 2014 in conjunction with the community.
The community aspirations and priorities for the future of Maroondah have been grouped into eight broad outcome areas that provide the structure for the Council Plan 2017-2021 (Council Plan). These community outcome areas comprise:

- A safe, healthy and active community
- A prosperous and learning community
- A vibrant and culturally rich community
- A clean, green and sustainable community
- An accessible and connected community
- An attractive, thriving and well-built community
- An inclusive and diverse community
- A well governed and empowered community

The strategic direction through Maroondah 2040, the Council Plan, and the Long Term Financial Strategy has resulted in detailed service delivery plans across each of Council's service areas. These plans are reviewed annually to meet community needs and expectations.

The framework both feeds into and is supported by a number of other key planning documents – in particular Council's annual budget, legislated plans and strategies and a broad range of supporting strategies and policies adopted by Council.

To ensure Council has the capacity to work towards the achievement of the Maroondah 2040 Community Vision, a Long Term Financial Strategy has been prepared to guide the financial resources of Council over the next 10 years. This strategy is updated annually.

In response to the Long Term Financial Strategy, a medium-term strategic resource plan is included within the Council Plan to provide a framework for Council's financial, physical and human resources over the next four years. This Strategic Resource Plan outlines the allocation of resources to work on the key directions and priority actions outlined in the Council Plan.

From the Strategic Resource Plan evolves an Annual Budget that provides specific targets in relation to financial resources for the next financial year and a framework to ensure strategies and commitments are transformed into 'on the ground' results. The Annual Budget specifies goals against which Council can measure its progress and performance whilst also articulating sources of revenue and how that revenue is spent in delivering services to the community.

1.2 Our Purpose

Our Community Vision

Maroondah will be a vibrant and diverse city with a healthy and active community, living in green leafy neighbourhoods, which are connected to thriving and accessible activity centres contributing to a prosperous economy within a safe, inclusive and sustainable environment.

Organisational vision

To deliver on our Maroondah 2040 Community Vision, Maroondah City Council should be an organisation that:

- Applies best practice in all that we do. We should be aware of how other organisations conduct their business and ensure we adopt the most practicable approaches/methods that are possible.
- Is a recognised leader in the local government sector. We should strive to set an example to others in innovation, service delivery, governance, performance and advocacy.
- Easily retains and attracts high quality employees. We should ensure that our reputation and employee practices are second to none.
- Fosters continuous improvement and innovation. We should encourage new ideas and changes to processes that are capable of improving our efficiency and effectiveness in service delivery and outcomes.
- Is transformational. We should acknowledge that by striving to meet the aspirations of Maroondah 2040, our organisation's work will change the look and feel of the Maroondah community.
- Is nimble, flexible and sustainable. We should ensure that we are proactive in identifying and planning for change and implement actions that endure.
- Is outwardly focused. We should focus on community outcomes, working together in partnership with State and Regional bodies, local stakeholders and the Maroondah Community.

Our Mission

Maroondah City Council will be an effective and dynamic leader, working in partnership with the community, business and other spheres of government to foster quality, accessible and sustainable lifestyles for the community.

Our Workplace Values

Co-operation
Working together and sharing knowledge to achieve common goals and agreed outcomes.

Commitment
Leading by example to achieve the best results for the community and the organisation.

Communication
Sharing information and ideas at all levels, the community and the Council.

Continuous Improvement and Innovation
Consistently finding better ways of delivering service and value.

1.3 Community Outcome Areas (Strategic Objectives)

The Council Plan articulates eight community outcome areas (strategic objectives), each with a set of four-year key directions (strategies), annual priority actions, Council Plan indicators (strategic indicators) and supporting strategies and plans. The priority actions (major initiatives) work towards the achievement of the key directions, and ultimately the outcome areas and vision outlined in Maroondah *2040*.

Council delivers services and initiatives under 14 major service areas. Each contributes to the achievement of the future outcome areas as set out in Maroondah 2040 and Council Plan. The Annual Budget converts these services and initiatives into financial terms to ensure that there are sufficient resources for their achievement. The following table lists the eight community outcome areas as described in the Council Plan.

Outcome Area	Vision Statements
1. A safe, healthy and active community	In 2040, Maroondah is a safe, healthy and active community with local opportunities provided for people of all ages and abilities to have high levels of social, emotional and physical wellbeing.
2. A prosperous and learning community	In 2040, Maroondah is a thriving centre of economic activity and opportunity within the eastern region where the sustainability and growth of local businesses is supported. All community members, groups, education providers and local businesses have access to a wide range of quality learning resources and facilities.
3. A vibrant and culturally rich community	In 2040, Maroondah is a creative cosmopolitan community recognised for its celebration and promotion of arts and culture. There are a broad range of engaging entertainment options, diverse cultural activities and the creation and display of contemporary and traditional forms of art.
4. A clean, green and sustainable community	In 2040, Maroondah is a leafy green community with high levels of waste diversion and sustainable approaches to infrastructure development, urban design and management of natural resources. Our community is resilient and has the knowledge, capacity and resources to make sustainable lifestyle choices.
5. An accessible and connected community	In 2040, Maroondah is an accessible community for all ages and abilities with walkable neighbourhoods, effective on and off-road transport networks, and access to a range of sustainable transport options.
6. An attractive, thriving and well built community	In 2040, Maroondah is a leafy green community with high quality urban form and infrastructure that meets the needs and aspirations of all ages and abilities. A diverse range of housing options are available and thriving activity centres provide a broad range of facilities and services to meet community needs. The character of local neighbourhoods continues to be maintained while also accommodating population growth.
7. An inclusive and diverse community	In 2040, Maroondah is an inclusive community where social connections are strong across generations and diversity is embraced and celebrated.
8. A well governed and empowered community	In 2040, Maroondah is an effectively empowered community that is actively engaged in Council decision making through processes that ensure their voice is heard and considered. Council provides strong and responsive leadership, ensures transparent processes and works with the community to advocate and champion their needs.

2. Services and initiatives and service performance indicators

Working towards the Vision outlined in *Maroondah 2040* and the achievement of the future outcomes (strategic objectives), we will continue to plan, deliver and improve high quality, cost effective, accessible and responsive services. The services, initiatives, major initiatives (priority actions) and service performance indicators for each service area are described in the following section.

2.1 Outcome Area (Strategic Objective) 1: A safe, healthy and active community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Children's Services	Council provides a range of Children's Services including Family Day Care, Occasional Care and Vacation Care programs. Council also owns 19 kindergarten facilities that are leased to local committees of management with some sites operated by a Kindergarten Cluster Manager (Best Chance) to deliver programs for three and four-year-old children living in Maroondah. Council also funds a central enrolment scheme for children attending kindergarten and the Children's Services team is involved in many events and capacity building activities for educators in the municipality.	1,785 (807) **978**
Community Health Services	The City of Maroondah has a comparatively healthy community, residing in a clean and safe environment. Council plays an instrumental role protecting and promoting the health and wellbeing of the community through education and prevention strategies while supporting sustainable safe environments. A broad range of proactive and reactive activities are undertaken to reduce public health risks that include the registration and assessment of food and health businesses, statutory food and water sampling, communicable disease investigations, preventative health services and advice that include Immunisation Services and general health promotion activities. Council manages emergencies in accordance with the legislation in the Emergency Management Act and the Emergency Management Manual of Victoria. Council is responsible for the planning, preparation, training and exercising of emergency processes and works collaboratively across the region to improve consistency in operations.	1,730 (615) **1,115**
Community Planning and Development	This team facilitates community planning and community development activities across the city. Areas covered include: community wellbeing, disability advocacy, social research, community safety, and on-the-ground community development activities.	1,203 (0) **1,203**

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Maroondah Leisure	This area provides a broad range of services, activities and facilities to meet the needs of Maroondah's diverse community. The service area provides support, management and operation of Council's major leisure facilities, including Aquahub, Aquanation, Croydon Memorial Pool, Dorset and Ringwood Golf, The Rings and HE Parker multi sports complex. The service area also has a strong focus on service co-ordination and policy development.	19,439 (19,814) **(375)**
Maternal and Child Health Services	The Maternal and Child Health service is a state-wide universal service for families with children from birth to school age. The service is delivered at seven Maternal and Child Health centres across the municipality and is provided in partnership with the Department of Education and Early Childhood Development. Council also provides an enhanced service focusing on children, mothers and families at risk of poor health and community wellbeing outcomes. In addition, the Maroondah program includes, a lactation service, early parenting program, a dad's program, a Burmese families program, and an extensive needs-based parenting education group program.	2,503 (990) **1,513**
Sport and Recreation	This service area supports and encourages community involvement in physical activity via direct and indirect service provision through: Casual and Seasonal allocation of sports fields and pavilions; Community Facilities Tenancy agreement development and management; Events and Festivals; Direct service provision, support and advice for community based events; Community sporting liaison and advocacy; Capital works project planning and co-ordination; Promotion of participation in physical activity; Information dissemination and direct liaison with leisure groups; Leisure planning and policy development; Facility management of 72 community buildings and Club development initiatives.	1,260 (523) **737**
Sportsgrounds	This function provides maintenance and renewal of Council's 48 sports fields which includes cricket pitch turf management and three key precinct parks (Jubilee, Croydon and Town Park) within the municipality.	1,849 (0) **1,849**

Major Initiatives (Priority Actions)

1) Complete the design works, undertake operational readiness planning, and construct the $16.5m HE Parker multi sports complex
2) Design and construct the $3.0m HE Parker Sporting Pavilion redevelopment
3) Commence construction of the $2.7m Silcock Sporting Pavilion redevelopment in Croydon
4) Design and construct the $2.5m Jubilee Sporting Pavilion redevelopment (Subject to external funding)
5) Design and construct the Springfield Sporting Pavilion redevelopment

Initiatives

6) Finalise a new Gaming Policy and commence preparation of a planning scheme amendment to incorporate the policy into the Maroondah Planning scheme
7) Undertake works to implement CCTV in Croydon Town Centre, including detailed design and documentation, along with the supply and installation of cameras
8) Prepare and implement a new Maroondah Health and Wellbeing Plan 2017-2021
9) Amend planning controls relating to alcohol density through participation in the South East Melbourne Council's Alliance (SEMCA) Alcohol Density Project
10) Undertake sportsfield reconstruction works at Quambee Reserve No.1 Oval in Ringwood North

Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (the number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Food Safety	Health And Safety	Critical and major non-compliance outcome notifications (percentage of critical and major non-compliance outcome notifications that are followed up by Council)	Number of critical and major non-compliance outcome notifications about a food premises followed up / Total number of critical and major non-compliance outcome notifications about food premises
Maternal and Child Health	Participation	Defined as the 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
Maternal and Child Health	Participation	Defined as the 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

2.2 Outcome Area (Strategic Objective) 2: A prosperous and learning community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Business & Activity Centre Development	The Business & Activity Centre Development Area of Council incorporates business support, employment development, business investment and local business capacity building. Business support assists businesses with their development by providing workshops, networking and training opportunities. Employment development seeks to promote an environment where employment opportunities are stimulated and more jobs are created through linkages and initiatives with key local stakeholders (employment providers, training organisations, businesses and community organisations). The team also seeks to encourage and facilitate business investment, and enhance the capability of existing businesses to grow and expand locally. BizHub also provides many opportunities to collaborate and network as part of the activated co-working space. The centre also delivers specialist planning, architectural, project management, urban design, communications and engagement services. It also serves to steward responsible, sustainable, environmental and social improvements for the Ringwood Metropolitan Activities Centre and other key locations across Maroondah.	1,634 (166) **1,468**
Libraries	Maroondah City Council provides two library facilities – one in Ringwood and one in Croydon. The library service is delivered under a regional partnership model by Eastern Regional Libraries Corporation.	2,768 (0) **2,768**
Realm	Realm - The Ringwood Library Learning and Cultural Centre is Council's flagship civic building incorporating a Council service centre, library, an art space, the Centre for Regional Knowledge and Innovation and BizHub business resource centre. REALM is an integral and key element to the Ringwood Metropolitan Activity Centre and is integrated with the Eastland development Town Square and is connected to the Ringwood Station public transportation hub. The facility focusses on the creative, educational and prosperous development of Maroondah by strengthening the Eastern regions' knowledge base, inspiring lifelong learning, encouraging cultural and civic participation and promoting innovation and entrepreneurial excellence.	426 (71) **355**

Major Initiatives (Priority Action)

11) Update the Ringwood Metropolitan Activity Centre Masterplan

Initiatives

12) Develop Regional Service Partnerships at Realm
13) Develop, promote and expand the BizHub Co-Working Space
14) Work in partnership to implement the Bayswater / Bayswater North Industrial Precinct Strategy to assist local businesses and promote investment attraction
15) Work in partnership to facilitate appropriate development within the Ringwood Metropolitan Activity Centre and Croydon Activity Centre
16) Plan and implement carparking improvements in the Ringwood Metropolitan Activity Centre and the Croydon Activity Centre

Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Libraries	Participation	Number of active library members (percentage of the municipal population that are active library members)	Number of active library members / Total municipal population

2.3 Outcome Area (Strategic Objective) 3: A vibrant and culturally rich community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Arts and Cultural Development	Arts and Cultural Development leads a wide range of creative opportunities across Maroondah, ensuring it is culturally rich and vibrant in line with the community's aspirations. The unit develops, presents and promotes dynamic and exciting arts programming for all ages and abilities within high calibre arts venues including ArtSpace at Realm, Maroondah Access Gallery and Wyreena Community Arts Centre. All art forms are included, from visual arts to music, from performance to digital media. Nationally significant art exhibitions and the McGivern Painting Prize valued at $25,000 bring highly skilled artists and a wide range of visitors to Maroondah from across the eastern region and beyond. Workshops, classes, events and networking programmes respond to local community needs, while the Grants program supports a diverse range of community initiatives. The Unit manages the Maroondah City Art Collection and the Public Art Program, which enhance Council's facilities and add value to the outdoor and built environment.	1,385 (315) **1,070**
Karralyka Centre	Karralyka is a premier theatre and function centre in Melbourne's eastern suburbs and the only such facility of this size in Maroondah. The theatre has a seating capacity of 430 and delivers a season of theatre for the community, including Morning Melodies, children's theatre and drama workshops, comedy, musical and dramatic performances. Karralyka partners with local theatre groups to promote and develop performing arts in the community. The theatre generates positive demand as a 'venue for hire', and regularly hosts local school and corporate performances and seminars. Karralyka is a flexible function and conference venue with a total capacity for 550 seated guests. Karralyka manages its food and beverage operations in-house. The kitchen facilities at Karralyka are also used to prepare food for Council's Meals on Wheels service. The Maroondah Federation Estate, a community and cultural facility and Maroondah Community Halls are also managed through Karralyka.	3,007 (2,892) **115**

Major Initiatives (Priority Actions)

17) Create a new Croydon Town Square, including community engagement, completion of detailed design and construction
18) Establish a new Arts Advisory Committee and implement new public art across Maroondah in accordance with Council's Public Art Policy
19) Design and construction of the $10m Karralyka redevelopment (Subject to funding)

Initiatives

20) Implement innovative and engaging arts events and outcomes in Ringwood Town Square arts precinct
21) Commence development of an Arts and Cultural Development Strategy 2018-2022

2.4 Outcome Area (Strategic Objective) 4: A clean, green and sustainable community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Natural Environment	This function maintains over 50 bushland reserves, which involves proactively supporting biodiversity and maintaining appropriate fire breaks. The team also works closely and proactively with Council's bush reserves 'Friends of Groups' to support and assist with the maintenance of Bushland Reserves. The parks maintenance team maintains Council managed 632 parks, gardens and blocks including proactive and reactive maintenance of landscaped areas, grass mowing. The tree maintenance team manage power lines clearance, reactive tree maintenance program, tree data capture program and tree planting in streets and reserves.	8,283 (61) **8,222**
Waste Management	The waste management team provides residential and commercial waste services to the Maroondah community, including public recycling bins, street litter bins, parks and reserves bins and Council facilities bins. The team manages the contracts for kerbside collection, receipt and sorting, green organics, land fill supply and hard waste contracts. Services also include on-call hard waste collection, a schools and community waste education program, and planning to meet future waste management needs.	14,271 (0) **14,271**

Major Initiatives (Priority Actions)

22) Finalise the Maroondah Vegetation Review and prepare planning controls for inclusion in the Maroondah Planning Scheme

Initiatives

23) Implement the Eastern Organics Contract

Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Waste Collection	Waste Diversion	Kerbside collection waste diverted from landfill (percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted to landfill)	Weight of recyclables and green organics collected from kerbside bins / Total weight of garbage, recyclables and green organics collected from kerbside bins

2.5 Outcome Area (Strategic Objective) 5: An accessible and connected community

Services

Area	Description of services provided	Expenditure (Revenue) Net Cost $'000
Asset Management	This team provides a range of functions including strategic asset management; implementation and development of Council's corporate asset and works management system; management of all corporate data relating to Council's assets; and cyclical proactive inspections of Council's assets in accordance with Council's Road Management Plan. The team also develops Council's annual capital works program relating to roads, car parks, laneways, shared paths, stormwater drainage and building assets.	1,314 (46) **1,268**
Engineering Services	The team delivers the engineering related component of Council's Capital Works Program including management of design consultants, the tendering and contract process, and the supervision of construction works. Engineering Services also provides professional advice and technical expertise in the areas of traffic investigations and strategic transportation issues, stormwater drainage investigations and flood management strategy, and private subdivisions and developments, including approval of engineering plans for developments and supervision of works relating to all developments.	1,455 (263) **1,192**

Major Initiatives (Priority Actions)

24) Work in partnership to implement intersection improvement works at the corner of Maroondah Highway and Dorset Road in Croydon North

Initiatives

25) Accelerate Council's footpath construction program
26) Commence road renewal works in Caroline Street, Ringwood
27) Develop a Maroondah Carparking Framework, incorporating a Parking Policy, updates to parking strategies and permit systems
28) Advocate to the Commonwealth and Victorian Government for provision of new and upgraded major transportation infrastructure in Maroondah; including freeway connections, upgrade to arterial roads and intersections, and major public transport enhancements

2.6 Outcome Area (Strategic Objective) 6: An attractive, thriving and well built community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Building Services	This team ensures compliance of existing and proposed buildings with the Building Act and regulations, and also provides advice on variations to Building Regulations and swimming pool/spa safety barriers, building permits and inspections.	1,426 (532) **894**
Built Environment	This team provides pro-active and reactive maintenance of Council's infrastructure assets including roads, footpaths and drains. Construction maintenance provides pro-active cleaning of all drainage pits within road reserves, programmed street sweeping, public toilet & BBQ cleaning and graffiti removal.	8,336 (400) **7,936**
Statutory Planning	Council has the responsibility for delivering town planning land use and development advice and assessments to diverse residential and commercial communities. These residential and commercial land uses are set in a unique urban environment with high levels of amenity protected by various landscape and environmental controls as set out in the Maroondah Planning Scheme. The role of statutory planning is to manage and consult with the community on changes and ensure that such changes are to the social, environmental and economic betterment of the City. $2.5m income is restricted for Public Open Space.	2,916 (4,079) **(1,163)**
Strategic Planning and Sustainability	This function carries oversight of the Maroondah Planning Scheme and associated land use controls. It influences the physical development of Maroondah to secure the most efficient and effective use of land in the public interest and to ensure facilities such as roads, schools and libraries are built where they are needed. This function also assists with the development and implementation of strategic transport policies and strategy with a focus on sustainable transport services and the travel needs of the community. A range of environmental sustainability strategies and projects are also pursued. This area also includes the Eastern Alliance for Greenhouse Action (EAGA) which is a formal collaboration of eight Councils in Melbourne's east, working together on regional programs that reduce greenhouse gas emissions and facilitate regional adaptation.	1,973 (325) **1,648**

Major Initiatives (Priority Actions)

29) Upgrade Lincoln Road, east of Dorset Road
30) Undertake a municipal wide review of Council's neighbourhood character and heritage controls
31) Work in partnership to implement the Greening the Greyfields Project to facilitate a sustainable approach to urban redevelopment in identified residential precincts (subject to funding)

Initiatives

32) Develop and commence implementation of priority open space and public realm enhancement plans
33) Continue the upgrade of drainage including flood mitigation work in Power Street catchment

Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Statutory Planning	Decision making	Council planning decisions upheld at VCAT (percentage of planning application decisions subject to review by VCAT and that were upheld in favour of Council)	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
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

2.7 Outcome Area (Strategic Objective) 7: An inclusive and diverse community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Aged and Disability Services	Services provided by Council include the Home and Community Care Program (HACC), which includes Intake and Assessment; Domestic Assistance (home care); Personal Care; Respite Care; Food Services (Meals on Wheels); Supported Residential Services program; Planned Activity Group; and Property Maintenance services to HACC eligible residents. The HACC program aims to support frail older people, and people with a disability and their carers, to maximise their independence by supporting them to remain at home and stay connected to their community. Aged and Disability Services also provide Social Support activities, facilitate Carer Support Groups and provide support to Senior Citizens and Older Persons Groups.	7,990 (5,959) **2,031**
Youth Services	Youth Services' mission is to empower and support Maroondah's young people to reach their full potential. Youth Services provides a wide range of high quality services to young people aged 12-25 years and also plays an important role in improving outcomes through facilitation and advocacy. Youth Services works closely with service providers, schools and specialist youth services, such as mental health, drug & alcohol, housing and family services to improve outcomes for young people. Direct services provided by Youth Services include youth participation; personal development; social and recreation programs; youth events; and information, support and referral via EV's Youth Centre in Croydon and elsewhere throughout the community. Youth Services also provides a range of resources for young people including the Maroondah Youth Services website and social networking pages and the Maroondah Youth Card. Youth Services also plays a key role in the development and co-ordination of the Maroondah youth service system, by facilitating networks, coordinating or participating in sector projects, providing funds for programs through School Focused Youth Service, and providing resources for workers.	882 (153) **729**

Major Initiatives (Priority Actions)

34) Monitor the federal National Disability Insurance Scheme and My Aged Care reform agenda and implement transitional arrangements for relevant areas of Council service delivery
35) Investigate and implement additional female changing facilities at local sporting venues

Initiatives

36) Continue implementation of the Corporate Volunteering Program
37) Develop and commence implementation of a new Disability Policy and Action Plan

2.8 Outcome Area (Strategic Objective) 8: A well governed and empowered community

Services

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Communications and Engagement	This team has both a corporate and an operational responsibility for the management of public relations and communications for Maroondah City Council to promote the work and achievements of Council and keep the community informed and engaged. It provides a range of services including publications, advertising and newsletters; communication and advocacy campaigns; management of Council's e-Communications, including website, intranet and social media; Council branding, corporate identity and marketing; internal communications; and development of style guides and related policies. This area also includes the Elected Representatives being the Mayor and Councillors.	1,799 (4) **1,795**
Contracts and Purchasing	This function assists Council's Service Areas in the purchasing of goods and services through the strategic development and co-ordination of the purchasing, tendering and contract management processes.	347 (0) **347**
Council Planning	This function oversees the integrated planning and delivery of Council activities in accordance with organisational goals, objectives and budgets. In particular, the Council Planning function coordinates the preparation of the Council Plan, the Annual Report, the service delivery planning process and the development, monitoring and review of the Maroondah 2040 Community Vision.	190 (0) **190**
Customer Service	The customer service team manages and operates Council's 1300 Call Centre and three service centres: in Braeside Avenue Ringwood, Croydon Civic Square, and REALM adjacent to the Town Square as part of Eastland. The team provides information and referral on Council services, booking services for a number of local facilities and Council services, referral of customer requests, and cash receipting for payment of accounts and fees.	2,026 (0) **2,026**

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Executive Office	The Chief Executive Officer is in charge of total management of the Council and responsible for high level decisions regarding policy and strategy and is the main point of communication between Council and corporate operations. This area also provides support for the Eastern Regional Group of Councils.	508 (0) **508**
Facilities Maintenance	This function provides Council with a centralised approach to all issues relating to Council buildings, including programmed maintenance and capital works. In addition, the team works closely with the users and managers of Council facilities on all aspects of buildings, including risk management.	2,143 (0) **2,143**
Financial Services	This team provides sound financial management that complies with legislative requirements, and also ensures that planning and budgeting activities meet Maroondah's vision and the long term financial sustainability of Council. The core services include: accounts payable, financial accounting (including reconciliations, financial accounts and statutory returns), management accounting (including annual budget, monitoring and reporting) and strategic project analysis.	1,970 (118) **1,853**
Governance & Corporate Information	This team provides administration and civic support to Councillors, develops Council agendas and minutes, organises citizenship ceremonies, ensures Council-wide statutory compliance and provides governance advice to Council. The team also manages hall-keeping, meeting rooms and catering at the Council offices. This function is responsible for the practical application of the full range of services associated with the corporate recordkeeping system which include mail processing, systems management and file movement, archival and retrieval.	1,682 (33) **1,649**

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Workplace People & Culture	The service provides organisational employee support including employee selection and recruitment; induction; job design and analysis; remuneration and benchmarking; employment contracts management; and advisory services for both internal and external candidates seeking employment opportunities within Council. Management of Council's safety management system includes; reviewing and updating OH&S policies; OH&S training; hazard identification; inspections and reporting; and OH&S consultative processes; and advisory services for the community, particularly relating to OH&S requirements for Council's facilities and buildings. Employee engagement, workforce planning, corporate change management and process improvement activities are also undertaken. The Payroll team manages payroll systems and processes, remuneration services, reporting and policy development and review. Workcover and Injury management involves management of rehabilitation and the return to work program, management of the employee assistance program, management of employees' health and wellbeing initiatives, and development of associated policies. Workplace relations manage enterprise agreement negotiation and award interpretation; provides employee and industrial relations advice; and supports employment contract management.	3,063 (0) **3,063**
Information Technology	This team provides most of its support and services to internal Council employees. It provides indirect benefits to the community by providing information technology infrastructure and systems to all Council teams to enable efficient and effective service delivery. Also provided is the back-end technical support for Council's websites; the ability for electronic transactions to take place through Council's eServices; and a public online mapping system for the community to access via Council's website.	3,713 (0) **3,713**
Local Laws	The Local Laws team provides a broad range services to ensure the amenity, function and safety of the City is maintained to a high standard. The activities include the registration and management of domestic animals; ensuring the management of safe and accessible car parking; protection of resident and business amenity and safety; ensuring fire preparedness and prevention; and managing the City's school crossings.	3,772 (2,625) **1,147**

Area	Description of services provided	Expenditure (Revenue) **Net Cost** **$'000**
Revenue, Property and Valuations	This team provides, develops and implements revenue policy and strategy development, the annual rating strategy, statutory declarations and notices, and rate and charge generation. The function undertakes general property valuations, supplementary rating valuations, non-rating valuations, and reviews of the rateability of properties. The team also issues rate notices, develops revenue projections, manages concessions, leads Council's debt recovery and manages the property database.	1,814 (568) **1,246**
Risk Management	This team oversees the implementation of the risk framework across Council, the development of risk treatment plans and administration of the risk register. The function also provides risk management advice and training to Council service areas. Mitigation of Council's liability is achieved through effective claims management. This team also maintains appropriate insurance cover for insurable assets and liabilities.	1,229 (5) **1,224**

Initiatives

38) Progress Council's innovative digital services transformation
39) Continue to work on Innovation and Customer Service delivery models, including online services and additional payment options for customers
40) Update Council's administrative facilities

Service Performance 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 interest of the community)	Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community
Animal Management	Health and Safety	Animal management prosecutions (number of successful animal management prosecutions)	Number of successful animal management prosecutions

2.3 Reconciliation with budgeted operating result

(Note: This reconciles to the budgeted Comprehensive Result from Operations as shown on the Comprehensive Income Statement included in Section 3)

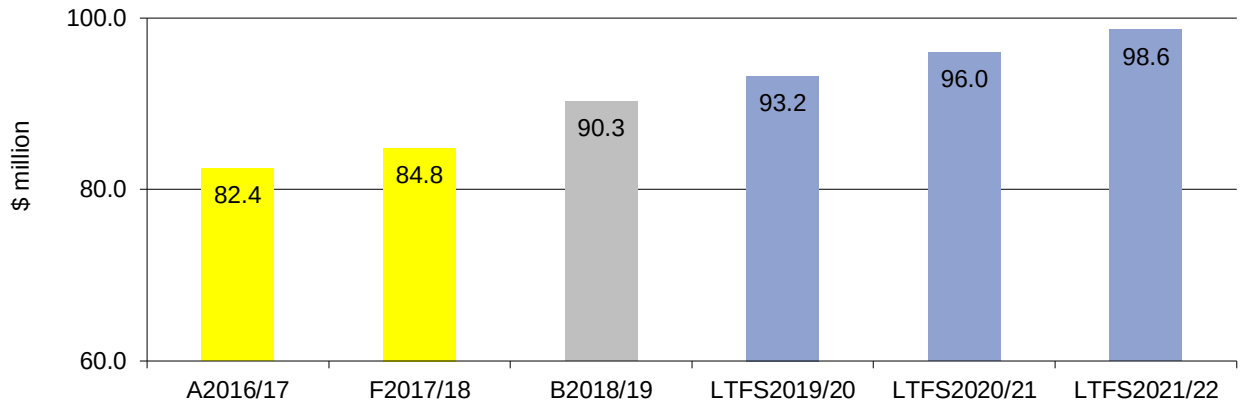
	Net Cost $'000	Expenditure $'000	Revenue $'000
A safe, healthy and active community	7,020	29,769	22,749
A prosperous and learning community	4,591	4,828	237
A vibrant and culturally rich community	1,185	4,392	3,207
A clean, green and sustainable community	22,493	22,554	61
An accessible and connected community	2,460	2,769	309
An attractive, thriving and well built community	9,315	14,651	5,336
An inclusive and diverse community	2,760	8,872	6,112
A well governed and empowered community	20,906	24,259	3,353
Total services and initiatives	**70,730**	**112,094**	**41,364**
Depreciation	20,502		
Other non-attributable	93		
Deficit before funding sources	**91,325**		
Funding sources			
Rates and charges	90,273		
Funding Assistance	5,139		
Capital grants	13,105		
Interest	808		
Total funding sources	**109,325**		
Surplus for the year	**18,000**		

3. Summary of financial position

This section considers the long term financial projections of the Council. The Act and Regulations require a Strategic Resource Plan to be prepared covering both financial and non-financial resources, and including financial performance indicators for at least the next four financial years to support the Council Plan. Council prepares the long term financial strategy for the next ten years from which the financial statements are derived.

Key budget information is provided below about the rate and charges; comprehensive result; cash and investments; capital expenditure; financial position (working capital) and financial sustainability of the Council.

3.1 Total Rates & Charges

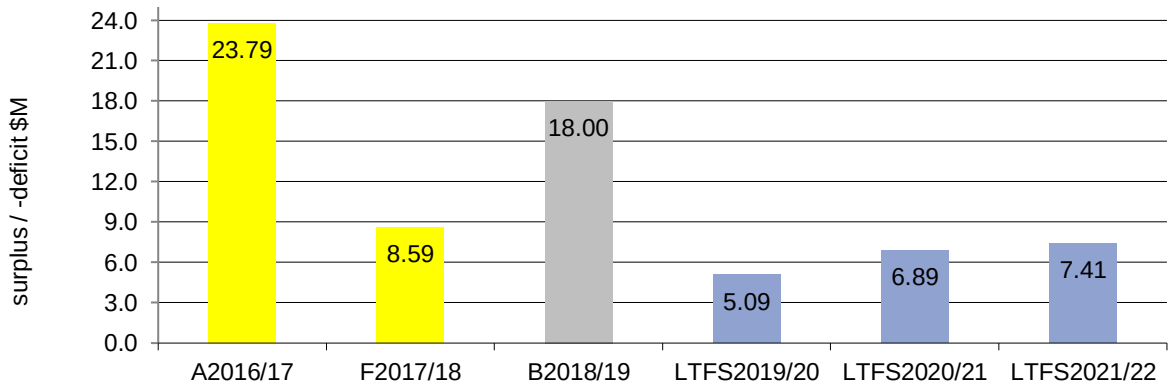


A = Actual F = Forecast B = Budget LTFS = Long Term Financial Strategy estimates

Source: Section 5

It is proposed that rates will increase by 2.25% (as applied to the Base Average Property Rate in accordance with ESC formulae) and waste charges will increase by 27.0% for the 2018/19 year in line with contract obligations, raising total rates and charges of $90.27 million, which includes $0.58 million generated from supplementary rates. This rate increase is in line with Council's rating strategy. Future years (2019/20 to 2021/22) rates are estimated to increase by 2.0% (as applied to the Base Average Property Rate in accordance with ESC formulae) and waste charges are estimated to increase by 2.0%.

3.2 Comprehensive result

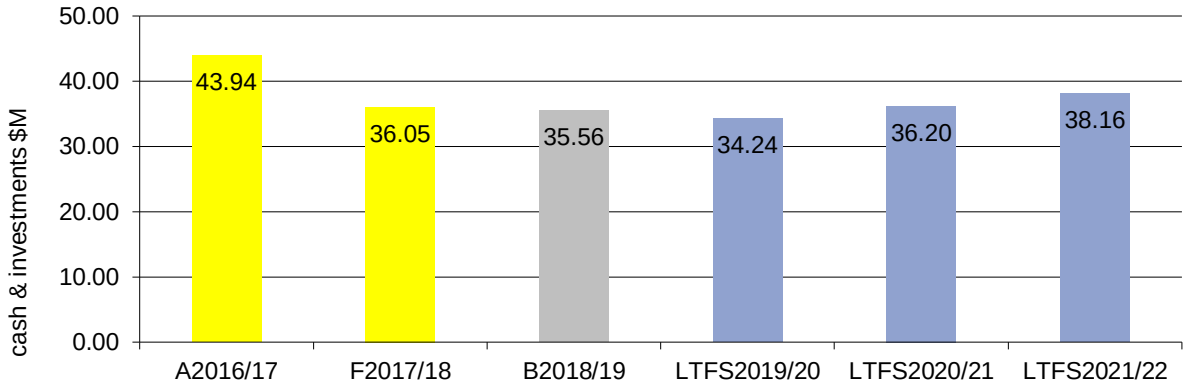


Source: Section 5

The expected comprehensive result for the 2018/19 year is a surplus of $18.0 million, which is an increase of $9.41 million over 2017/18 Forecast Budget. It is anticipated that a surplus result will be achieved throughout the strategy period. (The forecast comprehensive result for the 2017/18 year is a surplus of $8.59

million which is better than the adopted budget provision by $2.0 million due to the inclusion of carried forward grants, unbudgeted new grants,and organisational savings achieved).

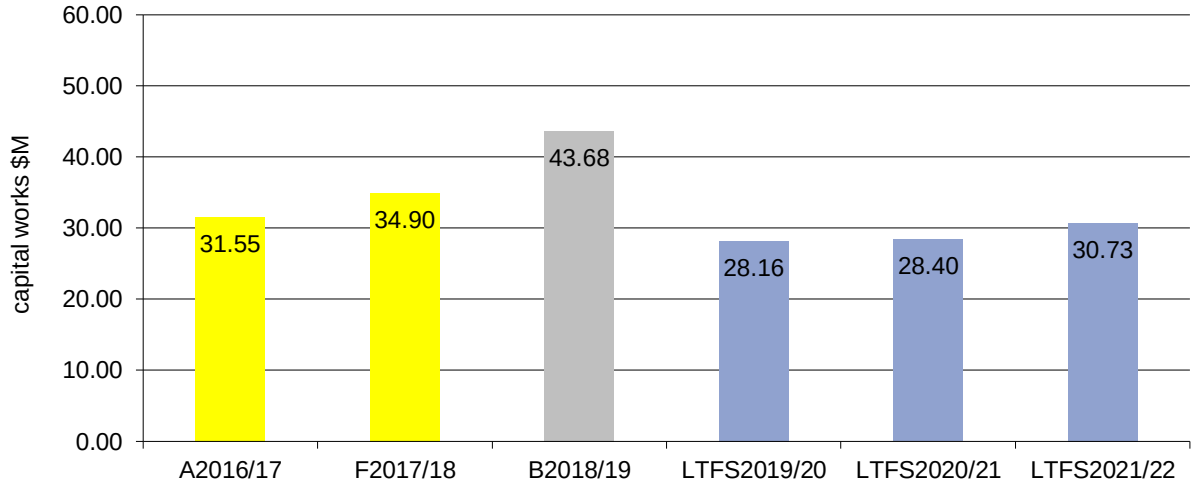
3.3 Cash and investments



Source: Section 5

Cash and investments are expected to decrease by $0.49 million during the year to $35.56 million (Cash and cash equivalents $10.67 million and Financial Assets $24.89 million) as at 30 June 2019. The increase in cash and investments is in line with Council's Long Term Financial Strategy. Cash and investments are forecast to be $36.05 million as at 30 June 2018. Notional provision has been made for potential Defined Benefits Superannuation call should international equity markets fall, as well as provision of a cash backed reserve for new major capital projects as yet undefined.

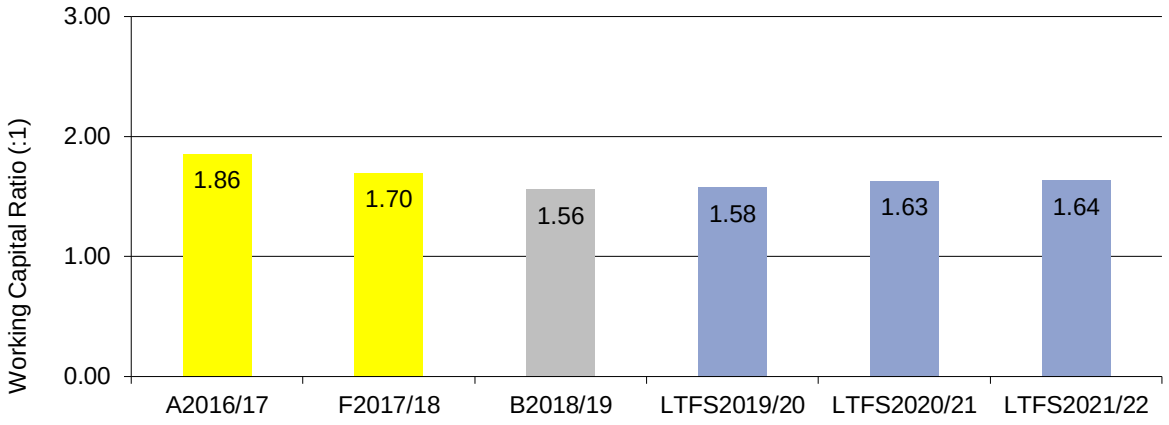
3.4 Capital expenditure



Source: Section 5

The capital works program for the 2018/19 year is expected to be $43.68 million of which $12.945 million will come from external grants, contributions of $0.160 million and $1.267 million will be funded by sale of plant and equipment and the balance $29.31 million internally through general rates and cash holdings. The priorities for the capital expenditure program have been established through a rigorous process of consultation that has enabled Council to assess community needs and develop sound business cases for each project.

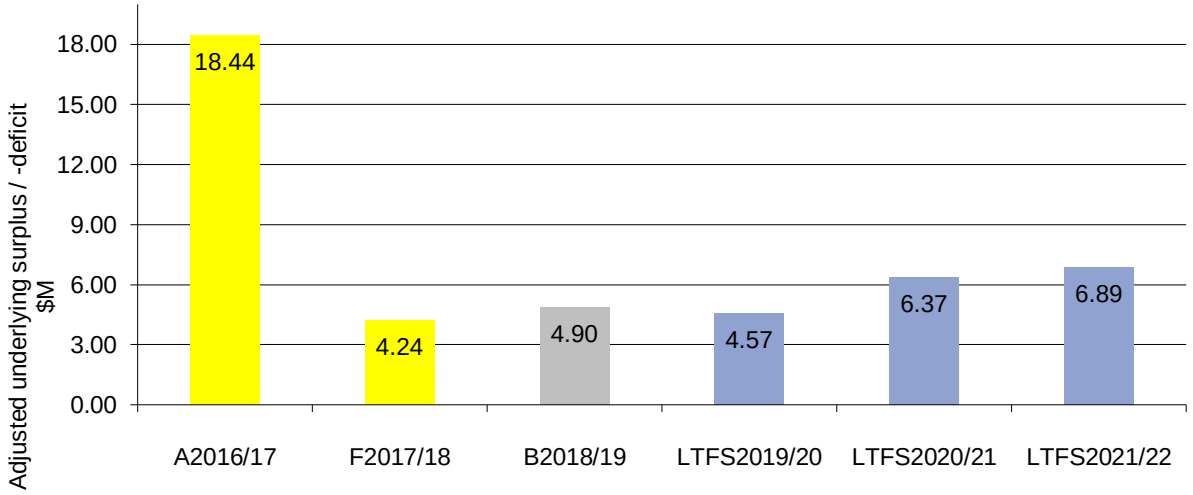
3.5 Financial Position (Working Capital)



Source: Section 5

The working capital ratio calculated as Current Assets divided by Current Liabilities is a key indicator to assess Council's ability to meet current commitments. The expected working capital ratio for 2018/19 is 1.56 which means that Council can meet its short term obligations and has sufficient cash or operating liquidity remaining to meet fluctuating cash levels during the year.

3.6 Financial Sustainability



Source: Section 5

A Long Term Financial Strategy for the years 2018/19 to 2027/28 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the strategy is financial sustainability in the medium to longer term, while still achieving Council's future outcome areas (strategic objectives) as specified in the Council Plan. The adjusted surplus result, which is a measure of financial sustainability, portrays positive outcomes in terms of net surplus comprehensive results for the entire ten-year period outlook (2018/19 to 2027/28). This can be achieved after absorbing the impact of borrowing to cover the building of Aquanation and the graduated increase in the superannuation guarantee by the Federal Government. Notional provision has been made for potential Defined Benefits Superannuation call should international equity markets fall, as well as provision of a cash backed general reserve for new major capital projects as yet undefined.

Further indicators of the long term financial sustainability of Councils are the financial sustainability risk indicators as defined by Victorian Auditor General's Office (VAGO). Council is in a sound position financially with all indicators showing results within acceptable low to medium risk levels. The following table show these indicators over the ten-year period, shading green for low risk and yellow for medium risk.

Indicator	Measures	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Strategic Resource Plan Projections 2019/20 $'000	2020/21 $'000	2021/22 $'000	2022/23 $'000	Long Term Financial Plan 2023/24 $'000	2024/25 $'000	2025/26 $'000	2026/27 $'000	2027/28 $'000
Net Result %	**> 0%**	6.51%	**12.87%**	3.68%	4.83%	5.06%	5.29%	5.50%	5.20%	5.53%	5.67%	5.63%
Liquidity Ratio	**> 1.0%**	1.70	**1.56**	1.58	1.63	1.64	1.68	1.71	1.72	1.75	1.80	1.84
Internal financing %	**> 100%**	90.3%	**140.7%**	100.2%	111.7%	110.7%	113.3%	113.2%	110.6%	112.9%	114.6%	115.9%
Indebtedness %	**≤ 40%**	17.4%	**15.3%**	13.9%	12.2%	10.7%	9.2%	7.8%	6.4%	5.0%	3.6%	2.2%
Capital replacement ratio	**> 1.5%**	1.65	**1.98**	1.23	1.20	1.26	1.23	1.25	1.26	1.24	1.22	1.21
Renewal gap ratio	**> 1.0%**	1.44	**1.24**	1.12	1.12	1.17	1.16	1.17	1.18	1.17	1.15	1.14

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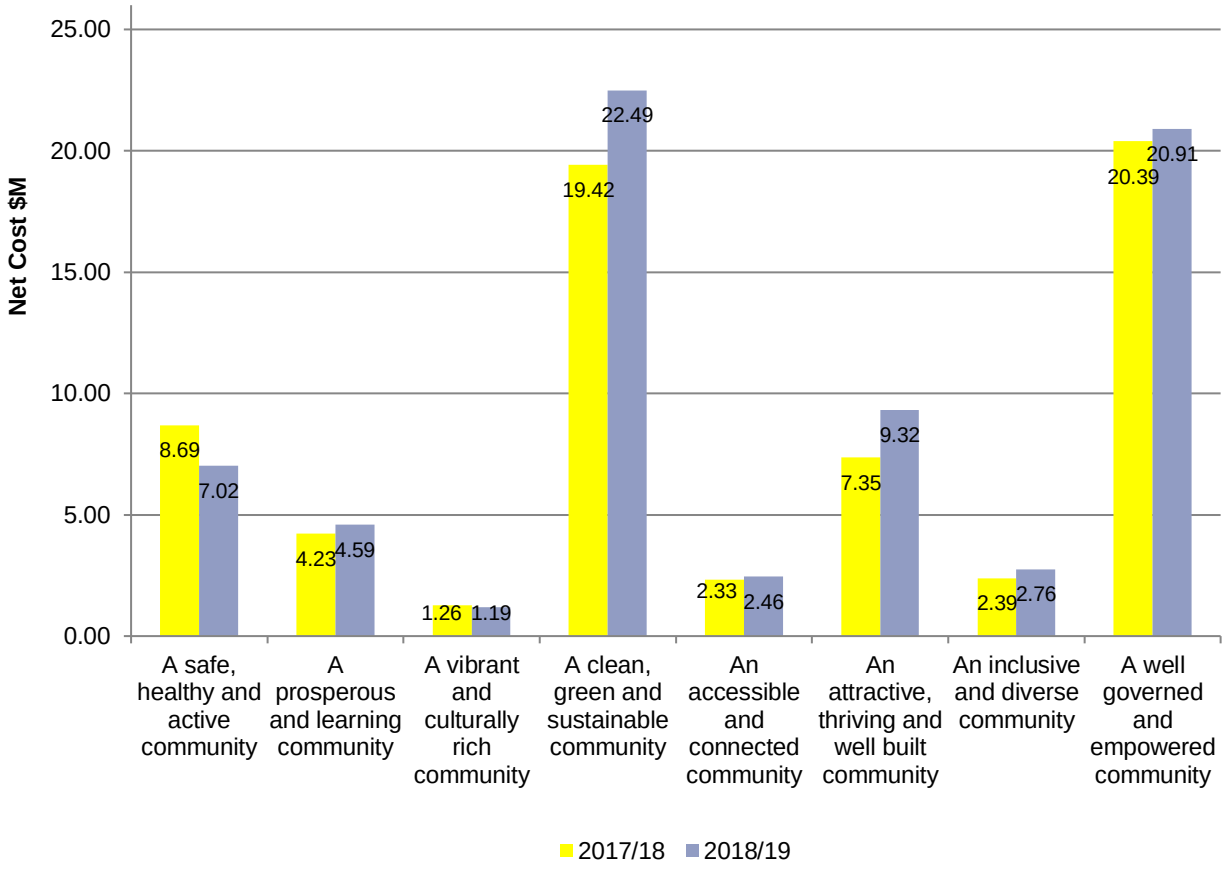
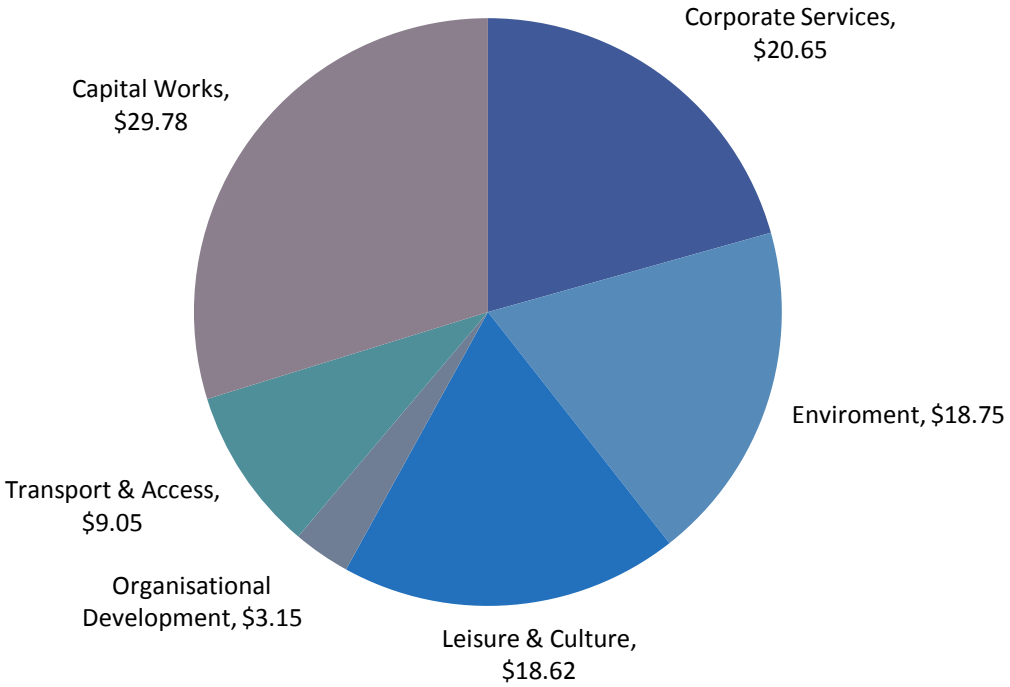
3.7 Strategic objectives



Source: Section 2

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 2018/19 year.

3.8 Council net expenditure allocations per $100.



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service for every $100 that Council spends.

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

4. Budget influences

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

4.1 Budget implications

In framing the 2018/19 Budget Council has not only focussed on its key directions (strategies) and priority actions (major initiatives and initiatives) as contained in the Council Plan but has also accommodated significant external influences on its planned levels of revenue and expenditure. In particular, Council operates in a highly regulated environment and decisions by other levels of government and the private sector can have major impacts locally.

Whilst such influences are outside the control of Council, others arise as a result of decisions taken and policies adopted in response to community priorities, the drive for continuous improvement, innovation and the requirement for ongoing sound financial management. The major influences are listed on the next few pages.

Notwithstanding their effect, Council's Budget will deliver outcomes that:

- Provide for the ongoing maintenance of its wide range of quality services to the community;
- Build on its existing firm financial base to continue its strategy to improve its long term financial viability;
- Strike an appropriate balance between today's and future generations in respect of the funding of its operations and the development and maintenance of its long term assets; and
- Support an organisational and administrative framework that will assist in ensuring the provision of continued good governance.

4.2 External Influences

In preparing the 2018/19 budget, a number of external influences have been taken into consideration, because they will impact significantly on the services delivered by Council in the budget period when compared to the 2017/18 budget. These include:

- The Victorian State Government cap on the average property rate increase for 2018/19 has been set at 2.25% (2017/18 2.0%);

- Consumer Price Index – Melbourne All Groups (CPI) increases on goods and services of 2.2% through the year to the December quarter 2017 (ABS). State-wide CPI is forecast to be 2.25% for the 2018/19 year (Victorian Budget Papers 2017/18);

- The Victorian Wage Price index is projected to be 2.75% in 2018/19 increasing to 3.0% and 3.25% in subsequent two years (Victorian Budget papers 2017/18);

- The 'National Sword Policy' implemented by China's General Administration of Customs on 1 January 2018 aims to improve recovery and reuse of domestic solid waste while restricting the import of contaminated paper, cardboard and plastics. The policy has severely disrupted recycling markets worldwide with significant impacts on Victoria. The policy most directly impacts kerbside recycling services, as recyclables from households are usually on-sold in a mixed form. While most of Victoria's kerbside recyclable material is processed in Victoria or Australia, significant quantities are exported to China for processing; resulting in the new restrictions are having significant impacts on recycling processors.The changes have immediately impacted regional Victoria and this is now being felt by metropolitan councils, as recycling processors seek to reset current contractual arrangements with councils. The local government sector expects to see the withdrawal of rebate payments to Councils which will be replaced by gate fees for recyclable material sorting. With this change, and in order for

this Council to maintain its recycling service, the charge for recycling has been reviewed and adjusted to meet the costs associated with Council continuing its current recycling contract while continuing to be sustainably responsible in the process. The waste service charge incorporating kerbside collection and recycling will increase by 27%;

- An increase of $0.53 million in the Federal Government Funding Assistance Grants funding compared to the prior year;

- 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 Levy Act 2012 which is not included in Council's budget;

- An overall increase of $11.17 million in total capital grants & contributions to be received mainly relating to the HE Parker Multi Sports Complex of $10.75 million and the Roads to Recovery program of $0.47 million is anticipated;

- Utility costs (electricity, gas and water) continue to increase higher than CPI; and

- Public Open Space contributions are forecast to decrease to $2.50 million compared with 2017/18 levels of $3.2 million.

4.3 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 2018/19 budget. These matters and their financial impact when compared to the 2017/18 budget are set out below:

- Depreciation is a major influence on the budget as it appears as a cost against the Comprehensive Income Statement. Depreciation for 2018/19 is $22.05 million. Council must ensure its capital renewal program at minimum keeps pace with this figure to ensure adequate maintenance of Council's $1.57 billion infrastructure;

- The inclusion of 40 Council Plan Priority Actions (Major initiatives and initiatives) that will be undertaken by Council in 2018/19 that will contribute to the achievement of preferred community outcomes outlined in Maroondah 2040: *Our future together*. Some of the initiatives are included below, for a full list of all initiatives refer to Section 2:

    - Design and construct the $2.5 million Jubilee Sporting Pavilion redevelopment (Subject to external funding);

    - Design and construct the $3.0 million HE Parker Sporting Pavilion redevelopment;

    - Complete the design works, undertake operational readiness planning, and construct the $16.5 million HE Parker multi sports complex;

    - Commence construction of the $2.7 million Silcock Sporting Pavilion redevelopment in Croydon;

    - Design and construct the Springfield Sporting Pavilion redevelopment (Subject to external funding); and

    - Investigate and implement additional female changing facilities at local sporting venues.

- As per initiative 40 of the Budget Document, Council intends to update its administrative facilities. Through several negotiations that are being undertaken as well as potential land sale opportunities, Council will look to fund the upgrade of the facilities from the current site at Braeside Avenue to a new location.This initiative is in line with Council's long term 2040 Plan, with the intention of delivering the initiative as a cost neutral project.

4.4 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 prepare their budgets.

The principles included:

- The outcomes of Councils' Long Term Financial Strategy will drive the 2018/19 budget process. The primary direction for the 2018/19 Budget is to ensure Council's continued long term financial sustainability and that the requirements of the State Government in relation to Rate Capping are met;
- Service levels to be maintained at 2017/18 levels with the aim to use fewer resources with an emphasis on innovation, productivity and efficiency enhancements;
- Grants to be based on confirmed funding levels;
- New initiatives or new employee proposals which are not cost neutral to be justified through a business case;
- Existing fees and charges to be increased at a minimum of the Rates & Charges % increase or market levels for unit costs and volume;
- New revenue sources such as partnerships and shared services to be identified where possible;
- Salaries and wages to be increased in line with estimated Enterprise Bargaining outcomes; and
- Operating revenue and expenses arising from completed 2017/18 capital projects to be included.

4.5 Legislative requirements

Under the Local Government Act 1989 (the Act), Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Local Government (Planning and Reporting) Regulations 2014 (the Regulations) which support the Act. Refer appendix B.

The 2018/19 budget is for the year 1 July 2018 to 30 June 2019 and is prepared in accordance with the Act and Regulations. The budget includes Budgeted Financial Statements being a budgeted Comprehensive Income Statement; Balance Sheet; Statement of Changes in Equity; Cash Flows; and Capital Works and a Statement of Human Resources. These statements have been prepared for the year ended 30 June 2019 in accordance with the Act and Regulations. The budget information for the years 2018/19 to 2021/22 have been extracted from the Strategic Resource Plan. It also includes detailed information about the rates and charges to be levied, the capital works program to be undertaken and other financial information, which Council requires to make an informed decision about the adoption of the budget.

5. Financial Statements

This section presents information regarding the Budgeted Financial Statements.The budget information for the years 2018/19 to 2021/22 has been extracted from the Strategic Resource Plan. A Statement of Human Resources is also included for the years 2018/19 to 2021/22.

At the end of each financial year Council is required to report back to the community a comparison of actual financial results against these Budgeted Financial Statements and provide an explanation of significant variances. The Financial Statements together with the Performance Statement provide a clear, concise and understandable report of Council's activities for the year from both a financial and non-financial perspective, particularly for those users who do not have a financial background.

This section includes the following financial statements prepared in accordance with the *Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014*:

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

Comprehensive Income Statement

For the four years ending 30 June 2022

	NOTES	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Strategic Resource Plan Projections 2019/20 $'000	2020/21 $'000	2021/22 $'000
Income						
Rates and charges	6.1.1	84,849	**90,273**	93,246	96,002	98,618
Statutory fees and fines	6.1.2	4,379	**4,508**	4,598	4,887	4,837
User fees	6.1.3	24,293	**26,204**	25,922	27,799	28,897
Grants -operating	6.1.4	12,517	**11,940**	8,770	7,970	8,069
Grants - capital	6.1.4	3,851	**12,945**	362	362	362
Contributions - monetary	6.1.5	4,156	**3,738**	3,654	3,620	3,631
Other income	6.1.6	1,147	**1,081**	1,084	1,265	1,326
Total income		135,192	**150,689**	137,636	141,905	145,740
Expenses						
Employee costs	6.1.7	53,088	**56,085**	56,971	57,433	59,114
Materials and services	6.1.8	50,510	**52,680**	50,855	52,209	53,156
Depreciation and amortisation	6.1.9	21,076	**22,054**	22,905	23,625	24,365
Bad and doubtful debts		7	**11**	11	1	1
Borrowing costs		1,031	**968**	901	832	759
Net (gain)/loss on disposal of property, infrastructure, plant and equipment		93	**93**	93	93	93
Other expenses	6.1.10	793	**798**	806	822	840
Total expenses		126,598	**132,689**	132,542	135,015	138,328
Surplus/(deficit) for the year		8,594	**18,000**	5,094	6,890	7,412
Other comprehensive income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation increment /(decrement)		-	**-**	-	-	-
Total comprehensive result		8,594	**18,000**	5,094	6,890	7,412

Balance Sheet

For the four years ending 30 June 2022

	NOTES	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Strategic Resource Plan Projections 2019/20 $'000	2020/21 $'000	2021/22 $'000
Assets						
Current assets						
Cash and cash equivalents		10,814	**10,669**	10,273	10,861	11,448
Trade and other receivables		7,877	**7,774**	7,818	8,948	9,212
Other financial assets		25,232	**24,895**	23,971	25,342	26,712
Inventories		410	**418**	426	435	443
Other assets		704	**718**	733	747	762
Total current assets	6.2.1	45,037	**44,474**	43,221	46,333	48,577
Non-current assets						
Trade and other receivables		268	**268**	268	268	268
Investments in associates, joint arrangement and subsidiaries		3,029	**3,029**	3,029	3,029	3,029
Property, infrastructure, plant & equipment		1,546,894	**1,566,090**	1,569,956	1,573,312	1,578,225
Intangible assets		933	933	933	933	933
Total non-current assets	6.2.1	1,551,124	**1,570,320**	1,574,186	1,577,542	1,582,455
Total assets		1,596,161	**1,614,794**	1,617,407	1,623,875	1,631,032
Liabilities						
Current liabilities						
Trade and other payables		9,388	**10,593**	8,694	8,869	9,228
Trust funds and deposits		3,432	**3,432**	3,432	3,432	3,432
Provisions		12,381	**13,056**	13,784	14,558	15,382
Interest-bearing liabilities	6.2.2	1,331	**1,399**	1,467	1,541	1,617
Total current liabilities	6.2.3	26,532	**28,480**	27,377	28,400	29,659
Non-current liabilities						
Provisions		1,198	**1,282**	1,371	1,467	1,570
Trust funds and deposits		98	**98**	98	98	98
Interest-bearing liabilities	6.2.2	18,684	**17,285**	15,818	14,277	12,660
Total non-current liabilities	6.2.3	19,980	**18,665**	17,287	15,842	14,328
Total liabilities		46,512	**47,145**	44,664	44,242	43,987
Net assets		1,549,649	**1,567,649**	1,572,743	1,579,633	1,587,045
Equity						
Accumulated surplus		501,937	**517,937**	521,531	527,421	533,833
Reserves		1,047,712	**1,049,712**	1,051,212	1,052,212	1,053,212
Total equity	6.2.5	1,549,649	**1,567,649**	1,572,743	1,579,633	1,587,045

Statement of Changes in Equity

For the four years ending 30 June 2022

	NOTES	Total $'000	Accumulated Surplus $'000	Revaluation Reserve $'000	Other Reserves $'000
2018 Forecast Actual					
Balance at beginning of the financial year		1,541,055	495,343	1,038,712	7,000
Surplus/(deficit) for the year		8,594	8,594	-	-
Transfers to general reserve		-	(2,000)	-	2,000
Balance at end of the financial year		**1,549,649**	**501,937**	**1,038,712**	**9,000**
2019 Budget					
Balance at beginning of the financial year		1,549,649	501,937	1,038,712	9,000
Surplus/(deficit) for the year		18,000	18,000	-	-
Transfers to general reserve	6.3.1	-	(2,000)	-	2,000
Balance at end of the financial year	6.3.2	**1,567,649**	**517,937**	**1,038,712**	**11,000**
2020					
Balance at beginning of the financial year		1,567,649	517,937	1,038,712	11,000
Surplus/(deficit) for the year		5,094	5,094	-	-
Transfers to general reserve		-	(1,500)	-	1,500
Balance at end of the financial year		**1,572,743**	**521,531**	**1,038,712**	**12,500**
2021					
Balance at beginning of the financial year		1,572,743	521,531	1,038,712	12,500
Surplus/(deficit) for the year		6,890	6,890	-	-
Transfers to general reserve		-	(1,000)	-	1,000
Balance at end of the financial year		**1,579,633**	**527,421**	**1,038,712**	**13,500**
2022					
Balance at beginning of the financial year		1,579,633	527,421	1,038,712	13,500
Surplus/(deficit) for the year		7,412	7,412	-	-
Transfers to general reserve		-	(1,000)	-	1,000
Balance at end of the financial year		**1,587,045**	**533,833**	**1,038,712**	**14,500**

Statement of Cash Flows

For the four years ending 30 June 2022

	Notes	Forecast Actual 2017/18 $'000 Inflows (Outflows)	Budget 2018/19 $'000 **Inflows (Outflows)**	Strategic Resource Plan Projections 2019/20 $'000 Inflows (Outflows)	2020/21 $'000 Inflows (Outflows)	2021/22 $'000 Inflows (Outflows)
Cash flows from operating activities						
Rates and charges		84,771	**90,718**	93,171	95,276	98,535
Statutory fees and fines		4,379	**4,508**	4,598	4,887	4,837
User fees		22,807	**26,134**	26,237	27,890	29,228
Grants - operating		12,517	**11,940**	8,770	7,970	8,069
Grants - capital		3,851	**12,945**	362	362	362
Contributions - monetary		4,156	**3,738**	3,654	3,620	3,631
Interest received		848	**808**	800	770	815
Trust funds and deposits taken		1,800	**1,800**	1,800	1,800	1,800
Net GST refund / payment		-	**-**	-	-	-
Employee costs		(52,375)	**(55,326)**	(56,154)	(56,563)	(58,187)
Materials and services		(52,192)	**(51,508)**	(52,789)	(52,058)	(52,821)
Trust funds and deposits repaid		(1,800)	**(1,800)**	(1,800)	(1,800)	(1,800)
Other payments		(793)	**(798)**	(806)	(822)	(840)
Net cash provided by/(used in) operating activities	6.4.1	27,969	**43,159**	27,843	31,332	33,629
Cash flows from investing activities						
Payments for property, infrastructure, plant and equipment		(34,831)	**(43,609)**	(28,159)	(28,401)	(30,730)
Proceeds from sale of property, infrastructure, plant and equipment		1,267	**2,267**	1,295	1,327	1,359
Payments for investments		(53,920)	**(64,663)**	(64,075)	(66,371)	(66,371)
Proceeds from sale of investments		65,000	**65,000**	65,000	65,000	65,000
Net cash provided by/ (used in) investing activities	6.4.2	(22,484)	**(41,005)**	(25,939)	(28,445)	(30,742)
Cash flows from financing activities						
Finance costs		(1,031)	**(968)**	(901)	(832)	(759)
Proceeds from borrowings		-	**-**	-	-	-
Repayment of borrowings		(1,269)	**(1,331)**	(1,399)	(1,467)	(1,541)
Net cash provided by/(used in) financing activities	6.4.3	(2,300)	**(2,299)**	(2,300)	(2,299)	(2,300)
Net increase/(decrease) in cash & cash equivalents		3,185	(145)	(396)	588	587
Cash and cash equivalents at the beginning of the financial year		7,629	**10,814**	10,669	10,273	10,861
Cash and cash equivalents at the end of the financial year	6.4.4 6.4.5	10,814	**10,669**	10,273	10,861	11,448

Statement of Capital Works

For the four years ending 30 June 2022

	NOTES	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Strategic Resource Plan Projections 2019/20 $'000	2020/21 $'000	2021/22 $'000
Property						
Land		-	-	-	-	-
Land improvements		-	-	-	-	-
Total land		-	-	-	-	-
Buildings		11,094	**22,211**	8,475	8,170	8,000
Total buildings		11,094	**22,211**	8,475	8,170	8,000
Total property		11,094	**22,211**	8,475	8,170	8,000
Plant and equipment						
Plant, machinery and equipment		4,338	**3,882**	3,452	3,732	4,332
Fixtures, fittings and furniture		64	**80**	80	80	80
Computers and telecommunications		1,426	**930**	950	970	990
Total plant and equipment		5,827	**4,892**	4,482	4,782	5,402
Infrastructure						
Roads		5,195	**4,325**	3,562	3,682	3,962
Bridges		305	**200**	200	200	210
Footpaths and cycleways		2,083	**3,090**	3,140	3,352	3,619
Drainage		1,767	**3,467**	3,010	3,400	4,012
Recreational, leisure and community facilities		2,849	**3,206**	2,835	2,605	2,760
Waste management		72	**50**	50	50	50
Parks, open space and streetscapes		3,263	**1,060**	1,080	1,170	1,260
Off street car parks		689	**460**	480	460	500
Other infrastructure		1,756	**720**	845	530	955
Total infrastructure		17,979	**16,578**	15,202	15,449	17,328
Total capital works expenditure	6.5.1	34,901	**43,681**	28,159	28,401	30,730
Represented by:						
New asset expenditure		6,504	**16,220**	2,490	2,057	2,229
Asset renewal expenditure		25,078	**22,500**	20,510	20,794	23,527
Asset upgrade expenditure		3,320	**4,961**	5,159	5,550	4,974
Total capital works expenditure	6.5.1	34,901	**43,681**	28,159	28,401	30,730
Funding sources represented by:						
Grants		3,851	**12,945**	362	362	362
Contributions		1,769	**1,427**	1,455	1,487	1,519
Council cash		29,281	**29,309**	26,342	26,552	28,849
Total capital works expenditure	6.5.1	34,901	**43,681**	28,159	28,401	30,730

Statement of Human Resources
For the four years ending 30 June 2022

	Forecast Actual	Budget	Strategic Resource Plan Projections		
	2017/18	2018/19	2019/20	2020/21	2021/22
	$'000	$'000	$'000	$'000	$'000
Staff expenditure					
Employee costs - operating	53,078	**56,085**	56,971	57,433	59,114
Employee costs - capital	990	**978**	1,018	1,038	1,059
Total staff expenditure	54,068	**57,063**	57,989	58,471	60,173
	FTE	**FTE**	FTE	FTE	FTE
Staff numbers					
Employees (FTE*)	565.3	**573.7**	573.7	573.7	573.7
Total staff numbers	565.3	**573.7**	573.7	573.7	573.7

* FTE represents the full-time equivalent number of employees

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

Department	Budget 2018/19 $'000	Comprises Permanent Full Time $'000	Comprises Permanent Part time $'000
Operations, Infrastructure & Leisure	**19,169**	12,652	6,517
Strategy & Community	**10,609**	5,078	5,531
Corporate Services	**9,125**	7,319	1,806
Development & Amenity	**9,288**	7,347	1,942
Executive's Office	**1,394**	1,302	93
Total permanent staff expenditure	**49,586**	33,697	15,889
Casuals, temporary and other expenditure*	**6,499**		
Capitalised labour costs	**978**		
Total expenditure	**57,063**		

*Seasonal employees, other expenditure relates to Overtime, Travel Allowance, Performance Recognition, Training etc.

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

Department	Budget 2018/19	Comprises Permanent Full Time	Comprises Permanent Part time
Operations, Infrastructure & Leisure	**207.4**	136.0	71.4
Strategy & Community	**98.5**	43.7	54.8
Corporate Services	**85.8**	65.1	20.7
Development & Amenity	**85.9**	64.0	21.9
Executive's Office	**10.5**	9.5	1.0
Total permanent staff	**488.1**	318.3	169.8
Casuals, temporary and other	**76.2**		
Capitalised labour	**9.4**		
Total staff	**573.7**		

6. Notes to the financial statements

This section presents detailed information on material components of the financial statements.

6.1 Comprehensive Income Statement

6.1.1 Rates and charges

Rates and charges are required by the Act and the Regulations to be disclosed in Council's annual budget.

In developing the Strategic Resource Plan rates and charges were identified as an important source of revenue, accounting for 65.7% of the total revenue received by Council annually. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The State Government have introduced the *Fair Go Rates System (FGRS)* which sets out the maximum amount councils may increase rates in a year. For 2018/19 the FGRS cap has been set at 2.25%. The cap applies to general rates and is calculated on the basis of council's base average property rate. The formulae provided by the Essential Services Commission (ESC) and agreed by the State Government is:

$$\frac{\text{2017/18 Adopted General Rate Income + 2017/18 Annualised Supplementary Rate Income}}{\text{No. of Assessments 2017/18}}$$

= Base Average Rate x 2.25%
= maximum allowable Capped Average Rate

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 Maroondah community.

In order to achieve the levels set out in the Strategic Resources Plan which maintains services and service levels and a strong capital expenditure program, the average general property rate will increase by 2.25% in line with the rate cap formulae and the waste collection charges will increase by 27.0%. This will raise total rates and charges for 2018/19 of $90.27 million, which includes $0.55 million generated from supplementary rates.

6.1.1(a) The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	%
General rates*	72,520	**74,565**	2,045	**2.8%**
Waste management charge	11,645	**14,773**	3,128	**26.9%**
Special rates and charges	123	**123**	-	**0.0%**
Supplementary rates and rate adjustments	300	**551**	251	**83.7%**
Interest on rates and charges	261	**261**	-	**0.0%**
Total rates and charges	84,849	**90,273**	5,424	**6.4%**

*These items are subject to the rate cap established under the FGRS

6.1.1(b)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	2017/18 cents/$CIV*	2018/19 cents/$CIV*	Change
General Land	0.2253	**0.190534**	**(15.4%)**
Differential Rate:			
Vacant Land	0.3380	**0.285801**	**(15.4%)**
Commercial Land	-	**0.228641**	-
Industrial Land	-	**0.228641**	-
Derelict Land	-	**0.571602**	-

6.1.1(c) 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	2017/18 $'000	2018/19 $'000	Change $'000	%
General Land	71,773,889	**63,294,741**	(8,479,148)	**(11.8%)**
Differential Rate:				
Vacant Land	724,711	**641,995**	(82,716)	**(11.4%)**
Commercial Land	-	**7,091,708**	7,091,708	-
Industrial Land	-	**3,518,257**	3,518,257	-
Derelict Land	-	-	-	-
Amounts in Lieu of Rates:				
Cultural and Recreational Lands Act	21,535	**18,568**	(2,967)	**(13.8%)**
Total amount to be raised by general rates	72,520,135	**74,565,269**	2,045,134	**2.82%**

6.1.1(d) 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	2017/18 Number	2018/19 Number	Change $'000	Change %
General Land	49,103	**45,362**	- 3,741	**(7.6%)**
Differential Rate:				
Vacant Land	286	**237**	- 49	**(17.1%)**
Commercial Land	-	**2,202**	2,202	**-**
Industrial Land	-	**1,967**	1,967	**-**
Derelict Land	-	**-**	-	**-**
Cultural and Recreational Lands Act	3	**3**	-	**0.0%**
Total number of assessments	49,392	**49,771**	379	**0.8%**

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

6.1.1(f) 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	2017/18 $'000	2018/19 $'000	Change $'000	Change %
General Land	31,861,586,291	**33,219,700,000**	1,358,113,709	**4.3%**
Differential Rate:				
Vacant Land	214,411,444	**224,630,000**	10,218,556	**4.8%**
Commercial Land	-	**3,101,681,000**	3,101,681,000	-
Industrial Land	-	**1,538,770,500**	1,538,770,500	-
Derelict Land	-	**0**	-	-
Cultural and Recreational Lands Act	14,710,000	**14,990,000**	280,000	**1.9%**
Total value of land	32,090,707,735	**38,099,771,500**	6,009,063,765	**18.7%**

6.1.1(g) 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 2017/18	Per Rateable Property 2018/19	Change	
	$	$	$	%
Residential 80 Litre Bins	213.00	**270.00**	57.00	**26.8%**
Residential 120 Litre Bins	255.50	**324.00**	68.50	**26.8%**
Second and Subsequent Bins*	272.00	**344.00**	72.00	**26.5%**
Additional Residential 120 Litre Bin*	200.00	**210.00**	10.00	**5.0%**
Additional Residential Garden Organics*	200.00	**210.00**	10.00	**5.0%**
Commercial 240 Litre Service				
One per week #	502.00	**590.00**	88.00	**17.5%**
Three times per week #	1,060.00	**1,280.00**	220.00	**20.8%**
Additional Recycling-Non-Residential #	103.00	**130.00**	27.00	**26.2%**
Commercial & Industrial Garden Organics#*	180.00	**200.00**	20.00	**11.1%**
Industrial 120 Litre Service #	288.00	**310.00**	22.00	**7.6%**
Industrial 80 Litre Service #	243.00	**260.00**	17.00	**7.0%**

#These figures include GST which applies to these services.
* Approval of additional waste service is subject to Council assessment.

6.1.1(h) 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	2017/18	2018/19	Change	
	$	$	$	%
Residential 80 Litre Bins	2,023,500	**2,602,530**	579,030	**28.6%**
Residential 120 Litre Bins	8,801,979	**11,207,544**	2,405,565	**27.3%**
Second and Subsequent Bins*	150,000	**223,600**	73,600	**49.1%**
Additional Residential 120 Litre Bin*	25,000	**26,460**	1,460	**5.8%**
Additional Residential Garden Organics*	25,192	**30,030**	4,838	**19.2%**
Commercial 240 Litre Service				
One per week #	296,180	**348,636**	52,456	**17.7%**
Three times per week #	159,964	**187,345**	27,381	**17.1%**
Additional Recycling-Non-residential #	5,993	**8,982**	2,989	**49.9%**
Commercial & Industrial Garden Organics#*	500	**182**	(318)	**-63.6%**
Industrial 120 Litre Service #	96,611	**102,018**	5,407	**5.6%**
Industrial 80 Litre Service #	5,081	**5,673**	592	**11.7%**
Total	**11,590,000**	**14,743,000**	**3,153,000**	**27.2%**

#These figures exclude GST on Industrial, Commercial and second bin Residential Services.
* Approval of additional waste service is subject to Council assessment.

6.1.1(i) The estimated total amount to be raised by all rates and charges compared with the previous financial year

	2017/18 $'000	2018/19 $'000	Change $'000	%
General rates	72,520,135	**74,565,269**	2,045,134	**2.8%**
Service (Garbage) Charges #	11,590,000	**14,743,000**	3,153,000	**27.2%**
Total Rates and charges	**84,110,135**	**89,308,269**	5,198,134	**6.2%**

#These figures exclude GST on Industrial, Commercial and additional recycling-non-residential Services.

6.1.1(j) Fair Go Rates System Compliance

Maroondah City Council is fully compliant with the State Government's Fair Go Rates System.

		2017/18		2018/19
Total Rates and annualised supplementaries at 1 July	$	71,098,172	**$**	**72,924,468**
Number of rateable properties		49,425		**49,771**
Base Average Rates		1,438.51		**1,465.20**
Maximum Rate Increase (set by the State Government)		2.00%		**2.25%**
Capped Average Rate	$	1,466.85	**$**	**1,498.17**
Maximum General Rates and Municipal Charges Revenue	$	1,467.28	**$**	**1,498.17**
Budgeted General Rates and Municipal Charges Revenue	$	72,520,135	**$**	**74,565,269**

6.1.1(k) Any significant changes that may affect the estimated amounts to be raised by rates and charges

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

- The making of supplementary valuations (2018/19: estimated $0.58 million and 2017/18: $0.36 million)
- The variation of returned levels of value (e.g. valuation appeals)

6.1.1(n) Differential rates

Rates to be levied

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

- A general rate of 0.190534% for all rateable General Land:
- A general rate of 0.228641% for all rateable Commercial Land; and
- A general rate of 0.228641% for all rateable Industrial Land; and
- A general rate of 0.285801% for all rateable Vacant Land; and
- A general rate of 0.571602% for all rateable Derelict Land.

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

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

General Land

Definitions/Characteristics:
Any land which does not have the characteristics of Commercial, Industrial, Vacant or Derelict Land.

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

1. Construction and maintenance of public infrastructure: and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake it's strategic, statutory and service provision obligations.

Types and Classes:
Rateable land having the relevant characteristics described in the definition/characteristics
Use and Level of Differential Rate:
The differential rate will be used to fund some of those items of expenditure described in the Budget adopted by Council. The level of differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:
Wherever located within the municipal district.

Use of Land:
Any use permitted under the relevant Planning Scheme.

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

Types of Buildings:
All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2018-2019 financial Year.

Commercial Land

Definitions/Characteristics:
Commercial Land is any land that does not have the characteristics of General, Industrial, Vacant or Derelict Land and which is used, designed or adapted to be used primarily for the sale of goods or services or other commercial purposes.

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

1. Construction and maintenance of public infrastructure: and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Requirement to ensure that streetscaping and promotional activity is complimentary to the achievement of commercial and industrial objectives.

Types and Classes:
Rateable land having the relevant characteristics described in the definition/characteristics

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

Geographic Location:
Wherever located within the municipal district.

Use of Land:
Any use permitted under the relevant Planning Scheme.

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

Types of Buildings:
All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2018-2019 financial Year.

Industrial Land

Definitions/Characteristics:
Industrial Land is any land that does not have the characteristics of General, Industrial, Vacant or Derelict Land, that is used, designed or adapted to be used primarily for industrial purposes.

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

1. Construction and maintenance of public infrastructure: and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Requirement to ensure that streetscaping and promotional activity is complimentary to the achievement of commercial and industrial objectives.

Types and Classes:
Rateable land having the relevant characteristics described in the definition/characteristics

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

Geographic Location:
Wherever located within the municipal district.

Use of Land:
Any use permitted under the relevant Planning Scheme.

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

Types of Buildings:
All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2018-2019 financial Year.

Vacant Land

Definitions/Characteristics:
Any land on which there is no building which is occupied or adapted for occupation and that is not General, Commercial, Industrial or Derelict Land.

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

1. Construction and maintenance of public infrastructure: and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of development on land.

Types and Classes:
Rateable land having the relevant characteristics described in the definition/characteristics

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

Geographic Location:
Wherever located within the municipal district.

Use of Land:
Any use permitted under the relevant Planning Scheme.

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

Derelict Land

Definitions/Characteristics:

Derelict land is any land in respect of which:

(a) a Notice to Comply has been served on the owner or occupier of the land in respect of any breach of:

(i) clause 31 (Condition of Land);

(ii) clause 32 (Vacant Buildings); or

(iii) clause 34 (Storage, Vehicles and Machinery)

of Council Local Law No. 11; and

(b) the time specified in the Notice to Comply has expired; and

(c) the requirements of the Notice to Comply have not been complied with or otherwise satisfied (either before or after the time specified in the Notice).

Objective:
To ensure that the incidence of dilapidated properties reduce in the municipality and all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure: and
2. Development and provision of health and community services; and
3. Provision of general support services.

Types and Classes:
Rateable land having the relevant characteristics described in the definition/characteristics

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

Geographic Location:
Wherever located within the municipal district.

Use of Land:
Any use permitted under the relevant Planning Scheme.

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

Types of Buildings:
All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2018-2019 financial Year.

6.1.2 Statutory fees and fines

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Infringements and costs	1,192	**1,074**	(118)	(9.9%)
Court recoveries	210	**210**	0	0.1%
Town planning fees	1,318	**1,507**	189	14.4%
Land information certificates	145	**140**	(5)	(3.5%)
Permits	1,468	**1,519**	51	3.4%
Other	46	**57**	12	25.1%
Total statutory fees and fines	4,379	**4,508**	129	2.9%

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, *Public Health and Wellbeing Act 2008* registrations, local laws and parking fines and statutory planning application fees. Increases in statutory fees are made in accordance with legislative requirements.

6.1.3 User fees

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Active Leisure Centres	18,319	**19,838**	1,519	8.3%
Aged and health services	754	**786**	33	4.3%
Child care/children's programs	386	**435**	49	12.7%
Community Facilities - Recreation	374	**394**	20	5.3%
Community Health	17	**13**	(4)	(24.0%)
Local Laws	146	**145**	(1)	(0.7%)
Peforming Arts, Functions & Conferences	2,911	**3,057**	147	5.0%
Youth Programs	15	**2**	(13)	(87.1%)
Other fees and charges	1,372	**1,534**	162	11.8%
Total user fees	24,293	**26,204**	1,910	7.9%

User fees relate mainly to the recovery of service delivery costs through the charging of fees to users of Council's services. These include use of Maroondah Leisure facilities: Aquahub; Aquanation; Croydon Memorial Pool; The Rings; and the Ringwood and Croydon Golf courses, Karralyka Centre and other community facilities. In addition, the provision of services such as home care, meals on wheels, family day care, occasional care and holiday programs are included in user fees.

User fees are projected to increase by 7.9% or $1.91 million over 2017/18. The main areas contributing to the increase are Aquanation ($0.827 million) and Aquahub ($0.282 million). Council plans to increase user charges for all areas in line with expected inflationary trends and increase service use over the budget period to maintain parity between user charges and the costs of service delivery.

6.1.4 Grants

	Forecast Actual 2017/2018	Budget 2018/2019	Change	
	$'000	$'000	$'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	10,946	**21,720**	10,774	98.4%
State funded grants	5,422	**3,165**	(2,257)	(41.6%)
Total grants received	**16,368**	**24,885**	**8,517**	**52.0%**

6.1.4.1 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 has decreased by 4.6% or $0.58 million compared to 2017/18. Significant movements in grant funding are summarised below:

Operating Grants	Forecast Actual 2017/2018	Budget 2018/2019	Change	
	$'000	$'000	$'000	%
Recurrent - Commonwealth Government				
Aged and Disability Services	3,065	**3,065**	(0)	(0.0%)
Children's Services	342	**309**	(32)	(9.5%)
Community Health Immunisation	63	**91**	28	44.4%
Meals on Wheels	171	**171**	0	0.0%
Financial Assistance Grants	5,050	**5,139**	89	1.8%
Recurrent - State Government				
Aged and Disability Services	2,078	**1,915**	(163)	(7.8%)
Maternal Child Health	985	**985**	0	0.0%
Youth Services Programs	47	**24**	(23)	(48.4%)
Meals on Wheels	18	**18**	(0)	(0.5%)
Other	13	**0**	(13)	(100.0%)
Total recurrent grants	11,831	**11,717**	(114)	(1.0%)
Non-recurrent - Commonwealth Government				
Children's Services	1	**0**	(1)	(100.0%)
Non-recurrent - State Government				
EAGA	300	**165**	(135)	(45.1%)
Waste	175	**0**	(175)	(100.0%)
Youth Services Programs	38	**38**	(0)	(0.0%)
Other Grants	173	**21**	(152)	(87.8%)
Total non-recurrent grants	686	**224**	(463)	(67.4%)
Total Operating Grants	12,517	**11,940**	(577)	(4.6%)

6.1.4.2 Grants - capital

Capital grants (recurrent and non-recurrent) 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 has increased by 236% or $9.094 million compared to 2017/18 as specific funding to be received in 2018/19 for a large capital works projects; the HE Parker Multi Sports Complex $11.75 million. Section 4.5 "Capital works program" includes a more detailed analysis of the grants and contributions expected to be received during the 2018/19 year. Significant movements in capital grant funding are summarised below:

Capital Grants	Forecast Actual 2017/2018 $'000	Budget 2018/2019 $'000	Change $'000	Change %
Recurrent - Commonwealth Government				
Roads to Recovery	724	**1,195**	471	65.0%
Recurrent - State Government				
Total recurrent grants	724	**1,195**	471	65.0%
Non-recurrent - Commonwealth Government				
East Ringwood Pavilion	500	**0**	(500)	(100.0%)
CCTV East Ringwood, Croydon & RMAC	530	**0**	(530)	(100.0%)
HE Parker Multisports Complex	500	**11,750**	11,250	2250.0%
Non-recurrent - State Government				
East Ringwood Pavilion	250	**0**	(250)	(100.0%)
HE Parker Multisports Complex	750	**0**	(750)	(100.0%)
Pedestrian Safety Improvements	512	**0**	(512)	(100.0%)
Other	85	**0**	(85)	(100.0%)
Total non-recurrent grants	3,127	**11,750**	8,623	275.8%
Total Capital Grants	**3,851**	**12,945**	**9,094**	**236.1%**

6.1.5 Contributions

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Contributions - Monetary	3,654	**3,578**	(76)	(2.1%)
Contributions - Monetary (Capital)	502	**160**	(342)	(68.1%)
Total contributions	4,156	**3,738**	(418)	(10.1%)

Capital Contributions are projected to decrease by $0.342 million or 68.1% compared to 2017/18 due mainly to once off contributions for large Capital projects in 2017/18 (East Ringwood Pavilion $0.20 million and Mullum Reserve Pavilion $0.06).

6.1.6 Other income

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Interest on investments	840	**800**	(40)	(4.8%)
Interest on other	8	**8**	(1)	(6.3%)
Rent	299	**273**	(26)	(8.8%)
Total other income	1,147	**1,081**	(67)	(5.8%)

Other income is projected to decrease by $0.67million or 5.8 compared to 2017/18 mainly due a decrease in rent to be received for the Croydon Civic Offices $0.03 million.

6.1.7 Employee costs

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Wages and salaries	45,738	**48,527**	2,789	6.1%
WorkCover	578	**589**	12	2.0%
Casual staff	1,970	**2,049**	79	4.0%
Superannuation	4,319	**4,448**	130	3.0%
Fringe benefits tax	483	**471**	(13)	(3.0%)
Total employee costs	53,088	**56,085**	2,997	5.6%

Employee costs include all labour related expenditure such as salaries and on-costs (employer superannuation, long service leave and workcover), allowances, overtime and annual leave loading etc.

Employee costs are forecast to increase by 5.6% or $2.99 million compared to 2017/18. This increase relates mainly to a number of factors. Employee costs are aligned with the anticipated Enterprise Bargaining Agreement (EBA) outcomes for 2018/19, together with projected movement of employees within employment bands.

6.1.8 Materials and services

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Agency Staff	850	**528**	(322)	(37.8%)
Apprentices	294	**318**	24	8.3%
Bank Charges	333	**388**	55	16.6%
Cleaning	808	**871**	64	7.9%
Communications, Postage & Advertising	1,343	**1,377**	34	2.6%
Consultants	953	**606**	(347)	(36.4%)
Cost of Goods Sold	865	**977**	112	12.9%
Fire Services Levy	110	**112**	2	1.8%
Food costs - Meals on Wheels	300	**276**	(24)	(7.9%)
Fuels, Oil, Registrations & Running Costs - Plant & Fleet	1,180	**1,172**	(8)	(0.7%)
Grants to Community	466	**470**	4	0.9%
Insurance	824	**922**	98	11.9%
Legal Fees	690	**595**	(95)	(13.8%)
Library Contribution	2,557	**2,596**	38	1.5%
Licence Fees	195	**267**	72	37.0%
Maintenance	3,135	**3,144**	9	0.3%
Marketing and Promotion	253	**242**	(11)	(4.3%)
Materials - Depot & Golf Courses	1,256	**1,242**	(13)	(1.1%)
Memberships/Subscriptions	151	**203**	52	34.8%
Printing and stationary	251	**248**	(2)	(0.8%)
Security	308	**294**	(14)	(4.6%)
Training	494	**489**	(5)	(1.0%)
Uniforms	90	**98**	8	8.8%
Utilities	3,834	**4,574**	739	19.3%
Other	5,100	**4,435**	(665)	(13.0%)
Contract payments - Home Care	3,215	**3,720**	505	15.7%
Contract payments - Waste	11,246	**13,163**	1,917	17.0%
Contract payments - Operations	6,206	**6,183**	(23)	(0.4%)
Contract payments - Valuations	203	**240**	37	18.2%
Contract payments - Election	62	**0**	(62)	(100.0%)
Contractors - Other	2,938	**2,928**	(10)	(0.3%)
Total materials and services	50,510	**52,680**	2,170	4.3%

Materials and services are forecast to increase by 4.3% or $2.2 million compared to 2017/18. Materials and services include the purchases of consumables, payments to contractors for the provision of services, utility costs, annual contribution for the provision of library services to the Eastern Regional Libraries (this has increased 1.5% for the 2018/19 year), contributions to community groups, software maintenance, insurances, advertising, motor vehicle running costs, fuel and registrations and other miscellaneous expenditure items. Utility costs relating to water, gas and electricity and are forecast to increase by 19.3% or $0.74 million compared to 2017/18 resulting from increased prices from suppliers.
Contract payments are included as part of materials and services and are for the provision of services which have been tendered under section 186 of the Local Government Act including

external contracts for services such as waste collection, home care, road maintenance, street tree pruning etc. and are forecast to increase by 9.9% or $2.36 million compared to 2017/18. The increase in contractors is mainly due to tendered costs associated with Home Care and Waste Management.

6.1.9 Depreciation and amortisation

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Property	6,745	**7,205**	460	6.8%
Plant & equipment	2,393	**2,680**	287	12.0%
Infrastructure	11,938	**12,169**	231	1.9%
Total depreciation and amortisation	21,076	**22,054**	978	4.6%

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. The increase of 4.6% or $0.98 million for 2018/19 is due mainly the full year effect of depreciation on the 2017/18 capital works program. Refer to section 6.5 'Capital works program' for a more detailed analysis of Council's capital works program for the 2018/19 year.

6.1.10 Other expenses

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	Change %
Auditor's remuneration - VAGO - audit of the financial statements, performance statement and grant acquitals	64	**64**	-	0.0%
Auditor's remuneration - internal	157	**157**	-	0.0%
Councillors' allowances	305	**311**	6	2.0%
Operating lease rentals	267	**265**	(2)	(0.6%)
Total other expenses	793	**798**	4	0.6%

6.2 Balance Sheet

This section analyses the movements in assets, liabilities and equity between 2017/18 and 2018/19. It also considers a number of key performance indicators.

6.2.1 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 by $0.15 million during the year in line with the rise and fall of Council's operations.

Trade and other receivables are monies owed to Council by ratepayers and others. Minimal change is expected in the level of debtors in the budget.

Other financial assets include the value of investments held in deposits with a maturity of greater than three months at the time of initial investment. These balances are projected to decrease by $0.38 million during the year in line with the rise and fall of Council's operations.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery and inventories or stocks held for sale or consumption in Council's services. Minimal change is expected in the budget.

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. The net increase in this balance is attributable to the net result of the capital works program ($43.68 million of new assets); depreciation of assets ($22.1 million); and the sale of property, plant and equipment ($1.3 million).

6.2.2 Interest-bearing liabilites

Interest-bearing liabilities are loans or borrowings of Council. Council borrowed $24.2 million in 2014/15 and repayment of loan principal of $1.33 million will be made during the year.

In 2014/15 Council constructed a new regional aquatic and leisure centre in Ringwood known as Aquanation. The facility was opened in August 2015, with borrowings to fund a portion of this project. The total cost was $52.2 million, and has been funded by Federal and State Government grants to a total of $13.0 million. The remaining funding came from a combination of loan borrowings by Council ($24.2 million), budgeted capital expenditure, public open space contributions and cash reserves.

Council market tendered for the provision of the loan in August 2014 and the loan was drawdown in November 2014 with repayment of principal and interest over 15 years and at a fixed rate for the term of the loan of 4.91% interest per annum. The budget for 2018/19 provides for repayment of loan principal and interest per the agreed schedule.

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

	2017/18 $	2018/19 $
Amount borrowed as at 30 June of the prior year	21,284	**20,015**
Amount proposed to be borrowed	-	**-**
Amount projected to be redeemed	(1,269)	**(1,331)**
Amount of borrowings as at 30 June	20,015	**18,684**

6.2.3 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 increase which is consistent with 2018/19 increased levels of expenditure on materials and services relating to capital projects.

Provisions include accrued long service leave, annual leave and time in lieu to employees. These employee entitlements are only expected to increase marginally in line with EBA outcomes.

6.2.4 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.

The expected working capital ratio for 2018/19 is 1.56:1 which means that Council can meet its short term obligations and has sufficient cash or operating liquidity remaining to meet fluctuating cash levels during the year.

6.3 Statement of changes in Equity

6.3.1 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.
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time. The increase in accumulated surplus of $16.0 million results directly from the surplus for the year.
- Council has introduced a cash backed general reserve to fund future capital projects and unexpected contingencies such as a call on unfunded Superannuation. The reserve will increase by $2.0 million in 2018/19.

6.4 Statement of Cash Flows

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2018/19 year. Budgeting cash flows for Council is one of the key factors in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained.

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 the repayments of borrowings. These activities also include repayment of the principal component of loan repayments for the year.

6.4.1 Net cash flows provided by/(used in) operating activities

The increase in cash inflows from operating activities of $15.19 million is due mainly to the nature of capital grants received in 2017/18 which are primarily one off in nature and the 2018/19 capital grant of $11.75 million for the HE Parker multi sports complex. A $5.9 million increase in rates and charges, $3.3 million increase in user fees, and a $2.9 million increase in employee costs.

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 2017/18 $'000	Budget 2018/19 $'000	Variance $'000
Surplus (deficit) for the year	**8,594**	**18,000**	9,406
Depreciation	21,076	**22,054**	978
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	93	**93**	0
Finance costs	(1,031)	**(968)**	63
Net movement in current assets and liabilities	(763)	**3,980**	4,743
Cash flows available from operating activities	**27,969**	**43,159**	**15,190**

6.4.2 Net cash flows provided by/(used in) investing activities

The increase in payments for investing activities represents an increase in capital works expenditure between 2017/18 and 2018/19 as Council used its own cash reserves during this period.

6.4.3 Net cash flows provided by/(used in) financing activities

The payments for investing activities represents repayment of borrowings both principal and interest for the loan for Aquanation (refer 6.2.3).

6.4.4 Cash and cash equivalents at end of the year

Overall, total cash and investments are forecast to decrease by $0.15million to $10.67 million as at 30 June 2019. Council is using some of its cash holdings to fund capital expenditure in 2018/19 which is within acceptable sector practice. This is consistent with Council's Long Term Financial Strategy.

6.4.5 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 balance sheet indicates that Council is estimating at 30 June 2019 it will have cash and investments of $35.56 million, which are partly restricted as shown in the following table.

	Ref	Forecast Actual 2018 $'000	Budget 2019 $'000	Variance $'000
Total cash and investments including financial assets		**36,046**	**35,564**	**(482)**
Restricted cash and investments	4.4.5.1			
- Trust funds and deposits		(3,529)	**(3,529)**	0
- Unexpended grants and contributions		(2,500)	**(2,500)**	0
- Unexpended specific purpose investments other		(10,046)	**(3,744)**	6,302
- Cash backed reserve		(9,000)	**(11,000)**	(2,000)
Unrestricted cash and investments	4.4.5.2	**10,971**	**14,791**	**3,820**

6.4.5.1 Restricted cash and investments

Council has cash and cash equivalents that are subject to restrictions, Council has restrictions in relation to unexpended specific purpose investments other which relate mainly to monies received by Council for Public Open Space and Waste, trust funds and deposits, unexpended grants and contributions and cash backed reserves.

6.4.5.2 Unrestricted cash and investments

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.

6.5 Capital works program

6.5.1 Summary

This section presents a listing of the capital works projects that will be undertaken for the 2018/19 year, classified by expenditure type and funding source.

	Forecast Actual 2017/18 $'000	Budget 2018/19 $'000	Change $'000	%
Property	11,094	**22,211**	11,117	**100.2%**
Plant and equipment	5,827	**4,892**	- 935	**(16.1%)**
Infrastructure	17,979	**16,578**	- 1,401	**(7.8%)**
Total	34,901	**43,681**	8,780	**25.2%**

	Project Cost	Asset expenditure types				Summary of Funding Sources			
		New	Renewal	Upgrade	Expansion	Grants	Contrib.	Council cash	Borrowings
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Property	**22,211**	14,750	6,146	1,315	-	11,750	160	10,301	-
Plant and equipment	**4,892**	465	4,347	80	-	-	1,267	3,625	-
Infrastructure	**16,578**	1,005	12,007	3,566	-	1,195	-	15,383	-
Total	**43,681**	16,220	22,500	4,961	-	12,945	1,427	29,309	-

This following section presents the four-year capital expenditure program for the period 2018/19 to 2021/22. Council has already made prior budget commitments to a number of projects to ensure timely completion consistent with expectations.

The capital projects are grouped by class and include detail of both Council and Other contributions to individual projects. Further detail is also provided on asset renewal, new assets, asset upgrade and asset expansion projects.

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22										
	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
BUILDINGS										
BUILDINGS										
Capital improvements to Council facilities managed by others	60	60			30	30		60	70	70
Capital improvements to sporting facilities and community groups on Council land managed by others.	320	160		160	160	160		320	350	350
Community facilities - Access & inclusion	200	200			160	40		200	220	220
HE Parker Multi Sports Complex	14,750	3,000	11,750				14,750			
Proclamation Park Pavilion Redevelopment								695	905	
Public Toilet improvement program	250	250			250			250	270	280
Community Facilities-Heating, Ventilation and Air Conditioning and Building Management System	550	550			550			270	270	550
Replacement of existing community buildings	1,101	1,101			881	220		850	945	1,970
Carbon Neutral-Energy Revolving Fund	250	250				250		350	400	450
Project Management	160	160			80	80		170	170	180
Design Fees	60	60				60		60	70	80
Leisure Facilities-Plant Replacement	200	200			200			200	250	250
Former Education Department land upgrade improvements from Public Open Space	0	0						1,000	500	500
Non Programmed Emergency Renewal	520	520			520			300	300	600
Civic Offices Upgrade								1,250	1,250	
Community Facilities Building Renewal from Condition Audit	3,140	3,140			2,990	150		2,000	1,700	1,850
Buildings Occupational Health & Safety and Regulatory works	650	650			325	325		500	500	650
TOTAL BUIDINGS	**22,211**	**10,301**	**11,750**	**160**	**6,146**	**1,315**	**14,750**	**8,475**	**8,170**	**8,000**
TOTAL BUILDINGS	**22,211**	**10,301**	**11,750**	**160**	**6,146**	**1,315**	**14,750**	**8,475**	**8,170**	**8,000**

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22

	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
ROADS AND DRAINAGE										
ROADS										
Roads to recovery funding of local road improvements by the Federal Government	1,195		1,195		956	239		362	362	362
Ford Street Ringwood road reconstruction	400	400			400					
Road Reconstruction								400	450	500
Local Area Traffic Management	200	200			100	100		200	220	230
Local Area Traffic Management-Renewal	70	70			70			80	80	90
Traffic lights and Pedestrian crossings	70	70			70			70	80	80
Road Reseal Works	1,730	1,730			1,730			1,780	1,810	2,000
Kerb & channel replacement works	660	660			660			670	680	700
TOTAL ROADS	**4,325**	**3,130**	**1,195**	**0**	**3,986**	**339**	**0**	**3,562**	**3,682**	**3,962**
FOOTPATHS AND CYCLEWAYS										
Bicycle path upgrade - To upgrade and extend pathway system in accordance with AusRoads Guidelines	75	75				75		100	150	200
Taralla Creek Trail Improvement Works (Public Open Space)	100	100			100			100	100	100
Bike path overlays/reseals	330	330			330			340	360	400
Footpath replacement works	1,500	1,500			1,500			1,500	1,600	1,650
Footpath construction Program	785	785					785	790	832	949
Disability Footpath Access	300	300			240	60		310	310	320
TOTAL FOOTPATHS AND CYCLEWAYS	**3,090**	**3,090**	**0**	**0**	**2,170**	**135**	**785**	**3,140**	**3,352**	**3,619**
CARPARKS										
Seal Carparks	200	200				200		210	200	220
Car park resealing	260	260			260			270	260	280
TOTAL CARPARKS	**460**	**460**	**0**	**0**	**260**	**200**	**0**	**480**	**460**	**500**

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22										
	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
ROADS AND DRAINAGE Continuation…										
DRAINAGE										
North west drainage scheme projects	500	500				500		0	0	0
Ringwood Metropolitan Activities Centre - Drainage Infrastructure	700	700			700			700	700	700
Retarding basins reinstatement works	125	125			125			125	130	140
Stormwater drainage infrastructure renewal	2,142	2,142			1,714	428		2,185	2,570	3,172
TOTAL DRAINAGE	**3,467**	**3,467**	**0**	**0**	**2,539**	**928**	**0**	**3,010**	**3,400**	**4,012**
WASTE MANAGEMENT										
Waste vehicles turning points	50	50				50		50	50	50
TOTAL WASTE MANAGEMENT	**50**	**50**	**0**	**0**	**0**	**50**	**0**	**50**	**50**	**50**
OTHER										
Commercial Centres - Upgrade program	0	0			0	0		290	110	500
Ringwood Metropolitan Activity Centre	200	200				200		200	200	200
Bus Shelters	20	20					20	30	20	30
Carbon Neutral-Greenpower	75	75				75		75	75	75
Sustainable Maroondah Fund	50	50					50	50	50	60
Street furniture renewal program	75	75			75			100	75	90
Street lighting Improvements-Energy Efficiency	300	300			300			100	0	0
TOTAL OTHER	**720**	**720**	**0**	**0**	**375**	**275**	**70**	**845**	**530**	**955**
TOTAL ROADS AND DRAINAGE	**12,112**	**10,917**	**1,195**	**0**	**9,330**	**1,927**	**855**	**11,087**	**11,474**	**13,098**

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22

	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
RECREATIONAL IMPROVEMENTS										
RECREATIONAL, LEISURE AND COMMUNITY FACILITIES										
Sports fields surface renovation program (18/19 Mullum Mullum Oval 2)	800	800			800			800	850	900
Quambee Reserve Surface Renovation	800	800				800				
Renewal Sports field Lighting	210	210			168	42		210	220	250
Oval irrigation system replacement program	67	67			67			70	80	80
Golf Courses - Pathways	320	320				320		330	350	380
Golf Courses-Tee Renewal	66	66			66			70	75	80
Golf Courses- Fairway drainage improvements	80	80			64	16		80	85	90
Golf Courses-renewal of major irrigation components	95	95			76	19		95	100	100
Golf courses - Renew fairways	40	40			40			50	50	60
Dorset Golf -Compliance with EPA requirements	200	200				200		180	180	180
Golf Courses-Perimeter Fencing	50	50			50			50	50	50
Golf courses -renew bunkers	48	48			48			50	55	55
Ringwood Golf-Renew Eastlink Fence								420	0	0
Sports Ovals - goal post replacement (ongoing)	50	50			50			50	60	70
Sports Oval Fence replacement (ongoing)	60	60			60			60	70	75
Sports infrastructure renewal-cricket nets, coaches boxes and scoreboards	120	120			120			120	130	140
Netball and Tennis courts surfacing including court surfaces, lines, nets and fencing	200	200			200			200	250	250
TOTAL RECREATIONAL, LEISURE AND COMMUNITY FACILITIES	**3,206**	**3,206**	**0**	**0**	**1,809**	**1,397**	**0**	**2,835**	**2,605**	**2,760**

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22										
	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
RECREATIONAL IMPROVEMENTS Continuation…										
PARKS AND OPEN SPACE										
Reserves - Playgrounds renewal	590	590			531	59		600	650	700
Park development program	55	55				20	35	60	70	75
Reserves Signage Program	25	25				25		25	30	35
Reserves footpath lighting (ongoing program)	35	35					35	35	40	50
Ongoing program of providing new and upgraded paths in new and existing parkland	45	45				25	20	50	50	60
Park inventory & signage replacement program (continuing program)	170	170			138	22	10	170	180	190
Reserve Bridge Replacement Works	200	200			200			200	200	210
Signage	50	50					50	50	50	50
Ringwood Lake Management Plan Implementation	90	90				90		90	100	100
TOTAL PARKS AND OPEN SPACE	**1,260**	**1,260**	**0**	**0**	**869**	**241**	**150**	**1,280**	**1,370**	**1,470**
TOTAL RECREATIONAL IMPROVEMENTS	**4,466**	**4,466**	**0**	**0**	**2,678**	**1,638**	**150**	**4,115**	**3,975**	**4,230**

CAPITAL EXPENDITURE PROGRAM 2018/19 TO 2021/22										
	Budget 2018/19							Budget 2019/20	Budget 2020/21	Budget 2021/22
	Total Expenditure	Council Cash	Grants	Others Contrib'n	Asset Renewal	Upgrade	New Work	Total Expenditure	Total Expenditure	Total Expenditure
	$000	$000	$000	$000	$000	$000	$000	$000	$000	$000
PLANT AND EQUIPMENT										
FIXTURES, FITTINGS AND FURNITURE										
Furniture and Equipment	30	30				15	15	30	30	30
Art in Public Places	50	50					50	50	50	50
TOTAL FIXTURES, FITTINGS AND FURNITURE	**80**	**80**	**0**	**0**	**0**	**15**	**65**	**80**	**80**	**80**
PLANT, MACHINERY AND EQUIPMENT										
Karralyka & Federation Estate-Renew equipment	80	80			40	40		80	80	80
REALM-Renew equipment	50	50			25	25		70	100	100
Plant & Fleet	3,252	1,985		1,267	3,252			2,802	2,802	3,402
Leisure Facilities-Equipment Replacement	500	500			500			500	750	750
TOTAL PLANT, MACHINERY AND EQUIPMENT	**3,882**	**2,615**	**0**	**1,267**	**3,817**	**65**	**0**	**3,452**	**3,732**	**4,332**
COMPUTERS AND TELECOMMUNICATIONS										
Information Technology	930	930			530		400	950	970	990
TOTAL COMPUTERS AND TELECOMMNUNICATIONS	**930**	**930**	**0**	**0**	**530**	**0**	**400**	**950**	**970**	**990**
TOTAL PLANT AND EQUIPMENT	**4,892**	**3,625**	**0**	**1,267**	**4,347**	**80**	**465**	**4,482**	**4,782**	**5,402**
TOTAL CAPITAL EXPENDITURE	**43,681**	**29,309**	**12,945**	**1,427**	**22,500**	**4,961**	**16,220**	**28,159**	**28,401**	**30,730**

7. 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 Council's future outcomes and priority actions.

Indicator	Measure	Notes	Actual 2016/17	Forecast Actual 2017/18	Budget 2018/19	Strategic Resource Plan Projections 2019/20	2020/21	2021/2022	Trend +/o/-
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	8.10%	3.15%	3.25%	3.32%	4.49%	4.73%	+
Liquidity									
Working Capital	Current assets / current liabilities	2	185.64%	169.74%	156.16%	157.88%	163.15%	163.79%	+
Unrestricted cash	Unrestricted cash / current liabilities		(14.7%)	27.46%	25.07%	24.64%	25.82%	26.70%	+
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	3	25.86%	23.59%	20.70%	18.54%	16.48%	14.48%	+
Loans and borrowings	Interest and principal repayments / rate revenue		2.79%	2.71%	2.55%	2.47%	2.40%	2.33%	+
Indebtedness	Non-current liabilities / own source revenue		19.07%	23.14%	23.33%	21.93%	21.85%	22.19%	+
Asset renewal	Asset renewal expenditure / depreciation	4	100.29%	134.74%	124.52%	112.07%	111.51%	116.98%	o

Stability									
Rates concentration	Rate revenue / adjusted underlying revenue	5	62.82%	63.08%	60.00%	67.75%	67.65%	67.67%	**o**
Rates effort	Rate revenue / property values (CIV)		0.26%	0.26%	0.24%	0.23%	0.23%	0.23%	**o**
Efficiency									
Expenditure level	Total expenditure / no. of assessments		$2,457	$2,561	$2,664	$2,633	$2,654	$2,690	**o**
Revenue level	Residential rate revenue / No. of residential assessments		$1,384	$1,622	$1,713	$1,751	$1,783	$1,812	**+**
Workforce turnover	No. of resignations & terminations / average no. of staff		5.83%	6.15%	6.15%	6.15%	6.15%	6.15%	**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. There is an improvement in financial performance expected over the period.

2 Working capital – The proportion of current liabilities represented by current assets. Working capital is forecast to decrease from 2017/18 to 2018/19. This trend is forecast to remain stable in later years with the ratio at a very healthy level.

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

4 Asset renewal - This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets.

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

Appendices

The contents of the appendices following are summarised below:

Appendix	Nature of information	Page
A	Budget process	73
B	Statutory disclosures	74

Appendix A - Budget Process

The preparation of the budget begins with Council's employees preparing the annual budget in accordance with the Local Government Act 1989 (the Act) and Local Government (Planning and Reporting) Regulations 2014 (the Regulations) and submitting the "proposed" budget to Council for approval "in principle". Council is then required to give "public notice" that it intends to "adopt" the budget. It must give a minimum 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices. A person is able to make a submission on any proposal contained in the budget and Council must consider any submission before adoption of the budget.

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 2018/19 budget is for the year 1 July 2018 to 30 June 2019 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 and Statement of Human Resources. These statements have been prepared for the year ending 30 June 2019 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 April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

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 Commission will endeavour to notify councils of its decision in respect of an application within two months of receipt of application. 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. A copy of the budget is required to be submitted to the Minister within 28 days after adoption.

This 2018/19 Budget has been prepared in compliance with the Act and the Regulations that set out the required preparation process. Council is not seeking a rate increase above the maximum allowable by the ESC.

Community Consultation

Section 129 of the Act provides that Council follows a public consultation process prior to formal Budget adoption. This commences with a public notice by Council announcing the preparation of the Proposed Budget. Copies of the Budget are made available on Council's website www.maroondah.vic.gov.au and for inspection at Council's service centres and libraries and the public may obtain further information on the Budget content from Council Officers by appointment.

The public notice invites submissions to be made to Council under Section 223 of the Act. This Section also gives those making submissions the right to speak to their submission before a sub-committee of Council. The legislation also requires Council to formally respond to any submissions in writing and to provide reasons for such response. The timetable provided above incorporates this community consultation process.

Appendix B - Statutory Disclosures

This appendix lists the items that must be included in Council's annual budget in order for it to comply with the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

Under Section 127 of the Local Government Act 1989, Council must prepare a budget for the financial year and ensure that the budget contains information as detailed in the Act and the Local Government (Planning and Reporting) Regulations 2014. The Regulations, supporting the Act also specify further information to be included in the Budget. The following tables provides where in this document information is available to the reader.

Requirement		Act & Regulations	Budget Document Reference
1.	Financial statements (income statement, balance sheet, changes in equity, cash flows, capital works) in the form set out in the Local Government Model Financial Report	Section 127(2)(a) Regulation 9	Section 5
2.	Services and initiatives to be funded in the budget	Section 127(2)(b)	Section 2
3.	Statement as to how the services and initiatives will contribute to achieving the strategic objectives specified in the Council Plan	Section 127(2)(c)	Section 2
4.	Major initiatives, being initiatives identified by Council as priorities, to be undertaken during the financial year	Section 127(2)(d)	Section 2
5.	For services to be funded in the budget, the prescribed indicators of service performance that are required to be reported against in the performance statement, and the prescribed measures relating to those indicators	Section 127(2)(da)-(db)	Section 2
6.	Details of the rates to be declared	Section 158(1)	Section 6
7.	Details of differential rates	Section 161(2)	Section 6
8.	A detailed list of capital works expenditure in relation to non-current assets classified in accordance with the model statement of capital works in the Local Government Model Financial Report, and set out according to asset expenditure type	Regulation 10(1)(a)	Section 6
9.	A summary of the funding sources in relation to the capital works expenditure, classified separately as to grants, contributions, Council cash and borrowings	Regulation 10(1)(b)	Section 6
10.	A statement of human resources	Regulation 10(1)(c)	Section 5
11.	A summary of human resources expenditure and the number of full time equivalent Council employees referred to in the statement of human resources, categorised according to the organisational structure of the Council and classified separately as to permanent full time or permanent part time	Regulation 10(1)(d-e)	Section 5
12.	A list of grants by type and source, classified as recurrent grants to be used to fund operation expenditure and capital expenditure, and non-recurrent grants to be used to fund operation and capital expenditure	Regulation 10(1)(f)	Section 6
13.	Total amount borrowed as at 30 June of the financial year compared with the previous financial year	Regulation 10(1)(g)	Section 6
14.	Total amount to be borrowed during the financial year compared with the previous financial year	Regulation 10(1)(h)(i)	Section 6
15.	Total amount projected to be redeemed during the financial year compared with the previous financial year	Regulation 10(1)(i)	Section 6
16.	Rate in the dollar for each type or class of land	Regulation 10(2)(a)	Section 6
17.	Percentage change in the rate in the dollar for each class or type of land compared with the previous year	Regulation 10(2)(b)	Section 6
18.	Estimated amount to be raised by general rates in relation to each type of class of land compared with the previous financial year	Regulation 10(2)(c)	Section 6
19.	Estimated total amount to be raised by general rates compared with the previous financial year	Regulation 10(2)(d)	Section 6
20.	Number of assessments for each class or type of land compared with the previous financial year	Regulation 10(2)(e)	Section 6

Requirement		Act & Regulations	Budget Document Reference
21.	Number of assessments compared with the previous financial year	Regulation 10(2)(f)	Section 6
22.	Basis of valuation to be used	Regulation 10(2)(g)	Section 6
23.	Estimated value of each type or class of land compared with the previous financial year	Regulation 10(2)(h)	Section 6
24.	Estimated total value of land rated compared with the previous financial year	Regulation 10(2)(i)	Section 6
25.	Municipal charge compared with the previous financial year	Regulation 10(2)(j)	Not Applicable
26.	Percentage change in the municipal charge compared with the previous financial year	Regulation 10(2)(k)	Not Applicable
27.	Estimated amount to be raised by municipal charges compared with the previous financial year	Regulation 10(2)(l)	Not Applicable
28.	Rate or unit amount to be levied for each type of service rate or charge compared with the previous financial year	Regulation 10(2)(m)	Section 6
29.	Percentage change for each type of service rate or charge compared with the previous financial year	Regulation 10(2)(n)	Section 6
30.	Estimated amount to be raised by each type of service rate or charge compared with the previous financial year	Regulation 10(2)(o)	Section 6
31.	Estimated total amount to be raised by service rates and charges compared with the previous financial year	Regulation 10(2)(p)	Section 6
32.	Estimated total amount to be raised by all rates and charges compared with the previous financial year	Regulation 10(2)(q)	Section 6
33.	Any significant changes that may affect the estimated amounts referred to in Regulation 10(2)	Regulation 10(2)(r)	Section 6
34.	Councils applying to the Essential Services Commission for a rates variation must meet disclosure requirements	Local Government Amendment (Fair Go Rates) Act 2015	Not Applicable

To contact Council telephone 1300 88 22 33
visit our website at: www.maroondah.vic.gov.au
or call in to one of our service centres:

City Offices Service Centre
Braeside Avenue
Ringwood

Realm Service Centre
Maroondah Highway
Ringwood

Croydon Service Centre
Civic Square
Croydon

Translating and Interpreter Service
13 14 50

National Relay Service (NRS)
13 36 77

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